

# NYK Report 2025

Nippon Yusen Kabushiki Kaisha Integrated Report 2025





# For 140 years, we have made it our mission to enrich people’s lives. Today, we are evolving into a corporate group that co-creates value required for the future

NYK celebrates its 140th anniversary in October 2025.

Ever since NYK was founded in 1885 through the merger of Yubin Kisen Mitsubishi Kaisha and Kyodo Unyu Kaisha, it has walked side by side with the history of Japan as a maritime nation. Today, 140 years later, 99.6% of Japan’s trade depends on maritime shipping. And, the NYK Group has evolved into a comprehensive global logistics enterprise that connects the world by not only the sea, but also land and air. Going forward, we will lead the maritime shipping industry’s transition to low-carbon and decarbonized operations and support the sustainable growth of humanity and the planet as we continue our mission of enriching people’s lives.



## Milestones in Our Story



1885

### Founding

#### Opening Japan’s door to trade

Our founding symbolized Japan’s emergence as an international trading nation. In 1893, we opened the door of the Japanese economy and industry to the world with the launch of the country’s first-ever long-distance liner service, on a route to India.



1959

### Launch of our first crude oil tanker, Tamba Maru

#### Becoming a leader in energy transportation

Seeking to support Japan’s rapid economic growth, we began full-scale transport of crude oil using large tankers. In 1983, we began transporting LNG with the launch of our first LNG carrier, Echigo Maru. This helped build the foundation for the stable supply of energy to Japan.



1970

### Launch of our first pure car carrier, Jintsu Maru

#### Supporting Japan as a major exporter

We added pure car carriers to our fleet to support to accommodate Japan’s expanding auto exports, delivering the competitive power of made-in-Japan quality around the world.



1986

### Setting in motion NYK21, our first medium-term management vision

#### Transformation into comprehensive global logistics enterprise

Our formulation of the medium-term management vision NYK21 marked the beginning of full-scale efforts to go beyond maritime shipping and offer land and air services as well. This laid the foundation for our growth into a comprehensive global logistics enterprise.



2015

### Launch of Japan’s first LNG-fueled tugboat, Sakigake

#### Leading the way in low-carbon and decarbonization

We launched Sakigake as Japan’s first LNG-fueled tugboat. In 2024, we converted it into an ammonia-fueled tugboat, making it the world’s first commercial vessel to be powered with ammonia. We are now taking other actions to lead the low-carbon and decarbonized maritime shipping.

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## NYK Group Mission Statement

### Purpose & Social Mission

# Bringing value to life.

The NYK Group's Purpose & Social Mission — Our purpose is to support people's lives with logistics as a form of infrastructure, and create value for the future for all life on this planet and for the environment. We seek to go beyond the transport of goods and be a force that provides value to the economy, society, and each person's everyday life. This aspiration is embodied in the message "Bringing value to life." And, it draws its spirit from the words of Yataro Iwasaki (the founder of the Mitsubishi Group) around the time of our founding in the late 19th century: "If we float a ship, it will bring more value to the world, and the benefits will fall on the heads of all the people."\*

The essence of the value provided by logistics is exactly the same today as it was back then.

\*Paraphrased translation by NYK.

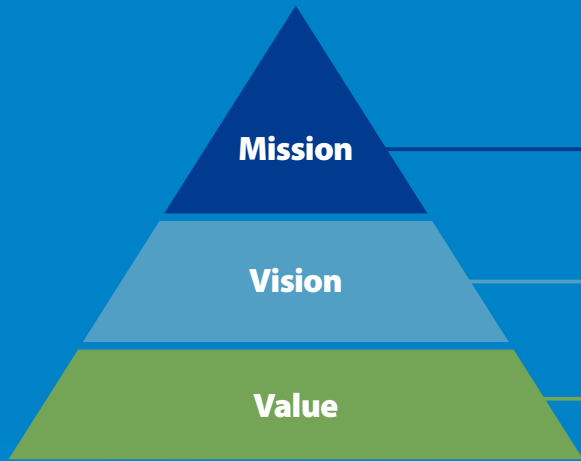
### Our Target State

We go beyond the scope of a comprehensive global logistics enterprise to co-create value required for the future by advancing our core business and growing new ones

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Value: The values employees should hold in common to achieve the corporate mission

*Integrity | Innovation | Intensity*



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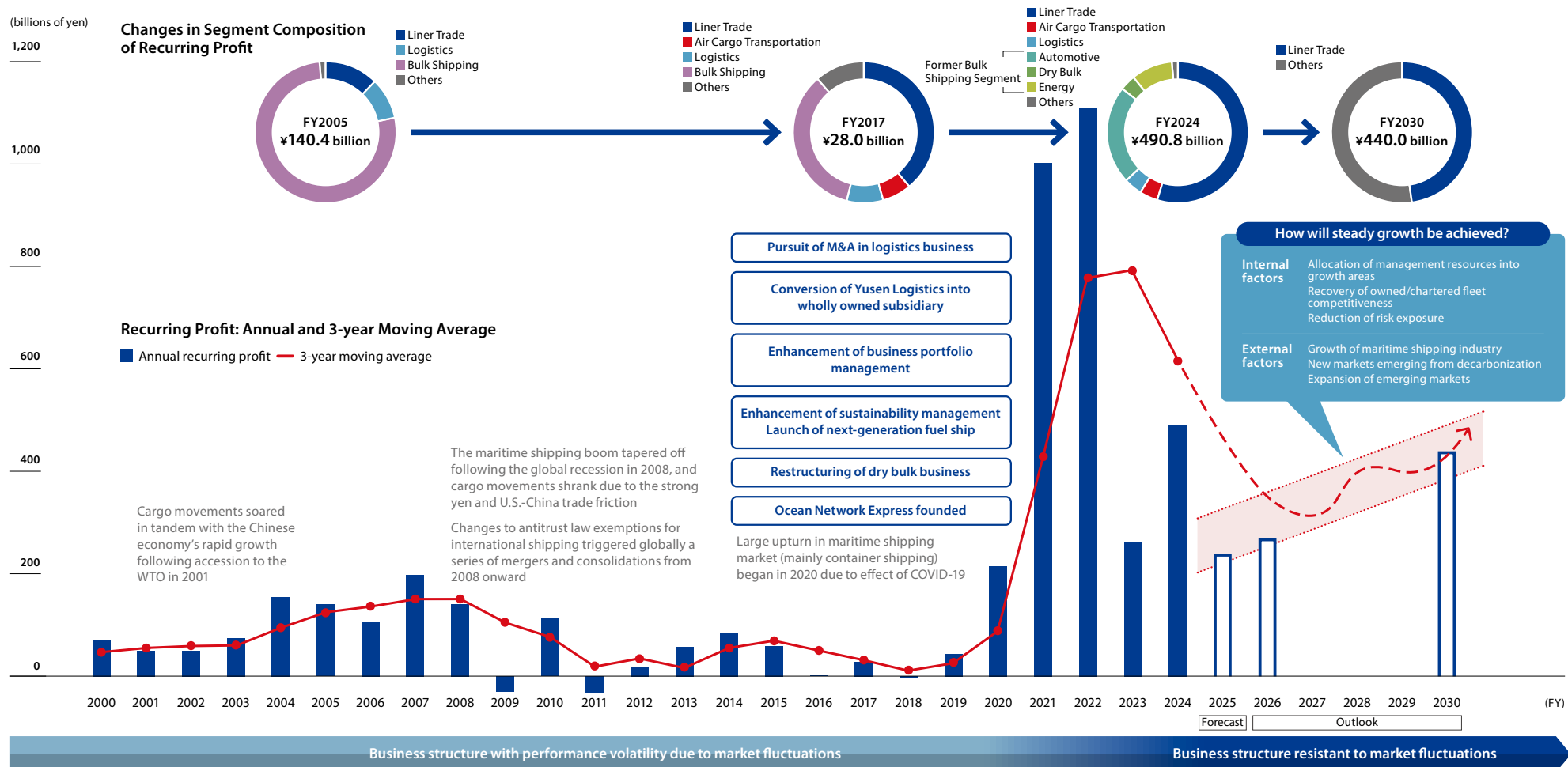
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Transformational Achievements

# A Business Model for Realizing Steady Growth and Stable Profits While Operating in the Maritime Shipping Market's Unique Fluctuation Cycle

As an enterprise operating in a volatile market, the NYK Group's business performance experienced large swings over the years due to market ups and downs. However, the Group is taking action to transform into a corporate structure that can ensure recurring profit of 200 to 300 billion yen even in market downturns. Specifically, it is building a system for continuously generating consistent profits through measures such as realigning the business portfolio, expanding the ratio of long-term contracts, and overhauling the cost structure. Moreover, the Group has constructed a firm financial foundation that enables it to build up profits and make growth investments while providing shareholder returns, without missing out on the favorable opportunities presented by the maritime shipping market in recent years.



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## Where We Stand Now

While many other major maritime shipping companies are narrowing their shipping operations to a specific segment, the NYK Group has built up a world-class fleet size and competitiveness in the container, automotive, dry bulk, and LNG Carrier markets, and has further reinforced its competitiveness through Ocean Network Express Pte. Ltd., an integrated platform combining the container shipping business of Japan's three largest shipping companies. In doing so, the Group has acquired a unique advantage that is not easily affected by the impact of market fluctuations.

Market Capitalization of International Shipping Companies Based on March 31, 2025 closing price			Container Ships As of April 30, 2025			Pure Car and Truck Carriers As of Dec. 31, 2024			Bulk Carriers As of Jan. 1, 2025			LNG Carriers As of March 31, 2025	
Rank	Company (Headquarters)	Market Cap (US\$ bln, approx.)	Company (Headquarters)	Number of Vessels Operated	Est. Total Capacity (TEU)	Company (Headquarters)	Number of Vessels Operated	Total Capacity (CEU)	Company (Headquarters)	Number of Vessels Owned	Total Tonnage (1,000 DWT)	Company (Headquarters)	Number of Vessels Involved
1	A. P. Moller-Maersk (Denmark)	26.95	Mediterranean Shipping Company (Switzerland)	893	6,502,429	Nippon Yusen Kabushiki Kaisha (Japan)	114	699,676	China COSCO Shipping (China)	318	35,899	Mitsui O.S.K. Lines (Japan)	107
2	Hapag-Lloyd (Germany)	26.50	A. P. Moller-Maersk (Denmark)	728	4,496,253	Wallenius Wilhelmsen (Norway)	111 *1	752,488	Nippon Yusen Kabushiki Kaisha (Japan)	197	22,213	Nippon Yusen Kabushiki Kaisha (Japan)	89
3	COSCO Shipping Holdings (China)	25.11	CMA CGM (France)	643	3,892,371	Mitsui O.S.K. Lines (Japan)	88	542,459	Fredriksen Group (Cyprus)	107	15,128	Nakilat (Qatar)	69
4	Evergreen Marine (Taiwan)	14.38	COSCO Shipping Lines (China)	460	3,286,613	Kawasaki Kisen Kaisha (Japan)	85	523,808	Star Bulk Carriers (Greece)	151	14,613	Seapeak (Singapore)	50
5	Nippon Yusen Kabushiki Kaisha (Japan)	14.23	Hapag-Lloyd (Germany)	307	2,376,546	Hyundai Glovis (South Korea)	82	538,840	Berge Bulk (Singapore)	69	13,091	Maran Gas Maritime (Greece)	47
6	Mitsui O.S.K. Lines (Japan)	12.09	Ocean Network Express (Singapore)	261	2,005,871	Höegh Autoliners (Norway)	37	263,315	Mitsui O.S.K. Lines (Japan)	126	12,588	Kawasaki Kisen Kaisha (Japan)	46

Source: Created by NYK using March 31, 2025 closing price data from Bloomberg | Source: Created by NYK using data from MDS, S&P Global and various reports | Source: Created by NYK using data from Hesnes Shipping AS, "The Car Carrier Market 2024" \*2 | Source: Created by NYK using data from Clarksons database | Source: Created by NYK using calculations based on data from the companies' websites \*3

\*1 Including the number of vessels owned by EUKOR, a subsidiary of the group. \*2 Ranking of pure car and truck carriers with a capacity of 3,000 or more vehicles. \*3 An LNG carrier with multiple owners is counted as one vessel in the data of each owner, regardless of the size of the stake. The number of vessels owned includes vessels not owned but managed by the company.

## Major External ESG Ratings

NYK has been continuously selected for inclusion in major ESG investment indices such as the FTSE4Good Index Series and MSCI, and is also included in all six ESG investment indices of Japanese equities used by the General Pension Investment Fund (GPIF). The Company has received highest ratings in CDP's climate change category and Supplier Engagement Assessment in each of the past five years, demonstrating its position as one of the maritime shipping industry's ESG leaders.

 <p>Selected for globally leading ESG investment index FTSE4Good Index Series for 23 consecutive years</p>	 <p>Selected as a constituent of the MSCI Nihonkabu ESG Select Leaders Index</p>	 <p>Selected for all six ESG indices of Japanese equities used by the GPIF</p>	 <p>Selected for CDP's A List (highest grouping) in climate change for five consecutive years</p>	 <p>Selected as a Supplier Engagement Leader, the highest tier of CDP's Supplier Engagement Assessment, for five consecutive years</p>	 <p>Selected as a Digital Transformation Stock for 2025 (DX Stock 2025), run by the Tokyo Stock Exchange and the Information-technology Promotion Agency, Japan</p>
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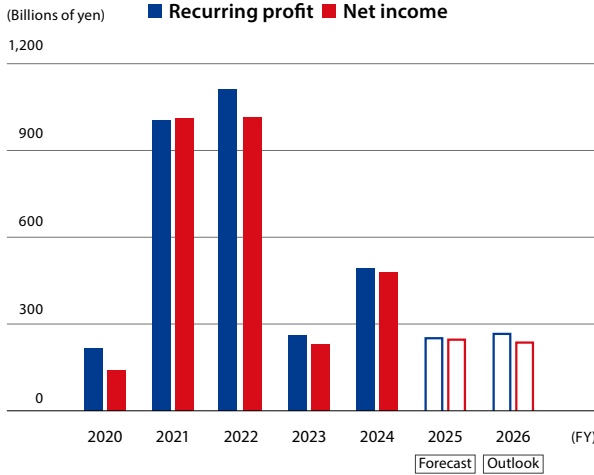
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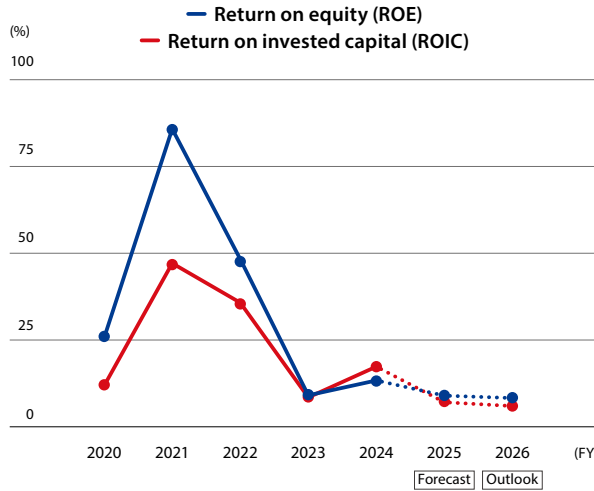
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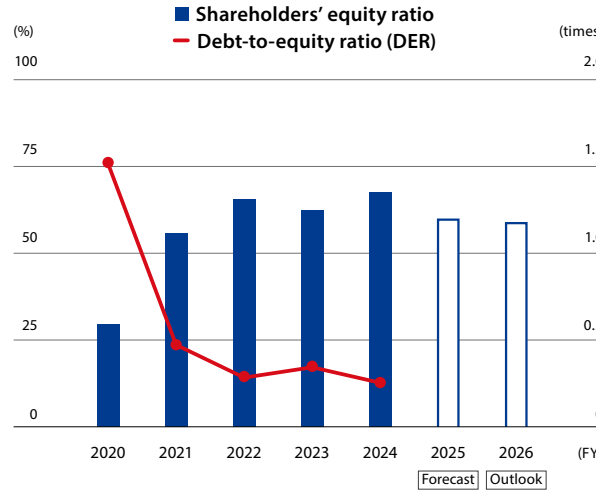
Profit Structure



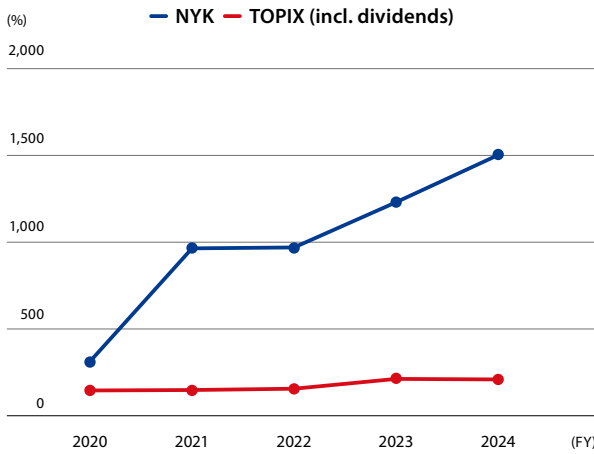
Capital Efficiency



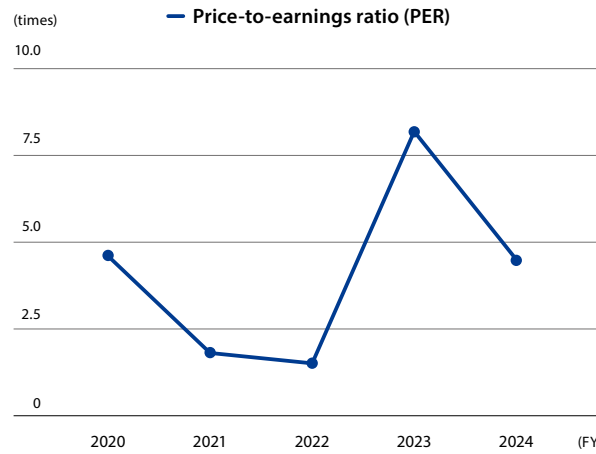
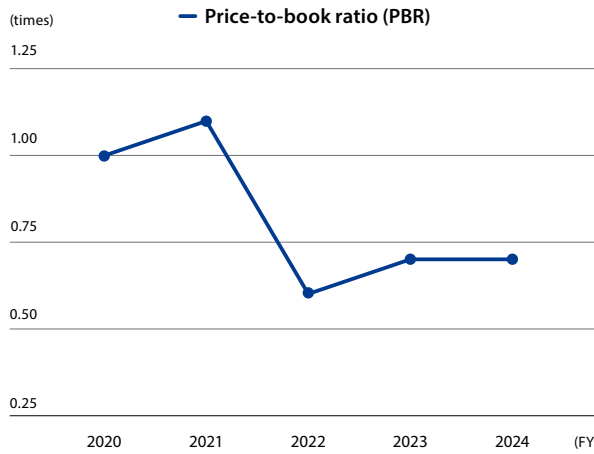
Financial Soundness



Total Shareholder Return (TSR)



Shareholder Value



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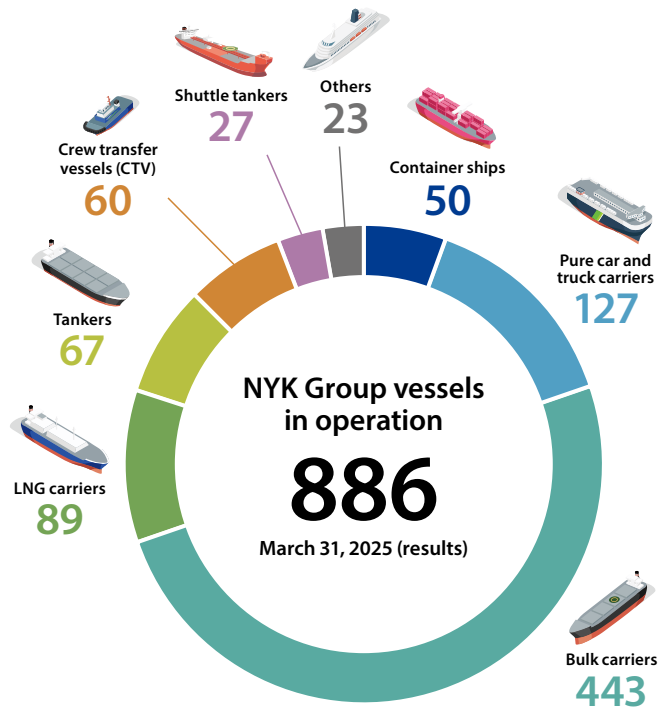
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NYK Group Vessels in Operation

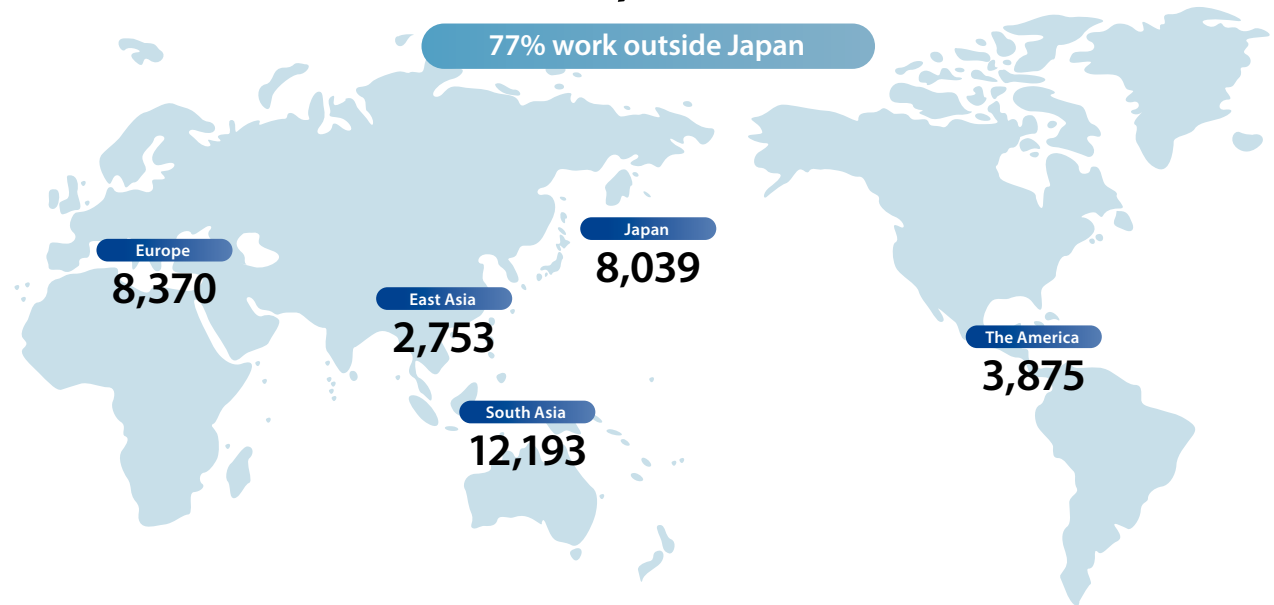
NYK Group Employees (end of FY2024)



Total Number of Employees by Region (155 companies)

**35,230**

77% work outside Japan



Adoption of Vessels Powered by Alternative Fuel (consolidated)

Low-Carbon Fuel Usage Rate FY2024

**9.5%**

(FY2030 target: 38%)

Number of Alternative Fuel Vessels Introduced FY2024 (Cumulative)

**26**

(FY2030 target: 51)

Number of Major Accidents

FY2024

**0**

DX and R&D Investments\*

FY2024

**¥7.78 billion**

\*DX: NYK only; R&D: consolidated

Number of Patents

End of FY2024 (cumulative)

**228**

Women Manager Ratio (consolidated)\*

End of FY2024

**26.3%**

\*Managers or higher

Total Number of Non-Japanese Seafarers

End of FY2024

**12,279**



# 6 Key Messages of NYK Report 2025

**1 Transforming into a Corporate Structure Resistant to Market Fluctuations** We are retooling management and realigning our business portfolio to transform into a corporate structure capable of flexibly weathering market fluctuations. This includes strengthening our core business to achieve an earning power of 200 to 300 billion yen in recurring profit. This report explains the background and factors of our transformation.

**2 Maritime Shipping is a Growth Industry** We believe that maritime shipping is a growth industry. Logistics demand is expected to rise over the medium- to long-term with the expansion of the populations and economies of emerging countries. This report presents our outlook for the maritime shipping market’s growth potential, backed with supporting data.

**3 Building a Unique Position as a Comprehensive Global Logistics Enterprise** We operate a global logistics network that is centered on maritime shipping and also includes overland and air transport. Leveraging our integrated system spanning from procurement logistics to warehouse management and transport/delivery, we demonstrate strong capabilities in handling precision machinery, medical equipment, and other freight requiring sophisticated service. Unlike many major shipping companies that focus on container transport only, we boast a diverse lineup of logistics businesses, including automotive, dry bulk, and energy transportation. Utilizing our advanced logistics functions and the large scale and diversity of our maritime shipping operations, we are building a unique position resistant to market fluctuations.

**4 Realizing Better Capital Efficiency through Management Reforms** We are implementing an ROIC (return on invested capital)-focused management approach through reforms for improving capital efficiency. We are sustainably enhancing our corporate value by pursuing selective investment and business portfolio optimization in each business to strike a better balance between profitability and capital efficiency.

**5 Achieving High TSR (Total Shareholder Return)** Our TSR is outperforming the TOPIX average. We were able to raise the annual minimum dividend to 200 yen per share through capital efficiency improvements, and are making efforts to proactively provide shareholder returns, including the acquisition of own shares.

**6 Implementing Functional Strategies (CX/DX/EX) and Corporate Governance** We are working to increase our corporate value while also contributing to the realization of a sustainable society. Our actions include making decarbonization investments and disclosures, ensuring safe operation of our vessels, implementing site-led improvements driven by human resource strategies and DX, and providing transparent and high-quality information disclosures. These efforts have earned high ratings in all domains of ESG (environment, social, and governance) initiatives, and NYK has been continuously selected for major ESG indices such as MSCI and FTSE.

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 **Sustainability**



 **Investor Relations**

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## Editorial Policy

### We pursue long-term engagement with institutional investors

*NYK Report 2025* was compiled based on a review of the functions of the various publications issued by the Company. It is intended to serve as a tool for communicating the Company's path toward medium- to long-term enhancement of its corporate value to primarily investors who take a long-range perspective.

The report has been structured to present the Company's strategies as a single story. Instead of using the traditional value creation process chart, the report incorporates a new visualization approach that structurally presents the strategies of the Medium-Term Management Plan "Sail Green, Drive Transformations 2026 - A Passion for Planetary Wellbeing" and the key actions based on them in the form of a logic tree under "The Path to Creating Corporate Value."

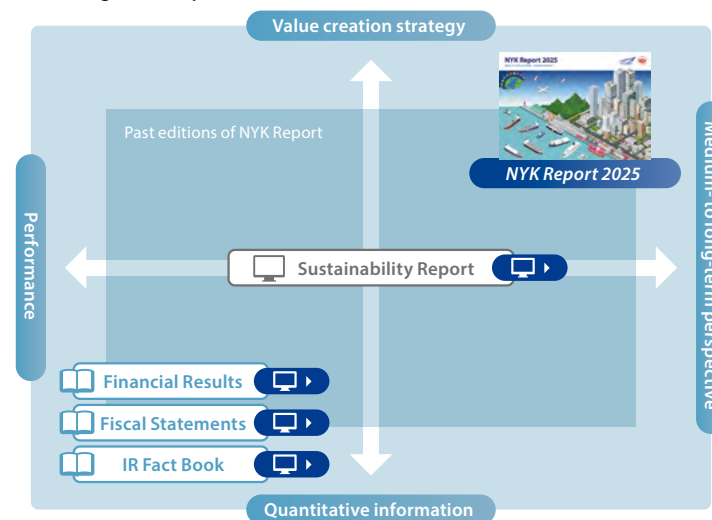
**2026 Medium-Term Management Plan**  
[https://www.nyk.com/english/ir/manage/plan/pdf/sail\\_green\\_2026.pdf](https://www.nyk.com/english/ir/manage/plan/pdf/sail_green_2026.pdf)

Logic tree **P.19**

The pages feature a compact design to facilitate viewing on digital devices, and hyperlinks to other portions of the report and to other resources have been added to allow smooth access to necessary information that could not be included in the limited space of this report.

We hope that this report will foster deeper engagement with our stakeholders. The opinions and other feedback that we receive will be used to guide the Company's management and improve the next edition of the report.

### Positioning of *NYK Report 2025*



### Cautionary Statement with Regard to Forward-Looking Statements

Some statements made in this report are forward-looking statements that are based on information currently available and involve certain risks and uncertainties that could cause actual results to differ materially from those projected. Please be advised against undue reliance on such forward-looking statements. NYK undertakes no obligation to publish revised forward-looking statements to reflect events, circumstances, or unanticipated events after the present juncture.

#### Scope of Report

**Reporting period** Fiscal 2024 (April 2024 to March 2025). However, certain information from April 2025 and after is included.

**Coverage** The activities of NYK and its consolidated Group companies in Japan and overseas are included. The scope of coverage is indicated when there are differences in the major companies involved in specific business operations.

**Date of issue** November 2025 (previous: October 2024)  
(Edited based on the Japanese version of *NYK Report 2025* issued in September 2025)

#### Reference Guidelines Used for *NYK Report 2025*

- IFRS Foundation Integrated Reporting Framework
- GRI Standards, global standards for sustainability reporting produced by the Global Reporting Initiative (GRI)
- ISO 26000
- Guidance for Integrated Corporate Disclosure and Company-Investor Dialogue for Collaborative Value Creation, Japan's Ministry of Economy, Trade and Industry
- Society 5.0—Co-Creating the Future, Japan Business Federation (Keidanren)



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CEO Message

**We will enhance our corporate value by evolving into an agile organization that adeptly navigates market fluctuations**

Takaya Soga

President, Representative Director,  
President and Chief Executive Officer,  
Group Chief Executive Officer



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## We have tremendously improved the quality of our earnings

Fiscal 2025 is the third year of the current Medium-Term Management Plan, “Sail Green, Drive Transformations 2026 - A Passion for Planetary Wellbeing” (fiscal 2023–2026). We have reached the halfway point, and in general, the plan’s key actions have progressed more steadily than expected, placing us at about 65% of the way to our goals. In particular, our fuel conversion efforts for reducing environmental impact and our DX initiatives are producing results ahead of schedule. This progress is epitomized by our completion of the world’s first commercial ammonia-fueled tugboat in August 2024, the expansion of our LNG carrier fleet, and the deployment of a ship status monitoring and preventive maintenance system that uses operational IoT data. Meanwhile, our DX initiatives

have earned high marks from external organizations, including our selection for the past three years in a row as a “DX Stock” by Japan’s Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange. However, this is not a time to rest on our laurels—instead, we need to further accelerate our efforts, and thus will continue investing in initiatives such as automation and data-driven management that integrates diverse data.

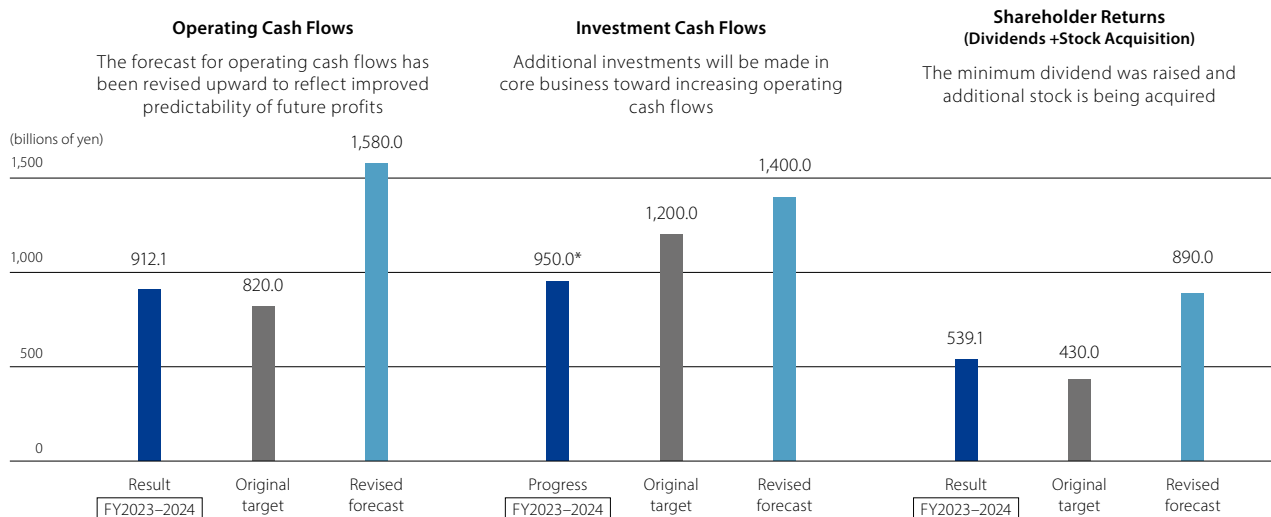
Looking back at fiscal 2024, all businesses performed strongly for the most part, buoyed in part by an increase in containership freight rates that stemmed from factors such as tight shipping capacity supply and demand due to the situation in the Red Sea. As a result, we generated net income totaling 477.7 billion yen (up 109% year on year) and an ROIC of 13.2%, which greatly surpassed the fiscal 2030 goal of 6.5%. In addition to the effect of favorable conditions in our external environment, this success was also the result of the management reforms we have implemented over the years,

including restructuring the container shipping business and other businesses, advancing risk management for the dry bulk business, growing the logistics business, and establishing a firm financial standing. I truly believe that, despite the impact of market conditions, the quality of our earnings has steadily improved and we have transformed to a corporate structure that flexibly surmounts market fluctuations.

Turning to the forecast for fiscal 2025, we will inevitably need to adjust freight rate levels due to the falling off of special factors, an increase in shipping capacity from the delivery of new vessels ordered during favorable shipping market conditions, and other factors, and this will exert a certain amount of downward pressure on earnings. However, we anticipate that each business division’s efforts and operational management will enable us to secure solid profits. Going forward, we will take a management approach that focuses on stable long-term growth without overreacting to each fluctuation in market conditions. Given such structural improvements and the expectation that profits will be reliably generated, NYK has decided to revise its capital policy. Seeking to improve our capital efficiency as called for by the Medium-Term Management Plan, we have acquired roughly 330 billion yen in treasury stock since fiscal 2023. We are now carrying out an additional round of share buybacks that is capped at 150 billion yen and will be completed by the end of April 2026.

At the same time, we have raised the target consolidated dividend payout ratio from 30% to 40%, and doubled the minimum dividend per share from 100 yen to 200 yen. This reflects not only the strengthening of our financial standing but also the confidence gained from the improved predictability of medium-term performance. It also embodies our aspiration to separate the risks of holding shares of NYK from the risks of fluctuations in maritime shipping market and short-term business performance so that our shareholders will be encouraged to maintain their holdings over the long term. The decision on this policy shift was based on dialogue with investors and analysts around the world, and subsequent extensive discussions with outside directors.

### NYK has reached the halfway point of the Medium-Term Management Plan and achieved 65% progress toward the plan’s targets



\*As of the end of fiscal 2024, approx. JPY950 billion worth of investment projects were authorized for launch during the period of the current Medium-Term Management Plan.



## We have revised upward the earnings outlook for fiscal 2030

We have revised upward the outlook for net income in fiscal 2030 from 310 billion yen to 400 billion yen. The outlook as initially set in the Medium-Term Management Plan was based on assumptions at the time. The decision to revise it was based on our performance in fiscal 2023 and 2024, and on the more positive numerical results of a simulation that reflected a qualitative evolution. Our higher confidence in future earnings stems from the improved predictability in management that we have gained from our efforts in the past two to three years to enhance our approaches for minimizing the impact of market volatility on business performance. In the automotive business, we began in 2020 the full-scale implementation of a system for ordering new environmentally friendly LNG-fueled vessels on a regular, fixed-quantity basis, coordinating with customers regarding the outlook for future demand.

Using this approach, we are seeking to achieve growth while controlling risk by aligning new ship investments with actual demand without being swayed by conditions in the shipbuilding market and by charging appropriate freight rates. Since around 2018, we have carried out business structural reforms in the dry bulk business by liquidating unprofitable ship operations where charter costs outweighed freight rates. In the past we ordered many ships to accommodate special demand in China, but subsequently the market sharply declined, tightly squeezing our profits. Taking a lesson from that bitter experience, we have shifted to a system of decision-making based on neutral, objective indicators. We are also increasing the sophistication of fleet management to be able to deal with volatile conditions in the market. In particular, we have taken steps to optimize our market exposure by aligning fleet scale with actual demand,



limiting the percentage of charter contracts in which risk is taken on in anticipation of market upswings. These initiatives have greatly advanced over the past five years, and are now important pillars that support the stability of our earnings.

When necessary, we use forward freight agreement to hedge against revenue fluctuation risks. In fiscal 2024, we adopted value at risk (VaR) on a trial basis as a monitoring indicator for quantitatively and multidimensionally analyzing revenue fluctuation risks from various angles, and put it into full operation in fiscal 2025. By combining an objective measure like VaR with the intuitive market sense that we have cultivated in day-to-day operations, we have created a system that keeps investment caps and hedge ratios in line with acceptable risk levels, thus supporting optimal risk taking in business operations. As a result of these measures, we have enhanced the predictability of how well we can solidly attain returns in the dry bulk business, one of our core businesses, while also firmly improving our financial standing. This has allowed us to steadily boost investment in LNG and LPG carriers, with the medium-term management plan's original business investment outlay of 1.2 trillion yen up through fiscal 2026 rising to 1.4 trillion yen. We are certain that these investments will become a foundation for our growth toward 2030.

As for our liner trade business, the launch of Ocean Network Express Pte. Ltd. (ONE) in 2017 through the integration of our container shipping business with those of two other industry players was made possible at a time of broad realignment of the industry because the top



management of the three companies forged a shared vision and mutually respected the best practices of one another. While the shift to larger containerships has lowered the slot cost per container, it has also raised the operational cost per vessel. The result is a paradigm shift that helps to stabilize business performance because there is an incentive to idle containerships when freight rates fall with a decline in cargo volume. The investment plan, as outlined in ONE 2030, aims to maintain the fleet capacity at an internationally competitive level of 3 million TEUs.

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## We will lead the world in sustainability management

We believe that environmental, social, and governance (ESG) initiatives should be implemented not as three separate pursuits but as an integrated approach to improving our corporate value. For this reason, we reorganized our ESG Strategy Headquarters into the Sustainability & Transformation Headquarters to place sustainability at the core of management.

The most important part of sustainability management is to become a company that earns unwavering trust from society. To accomplish this, we will ensure that both management and employees share high ethical standards, and that transparency is constantly maintained in all our systems. At the same time, we will develop our organization

into one that enables diverse individuals to autonomously demonstrate their strengths so that we can harness diversity as a wellspring of corporate value.

The key to decarbonizing maritime shipping is fuel conversion. We believe that the greatest decarbonizing effect comes from conventional fuel oil-burning to engines capable of using alternative fuels, which significantly reduce greenhouse gas (GHG) emissions. In addition to helping to protect the environment, this can also directly strengthen our competitiveness with its differentiating effect, and thus is a very important subject for us.

In 2020, we began operating Japan's first LNG-fueled car carrier, opening the door for LNG-fueled vessels to grow into an industry standard. We are also a global leader in the development of ammonia-fueled ships. Our demonstration testing of Sakigake, the world's first commercial ammonia-powered tugboat, revealed the potential to reduce GHG

emissions by up to around 90%, and did not find any significant safety issues. We have also determined that nearly all technical barriers to practical deployment have been eliminated.

LNG fuel already enables a roughly 30% reduction in CO<sub>2</sub> emissions, but switching to ammonia fuel can realize even greater GHG cutbacks. We are pursuing this project under the premise that ammonia will become mass-producible worldwide and that there is still much leeway for lowering its price. Of course, all assumptions come with risks. If ammonia cannot be mass-produced extensively, its price will not fall, and without sufficient demand to support it, the construction of ammonia supply infrastructure will stall. Consequently, it is vital that we reach out across the industry and spread our conviction that ammonia is "the next big thing." The creation of demand for ammonia, including its use in power generation and industrial applications, is integral to the effort to establish ammonia supply chains.

NYK's ammonia-fueled ammonia gas carrier, scheduled for completion in 2026 (Image)



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When we began introducing LNG-fueled vessels, we led the way in publishing the test data needed to help convince the market to shift to LNG as a fuel. We will do the same with ammonia, leveraging early adoption and data publishing to encourage shipbuilders and fuel suppliers to get on board, and thus lay out a clear-cut path toward ammonia transition.

### We will evolve the frontline through DX and achieve transformation

In addition to switching to alternative fuels, digital transformation (DX) is another indispensable driver of our business transformation. To simultaneously promote talent diversity, reinforce a safety culture, and expand our businesses, we must evolve the way we work. The key to this is pursuing three elements that I believe are crucial: data, a communication environment, and AI.

Advances in communication technology have enabled the development of an environment in which shipboard data can be transmitted in real time to sites on land. This, combined with AI, begins converting data into value. The central function for this is status monitoring. For example, sensors can be used to constantly acquire data on potential issues such as engine problems or fuel system pressure fluctuations. Then, AI can be employed to detect signs of trouble in that data and issue alerts to the crew and sites on land. As a result, ship operations can shift from experience-dependent troubleshooting to preventive maintenance. Such use of technology is also steadily reducing the incidence of accidents and near misses.

Safety is our top priority. This is why we consider safety to be the first domain where we need to advance DX.

We will link our endeavors in this area with future research and practical development of autonomous ships and labor-saving solutions. Transitioning to a system where AI takes over certain shipboard monitoring and inspection

functions for constant monitoring by a control center on land will enable crews to engage in more sophisticated decision-making and focus more closely on safety-related duties. My credo is “Let machines handle what they can handle so that people can concentrate on generating value.” We will implement this ideal in the operating site to achieve concrete results.

### We will strive to create new value

New energy resources represent new growth opportunities. One big challenge for NYK going forward is to lay the groundwork for responding to future demand for ammonia, hydrogen, and CO<sub>2</sub> transportation—including developing technologies for safe transport, securing the necessary human and ship resources, and exploring the potential for automation—while continuing to capture the expected rise in LNG transportation demand.

Another endeavor that I want us to focus on is realizing a circular economy that utilizes our Group’s technologies and assets. One avenue for this is ship recycling, which would enable new ships to be constructed with steel manufactured from recovered high-quality ship plates using low-carbon electric furnaces. We will further support the development of a circular-economy-based society through our space-

related business, specifically a project selected for the Japan Aerospace Exploration Agency’s (JAXA) Space Strategy Fund that involves using ships for applications such as offshore rocket launches and recovery of reusable rockets. Here, we will utilize our Group’s insights and experience to exploit a technology unique to ship operation, dynamic positioning systems. We will take on these challenges as growing opportunities that help to advance decarbonization and realize a circular economy.

The value required by people evolves with changes in society. I want us to increase the NYK Group’s corporate value by continuously transforming ourselves so that we will be able to reliably answer tomorrow’s needs with goods and services that we provide as a normal part of everyday life, and by creating new value that contributes to the realization of a circular economy.



Remote Diagnostic Center (RDC) at Philippines



Sustainability



Investor Relations



**My Key Messages as CEO**

- NYK is evolving into a growth company resilient to market fluctuations
- We have achieved 65% of the Medium-Term Management Plan at its halfway point
- We are enhancing the quality of our earnings
- We have revised upward the outlook for net income in fiscal 2030 from 310 billion yen to 400 billion yen
- We are leading the world in the shift to fuels with low environmental impact
- We are accelerating our highly rated DX initiatives
- We are boosting shareholder returns through dividends and stock acquisition
- We raised the minimum dividend from per share 100 yen to 200 yen to encourage long-term holding of Company shares
- The effectiveness of the Board of Directors is being increased through lively discussions
- We are committed to enhancing our corporate value by “Bringing value to life.”

**We will continue enhancing our corporate value by “Bringing value to life.”**

In the 140 years since its founding, the NYK Group has been a pillar of Japanese trade and logistics, connected countries worldwide, and supported the lifestyles and industries of many countries. Moreover, we have gone beyond simply transporting goods by striving to “reliably deliver what’s needed now to where it’s needed.” Through our day-to-day operations we have sustained people’s lifestyles and cultures, and the supply chains that support them. I see this as the very essence of our mission of “Bringing value to life” and the responsibility that we should fulfill to society. Our creation of value does not end with the provision of marine and inland transportation as forms of infrastructure. For example, the overseas expansion of Yusen Logistics Co.,

LTD. contributes to local employment and the creation of new industrial opportunities. And, in our B to C offerings, the cruise business that we operate under the Asuka brand provides society with enriching moments in the form of extraordinary experiences and excitement. I firmly believe that these two aspects—the “backbone” services that increase the value of comprehensive global logistics and the “vibrancy” services that stir the heart—are what really expands the scope of the value created by our Group.

Our corporate value cannot be enhanced without taking action to evolve our corporate governance. Two years have passed since we transitioned from a company with an audit & supervisory board to a company with an audit & supervisory committee. In that time, the monitoring function and effectiveness of the Board of Directors have grown tremendously. The Board’s exchanges through briefing sessions, directors’ retreats, and other modes

of meaningful dialogue outside of formal meetings are creating opportunities for in-depth discussion of the essence of our businesses and the management issues we face. I truly feel that frequent constructive dialogue with outside directors is paying off with positive results, particularly in regard to decision-making surrounding capital policy, growth investments, and shareholder returns.

In this time of turbulent change, we must constantly sustain the flow of goods and services, lead the transition to the forms of energy and resources demanded by society, and provide new value as we strive to realize sustainable growth. This is our mission. The NYK Group will continue building a path to the future for society, the planet, and people by sincerely taking on the dual challenge of sustainably growing profits and solving social issues.

Please look forward to the future of the NYK Group.



## Our Vision towards 2030

# Going beyond the Scope of a Comprehensive Global Logistics Enterprise to Create New Value

“We go beyond the scope of a comprehensive global logistics enterprise to co-create value required for the future by advancing our core business and growing new ones.” This is the NYK Group’s vision for 2030, formed by backcasting from our target state for 2050, and it is driving the evolution of the Group’s businesses and management today. The Group has already transformed into a corporate structure which is not easily affected by market fluctuations and changes in the external environment, restructured its liner trade business through the establishment of Ocean Network Express Pte. Ltd. (ONE), and expanded its businesses with reliable earning power. Going forward, the Group will use sophisticated business portfolio management to construct a system for stably generating profits, laying a foundation that will empower it to achieve sustainable profit growth while also solving social challenges.

Evolve beyond and based on our traditional shipping business

Beyond the scope of comprehensive logistics  
**Transcendence**

Achieve evolution and growth by taking on challenges and co-creating, both a long-standing aspect of our corporate culture

Challenge and co-creation  
**Co-creation**



Steady growth based on two pillars  
**Two Pillars**

Create value and growth towards the future with both core and new businesses



**2030 Vision**

**We go beyond the scope of a comprehensive global logistics enterprise to co-create value required for the future by advancing our core business and growing new ones**

### Upward Revision of Financial Targets

The Medium-Term Management Plan’s fiscal 2030 financial targets were revised upward in fiscal 2024 from their initial forecasts, as the Group’s business structural reforms and enhancement of management capabilities paid off with stronger power to stably generate higher profits. The Group will continue to proactively make growth investments and provide shareholder returns as it strives toward greater profitability.

	Original Target FY2030	Revised Target FY2030
Recurring profit	¥340 billion	<b>¥440 billion</b>
Excluding ONE	¥160 billion	<b>¥240 billion</b>
ONE (NYK estimate)	¥180 billion	<b>¥200 billion</b>
Profit attributable to owners of parent	¥310 billion	<b>¥400 billion</b>
Shareholders’ equity ratio	Around 57%	<b>Around 58%</b>
ROIC	6.5% or over	<b>7.6%</b>
ROE	10% or over	<b>10.3%</b>

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## Maritime Shipping Market

### Global Maritime Shipping Trends

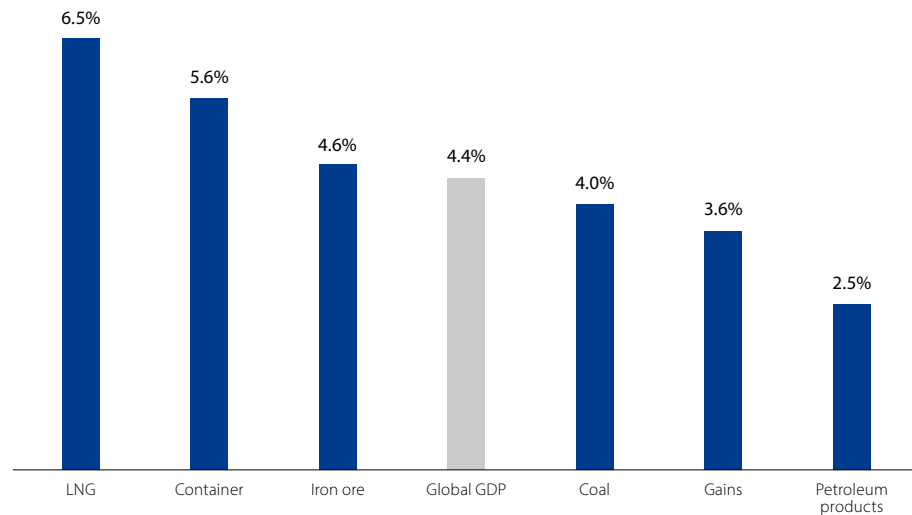
## Maritime Shipping is an Industry that Promises Stable Long-Term Growth

Japan's GDP has remained mostly level since 1995, while global GDP has steadily risen at an annual rate of 4.4%. Buoyed by the global market's growth, the maritime shipping industry has also continued to expand. In particular, LNG, container, and iron ore shipping businesses have outpaced global GDP with annual growth of 6.5%, 5.6% and 4.6% respectively.

The global economy is forecasted to continue expanding, with the growth of emerging economies expected to drive higher demand for general consumer goods. The NYK Group's Liner Trade business will likely capture that demand with the scaling up of ONE. Also, the global decarbonization movement will likely continue in the coming years, and shipping companies are stepping up efforts to realize net-zero carbon emissions in their supply chains (Scope 3 emissions). This trend, coupled with energy security needs, promises further growth in demand for LNG and other energy shipping.

The NYK Group, focusing on these domains with strong growth potential, will strive to achieve sustainable growth of its maritime shipping business that surpasses the industry average.

Global Seaborne Trade Volume and Global Economic CAGR (1995 – forecasted 2025)



Source: Created by NYK using data from Clarksons and IMF

## Maritime Shipping is an Industry Exposed to Short-Term Market Volatility

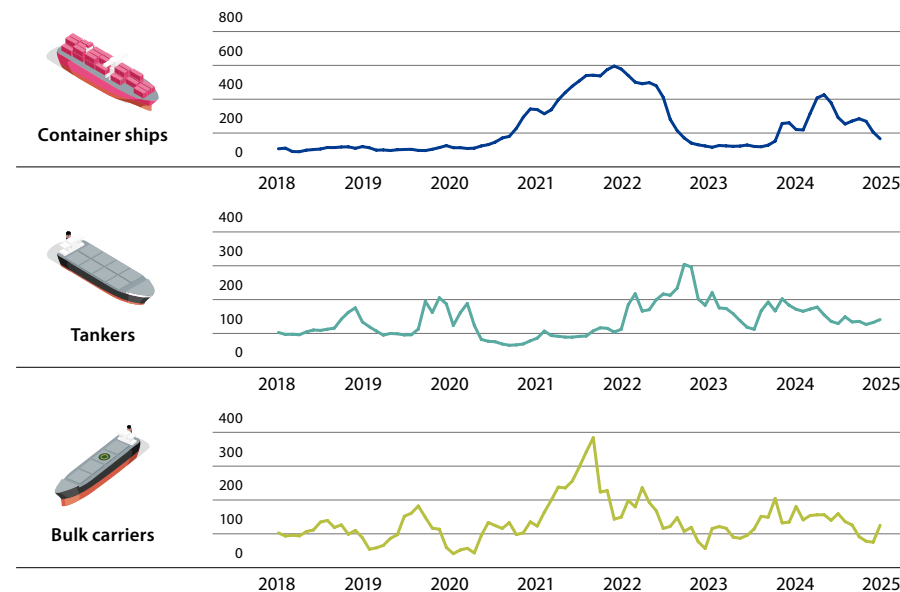
Maritime shipping is an industry that promises growth in the long term, but is highly exposed to market volatility in the short term. Fluctuations in the global economy and resource demand lead to large swings in ship demand and market conditions. The NYK Group has constructed a business foundation resilient to market volatility by diversifying its business portfolio.

Business portfolio management [P.26](#)

### Relationship between Changes in Ship Supply and Demand and Market Conditions



### Market Trends of Major Vessel Types (Indexed to 100 for January 31, 2018)



Sources: SCFI Comprehensive Container Freight Rate Index, BDTI Index, Baltic Exchange Dry Index

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## Looking Back at Past Medium-Term Management Plans (2011–2022)

Looking Back at 2011–2022

# Advancing Business Structural Reforms while Reducing Performance Volatility

In the past, the NYK Group's performance was highly volatile due to exposure to market fluctuations. To reduce that volatility and secure stable revenue streams, the Group redesigned its business structure and properly managed its exposure. This, followed by market rise stemming from the COVID-19 pandemic, considerably strengthened the Group's financial standing. The business structural reforms enabled the Group to reliably generate recurring profit of 200 to 300 billion yen.

	April 2011 – March 2014	April 2014 – March 2018	April 2018 – March 2023
	<p><b>More Than Shipping 2013</b></p> <p>Sluggish market Business structural reforms Strengthening technological capabilities, expanding network</p>	<p><b>More Than Shipping 2018</b> — Stage 2, Leveraged by Creative Solutions</p> <p>Sluggish market Further business structural reforms Leading ONE's establishment as a driver</p>	<p><b>Staying Ahead 2022</b> with Digitalization and Green</p> <p>Market recovery Smart realignment of business portfolio Integrating ESG into management strategy</p>
<b>External environment</b>	<ul style="list-style-type: none"> <li>▶ Following the global recession, maritime shipping movements continued to grow, but the ongoing overinvestment in fleets outweighed shipping demand, widening the ship supply and demand gap</li> </ul>	<ul style="list-style-type: none"> <li>▶ Container ships and dry bulkers in particular remained exposed to a highly volatile environment</li> </ul>	<ul style="list-style-type: none"> <li>▶ The maritime shipping market surged due to the impact of COVID-19</li> </ul>
<b>Strategic pillars</b>	<ul style="list-style-type: none"> <li>▶ More Than Shipping (Combine Traditional Shipping with Value Added Strategies)                             <ul style="list-style-type: none"> <li>• target region: Asia</li> <li>• strategic investment: Leveraging logistics business, technological capabilities, and network to build energy transportation business</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▶ Move toward asset-light business model</li> <li>▶ Secure stable-freight-rate business</li> <li>▶ Focused investment in LNG business</li> <li>▶ Differentiation by combining traditional shipping with value added strategies</li> </ul>	<ul style="list-style-type: none"> <li>▶ Optimize business portfolio</li> <li>▶ Secure stable-freight-rate business</li> <li>▶ Increase efficiency and create new values</li> </ul>
<b>Key achievements</b>	<ul style="list-style-type: none"> <li>▶ Investments in logistics warehouses/terminals in Asia to support loading/offloading</li> <li>▶ Building up of stable long-term revenue streams through investments in offshore and LNG businesses</li> <li>▶ 10% improvement in fuel efficiency (versus FY2010)</li> </ul>	<ul style="list-style-type: none"> <li>▶ Business portfolio realignment</li> <li>▶ Establishment of ONE</li> <li>▶ Reorganizing Yusen Logistics into a wholly-owned subsidiary</li> <li>▶ Reduction of highly volatile dry bulk assets</li> </ul>	<ul style="list-style-type: none"> <li>▶ Improvement of financial standing</li> <li>▶ Integration of ESG issues into management strategy</li> <li>▶ Improvement of risk-return balance</li> <li>▶ Further shift to businesses with stable-freight-rate with expanded investment in car carriers, LNG carriers, and logistics</li> </ul>
<b>Major challenges</b>	<ul style="list-style-type: none"> <li>▶ Earnings not sufficiently improved, due to shipping capacity supply/demand gap and volatility</li> <li>▶ Need to respond to higher energy transportation demand; tightening of environmental regulations for maritime shipping</li> </ul>	<ul style="list-style-type: none"> <li>▶ Large drop in profitability due to market decline</li> <li>▶ Need to improve dry bulk business profitability</li> <li>▶ Business structure vulnerable to market fluctuations</li> </ul>	<ul style="list-style-type: none"> <li>▶ Need to implement proper capital policy</li> <li>▶ Need to further improve risk-return balance</li> </ul>
<b>Recurring profit (period average)</b>	<b>¥14.3 billion</b>	<b>¥43.3 billion</b>	<b>¥474.1 billion</b>

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Overview of 2026 Medium-Term Management Plan

# Sail Green, Drive Transformations 2026

- A Passion for Planetary Wellbeing -

Overview

## A Growth Strategy towards the 2050 Vision

Guided by the Medium-Term Management Plan "Sail Green, Drive Transformations 2026," the NYK Group is transforming itself to achieve sustainable improvement of its corporate value. The plan is built around a two-pillar key strategy of advancing the existing core business and developing new growth business, and a support strategy with CX (talent, organization, and group management transformation), DX, and EX. It aims to realize sustainable growth by putting sustainability at the core of corporate management and proactively investing in areas with growth potential. It also includes commitments to step up decarbonization actions for achieving the net-zero emissions goal for 2050, and to further enrich human capital and corporate infrastructure.

**Investment** The Group plans to strategically invest 1.4 trillion yen over four years to support expansion into growth areas and strengthen competitiveness through decarbonization.

Approach for Key Strategy

## Leveraging the Group's Comprehensive Capabilities in Mainly Maritime Shipping

The Group is advancing the existing core business and developing in new growth businesses. Seeking to improve value-added in ways that capitalize on the strengths of the existing core business, the Group is laying the foundation for its future growth by developing new growth businesses in mainly the upstream and downstream of the maritime shipping value chain. In both cases, the Group is striving to strengthen its earning power while solving social challenges, leveraging its comprehensive strengths.

Financial Plan Outlook

(Billions of yen)	Result	Result	Initial Plan	Updated Plan	Forecast
	FY2022	FY2024	FY2026	FY2026	FY2030
Recurring profit	1,109.7	490.8	270	270	440
Profit attributable to owners of parent	1,012.5	477.7	240	240	400
Shareholders' equity ratio	66%	68%	57%	59%	Around 58%
ROIC	35.7%	13.2%	6.5%	5.8%	7.6%
ROE	48.3%	17.2%	10.2%	8.1%	10.3%

Advancing Existing Core Business

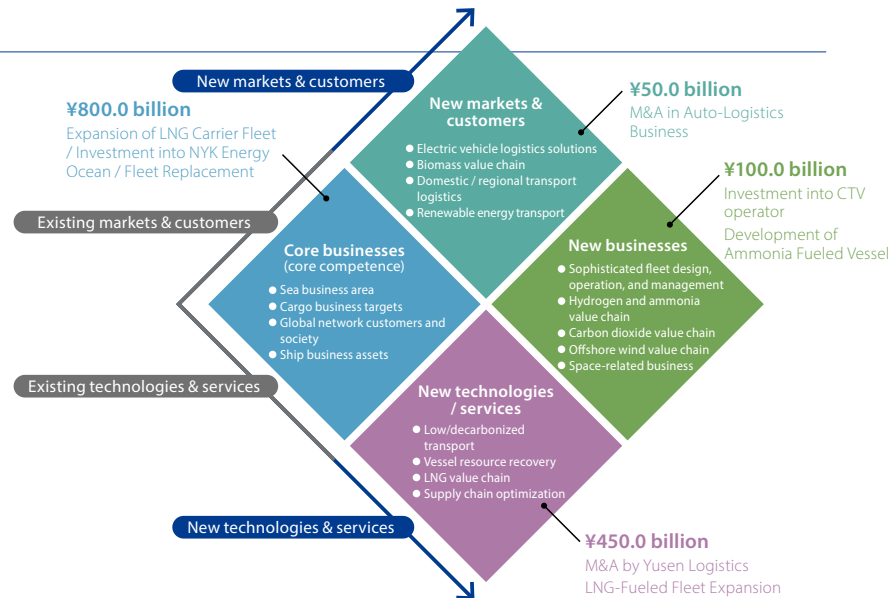
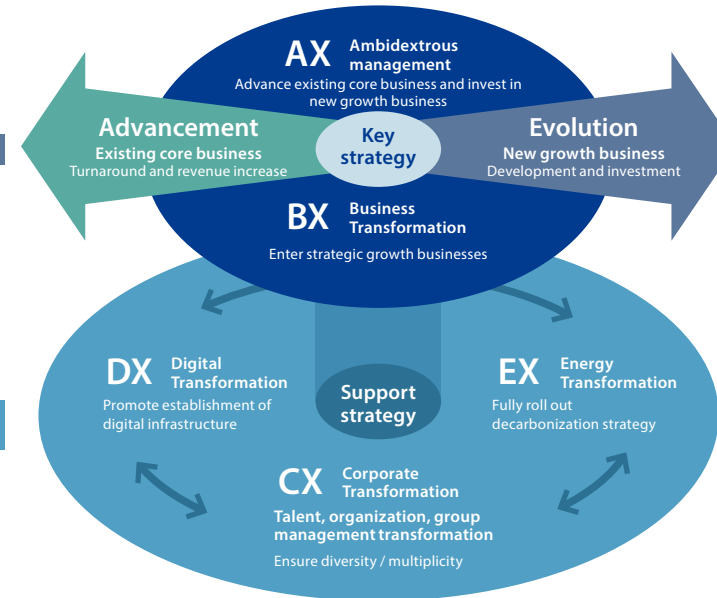
The Group will seek to further strengthen its competitiveness and earning power in the core businesses—dry bulk, energy, automotive transportation, etc.—by advancing decarbonization and value-added services

Developing New Growth Business

The Group will accelerate investment and business development in new areas with growth potential, including next-generation energy transportation, offshore wind power support vessels, and space-related logistics. This endeavor is aimed at creating new earnings bases focused exclusively on areas where the Group can exploit the strengths it has gained through its maritime shipping business.

Strengthening Infrastructure that Supports Corporate Value

To strengthen infrastructure that supports corporate value, the Group will use CX to develop human resources and reinforce organizational capabilities, DX to improve competitiveness, and EX to accelerate decarbonization. Also, Group-wide reforms will be pursued to strengthen the management foundation that underpins sustainable growth.



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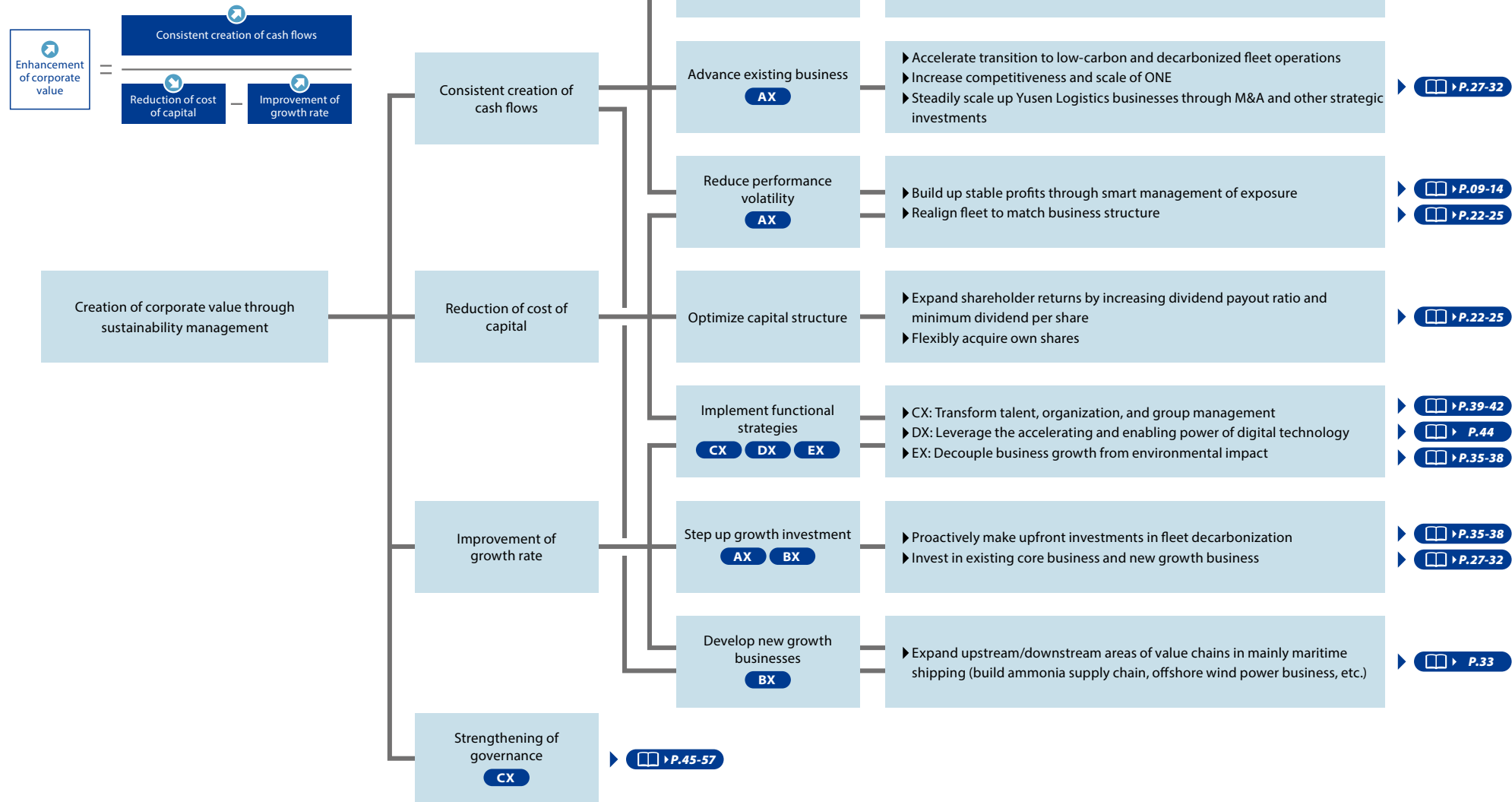
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### The Path to Creating Corporate Value (Logic Tree)

Corporate value is measured by the present value of cash flows going forward, discounted by the cost of capital. The NYK Group will endeavor to enhance its corporate value by executing the key strategy and support strategy of its 2026 Medium-Term Management Plan as outlined below.



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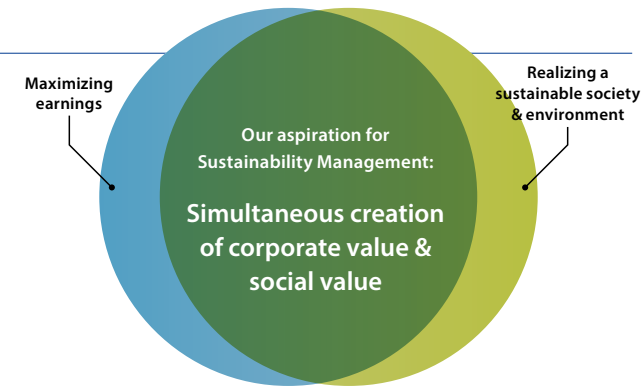


## Implementing Sustainability Management

### Why We Put Sustainability at the Core of Our Growth Strategy

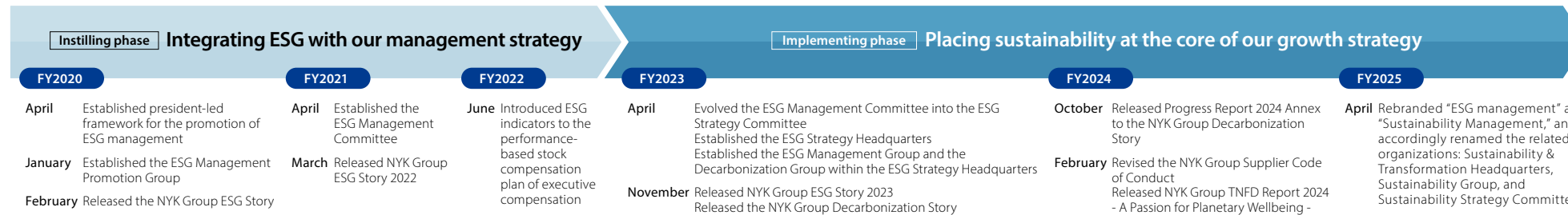
## A Sincere Commitment to Addressing Social Challenges Creates Sustainable Growth

The NYK Group's business portfolio, which includes maritime shipping among the core businesses, is inextricably linked with its social responsibility to not only help tackle social challenges such as human rights violations and climate change due to GHG emissions and other drivers, but also advance safe ship operations and develop sound work environments. The Group believes that a sincere commitment to addressing these challenges better enables it to develop new technologies, implement new systems, and create growth opportunities for its companies, and thus helps to ensure that it can maintain its competitive edge. The Group will continue striving to enhance its corporate value, create social value, and balance profitability with sustainability so that it can remain a partner of choice for society.



### Evolution of Sustainability Management

## Our Sustainability Management Has Shifted from Instilling to Implementing

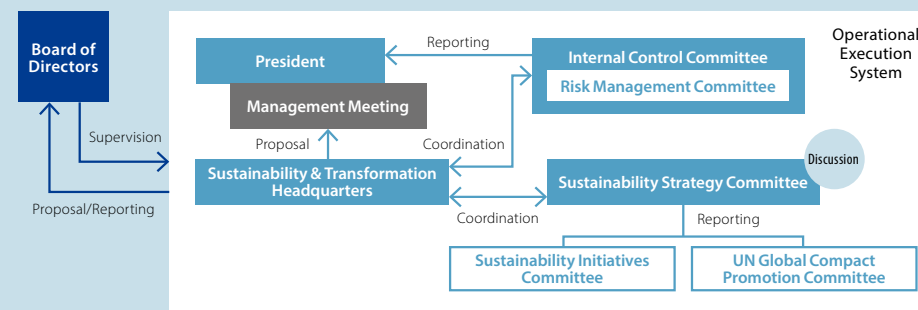


### Organizational Structure for Sustainability Management Governance

Under the strong commitment and leadership of top management, the NYK Group promotes and practices Sustainability Management and has established and is operating a governance system. The Sustainability Strategy Committee was formed to advance the Group's pursuit of sustainability with a long-term perspective, and comprises executive officers representing their respective headquarters, the general managers of the various groups, and outside experts. Important issues that emerge from the committee's cross-functional discussion of sustainability challenges are proposed to the Management Meeting by the Sustainability & Transformation Headquarters.

The Board of Directors receives reports on sustainability initiatives and related matters reviewed by the Management Meeting and the Risk Management Committee, and makes decisions on them when necessary.

### NYK's Governance Structure for Sustainability Management



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Material Issues

Material Issues for the NYK Group

## Material Issues Are the Foundation of Sustainability Management

The NYK Group has positioned Safety, Environment, and Human Resources as its material issues, with Governance underlying them. The Group considers these issues to be the foundation that supports Sustainability Management, and is working to familiarize all employees with their importance.

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3 Material Issues

## Identification of Material Issues Based on Social Impact and Business Relevance

The safe transportation of goods without disrupting logistics—the backbone of the economy and society—is one of the NYK Group’s critical responsibilities. In addition, the Group recognizes that its business activities unavoidably impact the environment, and that this is a significant risk. However, the Group believes that its actions to sincerely address that risk can also promote technological innovation and lead to the creation of new business opportunities. At the same time, human resources are the source of its competitiveness and pillars of its corporate value. The Group has established non-financial targets and KPIs that are linked to these material issues, and is working to achieve those targets.

### Process of Identifying Material Issues



- 1 Identify key themes**  
 The Sustainability & Transformation Headquarters takes the lead, ensuring the Group’s key themes are identified through comprehensive consideration, discussion, and selection, making reference to the Medium-Term Management Plan, ISO26000, GRI Standards, SASB Standards, ESRS, SDGs, and case studies of other companies.
- 2 Determine importance**  
 The importance of the key themes is determined for the Group and its stakeholders during discussions within the Sustainability Strategy Committee, which includes external advisors.
- 3 Confirm appropriateness**  
 The Sustainability & Transformation Headquarters submits a report, which is discussed at the Management Meeting, and then discussed and approved by the Board of Directors.

[Sustainability Report 2025](#) | <https://www.nyk.com/english/sustainability/report/>

### Material Issues, Vision, and Non-financial Targets /KPIs

Material issues	Vision	Non-financial Targets/KPIs	FY2024 results	Initiatives	Targets	FY2024 results	Background of initiatives	Data scope
Safety	The NYK Group supports logistics sites with expert knowledge, skills, and experience based on a high level of safety awareness, and continues to be an organization where people create safety, and safety protects and nurtures people’s lives and livelihoods.	Number of major accidents: 0 accidents	0 accidents	Responding to malfunctions detected by Remote Diagnostic Center*1 (response completion rate and number of incidents)	100%	100% (347 incidents)	Early detection of ship malfunctions to prevent major accidents	Consolidated
				Vessel visits by corporate officers as part of safety campaigns*2	100%	36.4%	Direct dialogue between management and crew to foster mutual understanding and implant/deepen safety awareness	Non-consolidated
Environment	The NYK Group will continue to be a force that supports the sustainable development of the Earth and humanity by taking a leading role in solving environmental issues on a global scale through continuous co-creation of necessary value for the future beyond the scope of a comprehensive logistics company.	GHG (Scope 1+2) reduction of 45% (vs. FY2021, – Absolute corporate emissions targets) by FY2030 Net Zero (Scope 1/2/3) by FY2050	[Scope 1] 11,140,236 ton-CO2e	Use of low-carbon fuel (utilization rate)	38% by FY2030	9.5%	Promotion of fuel conversion to help reduce GHG emissions	Consolidated
			[Scope 2] 82,420 ton-CO2e	Introduction of vessels powered by alternative fuel (total number of vessels introduced)	51 vessels by FY2030	26 vessels	Expansion of fleets capable of using low-carbon/ decarbonized fuels	Consolidated
			[Scope 1+2] 11,222,657 ton-CO2e (vs. FY2021, –11.8%) [Scope 3] 20,345,980 ton-CO2e	Use of ICP*3 (total number of vessels using ICP, and utilization rate for this year)	—	203 vessels (100%)	Promotion of investment decision-making that helps reduce GHG emissions	Consolidated
Human Resources	The NYK Group encourages all employees to vigorously bring their best and authentic selves to work and to perform at their full potential, enabling us to remain a good corporate citizen implementing social sustainability initiatives.	Women manager ratio of 30% by 2030	Non-consolidated: 13.9%	Encouraging male employees to take parental leave (ratio of leave taken)	100%	92.3%	Development of work environment enabling everyone to balance work and family life	Non-consolidated
			Consolidated: 26.3%	Dispatching of female employees to external training (ratio of women)	—	57.1%	Increasing women’s motivation for advancement to management positions by providing them with skill-building opportunities	Non-consolidated
				Mid-career hiring of women (ratio of women)	approx. 50%	27.2%	Increasing number of female employees who are in managerial positions or are candidates	Non-consolidated

\*1 Remote Diagnostic Center: Facility established in August 2020 at the maritime academy in the Philippines as part of digital ship management initiatives, with the aim of providing onshore monitoring of engine plants for SIMS-equipped vessels.  
 \*2 Safety campaigns: Vessel visits held every summer under the Remember Naka-no-Se campaign, and every winter under the SAIL ON SAFETY campaign, for the purpose of implanting and deepening safety promotion as part of the NYK Group’s corporate culture.  
 \*3 ICP (Internal Carbon Pricing): An internal carbon pricing scheme used to inform investment decisions.

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## CFO Message

# We will strive to sustainably create corporate value using a financial strategy that pursues both growth investments and shareholder returns

### Akira Kono

Representative Director, Executive Vice-President, Executive Officer  
Senior Assistant to the President  
Chief Financial Officer  
Chief Executive of Management Planning Headquarters



## We have strengthened our earnings base through business restructuring and portfolio realignment

Looking back on fiscal 2024, despite disruptions of logistics due to factors such as the situations in the Middle East, we were able to maintain earnings at a high level. If we exclude the period under special circumstances created by the COVID-19 pandemic, we can say that we achieved virtually our highest profit level ever. This outcome can be attributed to the development of our earnings base into a multilayered structure through efforts to tackle the challenges of reforming our business structures and realigning our business portfolio following the greater accumulation of capital during the pandemic. Our liner trade business was forced to reroute vessels around the Cape of Good Hope due to safety concerns about transiting the Suez Canal, leading to tight capacity supply and demand, but ultimately this supported our earnings. Moreover, the fact that our other businesses were able to generate recurring profit over 200 billion yen attests to the depth of our business portfolio as a whole.

## Despite the market uncertainties lying ahead, we will secure a stable profit level in fiscal 2025

The forecast for fiscal 2025 calls for robust performance overall, despite downward pressures such as a weakening of the liner trade business market. Our business structural reforms have paid off by enabling us to advance the development of a platform that can generate a good balance of profits across our entire portfolio, even in a volatile market landscape marked by geopolitical risks and structurally increasing supply.

Under our latest forecast for fiscal 2025, the liner trade business is expected to produce recurring profit of 70 billion yen (down 204.3 billion yen year on year). Uncertainties in the Middle East make it difficult to foretell when the Suez Canal will become safe again. Container ship supply and demand are easing with the delivery of new vessels, and our plan for the year takes into account the risk that freight rates will be pushed down by tariff policies and other factors.

We anticipate that the logistics business will post recurring

profit of 17 billion yen (down 4.2 billion yen year on year). This forecast reflects the effect of M&A-related one-time costs, but we also believe that progress is being made in developing a structure that can maintain profit stability. Fiscal 2025 will be a year that tests our ability to ensure reliable profits amid weakening container freight rates.

The automotive business is forecasted to decline slightly from the previous fiscal year. While transportation demand has been steady, the continued delivery of new vessels will gently ease the currently very tight balance in supply and demand. Market conditions for the dry bulk business are expected to be mostly on par with the previous fiscal year, with no major shifts in the supply-demand balance, but profits are projected to fall year on year due to the sagging profitability of certain types of vessels, exchange rate fluctuations, and other pressures. In the energy business, LNG carrier operations underpinned by medium- to long-term contracts are expected to continue providing a stable profit stream. VLCC (very large crude carrier) earnings will modestly outperform the previous fiscal year due to the limited supply of new vessels, while VLGC (very large gas (LPG) carrier) revenues

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are expected to drop due to strong uncertainties, despite promising levels of North American gas output and demand in the Far East.

The additional uncertainties created by U.S. trade policy since April are impacting exports to the U.S., mainly in the liner trade and logistics businesses. The forecast that we released in August 2025 accounts for the effect of the tariff policies, but we will continue tracking the situation and, where necessary, revise our performance forecasts.

### We will increase our corporate value by strengthening our stable profit base and improving capital efficiency

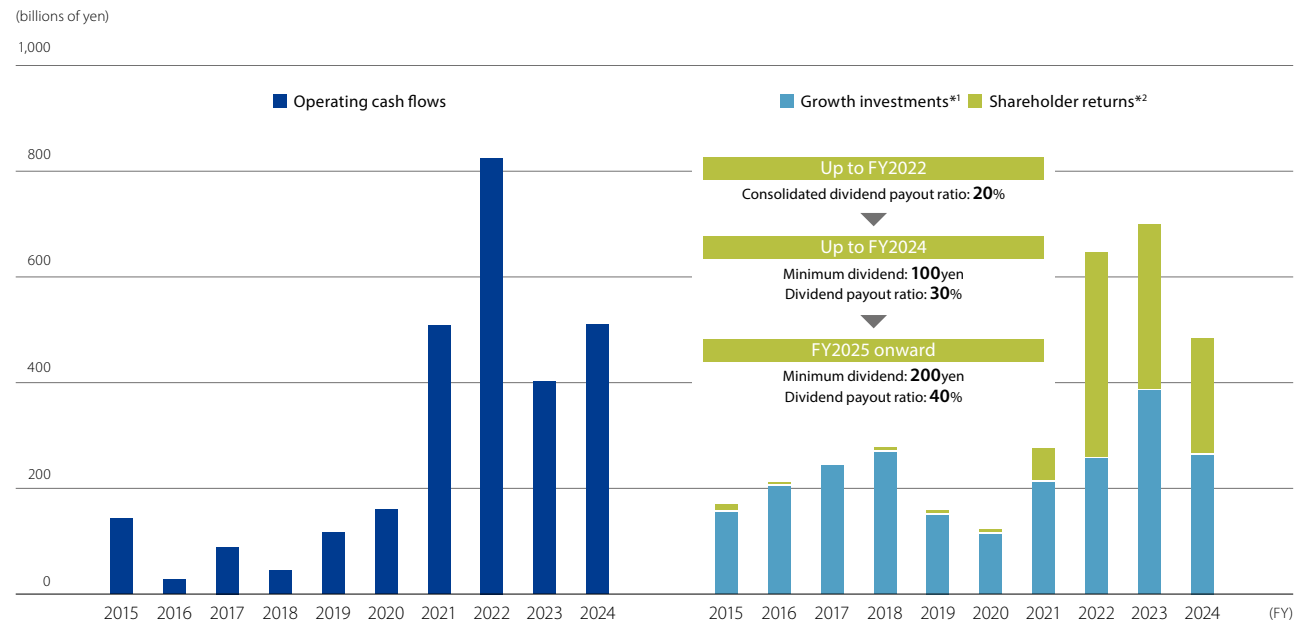
Our future outlook has been revised based on the current state of progress. The outlook for recurring profit in fiscal 2030 has been revised upward from 340 billion yen to 440 billion yen. This decision was shaped by the fact that operating cash flows during the first two years of the current Medium-Term Management Plan (launched in 2023) significantly exceeded expectations, growth investments have outpaced the initial targets, and, despite the ongoing risk of shipping market fluctuations, our stable earnings base has been steadily consolidated through efforts to strengthen capital, realign the business portfolio, and implement structural reforms. As examples of our growth investments, we are continuing to actively invest in the energy business, particularly LNG and LPG carriers, and are steadily scaling up the business through a combination of organic investments and M&A, such as our recent acquisition of a majority stake in ENEOS Ocean's businesses, excluding the crude oil tanker business.

Turning to shareholder returns, we are pursuing a basic policy of both optimizing capital efficiency and stably providing dividends. As a result of two consecutive years of posting over one trillion yen in recurring profit during COVID-19, our shareholders' equity ratio had become extremely elevated. To rectify this, we launched a share buyback program in fiscal 2023 that has already repurchased a total of around 330 billion yen in shares. Also, we decided,

based on the latest outlook for investment opportunities and on business environmental conditions, to additionally acquire up to 150 billion yen in our shares from May 9, 2025 to April 30, 2026 in order to further improve capital efficiency. Moreover, we have raised the dividend payout ratio from 30% to 40%, the minimum dividend amount per share from 100 yen to 200 yen. These decisions were driven by our strong confidence in the robustness of our earnings base and our cash flows. As the maritime shipping market is affected by swings in the global economy and demand, we have cultivated the ability to manage risk based on our experiences and flexibly adapt to changes in

our business environment. By clearly stating our policy to provide shareholder returns at a minimum rate of 200 yen per share, we seek to strengthen the supporting effect of share price and provide stable returns. At the same time, we are maintaining our policy of increasing the level of dividends in conjunction with improved performance, and have refrained from adopting fixed schemes such as dividend on equity ratio. Our system is designed to share the benefits of booming business with our shareholders. The decisions to raise the dividend payout ratio and the share buyback are also aimed at optimizing our bloated capital, enhancing our capital efficiency, and increasing our corporate value.

### Increasing Cash-Generating Ability through Business Restructuring, and Further Advancing Growth Investments and Shareholder Returns



\*1 Total acquisitions of tangible (vessels, property, plant, and equipment) and intangible fixed assets and investment securities. \*2 Total dividends paid and purchase of treasury stock.

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## NYK has designed a financial strategy that enables growth investments and flexible capital allocation

We are developing a financial strategy aimed at realizing the optimal balance between growth and capital efficiency while placing top priority on strengthening the competitiveness of our core businesses. We are upgrading our fleet of some 850 vessels by gradually switching to more fuel-efficient and next-generation-fuel ships, and are using digital technology to achieve an advanced level of safety in ship operation.

We are strengthening our market presence as a leader in the energy transition by switching to next-generation fuels such as ammonia, hydrogen, and biofuel to power our vessels, particularly high-demand LNG carriers. In the logistics business, we are building up contract logistics—comprehensive undertaking and running of the logistics operations of other companies—as a third pillar of the business, along with air

and ocean freight forwarding. This includes investments in warehouses and systems, and strategic M&A-driven efforts to expand business domains and enhance our ability to provide high-value-added services. In July 2025, we decided to acquire the pharmaceutical/healthcare logistics business of the Europe-based Walden Group. This move is expected to further strengthen the competitiveness of our contract logistics business by fusing the Walden Group's highly specialized logistics network with our Group's global infrastructure.

To accelerate such growth investments, we have earmarked 200 billion yen as a management allocation funded by excess operating cash flows. This creates a framework that will allow us to agilely pursue investment opportunities as soon as they emerge. In cases where opportunities are abandoned, the funds can be flexibly redirected to share buybacks, dividend increases, and other actions supporting shareholder returns.

To successfully realize major investments and shareholder returns, governance and risk management need to be carried

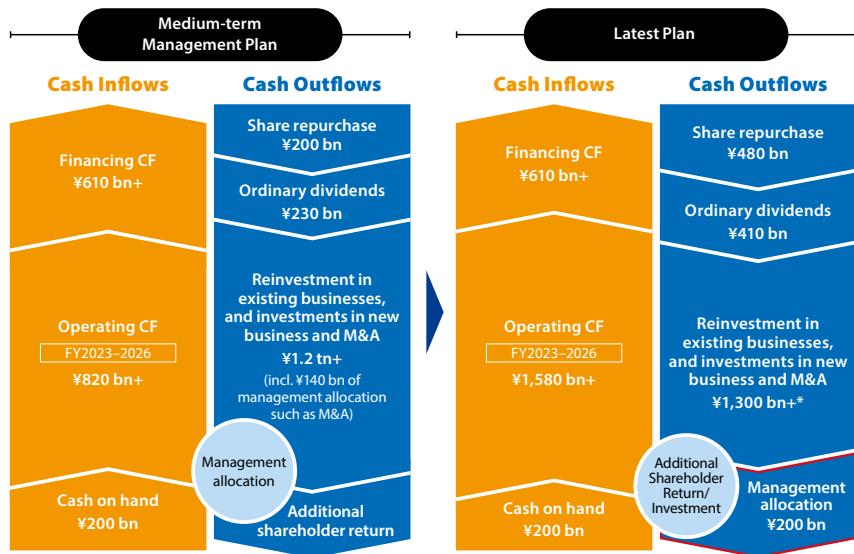
out with greater sophistication. This year, we upgraded our core system to an open cloud platform provided by SAP, and introduced and launched a new expandable business management system for management accounting. As a result, the balance sheet and return on invested capital (ROIC) data for each segment can now be quickly reviewed. In the future, we will further improve business efficiency and data accuracy through greater integration of accounting and operational data and the use of AI agents.

## Realizing structural reforms and growth resistant to market fluctuations

We have made clear strides forward in the restructuring of two divisions, container shipping and dry bulk. In the liner trade business, Ocean Network Express Pte. Ltd., formed through a business integration among NYK and two other Japanese companies, surmounted challenges such as higher one-time costs (system integration costs, etc.) to continue achieving profits in the post-pandemic years of fiscal 2023 and 2024. With the growth of alliances among container ship operators and the rise in the overall cost of ship operation due to scaling up and the deployment of larger vessels, companies are readjusting their operations, including opting to suspend ship operations when supply and demand ease. This further supported up freight rates, and thus increased the stability of profit streams. As this shows, the liner trade business has qualitatively changed to a significant degree.

Looking at the dry bulk business, NYK took a lesson from its experience with the profit-depressing effect of high-priced owned ships that were built during the dry bulk boom of the 2000s, and reexamined the balance between owned and chartered vessels. We are now thoroughly implementing asset and liability management that emphasizes consistency in cargo contracts and ship procurement. Our efforts to secure stable revenues with long-term contracts and flexibly procure ships in line with the length of medium-term and spot contracts have firmly established a system that controls negative spreads during market swings, and thus enables profits to be reliably generated in the dry bulk business as well.

### Cash Allocation



\*Investment includes the repayment of loans to Nippon Cargo Airlines Co., Ltd.

### Key Measures for Reducing Risk Exposure

Until now

- Disposal of high-cost vessels in dry bulk business
- Strengthening of asset and liability management that adapts procurement to contract length and ship price
- New ship ordering at set timing/quantity
- Increasing long-term stable contracts
- Improving competitiveness of liner trade business

Going forward

- VaR-based investment decisions
- Futures trading (FFAs)
- Capital allocation based on segment ROIC/WACC
- Logistics business growth

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## We will strengthen ROIC management for each business

Our investment decisions have long been informed by cash flow indicators such as internal rate of return and net present value. Since fiscal 2020, we have further refined those decisions by also weighing environmental costs as determined through internal carbon pricing.

Meanwhile, our assessments of business performance previously had a tendency to focus heavily on recurring profit and other measures of profit or loss. To take a more balanced approach, we added ROIC as a new indicator when we rolled out the current Medium-Term Management Plan. This has created a clearly defined system for optimizing investment timing and the business portfolio, as each business segment is expected to remain mindful of ROIC and capital efficiency in the course of its operations.

We are also introducing management accounting linked to our core system, which will enable balance sheets to be quickly prepared for each business and thus facilitate visualization of ROIC performance and capital allocation at the segment level.

In addition, we are exploring the optimal balance between

capital efficiency and financial soundness by flexibly incorporating debt-to-equity ratio, capital cost premiums, and other indicators based on each segment's cost of capital and risk characteristics. Through such comprehensive management, we will strive to achieve consistent cash flows and improve long-term ROIC, while reducing risk across our portfolio as a whole.

## We are committed to engaging in highly transparent dialogue to enhance shareholder value

The improvement of total shareholder return depends on not only short-term indicators such as dividends and share price, but also the sustainable enhancement of corporate value. Our share repurchases and raising of the dividend payout ratio and minimum dividend amount per share have created a framework for stably providing shareholder returns. We are also focusing on growth investments and the creation of non-financial value as vehicles for further increasing the long-term benefits of being a shareholder. At the same time, we are proactively making non-financial disclosures in anticipation of forthcoming legislation.

It is my impression that many investors and analysts are closely watching how our Group is changing. However, our advances are not fully reflected in our share price. One reason for this may be lingering concerns about our past impairment losses and deficits. To eliminate such concerns, we will work to build stronger trust through dialogue, particularly transparent sharing of information on our progress in structural reforms, achievements in portfolio management, and expansion of a stable earnings base.

Our Group's strengths lie in our successes in surmounting highly volatile market conditions and producing positive results from bold forays into new technological domains such as environmental friendliness and digitalization. Maritime shipping is infrastructure that underpins the global economy, and cargo movements are growing in tandem with the global industrial structure. By expanding the scope of our business in line with the needs of society, we have built up a system that can fulfill diverse transportation needs. Going forward, we will engage in deeper dialogue with stakeholders and more clearly communicate our growth and value creation stories. I ask that you please continue lending your support to our endeavors.

### My Key Messages as CFO

- We have revised upward our fiscal 2030 recurring profit outlook to reflect the improved outlook for profitability
- We will realign our cash allocations to strengthen shareholder returns and growth investments
- We will explore opportunities for additional growth investments and shareholder returns in light of conditions in the business environment
- We are shifting to a business structure that can stably generate profits, using a more sophisticated approach to exposure management
- We are stepping up management that is mindful of balance sheets and cash flows
- We will deepen our dialogue with investors and analysts

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Business Portfolio Management **AX**

## Transforming Our Business Structure to Realize a Corporate Structure That Stably Generates Profits

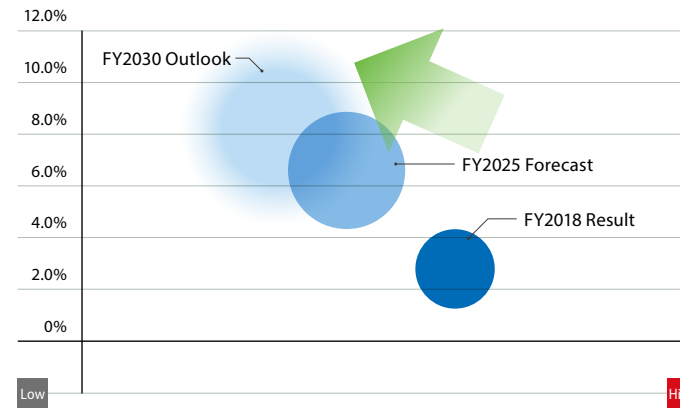
The NYK Group manages its business portfolio with an approach that is based on the characteristics of each business and is aimed at enabling both stable earnings and capital efficiency. By transforming its business structure, the Group is evolving into a corporate structure that can sustainably generate profits, even in a rapidly changing market.

● FY2018 Result ● FY2025 Forecast ● FY2030 Outlook

Vertical axis: Latest ROIC Horizontal axis: Return volatility (3-year standard deviation) Circle size: Invested capital

Note: Return = Operating income after tax + Extraordinary profit & loss after tax + Equity in earnings/losses of affiliates + Dividend income)

**Group-wide Latest ROIC and Volatility (3-year standard deviation)**



**Latest ROIC and Volatility (3-year standard deviation)**



Amid a trend in consolidations of ship operators in the liner trade industry, NYK leveraged the establishment of ONE and best practices to develop a business structure capable of generating ROIC at a high level despite some lingering volatility. The Company will seek to increase profits by stepping up its growth investments.

The Company has increased its competitiveness in primarily forwarding and contract logistics using M&A and other approaches. This business will be further strengthened through expanded investment focused mainly on specific areas that require transportation technology.

Until now, we have realized a steady level of ROIC by increasing medium- to long-term contracts with cargo owners. ROIC is forecasted to fall from the 2025 level due to stabilization of the external environment, including the situation in the Middle East, but is expected to remain stable.

ROIC volatility is being reduced through proper management of risk exposure. Business structural reforms such as returning high-cost charter vessels are being implemented to transform this segment into a structure capable of stably producing returns.

ROIC has been stabilized through an increase in medium- to long-term contracts. Looking ahead, ROIC is expected to temporarily decline due to prior investment in new ship construction and M&A, but rebound in fiscal 2030 onward.

**Selection and Concentration of Businesses through M&A and Business Transfers/Sales**

<b>Major M&amp;A</b>	<b>2018</b> Yusen Logistics Co., Ltd. ▶ Converted into wholly owned subsidiary	<b>2024</b> ENEOS Ocean Corporation ▶ Strengthened LPG carrier business, etc.	<b>Major business transfers/sales</b>	<b>2021</b> Yusen Real Estate Corporation ▶ Sale of portion of real estate business	<b>2025</b> Nippon Cargo Airlines Co., Ltd. ▶ Transferred to ANA Holdings Inc.

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Growth of Existing Businesses **AX**

# LINER & LOGISTICS Headquarters



**Takuji Banno**  
Managing Executive Officer  
Chief Executive of Liner &  
Logistics Headquarters

## We will step up growth investments to increase our competitiveness

Our headquarters' liner trade and logistics businesses operate globally in mainly the transport of general consumer goods, and promise to continue growing steadily in the medium- to long-term with the expansion of the global population. Currently, however, the add-on tariffs imposed by the U.S. have become a destabilizing factor in the global market. If retaliatory tariffs are implemented, there is a strong possibility that the market will take a new downturn, which would likely significantly impact the ship allocation strategies of operators, a situation that requires close monitoring.

Since Ocean Network Express Pte. Ltd. (ONE) was established in 2017, NYK, its top shareholder, has frequently discussed the strategies for its sustainable growth with the other two partners. We have implemented governance reforms in the past couple of years following the post-pandemic turmoil. In particular, we have strengthened the executive and supervisory functions of the operational headquarters in Singapore, resulting in accelerated decision-making and vibrant discussions led by the frontline operational team. This has enabled the headquarters to properly respond to the rapid changes in the global landscape. ONE has laid out a clear goal of expanding investment in its fleet, terminals, and containers under its medium-term management plan, ONE 2030. Going forward, we will continue to agilely invest in markets with solid growth potential.

Our logistics business is seeing an M&A-driven realignment of its industry similar to the trend in the containership market. The Yusen Logistics Group is actively exploring possibilities for M&A in strategic market segments requiring specialized expertise, such as pharmaceutical transportation, with the aim of inorganically expanding and strengthening its business. At the same time, it is looking to achieve further growth through organic means as well, deeply searching for opportunities to further exploit its longstanding strengths in customer-centric services. The Medium-Term Management Plan positions the logistics business as a growth engine for the NYK Group, and we will accelerate our efforts to achieve further growth and strengthen our competitiveness.

### Actions Taken for Realizing Stable Earnings

Past changes in business environment

- Excessive competition among containership operators
- Greater sophistication in the logistics value chain
- Acceleration of M&A activity among industry peers
- Large advances by major industry players

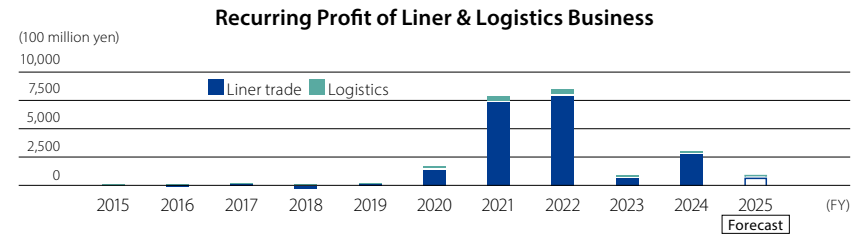
Responses by the Group

- Establishment of ONE to integrate container shipping businesses of three Japanese operators
- Scaling up and efficiency improvement of container shipping business
- Expansion of customer-centric logistics services
- Strengthening of expertise in the logistics business through M&A

## Recurring Profit

### We Are Developing Highly Competitive Liner Trade and Logistics Businesses

In the liner trade business, recurring profit entered a sharp upward trend from 2020 onward due to the effects of turmoil in global logistics and higher freight rates, and this growth rapidly expanded the business's contribution to the Group's overall performance. Over the medium- to long-term, we will strive to sustainably grow profits through actions such as enlarging ONE's fleet, improving operational efficiency through DX, and increasing our competitiveness through enhancement of service quality. In the logistics business, we will develop the forwarding and contract logistics services with a well-balanced approach so that we can further build up steady revenue streams.



## Growth Strategy

### We Will Seek to Sustainably Increase Profits by Boosting Our Growth Investments and Competitiveness

In the liner trade segment, we established ONE through the business integration of three Japanese shipping companies, thereby creating a highly competitive business structure. At the same time, ONE has been working to close the fleet scale gap with its major competitors. To achieve ONE's 2030 targets —fleet scale of 3 million TEU, profit level of US\$3.8 billion, and ROE of 10% or more—ONE will invest a total of US\$25 billion in the container shipping business over the next six years while executing the five growth strategies. Container shipping is a promising growth sector, and we will use our growth strategies to put together a solid business portfolio with minimum exposure to volatility.

In the logistics business, we will build up stable revenue with our businesses in air and ocean freight forwarding, contract logistics, and supply chain solutions. Moreover, we will seek to expand profits through not only organic growth but also M&A and other forms of strategic investment. However, this does not mean that we will indiscriminately pursue upscaling; instead, we will focus on achieving growth in domains that require strong expertise. In our harbor transport business, we are working with domestic Group companies to constantly support Japan's port infrastructure with terminal, port operation, tugboat, and shipping agency services. We strive to consistently provide safe and efficient port services and advance decarbonization initiatives with the aim of offering valuable infrastructure functions that customers will always choose.

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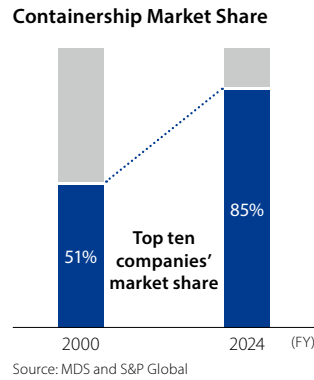
Features and Competitive Advantages of Liner Trade and Logistics Businesses

Liner Trade Business

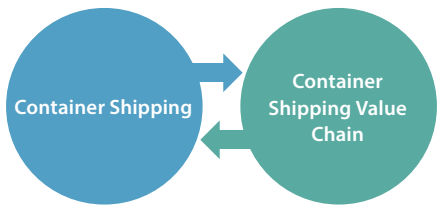
Realignment of the Container Shipping Industry

The container shipping industry was once populated with many operators, but falling freight rates, oversupply, and other challenging market conditions sparked a series of corporate realignments. Today, the industry structure has shifted towards alliances of several players each, all seeking to expand their service networks and gain greater efficiency through joint shipping operations.

ONE launched a new alliance, the Premier Alliance, with Yang Ming Marine Transport Corporation and HMM Co., Ltd. in February 2025, and is also collaborating with Mediterranean Shipping Company S.A. in selected routes. The industry is continuing to realign through other alliances as well, including the establishment of Gemini Cooperation by A. P. Moller – Maersk A/S and Hapag-Lloyd AG.



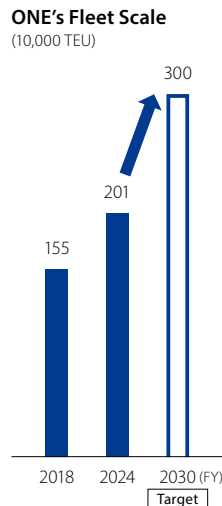
Growth Strategy Presented in ONE's medium-term management plan, ONE 2030



Capturing growth of the industry

Building a sustainable business portfolio

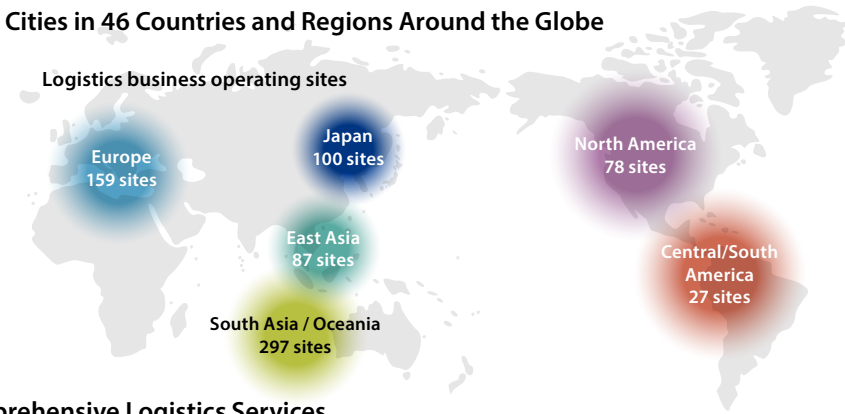
- 1 Green Strategy
- 2 Digital Strategy
- 3 Talent Strategy
- 4 Finance Strategy
- 5 Global Strategy



Logistics Business

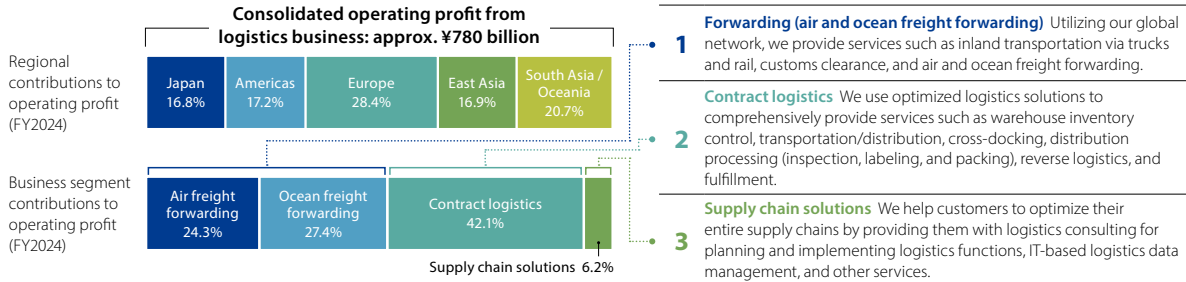
A Network of 748 Sites in 437 Cities in 46 Countries and Regions Around the Globe

The NYK Group's globally operating logistics business is centered on the Yusen Logistics Group (YL). Capitalizing on its extensive insights and worldwide network of operating sites, this segment reliably provides seamless and flexible logistics services.



Offering Well-Balanced Comprehensive Logistics Services

YL provides a well-balanced set of services in forwarding, contract logistics, and supply chain solutions, supporting the entire flow of goods with its comprehensive strengths. This framework enables both stability and the flexibility needed to respond to diverse needs.



Expanding Business by Focusing on Areas Requiring Expertise

YL is forging a strongly competitive structure by focusing on business areas that require expertise. In 2018, it acquired as a subsidiary the U.K.-based International Logistics Group Limited, a provider of e-fulfillment (e-commerce-related logistics) services, thereby strengthening its ability to serve the fast-growing e-commerce market. In 2024, it expanded its European healthcare logistics operations by opening a pharmaceuticals warehouse in Gembloux, Belgium, the largest of its type in the region. The group uses such M&A and capital investment projects to enlarge the range of services it provides in high value-added areas such as retail, healthcare, aerospace, and automobiles.



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Growth of Existing Businesses **AX**

# AUTOMOTIVE Business Division



**Yutaka Ikeda**  
 Managing Executive Officer  
 Chief Executive of Automotive  
 Business Headquarters

## We will continue challenging ourselves to create value using our strengths in safety, environmental response, and teamwork

A temporary shortage in shipping capacity was experienced in fiscal 2024 due to logistics bottlenecks brought on by the situation in the Middle East, but we worked hard to fully meet transportation demand by efficiently allocating and operating vessels. In our inland logistics business, we further developed services to respond to diverse needs, which helped us to increase profits of the division as a whole. In addition, we have actively invested toward future business expansion and stabilization, including the planned opening and operation of a new terminal in Europe.

Our division's mission is to deliver vehicles safely and reliably to every corner of the world. We make safety our top priority, and provide a solution to improve the quality of ship operation, cargo handling, and vessels, including by hosting global seminars on improvements for safe cargo handling, and engaging in quality enhancement activities with involvement of shipowners and ship management companies. The automotive industry is currently seeing a transformation in vehicle usage that is spurred by technological innovation in areas such as electric vehicles, autonomous driving, and car sharing. These changes also represent opportunities to expand our business in new directions, and we are boosting our competitiveness by expanding where we can in not only maritime shipping but also across the entire automobile supply chain. We are also pursuing environmental initiatives such as the use of biofuels and development of LNG-fueled vessels and other next-generation fuel vessels for sustainable society.

In the inland logistics business, we are actively working to reduce our environmental impact, including through the use of renewable energy, such as generating electricity at terminals using wind and solar power. Our various efforts to enhance safety and quality, expand into new business domains, and protect the environment cannot be successfully implemented globally without division-wide teamwork. To facilitate that teamwork, we are striving to develop a truly solid organization that enables our personnel to play active roles internationally. Our efforts in this regard include respecting diverse ways of working and thinking, and implementing human resource policies that transcend national and regional boundaries. Through our ceaseless efforts to strengthen safety and quality assurance, lead the way in environmental action, create opportunities for serendipity in business development, and build the truly solid organization needed to accomplish those tasks, we will continue taking on the challenge of creating value for the automotive business for the benefit of our customers, society, and our division staff.

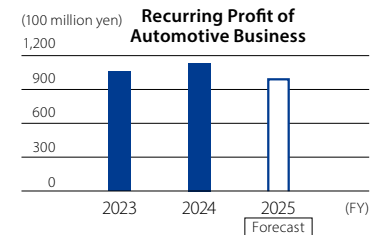
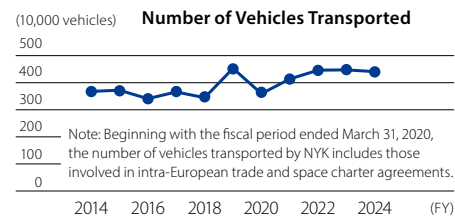
### Actions Taken for Realizing Stable Earnings

Changes in business environment	<ul style="list-style-type: none"> <li>■ Changes in logistics networks due to growing geopolitical risks</li> <li>■ Changes in production, sales, and distribution in the automotive industry</li> </ul>	Responses by the Group	<ul style="list-style-type: none"> <li>■ Establishment of flexible ship operation system</li> <li>■ Expansion of marine/inland distribution network</li> </ul>
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## Recurring Profit

### Overcoming Adversity through Close Cooperation with Customers

The sharp downturn in the global economy in the latter half of the 2010s was accompanied by a downward trend in the worldwide total number of automobiles sold. Since 2020, the world has experienced an increase in major changes and uncertainty driven by factors such as the prolongation of the COVID-19 pandemic, shipping capacity shortages resulting from that pandemic's acceleration of ship scrapping, the global semiconductor shortage, the Panama Canal drought, and the worsening situation in the Middle East. Amid such conditions in our business environment, we have closely worked together with our customers to provide them with safe and dependable transportation capabilities based on medium- and long-term contracts and to solve various logistics challenges. Looking ahead, we anticipate a temporary decline in earnings due to increases in shipping capacity supply and slower growth in the number of finished vehicles sold, but we will endeavor to create new business opportunities and streamline logistics through greater collaboration with partners around the world.



## Growth Strategy

### Expanding Our Business Domains to Serve as "NYK Everywhere"

The diverse changes affecting the automotive industry could potentially spark changes in logistics services as well. To address this possibility, we will further build up our ship operation system around next-generation fuel vessels, develop new terminals and enhance our inland businesses to expand our services to regional and intraregional logistics, so that we can offer a highly efficient logistics network as "NYK everywhere." We will also seek to increase our productivity through DX, including the use of AI to improve the planning processes for ship operation, loading, and allocation. The ultimate source of competitiveness is people. We will increase our efforts to reform ways of working, improve the workplace environment, and develop human resources.

Growth Opportunities	Response Strategies
Increased efforts to reduce GHG emissions	Expand LNG-fueled fleet and use biofuels and bio-LNG
Use of big data	Use AI to improve business productivity
Advancement of D&I	Adopt diverse workstyles, improve crew quarters of new vessels, and implement international personnel exchanges
Growing needs for reliable transportation services	Conclude medium-/long-term contracts with customers
Transformation/expansion of logistics business domains	Develop a broader range of services through collaboration with marine shipping and inland logistics businesses

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# DRY BULK Division



**Hiroaki Nishiyama**  
Managing Executive Officer,  
Chief Executive of Dry Bulk  
Division

## We will stably generate profits by developing a consistent system of business operation

Our division serves the dry bulk market, handling an annual cargo volume of 5 billion tons. With a fleet of some 450 vessels, we support the foundation of everyday life for people around the world.

Despite negative pressures such as the slowdown of the Chinese economy and various geopolitical factors, we believe that dry bulk shipping demand will remain firm in the medium- to long-term due to the growth of minor bulk cargo transportation, the commencement of ore shipments out of the Simandou mine in Guinea, and other positive developments. With regard to shipping capacity supply, we anticipate that market conditions will stay robust over the medium- to long-term, given that the number of new ship orders is limited compared with the number of aging vessels expected to be decommissioned.

We are operating our business based on primarily the four strategies we formulated in 2018: (1) Enhancing the sophistication of exposure management and market forecasting, (2) Evolving into a non-asset dry bulk business, (3) Strengthening the specialized carrier business to build up long-term stable profits, and (4) Participating in supply chains beyond the maritime shipping industry. By executing these four strategies, we will seek to stabilize our revenue streams and maximize their profits.

Going forward, we will pursue greater collaboration with our overseas operating sites in countries such as India, China, and Singapore, and with our joint ventures with customers in order to deepen our level of business expansion, while also implementing decarbonization initiatives and capital efficiency improvements.

Historically, the dry bulk business has been highly susceptible to the effects of global politics and economic conditions. In order for us to maintain customer trust in such an environment, it is vital that we continually rebalance our fleet portfolio to adapt to market fluctuations, agilely identify changes in the market environment, and operate our business with a long-range perspective and a consistent strategy. We will seek to grow our business toward 2030 as we pursue safe ship operation with a forward-looking vision and under our policy of being “on the same page.”

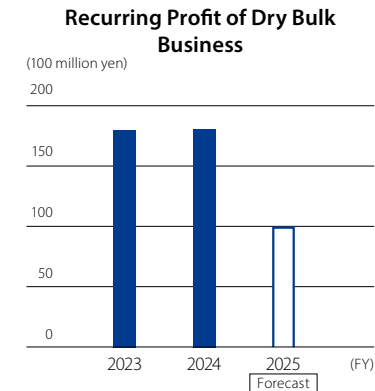
### Actions Taken for Realizing Stable Earnings

	Challenge and opportunity	Response
Sophisticated risk-taking and risk control	Market conditions remain highly volatile, but the business environment offers profit-making opportunities to those willing to take on a certain amount of risk	Develop a set of processes ranging from risk level assessment and monitoring to risk hedging by trading FFA and establishing decision-making criteria, and a system for implementing them
Generating profits by capturing growth opportunities from changes in market structure	Changes in market structure, society, and stakeholder needs	Develop environmentally friendly vessels, establish shipping system for cargo/trade expected to grow in volume, etc.

## Recurring Profit

### Transforming to a Business Structure that Steadily Produces Profits

Although the dry bulk business used to incur losses whenever market conditions declined, we gradually achieved a stable level of profits by making structural reforms, such as redelivering long-term charter vessels. At the same time, we also established a system for properly identifying market condition risks and optimizing the balance between risk and return. In order to grow our business in line with customers' shipping demand, we need to beef up our fleet (including medium- and long-term chartered and owned vessels), which entails taking on a certain amount of market condition risks. However, we also need to keep market condition-driven revenue fluctuations below a certain level. We are working to reduce the degree of profit fluctuation and increase our core earning power by developing sophisticated approaches for risk measurement (value at risk, etc.) and control (FFA trading, etc.), incorporating them into everything from management decision-making to operational guidelines, and using them to judiciously select risks that should be taken to generate returns.



## Growth Strategy

### We Will Seek to Maximize Profits by Exploiting Changes in Market Structure

Demand for resource and grain shipping is expected to rise in the medium- to long-term, buoyed by population growth and the economic expansion of emerging countries. Also, tighter environmental regulations and the formulation of decarbonization policies by cargo owners are driving a rapid rise in the need for low-carbon solutions in shipping. Seizing such structural changes as growth opportunities, we will work to expand long-term contracts and diversify trade patterns, and we will accelerate investment in the development of a highly environmentally friendly fleet (including deployment of LNG-fueled vessels) in order to provide added value to customers in the form of environmental impact reductions. In addition, we will strive to enhance our competitiveness and achieve growth through co-creation with cargo owners that generates value and other benefits.

Growth Opportunities	Response Strategies
Expansion of shipping demand due to population and economic growth	Pursuit of long-term contracts with cargo owners
Decarbonization needs and tighter environmental regulations	Operation of next-generation fuel vessels (LNG, etc.)
Optimization of entire supply chain	Expansion of solutions through partnering with customers and suppliers
Geopolitical changes in supply chains	Flexible development of a fleet resilient to market fluctuations

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# ENERGY Division



**Hironobu Watanabe**  
Managing Executive Officer,  
Chief Executive of Energy  
Division

## We will strive toward sustainable growth while contributing to stable energy supply

Today, energy security has become more important than ever amid a global rise in geopolitical uncertainties. This is prompting a re-examination of the value of natural gas and other conventional energy resources for stable supply. At the same time, however, the adoption of clean energy and the decarbonization movement are expected to steadily proceed in the medium- to long-term.

Despite this challenging environment, our division is continuing to take action under the dual strategy of advancing existing core business and investing in new growth business, and will further strive to provide value across the entire energy value chain, guided by our mission of “Bringing energy safely and more cleanly to all.”

In our existing core business in conventional energy, we are stably supplying LNG—which is rising in demand as a low-carbon fuel—and crude oil/petroleum products, while seeking to shrink our environmental impact through steady implementation of low-carbon and decarbonization solutions in our transportation services. NYK Energy Ocean Corporation was inaugurated in April 2025 and now operates 47 vessels taken over from ENEOS Ocean Corporation. We are bolstering our efforts to achieve further growth in the existing business with a focus on the LNG/LPG carrier segment.

On the new growth business side, we are focusing on the clean energy sector, including businesses related to offshore wind power, ammonia, and CO<sub>2</sub>. In January 2025, Northern Offshore Group AB, Europe’s largest operator of crew transfer vessels (CTVs) that serve offshore wind power facilities, became a consolidated subsidiary of NYK. Through these and other M&A and business investments, we are actively seeking to capture growth opportunities.

Although we face a dramatically changing business environment, we are accelerating our global business expansion as we strive to build long-term stable revenue and sustainable growth.

### Actions Taken for Realizing Stable Earnings

Past changes in business environment

- Diversification of energy demand, decarbonization movement
- Return to conventional energy to accommodate rising importance of energy security

Responses by the Group

- Investment in next-generation energy businesses
- Expansion of LNG/LPG carrier fleet

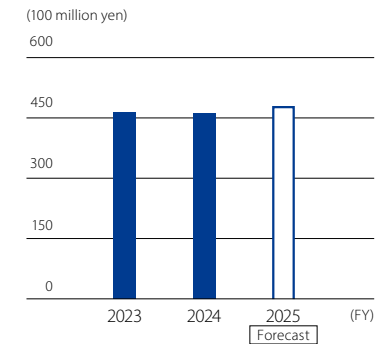
## Recurring Profit

### Providing Value Across the Supply Chain and Establishing a Solid Earnings Base

The energy business has maintained a solid level of profits, mainly by implementing a stable profit model founded on long-term contracts. In particular, we implemented operations based on time-charter contracts in the LNG transportation business and the tanker business (transportation of crude oil/petroleum products) to secure a steady revenue stream resilient to market fluctuations. Moreover, we are further increasing access to earning opportunities by broadly pursuing projects across value chains supporting natural gas / petroleum upstream and downstream, including FPSO (floating production, storage, and offloading), drillship, and shuttle tanker projects.

We will continue advancing our establishment of a solid earnings base through these business endeavors, while also seeking to further generate value in the energy market.

### Recurring Profit of Energy Business



## Growth Strategy

### Seeking Sustainable Growth through Both Conventional and Next-Generation Energy

We are working to reinforce our solid earnings base in our mainly LNG-focused conventional energy transportation business, while also steadily investing in next-generation energy transportation. We will create new growth opportunities through pursuits such as ammonia-fueled vessel development, offshore wind power-related business, and CO<sub>2</sub> transportation. In addition, we will increase ship operational efficiency, safety, and environmental friendliness to strengthen our global competitiveness and achieve sustainable growth.

Growth Opportunities	Response Strategies
Natural gas demand and LNG shipping demand are forecasted to grow over the medium- to long-term	Building up of LNG carrier fleet and operational capabilities, continued participation in upstream/midstream projects
Need for next-generation fuel (biofuel, ammonia, hydrogen, methanol, etc.) is expected to grow	Development, social implementation, and promotion of ammonia-fueled vessels Efforts to build next-generation fuel value chains
Policy-based promotion of offshore wind power development	Gradual launch of offshore wind power-related products/ services
Growing environmental awareness among customers	Decarbonization-minded ship operation management, decarbonization of fleet
Diversification of energy suppliers, and increase in long-distance transportation	Greater sophistication in ship operational efficiency and safety performance (strengthening of DX, AI, crew training, etc.)

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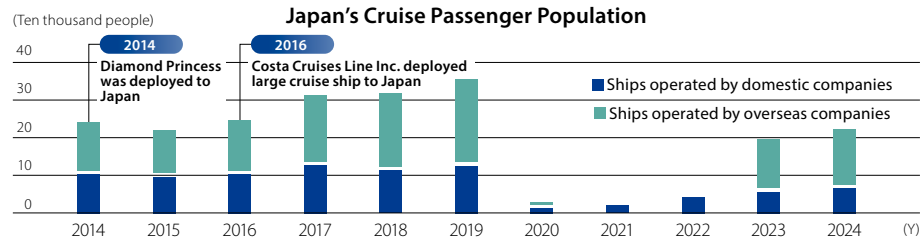
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# CRUISE Business / TECHNICAL Ability

Cruise Business Market Environment

## We Will Strengthen Our Business in the Growth-Promising Cruise Market

The NYK Group laid the cornerstone of Japan's luxury cruise industry in 1991 when it began providing safe and pleasant cruise experience with the launch of the first Asuka cruise ship. Later, the launch of Asuka II in 2006 opened a new page in the development of cruise culture. Although passenger occupancy rate experienced a temporary decline due to the COVID-19 pandemic, it is now on a recovery trajectory. With both the domestic and international markets promising further growth ahead, the Group will strengthen the cruise business by enhancing its organizational capabilities and creating new value through innovative collaborations.



Source: Created by NYK using data from "Annex: 2024 Trends in Japan's Cruise Passenger Population, etc.," Japan's Ministry of Land, Infrastructure, Transport and Tourism

Asuka Luxury: Creating the Future of Cruise Culture

## Building the Next-Generation Cruise Business with Two-Ship Service and a Business Alliance

The current Medium-Term Management Plan positions the cruise business as a "core business". With the launch of Asuka III in July 2025, a two-ship operation with Asuka II has been established. We will further enhance our competitiveness in the luxury market and strengthen our organizational structure to offer more customers "a time of ultimate happiness".

In February 2025, the Group concluded a basic business partnership agreement with Oriental Land Co., Ltd. We will collaborate in areas such as ship management, operational management, and human resources development. Through these innovative collaborations, we aim to develop multifaceted value, including expanding Japan's cruise population, strengthening our revenue base, and creating synergies.

Growth opportunities	Strategy
Recovery of tourism demand and resurgence of cruise market	Enhancement of luxury cruise travel and development of unique routes



Photo by NYK Cruises Co., Ltd.

Efforts to Commercialize Using Technological Capabilities

## We Will Establish New Growth Businesses in New Domains

The NYK Group will take on the challenge of creating new businesses with technological capabilities it has amassed through its existing businesses. This endeavor will include not only in-house initiatives but also active co-creation with external partners, and will seek to broaden the Group's business development into new domains beyond the borders of its existing businesses.

Providing New Services

### Offering Solutions that Tackle Ship-Related Challenges

The Ship Business Group, formed in April 2023, has led the NYK Group's establishment of a new brand, HULL NUMBER ZERO (HNZ), which will utilize technological capabilities cultivated by the Group over many years to provide customers with solutions to challenges in all stages of ship lifetime, including design, construction, operation, and maintenance. HNZ represents one of the Group's ventures in the creation of new growth businesses emerging from maritime shipping, and will develop ship-related services that treat ships as not only a means—such as cargo and passenger transport—but also as an objective.

Examples of HNZ Solutions



- Shipbuilding-related services (including dispatch of supervisors)
- Main engine monitoring and fuel-related solutions
- Solutions supporting seafarer well-being
- Sales, maintenance, and inspection of marine equipment/devices

▶ HULL NUMBER ZERO | <https://www.en.hull-number-zero.com/>

▶ News Room | <https://www.nyk.com/english/news/2024/20240919.html>

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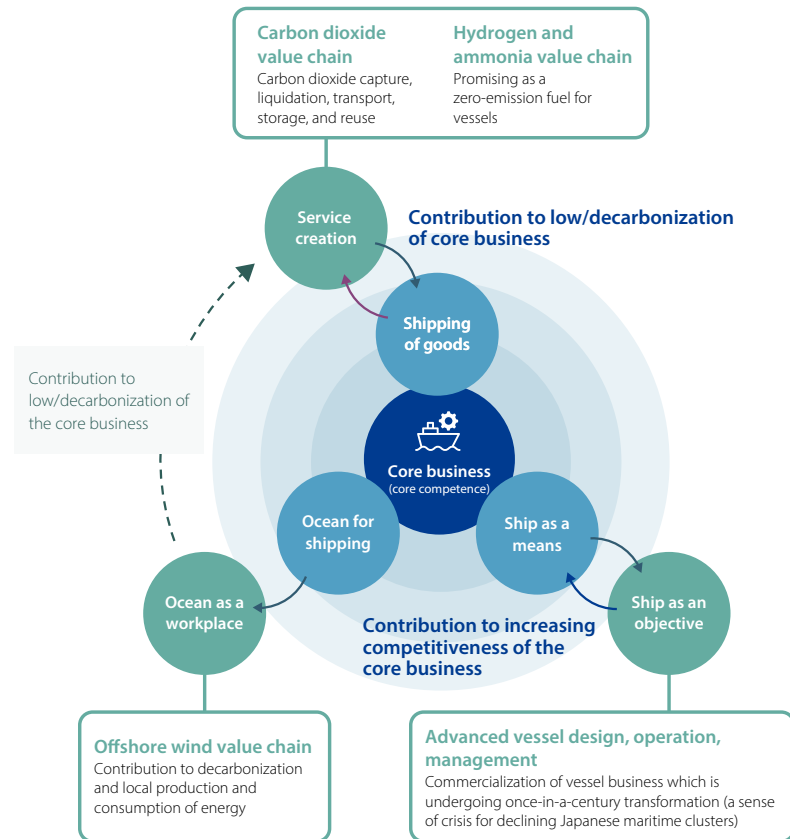


Growth of New Businesses **BX**

Aspiration

## Creating New Value that Solves Social Issues and Enhances Corporate Value

The NYK Group is taking on the challenge of creating new businesses by matching business opportunities based on megatrends such as decarbonization and development of circular economies with the technologies and insights we have cultivated in the core businesses. These endeavors seek to use the power of innovation to grow and evolve the Group beyond the realm of maritime shipping and comprehensive global logistics.



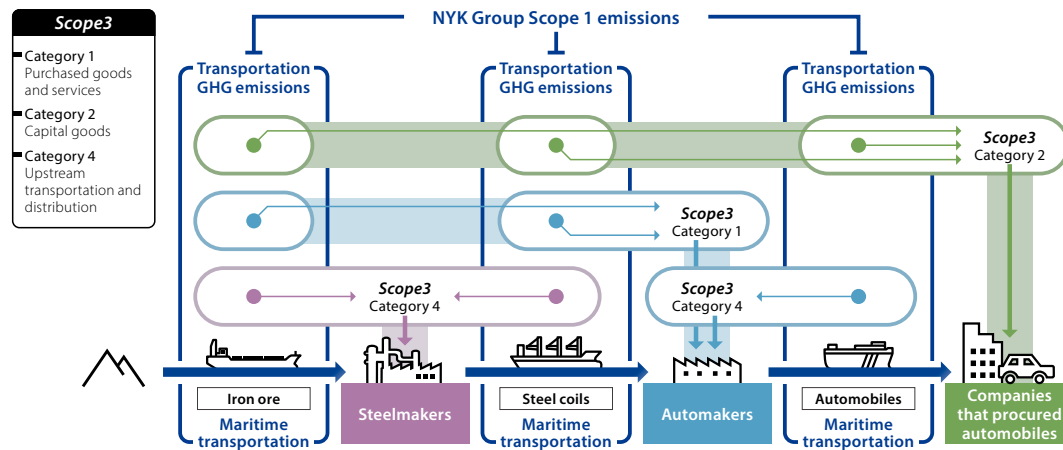
Becoming the Corporate Group of Choice for Customers

## We Will Create Business Opportunities from Our Environmental Initiatives

Offering products with a lower Product Carbon Footprint (PCF)\*1 helps businesses cut costs—such as border carbon taxes—and boost competitiveness by meeting customer and corporate sustainability requirements. Moreover, companies are starting to find that their access to financing can be affected by the level of their commitment to disclosing and reducing greenhouse gas (GHG) emissions across their entire supply chain, including Scope 3 emissions. Such changes in the business environment are reshaping the decision-making of customers and the stakeholders beyond them. For example, this is leading to increased demand for environmentally friendlier forms of transportation to address the Scope 3 emissions of logistics for procurement and transportation. The NYK Group will respond by providing maritime transportation services that offer reduced environmental impact through the deployment of next-generation fuel ships, improvement of ship operation, and other solutions. The Group has also launched a service to allocate GHG savings\*2 in its logistics business. Leveraging this proactive introduction of environmentally conscious assets and services as a key to building competitive advantages, the Group will work to create new business opportunities in a society transitioning to net-zero emissions.

P.35

### Transportation GHG Emissions Are Counted in Various Categories of Our Stakeholders' Scope 3 Emissions



Reduction of the transportation/logistics GHG emissions associated with various supply chains contributes to Scope 3 reductions for many companies

\*1 Product Carbon footprint: The incorporation of figures converted from GHG emissions throughout life cycles—from procurement of raw materials through to scrapping or recycling—into CO<sub>2</sub> emission equivalents or a system for displaying such figures.

\*2 Service to allocate GHG savings: A scheme that uses numerical data, certificates, and other documentation to visualize the environmental value created by the NYK Group's reduction of GHG emissions through actions such as switching to alternative fuels, and that allocates that value to customers so that they can incorporate it in their own decarbonization contributions.

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Growth of New Businesses **BX** | Challenges Taken on by the NYK Group

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The Challenge of New Fuel Trials and Next-Generation Fuel Ship Development

The NYK Group has set the ambitious goal of achieving net-zero GHG emissions by 2050, and is developing ammonia-fueled vessels as one ship fuel conversion scenario for reaching that goal.

In August 2024, NYK completed the development of the ammonia-fueled tugboat Sakigake, the culmination of a project supported by the Green Innovation Fund run by Japan's New Energy and Industrial Technology Development Organization (NEDO). The world's first ammonia-fueled vessel to undergo demonstration testing and analysis in actual operation, Sakigake has achieved a GHG emissions reduction of up to roughly 95% compared with the use of heavy fuel oil. NYK is also developing an ammonia-fueled medium gas carrier (AFMGC) that is slated for completion in November 2026, and concluded the world's first AFMGC time-charter contract with Yara Clean Ammonia Switzerland SA, a group company of one of the world's largest ammonia distributors, Yara International ASA.

NYK will go beyond ammonia-fueled maritime shipping to also pursue various other avenues for constructing an ammonia supply chain that contributes to the realization of a decarbonized society.



Sakigake, ammonia-fueled tugboat converted from LNG-fueled predecessor

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2

The Challenge of Developing Offshore Wind Power-Related Businesses through Diverse Co-Creation

NYK is pursuing co-creation with diverse domestic and international partners to advance renewable energy projects, particularly in offshore wind power. Since 2019, the Company has been collaborating in the Crew Transfer Vessel (CTV) business overseas with Northern Offshore Group AB (NOG), and acquired a majority stake in the company, making it a consolidated subsidiary. NOG is a pioneering CTV operator based in Sweden, and this strategic acquisition is designed to provide valuable insights into Europe's pioneering offshore wind power market. Since the acquisition, NOG has been expanding its offshore wind service capabilities, including by building up its service operation vessel (SOV) fleet. The Company has also acquired shares in IOVTEC Co., Ltd. in Taiwan to facilitate business expansion in the Asia-Pacific region. In Japan, the Company has begun operating a CTV transport service in Hokkaido, and is seeking to cultivate next-generation talent through the Akita School of Wind and Sea, a training center that it co-established in Akita Prefecture. In addition, the Company and Akita Eisen KK established Japan Offshore Support Co., Ltd., which is providing CTV maintenance and management services that combine local vessel operation expertise in the Akita (Tohoku) area with the Company's international shipping expertise. The Company is also working with Kosaba Shipbuilding Corporation to construct its first domestically produced CTV, which is scheduled for completion in February 2026. As part of a NEDO-commissioned project, the Company is partnering with Sumitomo Electric Industries, Ltd. to design cable-laying vessels (CLV) that will help to strengthen Japan's power transmission grid and drive the expansion of offshore wind power. The conceptual design received Approval in Principle from ClassNK in fiscal 2024. The Company will continue taking part in diverse collaborations aimed at helping to bring forth a sustainable society.



CTV that supports offshore wind power operations

[News Room | https://www.nyk.com/english/news/2025/20250114.html](https://www.nyk.com/english/news/2025/20250114.html)

TOPICS

3

The Challenge of Developing Space Businesses by Unlocking New Possibilities through the Fusion of Marine and Space Solutions

NYK is capitalizing on its strengths as a comprehensive global logistics enterprise to pursue space-related business development projects in four areas: (1) offshore recovery of reusable rockets, (2) offshore launch of rockets, (3) capture of space-related logistics demand, and (4) satellite data utilization.

With regard to development of offshore rocket recovery systems, the Company was selected by the Japan Aerospace Exploration Agency (JAXA) in December 2024 for the Space Strategy Fund, in the category of developing ground-based infrastructure technologies for the recovery of reusable spacecraft under the category of "ground systems for future transportation." Working together with Mitsubishi Heavy Industries, Ltd., which is mainly responsible for rocket body research and development, the Company is pursuing research, development, and commercialization of a system for offshore recovery of reusable rockets. The system's conceptual design received Approval in Principle from ClassNK in July 2025, marking the first time for ClassNK to approve a space development-related system involving the use of ships.

The Company will continue advancing its space-related business through co-creative technological development with partners and collaborations with Group companies, with the aim of creating novel value for the space industry.



Recovery vessel of offshore rocket recovery system (artist's impression)

[News Room | https://www.nyk.com/english/news/2025/20250422\\_01.html](https://www.nyk.com/english/news/2025/20250422_01.html)

TOPICS

4

The Challenge of Realizing the World's First Offshore Floating Off-grid Data Center

NYK has concluded a memorandum of understanding with the city of Yokohama, NTT Facilities, Inc., Eurus Energy Holdings Corporation, and MUFG Bank, Ltd. concerning the development of an offshore green data center\* on a "mini-float" (floating berthing facility) to function as a backup facility in the event of a disaster. The project will involve demonstration testing of an offshore floating data center that will be installed on a mini-float (25 x 80 m) moored at Osanbashi Pier in Yokohama, Kanagawa Prefecture, and will be powered entirely by renewable energy supplied from solar power and storage battery systems. Testing is expected to start in fiscal 2025 and will be aimed at commercializing what may become the world's first offshore floating green data center. By taking on this challenge, the project envisions situating these data centers near offshore wind farms to maximize the use of generated electricity without relying on or being limited by onshore power grids.

NYK aspires to tap into the renewable energy available in Japan's extensive coastal waters and improve the country's port functions through offshore facility construction and maintenance, and thereby contribute to both environmental protection and the growth of digital infrastructure.

\* Data center designed to reduce its environmental impact by improving energy efficiency.



Offshore data center powered entirely by renewable energy (artist's impression)

[News Room | https://www.nyk.com/english/news/2025/20250327\\_03.html](https://www.nyk.com/english/news/2025/20250327_03.html)

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## Implementing Functional Strategies EX | The Path to Realizing Decarbonization

### The Management Environment for Decarbonization, and Our Aspirations



Climate change presents risks that could seriously impact the economy, society, the environment, and security on a global scale. The maritime shipping industry plays a central role in the global trade that supports the lives of people everywhere, and thus shoulders a heavy responsibility. Decarbonization actions are essential for realizing a sustainable society, and the NYK Group has set ambitious targets for this undertaking: a 45% reduction in Scope 1 and 2 greenhouse gas (GHG) emissions by fiscal 2030 versus the levels in fiscal 2021, and net-zero by fiscal 2050, including Scope 3 emissions.

Decarbonization offers growth opportunities in the form of new markets, customer needs, and potential to strengthen the company's competitiveness. Moreover, we can further set ourselves apart by providing environmentally friendly transportation services and using digital technology to achieve greater efficiency. The International Maritime Organization recently approved draft regulations that provide competitive advantages to shipping services that have low GHG emissions, and discussions toward adoption of the regulations are underway. The finalized rules will likely include provisions supporting first movers. Our Group has developed technologies enabling the safe use of next-generation fuels that replace fuel oil, and has pioneered the adoption of next-generation fuel ships\*1, demonstrating that we are already building a foundation that will strengthen our competitiveness and facilitate differentiation.

We currently operate 30 next-generation fuel ships,\*2 accounting for 3.8% of our operational fleet. This level significantly exceeds the ratio of 0.9% for all operating oceangoing ships worldwide.\*3 We plan to raise the number to 100 or more by fiscal 2030, and leverage this as a driver for further growth. As a leader in maritime shipping, we are strongly committed to spearheading decarbonization efforts across the globe, and will accelerate our actions in this area with a strategy that decouples business growth from environmental impact.

\*1 Ships that can use fuel other than fuel oil or diesel. LNG carriers are not included.

\*2 As of March 31, 2025. Includes chartered ships and ships operated by companies accounted for using the equity method.

\*3 DNV survey, as of end-May 2025. Excludes LNG carriers.

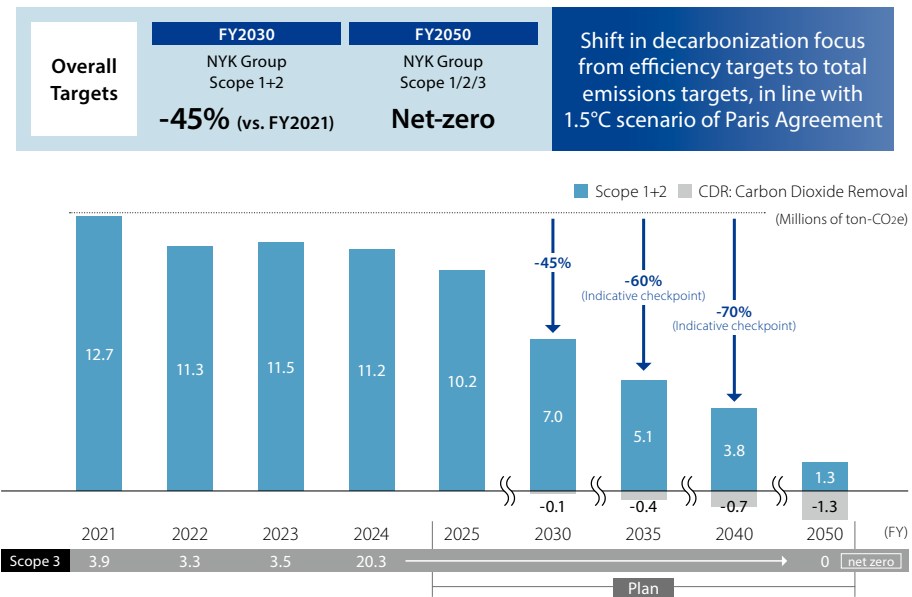
### Decarbonization Targets and Net-Zero Scenario

## Achieving Net-Zero Emissions by 2050 through Innovation and Co-Creation

The Group released the NYK Group Decarbonization Story in November 2023, laying out high targets for its decarbonization journey: a 45% reduction in the Group's Scope 1 and 2 GHG emissions by fiscal 2030 versus the levels in fiscal 2021, and net-zero by fiscal 2050, including Scope 3 emissions.

The Group is working toward these targets by pursuing co-creation and innovation with various stakeholders to not only exploit technologies that is available now or will become available in the near future but also take on the challenge of developing revolutionary technologies. It will seek to maximize the reduction of GHG emissions through efforts such as using diverse technologies and operational improvements to scale back energy consumption, and transitioning to fuels with lower emissions. In addition, the remaining balance of emissions will be offset with carbon credits to achieve net-zero, as outlined in the Group's decarbonization story.

### Scenario for Achieving Net Zero



Note: Beginning fiscal 2024, the Scope 3 data collection has been expanded to include all major consolidated subsidiaries and equity method affiliates, and emissions have been collected from all categories of Scope 3.

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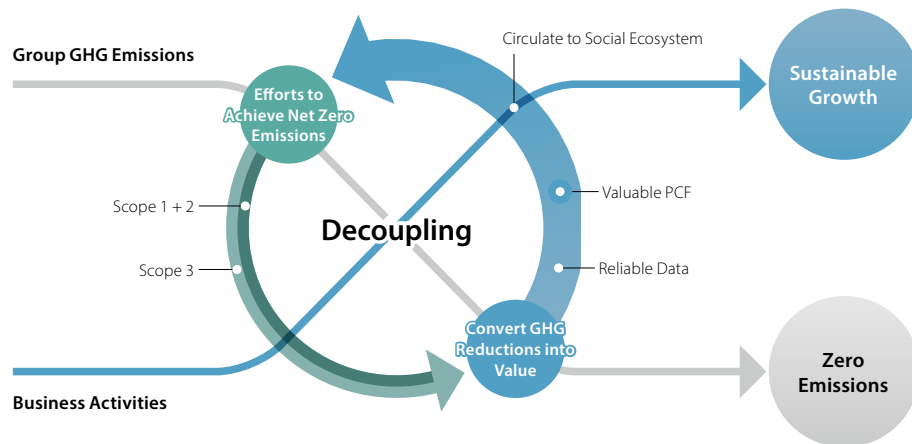
Decarbonization Strategy

### Converting GHG Reductions into Value to Achieve Sustainable Growth

Logistics serves as the backbone of countless industries, playing a vital role in the global economy. However, it is often classified as one of the “hard-to-abate” sectors, where reducing emissions proves to be particularly challenging.

Advancing GHG emission reductions in the hard-to-abate sector can lead to service differentiation and serve as an opportunity to build sustainable growth and competitiveness. The development of technologies to ensure the safe use of zero-emission fuels, the application of energy-saving technologies to improve operational efficiency could lead to new business models that meet customer demand for low-carbon transportation services, with the aim of reducing the product carbon footprint (PCF). By building an ecosystem that facilitates the sharing and circulation of emission reduction values, we aim to offer transportation services that are rich in environmental value. In doing so, we hope to accelerate the decarbonization cycle within society and promote the decoupling of sustainable business growth from environmental impact.

NYK Group Decarbonization Strategy



Roadmap Toward 2030

### Maximize Energy Efficiency × Use of Alternative Fuels to Achieve 45% Reduction in GHG Emissions

The Group is maximizing energy efficiency and shifting to the use of alternative fuels to reach the fiscal 2030 goal of reducing GHG emissions (Scope 1+2) by 45% versus fiscal 2021.

**Tactic 1 Maximize Energy Efficiency**

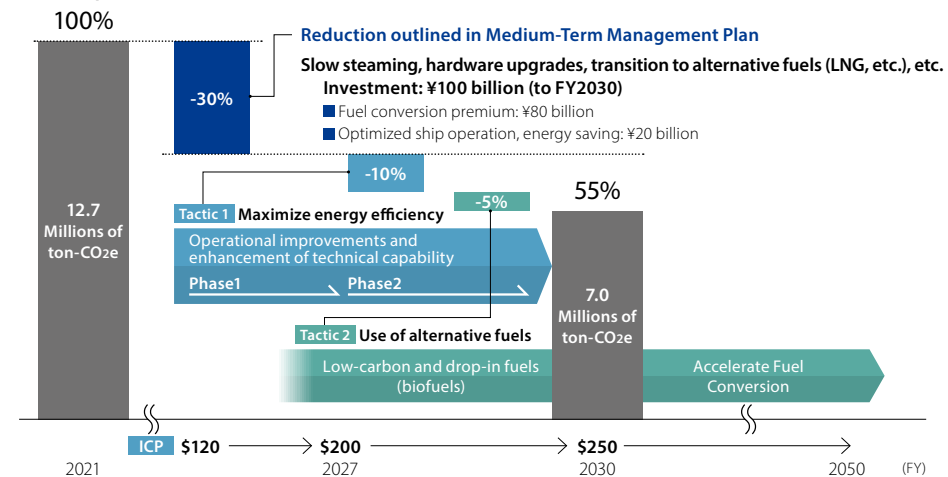
This mainly involves implementing measures for reducing hull resistance and optimizing engine performance.

<b>Phase1 (2024–2026)</b>	<ul style="list-style-type: none"> <li>Hull optimization: Reduction effect of 1–2%</li> <li>Engine upgrades and remote control: Reduction effect of 2–10%</li> <li>Optimization of propellers and stern shape: Reduction effect of 2–7%</li> </ul>
<b>Phase2 (2027–)</b>	<ul style="list-style-type: none"> <li>Wind-assisted propulsion system (WAPS): Reduction effect of 5–10%</li> <li>Air lubrication system (ALS): Reduction effect of 5–10%</li> </ul>

**Tactic 2 Use of Alternative Fuels**

The Group will continue switching to existing low-carbon fuels such as biofuels by 2030, and thereafter start using new fuels and increasing the number of ships powered by those fuels.

Roadmap to 45% Reduction Goal for FY2030



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Implementing Functional Strategies **EX** | The Path to Realizing Decarbonization

Net-Zero Emissions by 2050

### Accelerating GHG Reduction by Leading the World in the Use of Alternative Fuels

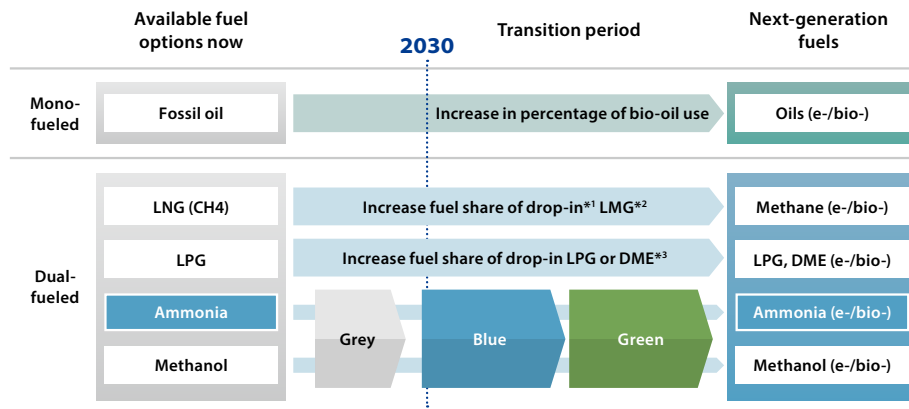
The NYK Group will step up fuel conversion to next-generation fuels, such as ammonia and methanol, as they become practical from 2030 onward.

Ammonia-fueled tugboat Sakigake, the world's first commercial ammonia-fueled vessel for commercial use, has completed its demonstration voyage and entered commercial operation. As the first-ever project to directly fuel a marine engine with ammonia, it is a pivotal initiative whose establishment of safe operating procedures and technical standards may contribute to international rule-making.

Using the insights gained from that project, the Group is building an ammonia-fueled ammonia gas carrier set to go into service in 2026.

Green Future, delivered in May 2025 and time-chartered by a Group company, is the first dry bulk carrier operated by the Group to be powered by a dual-fuel engine that can use methanol and fuel oil. In the same month, construction was completed for Transporter, the world's first offshore wind power crew transfer vessel to be operable using only biomethanol as fuel. The Group is pioneering the adoption of next-generation fuels as a first mover, seeking to set itself apart from the competition in low-carbon and decarbonized shipping. It also plans to accelerate its transition to next-generation fuels from 2030 onward, and is now setting the stage by working to establish technologies and insights on safe operation of all sorts of next-generation fuel ships.

Transition to Next-Generation Fuels



\*1 Drop-in: This describes fuels that can be used without modifications to the ship or its engine. Here, it refers to the addition of a next-generation fuel to a conventional fuel.  
 \*2 LMG: Liquefied methane gas.  
 \*3 DME: Dimethyl ether.

Convert GHG Reductions into Value

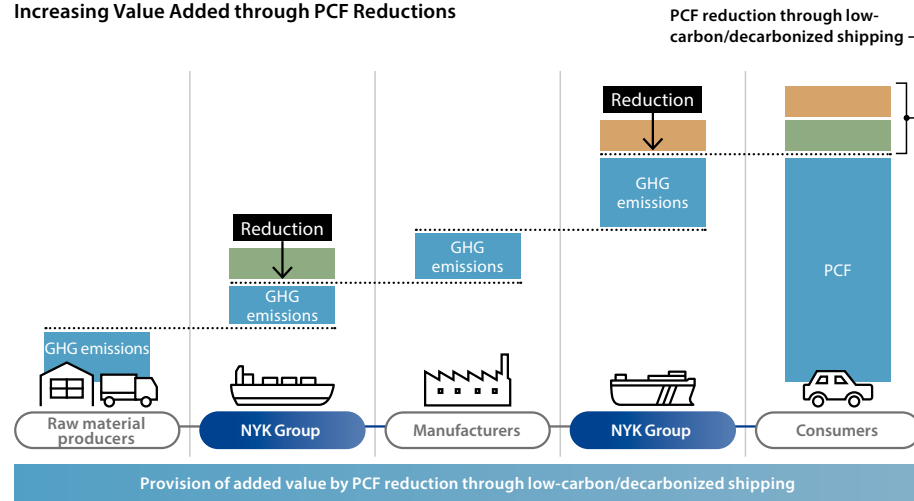
### Becoming a Logistics Provider of Choice by Supporting Customer Decarbonization

In recent years, businesses have been taking greater interest in reducing the product carbon footprint (PCF) of their products and services in response to the growing environmental awareness among consumers and the debate over procurement-related regulations such as the Carbon Border Adjustment Mechanism and mandatory disclosure of Scope 3 emissions. The NYK Group sees increasing society's demand for PCF reduction as not just an environmental undertaking, but as a new business opportunity—the provision of low-carbon and decarbonized logistics services.

Meanwhile, this has not been without challenge for our customers in accurately measuring GHG emissions in maritime transport and differences arising in individual calculation methods.

As one approach for addressing that challenge, the Global Ro-Ro Community, an initiative involving NYK and five other companies, has announced guidelines for calculating GHG emission intensity for Ro-Ro ships, such as car carriers, in conjunction with the international NPO Smart Freight Centre. The NYK Group will seek to gain a competitive edge by offering low-carbon and decarbonized transportation services that contribute to PCF reduction and are based on standardized procedures and highly reliable emissions data. The Group will work with customers to co-create a market in high-value-added green logistics by developing a method of visualizing environmental value, a data sharing platform, and a set of benchmarks.

Increasing Value Added through PCF Reductions



Note: PCF includes the processes of product use and disposal, but for simplicity this figure shows only the processes up to product sale.

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## Implementing Functional Strategies **EX** | The Path to Realizing Decarbonization

### Decarbonization Initiatives

## Leading Global Decarbonization with Partners

It is impossible to contribute to the realization of a decarbonized society and create corporate value from that endeavor simply by doing things the way that they have always been done.

Instead, it is crucial that the NYK Group leverage not only technological innovation but also collaboration with diverse partners to transform the workings of society as a whole through the establishment of new rules and systems. The Group is firmly taking action to lead the world on the path to decarbonization.

### CDR Is an Effective Tool for Achieving Net Zero Emissions

The NYK Group believes that carbon dioxide removal (CDR) is on par with the reduction of Scope 1 (direct) emissions in terms of effectiveness and is a valuable tool that should be used in efforts to achieve net zero emissions. While the Group prioritizes GHG reduction by maximizing energy efficiency and switching to next-generation fuels. For residual emissions that cannot be avoided through efforts to reduce GHG emissions, we will utilize CDR to tackle these hard-to-abate emissions, ensuring that CDR is effectively leveraged to achieve our net-zero goal.

 **Position Paper** | <https://www.nyk.com/sustainability/pdf/environment016.pdf>

### Procurement of DACCS Credits

NYK and ENEOS Corporation have signed an agreement regarding the sale and purchase of marine fuel with CDR credits to be created through direct air capture with carbon storage\* (DACCS). ENEOS will procure CDR credits from a DACCS plant operated by 1PointFive in the U.S. and supply them to NYK along with marine fuel. 1PointFive is a carbon capture, utilization, and sequestration (CCUS) company that is working to help curb the average global temperature rise to 1.5°C above pre-industrial levels.



### Procurement of Forest Management CDR Credits

NYK holds an agreement with Mitsui & Co., Ltd. to purchase CDR credits created through forest management projects that Mitsui jointly operates with Hokkaido Prefecture and forestry public corporation in Akita Prefecture, Japan. The projects efficiently and stably create credits through digital technology that utilizes aerial surveys and satellite data. NYK decided to purchase the credits because the projects are expected to provide diverse value—not only decarbonization effects, but also forest conservation, job creation, and local economic development.



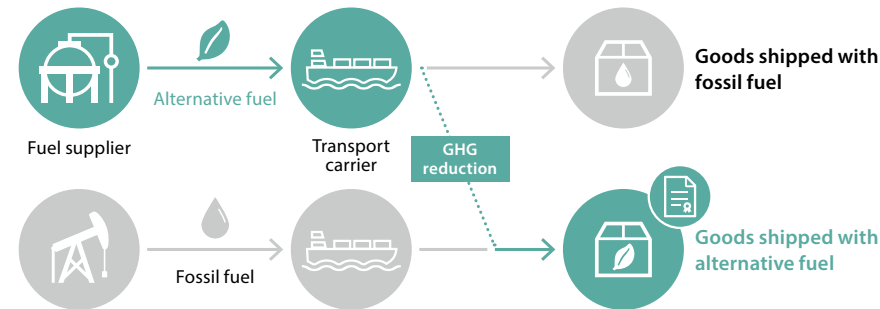
\*This photo is for illustrative purposes.

\* Direct air capture with carbon storage (DACCS) is a set of technologies for directly capturing CO<sub>2</sub> from the atmosphere and storing it underground.

### Creating New Service Offerings from Decarbonization

#### Alternative Fuel: A New Green Solution

Group company Yusen Logistics Co., Ltd. has started offering Alternative Fuel, a green solution that measures, analyzes, and visualizes the GHG emissions of customers based on past shipping data, and allocates GHG savings to them in accordance with their GHG reduction targets. These GHG savings are procured from airlines, the NYK Group, and other marine shipping companies, as well as created by Yusen Logistics from land transportation operations utilizing alternative fuels. This service supports customers' reduction of Scope 3 emissions and promotes the use of alternative fuel by adding economic value to transportation options with low environmental impact.



#### Introduction of Platform Managing GHG Emission Reduction

Ahead of the launch of Alternative Fuel, NYK and Yusen Logistics introduced a digital platform for managing the reduction of GHG emissions that is provided by 123Carbon B.V., a Netherlands-based startup working on decarbonizing the logistics sector. The platform is used to allocate to Yusen Logistics GHG reductions achieved through the use of biofuels in NYK's maritime shipping business, along with certificates issued by a third-party certification service that verifies the reductions. The resulting GHG savings forms part of the environmental value that Yusen Logistics' green solution Alternative Fuel allocates to customers seeking to reduce their Scope 3 emissions.

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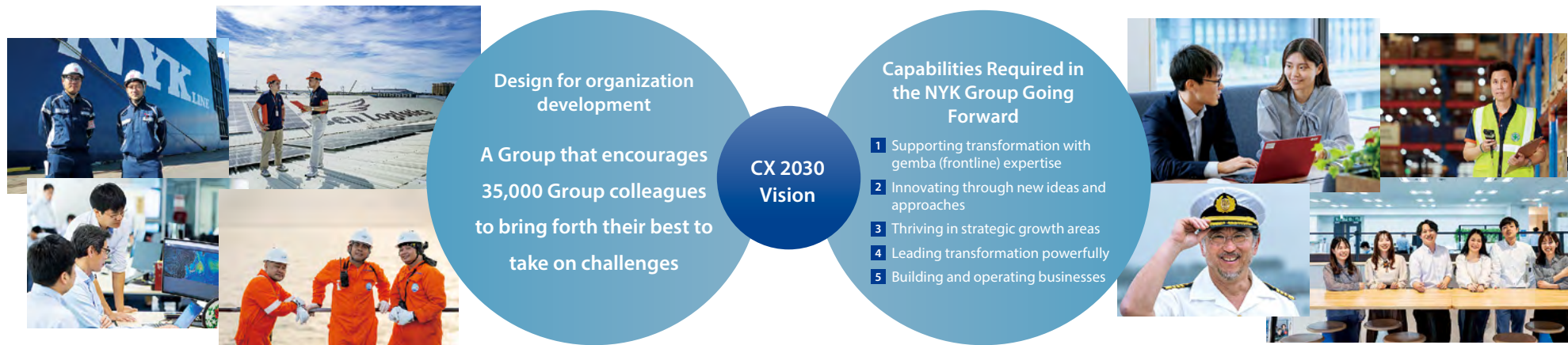
Implementing Functional Strategies **CX** | CX Strategies

CX 2030 Vision

## Transforming into “A Global Company Headquartered in Japan”

The CX 2030 Vision lays out the organizational state and capabilities needed to realize the NYK Group vision set forth by the Medium-Term Management Plan: We go beyond the scope of a comprehensive global logistics enterprise to co-create value required for the future by advancing our core business and growing new ones. The Group is strengthening its talent, organization, and governance under a set of CX strategies that sets the course for achieving the CX 2030 Vision.

By implementing the initiatives of this vision, the Group is aiming to transform from “A Japanese Company Operating Globally” (where the organization operates globally, but key decisions are made in Japan) to “A Global Company Headquartered in Japan” (where the headquarters is located in Japan, and the organization involves employees with diverse backgrounds in decision-making).



CX Strategies

## Three Core Strategies for Achieving the Target State

The CX strategies are a set of transformational initiatives for realizing the CX 2030 Vision's image of the organization that the NYK Group aspires to become in 2030. They are aimed at fostering a corporate culture that embraces change and continues taking on challenges, and developing the talent and organization needed to sustainably generate value.

They consist of three core strategies: talent development, organization development, and enhancement of governance. The Group will strive to sustainably increase its corporate value by enhancing the management foundation and strengthening Group solidarity.

**1 Talent Development**

The Group will develop an environment that enables people representing diverse values and backgrounds to continuously grow by autonomously learning and challenging themselves. It will also consolidate its talent foundation as a source of sustainable competitiveness by cultivating leaders, strategically assigning global talent, and promoting the advancement of women and navigation officers and engineers.

**2 Organization Development**

The Group will develop an organization that supports collaboration across divisional, regional, and national borders. It will carry out organizational surveys and cultural reforms to foster a culture of autonomy and co-creation, and transition to a resilient structure that can flexibly and rapidly respond to change.

**3 Enhancement of Governance**

The Group will enhance governance as a vehicle for talent and organization development. It will localize Group company management and introduce management standards to build a foundation for transforming as the entire Group.

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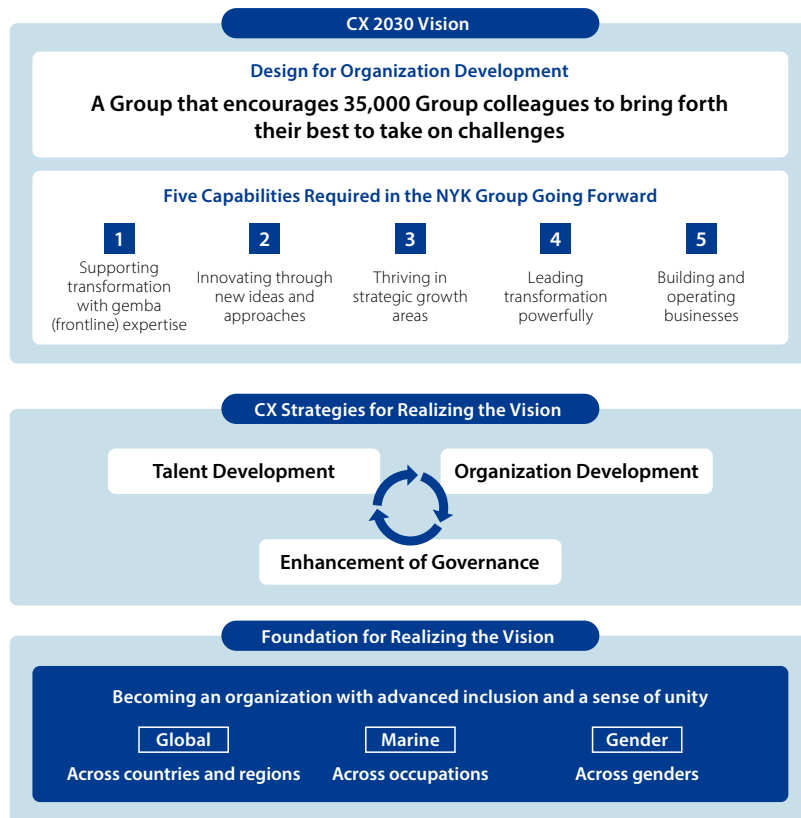


Implementing Functional Strategies **CX** | CX Strategies

CX Story

## A Big-Picture Roadmap for Realizing the CX 2030 Vision

The NYK Group CX Story provides a roadmap for the Group's evolution into an organization that embraces change and challenges and constantly produces value. The Group will carry out the three core strategies: talent development, organization development, and enhancement of governance in line with the CX 2030 Vision's guidance on the target state and five capabilities required in the Group. The foundation for this transformation is an organization with advanced inclusion and a sense of unity where diverse individuals collaborate with one another. Progress will be tracked using various indicators.



### Creating a Virtuous Cycle that Strengthens Talent, the Organization, and Governance for Becoming a Truly Global Company

For NYK to become "A Global Company Headquartered in Japan," it must establish autonomy across the entire organization by delegating authority and enhancing and cultivating local talent responsible for executing the Group's management standards. This will enable Group organizations outside Japan to act autonomously without constantly relying on the corporate head office for instructions, and governance will be strengthened across the Group through their coordination with the head office. The Group's global development of talent will create a virtuous cycle that helps to reinforce the organization and governance.

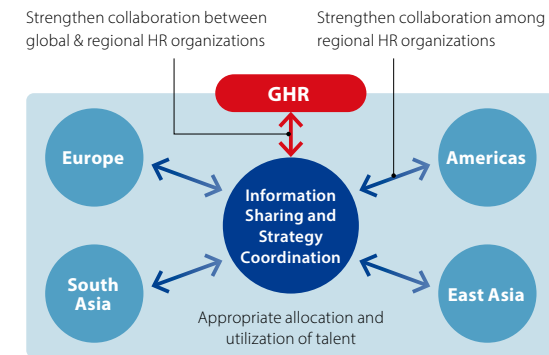


### Becoming a Global Company

The Group's global HR (GHR) organization was realigned in fiscal 2024 to strengthen HR functions at the regional level (regional HR). This change is intended to promote autonomous talent management by local organizations so that hiring, placement, and training can be tailored to local needs—and thereby increase the Group's competitiveness.

In the area of talent development, the Group will advance talent management and globally standardize employee evaluation systems to create a platform for promoting assignment of overseas talent to the NYK head office or another country outside Japan to facilitate the assignment of the right person to the right place.

To advance organization development, the Group will strengthen internal branding and utilize feedback from regular engagement surveys.



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## Becoming an Organization with Advanced Inclusion and a Sense of Unity

The NYK Group seeks to create new value by taking on the challenge of developing new businesses beyond the scope of a comprehensive global logistics enterprise, through not only *monohakobi* (transportation) but also co-creation with diverse stakeholders. The Group has reaffirmed that a critical part of this endeavor is to build a foundation that enables all employees to work vibrantly, regardless of nationality, occupation, and gender. The development of an organization where diverse talent can transcend position and nationality to exchange opinions and create value together is a core element of the current Medium-Term Management Plan's actions for strengthening talent and the organization, and is defined as a vital platform that supports the Group's sustainable growth and value creation. Initiatives for promoting inclusion are now being implemented along three important perspectives: Global, Marine, and Gender.

### Inclusion **Global**

#### Direction

As we stride towards "A Global Company Headquartered in Japan," we will promote excellent human resources within the Group regardless of the location and maximize our corporate capabilities.

#### Situation

- 80% of the Group's human resources are employed outside Japan
- Seeking to become "A Global Company Headquartered in Japan"
- Launch of cross-border internal talent recruitment

#### Challenges

- Revitalization of overseas talent (departure from Japanese-centric tendency)
- Advancement of delegation of authority, localization of management
- Organizational improvements, boosting motivation
- Assignment of the right person to the right place

#### Developing the organization by promoting talent exchange

Introduction of internal job posting system that promotes cross-border assignments (Global Challenge Program)

#### Global promotion of assignment of the right person to the right place

Standardization of talent management employee evaluation system

#### Developing the organization by utilizing diverse talent

Promote excellent local hires to management positions at Group companies

#### Topics

### Accelerating Cross-Border Assignment to Become a Truly Global Company

After working as an internal auditor at NYK Line (China) Co., Ltd. for six years, I moved to the head office's Internal Audit Chamber in 2024. I believe that this is both a testament to the Company's recognition of my accomplishments and a new career challenge that broadens my horizons through interactions with my global colleagues.

I am now developing a deeper understanding of the strengths and challenges of the NYK Group's global internal auditing system through discussions with other internal auditors in Japan and other regions. Going forward, I am motivated to bring value by sharing best practices and tackling to various challenges. I feel a strong sense of purpose through my involvement in the Group's transformation into a truly global company.



**Aderlina Yin**

Overseas Internal Audit Supervisory Team and Internal Audit Team, Internal Audit Chamber

### Inclusion **Marine**

#### Direction

We will improve the engagement of navigation officers and engineers—contributors to the Group's competitiveness—by developing an environment that enables them to work with passion and pride

#### Situation

- Many new businesses emerge from technology, and the technical expertise of navigation officers and engineers is essential to business development
- The scope of activity goes beyond marine enterprises to also include the new business domain of land-based services

#### Challenges

- Improvement of engagement
- Consistent securing of exceptional crew talent

\*NYK-TDG Maritime Academy, a merchant marine academy opened in Philippines in 2007.

#### Strengthening talent recruitment

Promoting crew development through in-house training and NTMA\*

#### Enhancing talent development

NYK Maritime College  
Interviews with HR officers before and after onboard operations (Performance Development Officer program)

#### Expanding opportunities to play active roles

Launch of internal job posting system for navigation officers and engineers (Global Challenge Program)

#### Diversifying career paths

Redefining target talent for navigation officers & engineers

#### Topics

### CX NEO Project Supports Active Roles for Navigation Officers & Engineers (NYK Empowering Oceans)

NYK runs the CX NEO (NYK Empowering Oceans) project to re-examine the workstyles and career challenges of navigation officers and engineers and build an environment that enables them

to work with passion and pride. These professionals are a source of the Company's competitiveness, and the development of an environment where they can demonstrate their expertise is a crucial element of the Company's management strategy. CX NEO clearly defines mission and purpose, identifies concrete issues, and implements measures for addressing them. The aim is to improve the shipboard environment by diversifying career options and increasing job satisfaction.



#### Target Talent for Navigation Officers & Engineers



#### Maritime competence

The capacity to contribute to the NYK Group's business operations by utilizing and applying experience and skills gained onboard

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Implementing Functional Strategies **CX** | CX Strategies

Promotion of Inclusion

# Inclusion Gender

**Direction**

We consider women talent to be a driver of sustainable growth and a source of strength for NYK. We proactively pursue women's empowerment, which we have redefined as "gender diversity that contributes to management."

**Situation**

- Pursuing gender diversity that contributes to management
- A full set of measures have been implemented to help women maintain their careers
- Women's empowerment is advancing overseas, but remains a challenge in Japan

**Challenges**

- Elimination of unconscious biases
- Further improvement of women ratio of mid-career hires
- Expansion of pipeline for developing women candidates for management positions

**President's Message on Gender Diversity**  
[https://www.nyk.com/english/news/2025/\\_icsFiles/afiedfile/2025/03/10/social005en.pdf](https://www.nyk.com/english/news/2025/_icsFiles/afiedfile/2025/03/10/social005en.pdf)

**Topics**

## Moving to the Stage of "Gender Diversity That Contributes to Management"

NYK proactively pursues women's empowerment, which it has redefined as "gender diversity that contributes to management." This commitment includes a sponsorship program launched in fiscal 2025 that assigns women managers to auditor positions at Group companies and supports them with mentoring by the overseeing executive officer. The aim is to ensure diversity at the decision-making level and enhance the mentor's understanding of the value of having an inclusive organization.

One member of the program's inaugural session is Ryoko Tanaka, Manager of the Group Management Promotion Group's Japan Group Management Support Team. Ms. Tanaka enthusiastically describes her participation, declaring, "The program is helping me to build up experience in management decision-making, and my conversations with my mentor are enabling me to develop a more sophisticated perspective. This is a valuable experience that lets me put my hands on one side of corporate management, and I'm really motivated by thinking about how this challenge will help me grow. Also, I want to do my best to support the growth of the organization where I serve as an auditor."

NYK plans to step up its efforts to reach the goal of increasing the percentage of women managers to 30% by 2030.

**Ryoko Tanaka**  
 Manager  
 Japan Group Management Support Team  
 Group Management Promotion Group



**Recruitment**

Ensure diversity across entire organization by hiring women

**Utilization**

Support for career development  
 Increase percentage of women managers

**Foster an organizational culture**

Spread president's message internally and externally

**Inclusion** Indicators for Monitoring Progress

**Engagement survey score** Consolidated The survey visualizes the level of engagement across the Group, and the results are used to guide organizational development activities.

**FY2022**  
**79%**  
 (positive responses)

### Global

**Cross-border assignments**  
 This initiative promotes assignment of non-Japanese personnel to positions in other countries, regions, or companies to strengthen talent development and diversify organizations.

Consolidated (Cumulative)

FY2023	FY2024
<b>16 cases</b>	<b>39 cases</b>

**Transfers through in-house job posts**  
 This voluntary transfer program supports self-led career development.

Consolidated (Cumulative)

FY2022	FY2024
<b>0 cases</b>	<b>10 cases</b>

**Overseas local Managing Director ratio**  
 Diversification at the decision-making level is promoted to strengthen local organizations.

Consolidated

FY2024
<b>40.0%</b>

### Marine

**NTMA graduates**  
 NTMA helps NYK secure high-quality seafarers who support safe ship operation.

Consolidated (Cumulative)

FY2024
<b>1,551</b>

**Human capital investment per seafarer**  
 NYK pursues human capital investments in seafarers, a source of its competitiveness, including in-house training.

Non-consolidated

FY2019	FY2024
<b>¥0.7 million/year</b>	<b>¥1.08 million/year</b>
<b>210 hours/year</b>	<b>280 hours/year</b>

**Engagement survey score of seafarers**  
 Seafarers' engagement survey scores are lower than those of onshore employees. NYK is seeking to raise their scores through CX NEO activities.

Non-consolidated

FY2022
<b>70%</b> (positive responses)

### Gender

**Percentage of women hires**  
New graduate hires  
 onshore administrative/engineering  
 NYK is seeking to ensure diversity across the organization by hiring new graduates.

Non-consolidated

FY2019	FY2024
<b>21.9%</b>	<b>44.2%</b>

**Percentage of women managers**  
 NYK is working to increase this percentage to diversify decision-making.

Non-consolidated

FY2024	FY2030 (target)
<b>13.9%</b>	<b>30.0%</b>

Consolidated

FY2024
<b>26.3%</b>

**Percentage of men who used parental leave program**  
 NYK is promoting use of the parental leave program by male employees to foster an organizational culture in which everyone can shine.

Non-consolidated

FY2022	FY2024
<b>72.2%</b>	<b>92.3%</b>

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Implementing Functional Strategies **Safety**

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Safety is the Core of an Effective Sustainability Management

CEO Message >

## Safety Underpins Trust, and without Trust, There Is No Business

The 1997 Diamond Grace accident\*1 at Naka-no-Se shoal in Tokyo Bay became a major turning point in the NYK Group's safety efforts. Centered around the Safety and Environmental Management Committee (SEMC), chaired by the president, the Group has been implementing NAV9000\*2—a safety quality improvement activity based on the Group's unique safety standards—and is working continuously to raise safety levels across NYK-operated vessels, chartered vessels, shipowners, and ship management companies. Seeking to ensure that all crew members on NYK vessels are fully trained in safety, the Group established the NYK Maritime Education Technical Committee (N-MEC) under SEMC as a body tasked with setting policies on crew member education, training, and development. The NYK Maritime College, an in-house crew member training program, cultivates seafarer talent through high-level education and training. The Group strives to firmly implant a safety culture and develop human resources under the philosophy of "safety underpins trust, and without trust, there is no business," a commitment that continues to uphold the core of the Group's sustainability management.



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### Pursuing Safety through Talent and Culture

#### Development of highly safety-minded talent

- ▶ Standardized education through NYK Maritime College
- ▶ Rank-based training at seven sites worldwide
- ▶ Provision of learning opportunities through e-learning
- ▶ Standardized program serving crew members of all nationalities
- ▶ Greater emphasis on hands-on training

#### Cultivating and penetrating of safety culture

- ▶ President-led SEMC
- ▶ Executive officer ship visits and dialogue with crew members
- ▶ Implementation of NAV9000 safety, quality improvement activity
- ▶ Sharing of information with stakeholders on accidents and measures to prevent recurrence
- ▶ Implementation of PDCA cycle to refresh and enhance safety awareness

\*1 The crude oil tanker Diamond Grace, operated by NYK, made contact with the west edge of Naka-no-Se shoal in Tokyo Bay, causing approximately 1,550 kiloliters of crude oil to spill into the sea.  
 \*2 A safety, quality improvement activity based on NYK's unique safety standards, established in 1998. The Group strives to develop methods for preventing accidents and enhancing safety and quality, based on assessments of vessel and ship management companies, and through dialogue with its partners—crew members, shipowners, and ship management companies.

▶ Latest Safety Initiatives | [https://www.nyk.com/english/sustainability/pdf/report\\_027en.pdf](https://www.nyk.com/english/sustainability/pdf/report_027en.pdf)

### The NYK Group's in-house initiatives

Promotion structure

#### Safety and Environmental Management Committee (SEMC)

The SEMC is a cross-functional organization chaired by the president that plays the central role in the Group's safety and environmental initiatives. It has subcommittees for specific vessel types, regions, and tasks, and engages in site-specific efforts for controlling risk and make continuous improvements. As part of its commitment towards the elimination of major accidents, it carries out activities such as periodic ship visits, educational/training programs, and crisis-response drills. It also seeks to make continual improvements through a PDCA cycle linked with NAV9000, and supports the promotion and advancement of safety culture in partnership with shipowners and ship management companies.

Human resources development

#### Enhancing quality of education: NYK Maritime Education Technical Committee (N-MEC)

N-MEC is a technical committee established to improve the quality of the Group's crew member education programs. It develops educational materials tailored to on-site operational needs and revises curricula to standardize and enhance the quality of the training centers and educational programs run by the Group worldwide. It also works to standardize simulator training and improve instructor competencies, and is building a system through which crew members of diverse nationalities can acquire a common set of skills. These activities not only enhance the technical expertise and safety awareness of crew members, but also contribute to fostering a strong safety culture.

Safety & quality improvement

#### Evolving the safety strategy: Launch of NAV9000 Plus

NYK plans to launch NAV9000 Plus in fiscal 2026 as an evolution of NAV9000. This new initiative is aimed at enhancing the safety and quality standards by closely following up on improvements that need to be made on ships owned or chartered by the Group, and as well as that of the shipowners and ship management companies. Guided by the ideals of partnership based guidance and co-creation, the Group will pursue dialogue and collaboration with stakeholders to further elevate safety and quality standards.

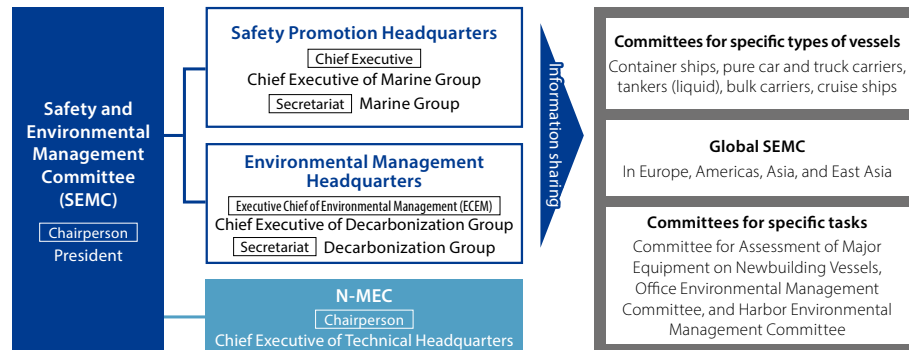
\*NAV9000 Plus Ambassadors: These are NAV9000 Plus promoters who will strive to instill and advance the initiative's and activities both internally and externally. This role is to be fulfilled by members assigned to each business section, and the initiative is premised on the active involvement of every business section.



#### Four Evolution Focuses of NAV9000 Plus

- 1 **Formulation of the NYK Golden Rule**  
Codification of "Formalization of Fundamental safety standards"
- 2 **Introduction of assessment sheets and visualization**  
Visualize assessment results and implement data-driven, company-specific follow-up
- 3 **Establishment of NAV9000 Plus Ambassadors\* program**  
Enhance safety and quality standards through comprehensive follow-up support
- 4 **Optimization of approaches based on mode of ship management**  
Implement tailored follow-up aligned with each ship management company

### Safety and Environmental Measures Advancement System



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Implementing Functional Strategies **DX**

# Advancing Transformation with the Power of Digital Solutions **DX** — Digital as a Transformation “Enabler × Accelerator” —

At the NYK Group, digital transformation is both an enabler that supports Group-wide management strategy and an accelerator that speeds up transformation and value creation. These two forces underpin the current Medium-Term Management Plan's four other strategies (AX, BX, CX, and EX) and are producing concrete results in their respective domains. With IT departments playing a supporting role, these initiatives are driving the transformation of business units with field-led approaches grounded in the field-level (awareness) of challenges and the ability to take action.

The NYK Group's Definition of DX

### Enabler

Power to accomplish

Role: Utilize digital solutions and IT to build a foundation supporting the realization of management strategy and to develop the means of implementation

### Accelerator

Power to speed up value creation

Role: Utilize digital solutions and IT to accelerate the execution of management strategy and to drive transformation

Outcome Expected from DX

### AX Ambidextrous management

- Support for safe and efficient ship operation ▶①
- Transformation of new ship design and ship management operations ▶②
- Improvement of customer service and development of customer bases ▶③

### BX Business transformation

- Commercialization of autonomous ships ▶④
- Taking on the challenge of creating new businesses ▶⑤

### CX Talent, organization, group management transformation

- Faster and more sophisticated decision-making
- Enhancement of well-being ▶⑥
- Strengthening of management foundation and governance

### EX Energy transformation

- Development of fleet for decarbonization ▶⑦
- Support for the spread of renewable energy ▶⑧

▶ Co-Creation Cases ▶① P.04 ▶② P.17 ▶③ P.13 ▶④ P.07 ▶⑤ P.19 | <https://www.nyk.com/english/sustainability/pdf/concept/esg-story002en.pdf>

▶ Yusen Logistics ▶⑥ | [https://www.yusen-logistics.com/jp\\_en/digital-solutions/yusen-vantage/yusen-vantage-focus](https://www.yusen-logistics.com/jp_en/digital-solutions/yusen-vantage/yusen-vantage-focus)

▶ NYK Report 2024 ▶④ P.40 | [https://www.nyk.com/english/ir/library/nyk/\\_icsFiles/afieldfile/2025/01/27/2024\\_nykreport\\_all\\_en.pdf](https://www.nyk.com/english/ir/library/nyk/_icsFiles/afieldfile/2025/01/27/2024_nykreport_all_en.pdf)

▶ News Room ▶⑥ | <https://www.nyk.com/english/news/2024/20240614.html>

## DX Strategy Going Forward

The competitive environment for businesses is changing around the world due to rapid technological innovation and labor shortages stemming from population shrinkage in certain nations. The NYK Group considers development of the system foundation for future growth, maximized utilization of generative AI, and the strengthening of security governance to be priority challenges going forward. To address these challenges, the Group will cultivate DX talent, enhance IT infrastructure, and engage in global collaboration. It will also use data that contributes to management decision-making and strengthen the organizational structure for supporting and promoting that data utilization. In so doing, the Group will seek to increase its overall competitiveness.

### Cultivation of DX Talent

The Group implements basic training, e-learning, and other talent development programs for improving employees' digital skills. This has given rise to an organizational structure that enables those in the field to conceive and proactively execute their own DX projects. Moreover, the implementation of skill assessments and programs supporting skill acquisition has promoted learning optimized to each employee's level of expertise. The Group will further advance DX to facilitate optimized assignment of personnel and to increase the efficiency of human resource development.

### Enhancement of IT Infrastructure and Global Collaboration

NYK Group has assigned IT/DX talent to its offices in the U.S., Europe, and Asia. Each base also functions as a Centre of Excellence,\* operating in cooperation and collaboration with each other. They also work with IT personnel of globally operating Group companies to create an international system of task allocation in specific domains. Their collaboration with highly skilled overseas professionals is aimed at building up the Group's overall IT capabilities and competitiveness.

\*Center that engages in cross-functional activities.

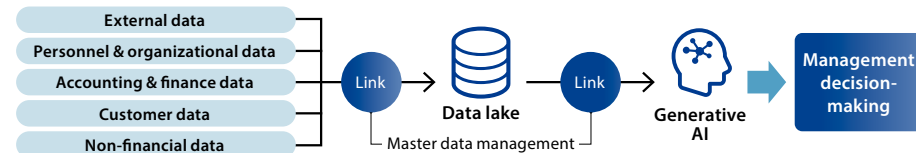
### IT/DX Promotion Offices at Group Companies

Company	Offices
NYK Business Systems	Tokyo   London Singapore   United States
Yusen Logistics	Tokyo   Shanghai Hong Kong   Singapore Amsterdam   United States

### Utilizing Data in Management Decision-Making and Strengthening Organizational Structure for Promoting Data Utilization

In the past, the use of a given dataset was confined to an individual department or operation, but recent years have seen increasing use of the same datasets by multiple departments and external organizations. To address this shift and develop an environment that facilitates swift and accurate management decision-making, NYK has established a committee responsible for identifying challenges across the Company, designing processes, and coordinating with stakeholders. This committee is working to integrate financial and non-financial data and develop an analytical platform that uses generative AI and other advanced technologies. These efforts are intended to advance data and system integration and promote the visualization and sharing of information that contributes to management decision-making. The development of DX leaders and strengthening of the organizational structure for promoting data utilization are aimed at improving decision-making across the Company.

### The NYK Group's Vision for Data Utilization in the Future



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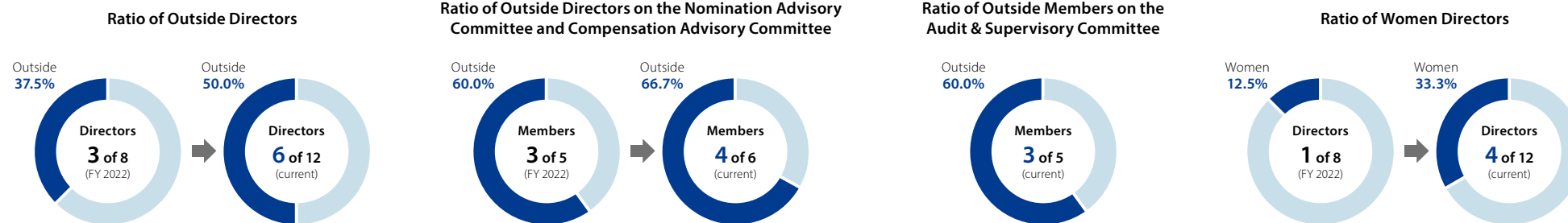
Corporate Governance and Corporate Value

## Evolving Corporate Governance to Increase Corporate Value

NYK believes that continuous efforts to strengthen corporate governance lead to sustainable improvement of corporate value. The Company has worked to advance the Board of Directors' effectiveness through expanded appointment of outside directors, improvement of Board operation, and optimization of the agenda, and by transitioning to a company with an audit & supervisory committee to strengthen and upgrade monitoring functions and to build and maintain agile, highly transparent decision-making processes. This evolution of corporate governance enables the Company to tackle medium- and long-term management challenges even in this era of rapid change.

## History of Strengthening Corporate Governance

- 2002** Introduced Committee of Corporate Officers to strengthen operational execution system
- 2006** Established Advisory Board
- 2008** Abolished Advisory Board, appointed two outside directors  
Shortened the term of office of directors from two years to one year
- 2010** Filed notifications with stock exchanges regarding independent directors and auditors as stipulated by domestic financial instruments exchanges
- 2015** Prepared the following as part of the process of adopting Japan's Corporate Governance Code:
  - Corporate Governance Guidelines
  - Our Views on Size, Balance and Diversity of the Board of Directors
  - Policies and Procedures for the Appointment and Nomination of Directors, Audit and Supervisory Board Members and Corporate Officers
  - Independence Criteria for Recommendation of Candidates for Outside Directors and Audit and Supervisory Board Members
  - Policies and Procedures for Determining Compensation for Directors, Audit and Supervisory Board Members and Corporate Officers
- 2016** Increased outside directors by one member to three, and decreased the total number of directors by one to 12 (decreased internal directors by two)  
Introduced performance-based stock compensation plan  
Established Nomination Advisory Committee and Compensation Advisory Committee  
Conducted a non-anonymous self-evaluation survey of all directors, including outside directors, and of all audit and supervisory board members, including outside members, regarding the effectiveness of the meetings of the Board of Directors
- 2017** Decreased the total number of directors by one to 11  
Established the position of chief outside director
- 2018** Appointed an outside advisor in charge of self-evaluation and analysis, etc., related to Board of Directors effectiveness  
Decreased the total number of directors by two to nine
- 2019** Decreased the total number of directors by one to eight  
Established the Governance Committee
- 2020** Revised decision-making process and established Management Meeting to ensure flexible decision-making  
Changed naming conventions (changed from corporate officer to executive officer) and changed position and prominence of the Board of Executive Officers  
Switched to appointing outside directors to serve as chairpersons of the Nomination Advisory Committee and the Compensation Advisory Committee
- 2021** Established the ESG Management Committee (now the Sustainability Strategy Committee)
- 2022** Introduced a performance-based monetary compensation plan
- 2023** Transitioned to a company with an audit & supervisory committee to improve effectiveness and strengthen monitoring function of the Board of Directors, and increased the ratio of independent outside directors to 50%



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Message from the Chairperson of the Board of Directors

# I will lead the Board of Directors toward the sustainable improvement of our corporate value

**Hitoshi Nagasawa**

Chairman, Director

The environment surrounding the maritime shipping industry is experiencing an unprecedented level of growing uncertainty. Over the years, I have worked hard as a senior executive to improve the NYK Group's corporate value. In my current role as the Group's chairman and the chairperson of the Board of Directors, I am striving to maximize our corporate value by leveraging the experience I gained as president and the insights shared by our outside directors. Our strategy for achieving this is to strike the optimal balance between managed investments for long-term growth and shareholder returns, while minimizing the impact of market fluctuations.

Corporate value can be defined in different ways. Personally, I see it as something that should be measured with not only quantitative metrics like market capitalization, but also qualitative elements such as the company's purpose, shareholder trust, and ability to implement its Medium-Term Management Plan. The mission of the Board of Directors is to develop a framework for sustainably growing such corporate value and to continue improving the effectiveness of that system.

To that end, I am particularly focusing on engaging in dialogue with outside directors. It has been two years since we transitioned to a company with an audit & supervisory committee. The first year required some experimenting with how to proceed under our new system, but I believe that we made significant strides forward in the second year. In order to improve the quality and effectiveness of Board discussions, we created a system for sharing with outside directors important information prior to each meeting, such as the background of our management challenges and the content of Management Meeting discussions. This approach also has the function of helping outside directors to monitor whether corporate management is being executed in line with the Board's discussions. Prior to the transition, project briefings by executives took up a considerable portion of Board meetings, leaving little time for delving into big picture topics such as the direction of the Group as a whole. However, this issue has been solved

by the new system, enabling the Board to devote more time to discussion.

Another improvement we have made to boost the Board's effectiveness was establishing an opportunity at the start of each fiscal year to align our outside directors with the year's agenda, allocating sufficient time for thorough, in-depth discussion. We also arrange tours of operating sites for them to aid their understanding of our businesses, and schedule several one-on-ones between them and me during the year to exchange thoughts, with the aim of correcting the imbalance in their access to information and talking about topics that are hard to bring up in Board meetings. One of the Board's current challenges is to clearly map out a CEO succession plan, and we are progressing discussions centered on the Nomination Advisory Committee to facilitate discussion and consensus building among the entire Board. We count on our outside directors to be deeply involved in the Board's duties, and in our process of selecting candidates, we look for those whose responsibilities at other companies will not prevent them from devoting the time needed to keep our Board operating effectively.

The key to sustainable profit creation is ROIC management. The Board is overseeing the responsibility to meet the Medium-Term Management Plan's goal of achieving ROIC of 6.5% or more, including efforts to visualize the returns of each segment and replace underperforming assets. The outside directors support this by frankly questioning whether certain businesses should continue to be held, and the executives clearly present evidence-backed defenses. The framework for such dialogue is in itself a force for improving our corporate value.

Our Group has long operated businesses by creating value that is necessary for society through logistics, while agilely adapting to change. Our forward-looking commitment to keep the flow of people and goods going is a strength that we have cultivated over our 140-year history, and is the foundation that supports our innovation. No matter what comes our way, we will continue moving forward by anticipating the future, engaging in discussion, and boldly taking on challenges. The Board, including its outside directors, will lead the way while constantly pursuing sincere dialogue with investors. We look forward to your continued valuable support.

**Actions for Energizing Board Meetings**

- Various briefings for outside directors
- Advance briefings for outside directors on Board meeting agenda
- Review Session by outside directors
- Business segment progress reports for outside directors
- One-on-one meetings between outside directors and the chairperson of the Board
- Directors intensive discussion (1 full day/year or 2 half days/year)
- Domestic/overseas operating site visits for outside directors (once a year or so)



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Directors (As of June 18, 2025)

Directors



**Hitoshi Nagasawa**  
Chairman, Director

Nomination Advisory Committee Member  
Compensation Advisory Committee Member



**Takaya Soga**  
President, Representative Director,  
President and Chief Executive Officer

Nomination Advisory Committee Member  
Compensation Advisory Committee Member



**Akira Kono**  
Representative Director, Executive  
Vice-President, Executive Officer



**Yasunobu Suzuki**  
Director, Managing Executive Officer



**Eiichi Tanabe**  
Chief Outside Director, Independent  
Director

Nomination Advisory Committee Member  
Compensation Advisory Committee Member



**Satoko Shisai**  
Outside Director, Independent  
Director

Nomination Advisory Committee Member  
Compensation Advisory Committee Member



**Satoko Kuwabara**  
Outside Director, Independent  
Director

Nomination Advisory Committee Member  
Compensation Advisory Committee Member

Period Served / Age	14 years / 67	3 years / 65	2 years / 63	New appointment / 57	6 years / 71	1 year / 61	New appointment / 60
Number of Shares Held	293,096	54,422	61,082	8,600	11,773	177	4,107

Expected Role / Reasons for Appointment	Hitoshi Nagasawa previously led the Energy Division and new offshore and green businesses, and oversaw structural reform of the Dry Bulk Division. As president, he advanced sustainability management, and in his current role as chairman he engages in management supervision efforts aimed at improving the Board of Directors' effectiveness and sustainably enhancing corporate value. He excels in governance and strategic decision-making guided by a vision for the overall direction of the Group.	Takaya Soga's experience includes overseeing the Automotive Transportation Headquarters and the Management Planning Headquarters. Since becoming president in 2023, he has worked to continuously strengthen the management foundation and stabilize business earnings through steady implementation of the Medium-Term Management Plan and acceleration of sustainability management. He is deeply knowledgeable about many different business domains, and manages the NYK Group through leadership with a comprehensive overview.	Having previously worked in mainly the Energy Division, Akira Kono now concurrently serves as CFO and chief executive of the Management Planning Headquarters. He is an expert in financial strategy and capital policy, and advances decarbonization investments and sustainability management. He also proactively engages in dialogue with shareholders and investors. He contributes to the enhancement of the quality of management with a strategic perspective that balances the sustainable growth of businesses and the improvement of capital efficiency.	Yasunobu Suzuki previously served in the general affairs and human resources divisions and now concurrently holds the positions of chief compliance officer, chief human resources officer, and chief executive of the General Affairs Headquarters. He works to enhance human resources and organizations with the goal of evolving NYK into a truly global company where the Group's diverse employees can wield their individuality as a force for taking on challenges. He also plays a part in efforts to strengthen corporate governance and further advance internal control.	Eiichi Tanabe formerly served in key positions at Mitsubishi Corporation, including representative director and senior executive vice president. His extensive background in management and supervision of business execution has endowed him with many insights on business portfolio building, capital policy, risk management, and corporate governance structure. He is expected to contribute to the realization of both sound management and sustainable growth by leveraging his experience in management decision-making and corporate governance from a long-term perspective.	Satoko Shisai previously managed sales and IT/DX organizations at a multinational IT company and a major pharmaceutical firm. She is experienced in leading DX that involves corporate culture reforms and organizational realignments, and has a practical understanding of IT strategy and business transformation. She is expected to provide substantive advice on Group-wide DX, drawing from her experience in advancing both technology and organizational reforms in tandem.	Satoko Kuwabara's career as a lawyer has equipped her with a wealth of experience and insights on corporate and financial legal affairs. She has audited the execution of the Company's operations as an independent outside auditor and supervisory board member, and an independent outside director who is a member of the Audit & Supervisory Committee. Taking a broad perspective that includes the viewpoints of all stakeholders, she supervises the Board of Directors and the execution of duties by directors, etc., and helps to ensure the transparency of the advisory committees' discussions and procedures.
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Directors Who Are Audit & Supervisory Committee Members



**Keiko Kosugi**  
Director, Full-time Audit & Supervisory Committee Member



**Yutaka Higurashi**  
Director, Full-time Audit & Supervisory Committee Member



**Hiroshi Nakaso**  
Outside Director, Audit & Supervisory Committee Member, Independent Director



**Motoyuki Ii**  
Outside Director, Audit & Supervisory Committee Member, Independent Director



**Ritsuko Nonomiya**  
Outside Director, Audit & Supervisory Committee Member, Independent Director

Period Served / Age	2 years / 58	New appointment / 62	2 years / 71	New appointment / 66	New appointment / 63
Number of Shares Held	15,782	95,056	1,436	None	None

Expected Role / Reasons for Appointment	Keiko Kosugi has worked in a wide range of business areas and operations, such as conventional ship and car carrier businesses, as well as in work relating to planning and the environment. Since becoming general manager of the Internal Audit Chamber, she has helped to strengthen corporate governance by clearly delineating Group management discipline and improving internal audit functions. She uses her business experience and expertise particularly in internal auditing to contribute to the enhancement of the corporate governance structure.	Yutaka Higurashi has mainly been in charge of general affairs, human resources, and legal divisions, and served as chief compliance officer and chief executive of the General Affairs Headquarters. Utilizing his abundant business experience and expertise in general affairs, human resources, legal affairs, and compliance, he strengthens the Board of Directors' monitoring functions and thus contributes to the enhancement of the Group's corporate governance structure.	Hiroshi Nakaso held various positions at the Bank of Japan, such as director-general of the Financial Markets Department, executive director, and deputy governor. He has broad insights into international finance and economics, and a wealth of experience in crisis management of financial systems and markets. He helps to enhance the Group's corporate governance structure through efforts to reinforce the Board of Directors' monitoring functions, leveraging the expertise he gained from his abundant practical experience in central banking.	Motoyuki Ii has previously been involved in group-wide technical strategy and international standardization at a major Japanese telecommunications company, which is required to balance public and business interests. He was also involved in the said company's management as President and Chief Executive Officer. He utilizes his strong expertise in corporate management and extensive IT experience to contribute to the enhancement of the Group's corporate governance structure.	Ritsuko Nonomiya's career has included working at accounting firms in the U.S. and Japan, acquiring a U.S. CPA license, and involvement in M&A and business development at an M&A advisory firm, as well as corporate management as a representative director and CEO. She strengthens the Board of Directors' monitoring functions by leveraging her abundant experience in accounting, finance, and international M&As to support the enhancement of the Group's corporate governance structure.
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Skills Matrix of Directors

	Position	Name	Core Elements of Business Management			Essential Elements of Management Strategy Implementation			
			Corporate Management	Finance / Accounting	Risk Management	Sustainability	Technology	Human Resources / Organizational Development	Global Insights
Director	Chairman, Director	Hitoshi Nagasawa	●		●	●			
	President, Representative Director, President and Chief Executive Officer	Takaya Soga	●	●		●			●
	Representative Director, Executive Vice-President, Executive Officer	Akira Kono		●	●	●			
	Director, Managing Executive Officer	Yasunobu Suzuki			●			●	●
	Chief Outside Director, Independent Director	Eiichi Tanabe	●	●	●				
	Outside Director, Independent Director	Satoko Shisai				●	●	●	
	Outside Director, Independent Director	Satoko Kuwabara			●	●			
Director, Audit & Supervisory Committee Member	Director, Audit & Supervisory Committee Member	Keiko Kosugi			●	●			
	Director, Audit & Supervisory Committee Member	Yutaka Higurashi			●			●	
	Outside Director, Audit & Supervisory Committee Member, Independent Director	Hiroshi Nakaso		●	●				●
	Outside Director, Audit & Supervisory Committee Member, Independent Director	Motoyuki Ii	●				●		
	Outside Director, Audit & Supervisory Committee Member, Independent Director	Ritsuko Nonomiya	●	●					●
<b>Skill Selection Rationale / Assessment Criteria</b>			The Group operates across a wide range of business domains, and determining business strategies and controlling operations require a high level of comprehensive deliberation and judgment. Therefore, we place importance on operational experience and a proven track record in managing a company or a similar organization.	To achieve the sustainable enhancement of the Group's corporate value, we place importance on expertise and experience in the following areas: promoting growth-oriented investments, building a robust financial foundation, formulating shareholder return policies, ensuring compliance in corporate accounting, and maintaining appropriate dialogue with capital markets.	The Group's businesses span many countries and regions, and are centered on vessel operations and the organizations that support them. We place importance on expertise and experience in developing and establishing appropriate internal control systems that comply with laws and regulations, as well as the ability to identify and manage material risks relevant to the Group.	The Group provides services that contribute to solving social issues. Among these initiatives, promoting the adoption of new fuels for vessels is a key management strategy. This requires not only the ability to set and achieve ambitious management targets and demonstrate leadership within the industry, but also insight into the sustainable use of natural capital. We place importance on expertise and experience in this field that reflect an awareness of global trends and a capacity to enhance corporate value.	The foundation of the Group's innovation lies in technology and experience data accumulated in the field over many years. We place importance on expertise and experience in combining these accumulated technologies and data with cutting-edge digital technologies to drive corporate transformation and management strategy.	The Group has business sites all over the world. We place importance on the expertise and experience necessary to effectively implement human resource strategies that foster globally capable talent, as well as organizational development strategies that harness the collective efforts of Group employees to enhance organizational strengths.	Given that the Group conducts diverse businesses in global markets, a deep understanding of international affairs and local market trends, legal and regulatory frameworks, and cultural contexts in each country is essential. We therefore place importance on expertise and experience that encompass such global insights and lead us to the successful management of international operations, including management of overseas Group companies.

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Messages from Outside Directors



**Now that the Company's capital foundation has improved, it's time for proactive governance that strategically takes on risk**

Eiichi Tanabe  
Chief Outside Director, Independent Director

Maritime shipping is an industry exposed to dramatically fluctuating market conditions, and thus strategic risk-taking is an essential part of the drive to achieve sustainable growth. Over the past several years, NYK has tremendously strengthened its foundation as a company by improving its financial standing and realigning its business portfolio. This has inspired the Board of Directors to increasingly take a positive attitude toward proactive investment, respecting the management's entrepreneurial spirit, while assessing the boundaries for how far risk can be taken.

The Board has engaged in repeated discussions to determine a management strategy aimed at achieving stable profitability that remains resilient to market volatility. At the macro level, we are optimizing our business portfolio based on ROIC, while at the micro level, we are managing

market exposure for each type of vessel and hedging risks through the use of derivatives and other measures. This approach allows the Board to develop a more comprehensive understanding of frontline operational issues, thereby strengthening our overall risk management capabilities. In addition, the Board is paying attention to Ocean Network Express Pte. Ltd., which operates the container shipping business, and in-depth discussions are underway. While there is no silver bullet to defeat market fluctuations, steady efforts to minimize their impact are being taken, including optimizing the non-spot/spot contract ratio, increasing capital efficiency, and reforming the management structure. The Board is continuing to be involved in and support these initiatives.

In order to adapt to recent complex risks such as avoidance of Suez Canal transit amid instability in the Middle East and

newly emerging geopolitical challenges, action is being taken to further develop NYK's system for assessing exposure in each region and analyzing risk scenarios. The board is working to increase the Company's flexibility toward risk, leveraging our experience and insights from the front lines.

The Board's understanding of the theme of an ideal management strategy for a stable profit creation is evolving by going beyond merely managing profit targets to encompass frequent discussion of how to reduce volatility impacts overall by building up a business portfolio as a comprehensive global logistics enterprise and harnessing the diversification effect of individual businesses.

Guided by the Board, the Company is strengthening its framework for enhancing corporate value overall with an approach that balances offense and defense.

**NYK is building a diverse management structure through efforts that include the Group companies**

As chairperson of the Nomination Advisory Committee, I am involved in succession planning. The Board of Directors has developed into a 12-person organization that includes six outside directors, three of whom are women, and has left behind the era of selecting the next generation of leaders without seeking outside opinion. Instead, we are now implementing a new selection process that is designed to foster a level-headed assessment of candidates. The Company is striving to construct a diverse management structure that includes human resources development across all Group companies.

**We will enhance corporate value with an approach that balances shareholder returns and growth investment**

As for the effectiveness of the Board of Directors, we have worked to develop a system that enables it to focus on weightier discussion through smarter selection of topics and use of time. For example, discussions of capital policy

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have become more sophisticated through factor analysis of topics such as the balancing of shareholder returns and growth investment, capital structure optimization, and leverage levels. To boost its corporate value, NYK is leveraging its stronger capital foundation to exit businesses with low strategic purpose and aggressively pursue growth investments, including acquisitions in the energy and logistics business sectors. The Board of Directors supports the actions to substantially reduce cost of capital by transforming the business portfolio and strengthening risk management capabilities. However, we believe that enhancing communication and dialogue with investors remains a challenge for the Company.

### Sharing NYK’s mission as a transport infrastructure company, we will contribute to the enhancement of its corporate value

The NYK Group is a transport infrastructure company that supports the nation’s energy and food security, and I believe there is still much room for it to play its part as a core member of the global maritime shipping value chain. The decarbonization movement and advances in ICT (Information and Communication Technology) have created new revenue opportunities, and I believe that the Group can cultivate new business opportunities by leveraging its world-class ship operation technologies and wealth of data as it firmly carries out its mission of supporting the next generation of transport infrastructure.

I believe that outside directors also act as representatives of shareholders and other stakeholders. Corporate value cannot be built up without improving the quality of management and effectively communicating those enhancements to stakeholders. In a company’s dialogue with investors, the role of outside directors is to provide them with objective insights. I would like to be involved in future dialogue with investors by sincerely answering their questions about whether or not governance is functioning properly. I ask the Group’s shareholders to gently but firmly watch over its challenging journey to surmount the market’s vicissitudes and achieve long-term growth.

## I will contribute to the improvement of corporate value through thoughtful and constructive discussion

Satoko Shisai

Outside Director, Independent Director



Since my appointment as an outside director a year ago, I have come to highly appreciate the fact that the Board of Directors broadly discusses not only financial matters but also non-financial topics such as human capital, sustainability, and DX, and that we are able to engage in thoughtful and constructive discussion thanks to the deeper understanding of the industry and the background of agenda items provided through diverse types of meetings. In particular, in my experiences at other companies, I have rarely encountered anything like Chairperson Nagasawa’s commitment to encouraging directors to ask any questions they may have and to holding one-on-one talks with outside directors several times a year to eliminate their information asymmetry. Another positive aspect of NYK’s Board of Directors is that even though the selection of agenda topics is becoming more challenging, Chairperson Nagasawa will readily set up opportunities for discussion of important topics we bring up.

With regard to DX, NYK has been selected as a “DX Stock” for three years in a row and is highly acclaimed for its contributions to the advancement of DX, including in the development of industry standards. Another factor behind this recognition is that the Company has incorporated DX into its Medium-Term Management Plan as a strategy, and all departments are working together to implement it. The Company views DX as a growth enabler, and has high expectations for further advances in its efforts to develop industry standards through the use of generative AI and ERP (Enterprise Resource Planning) system innovation.

Looking at diversity and inclusion (D&I) initiatives, NYK

is also seeking to become a truly global company where each member of its 35,000-strong diverse workforce can utilize their individual talents to the fullest. As part of its non-financial indices and KPIs, NYK has set a goal of increasing the women manager ratio to 30% by 2030, and is steadily working toward it through awareness-raising activities and training, as well as by recruiting outside talent. The development of women managers won’t happen overnight, but I will use my role as an outside director to help advance this endeavor.

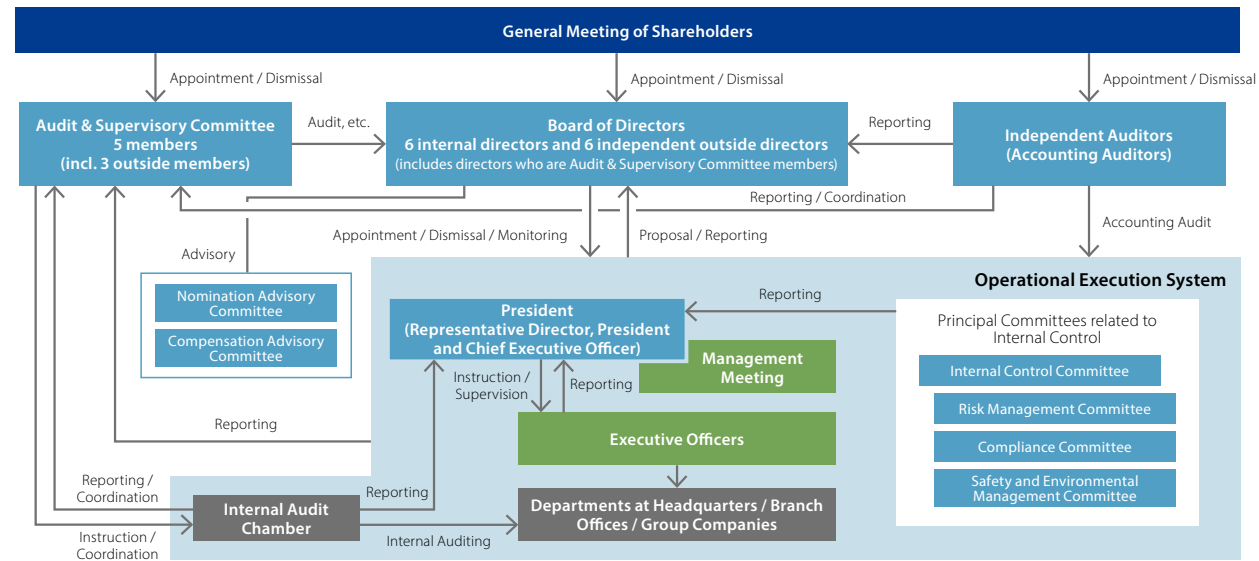
My fellow outside directors and I earnestly engage in discussion with management while maintaining an appropriate distance from them. Taking to heart the weighty responsibility of the votes we each cast at Board meetings, we strive to advance optimal solutions for enhancing NYK’s corporate value through shareholder returns and growth investments. I consider the critical insights shared by investors, analysts, and shareholders to be valuable input for our growth, and I will continue aspiring to meet their expectations by taking part in constructive discussions.



## Corporate Governance Structure

NYK ensures the transparency and efficiency of its management and strives to build and maintain an appropriate management structure to earn the trust and meet the expectations of all stakeholders, including shareholders, investors, customers, business partners, local communities, and employees of the Company and the NYK Group. The Company has also adopted the organizational form of a company with an audit & supervisory committee. The Board of Directors comprises 12 members, including six outside directors (independent directors), and the Audit & Supervisory Committee has five members, three of whom are outside directors. By delegating decision-making authority for important business execution to the executive directors, the Company has built a structure for responding swiftly to dramatic changes in the business environment. Executive officers, in addition to executive directors, execute the business of the Company under the resolution and supervision of the Board of Directors. The Company has also established the Nomination Advisory Committee and the Compensation Advisory Committee as advisory bodies for the Board of Directors to ensure the transparency of the Board's functions. These committees meet regularly and are chaired by an outside director (in principle, the chief outside director), with independent outside directors engaging in various activities, such as attending meetings of the advisory committees and Board of Directors, participating in other important corporate meetings and conferences, making recommendations related to the Group's overall system of governance and internal control, engaging in activities at discussion meetings among directors, and visiting Group business sites inside and outside Japan.

### Corporate Governance Organizational Structure (As of June 18, 2025)



#### Audit & Supervisory Committee

Supervises directors' execution of their duties, supporting the soundness and transparency of management.

Chairperson

**Keiko Kosugi**

Director, Full Time Audit & Supervisory Committee Member

##### Major agenda items in FY2024

- Deliberation on the audit plan and key audit items
- Deliberation on appointment and dismissal of independent auditors
- Deliberation on internal audit plan
- Consideration of cybersecurity measures
- Confirmation of operation of internal control system



#### Nomination Advisory Committee / Compensation Advisory Committee

Serves as advisory body to the Board of Directors for decision-making on appointment/dismissal of and compensation for directors (excluding those who are Audit & Supervisory Committee members) and executive officers, based on a highly transparent and objective deliberation process.

Chairperson

**Eiichi Tanabe**

Chief Outside Director, Independent Director

##### Nomination Advisory Committee: Major agenda items in FY2024

- Deliberation on appointment of director candidates and executive officers
- Consideration of the method of evaluating directors

##### Compensation Advisory Committee: Major agenda items in FY2024

- Consideration of revisions to the system of compensation for directors, etc., and of the level of compensation
- Deliberation on the degree of achievement of performance-based indices



#### Management Meeting

Facilitates agile and highly transparent decision-making by pre-deliberating on important matters of business execution, such as proposals for the Board of Directors' consideration and matters directly decided by the president.

Chairperson

**Takaya Soga**

President and Chief Executive Officer

##### Major agenda items in FY2024

- Execution of contract for construction and charter of environmentally friendly very large crude carrier (VLCC)
- Establishment of D&I Promise
- Contracting with JAXA to carry out one of its Space Strategy Fund projects
- Establishment of subsidiary taking over the businesses of ENEOS Ocean Corporation (currently NYK Energy Ocean Corporation)

### GOVERNANCE TOPIC

#### Evolution of Internal Audit

The NYK Group is working to evolve its internal audit system to further strengthen the Group-wide corporate governance organizational structure. As one action for enhancing the efficiency and accuracy of audits, the Group has introduced and developed a data auditing system that visualizes anomalies and emerging risks based on analysis of data on expenses, accounting, work attendance, and other metrics. In order to incorporate diverse perspectives and expertise in Internal Audit Chamber of the head office and domestic Group companies, the auditing teams also include experienced auditing professionals seconded from major Group companies and hired from the outside. This approach enables the auditors to learn from one another and increases the sophistication of the methods used. With regard to internal auditing of overseas Group companies, internal auditors assigned to the four overseas operating regions (the Americas, Europe, East Asia, and South Asia) periodically audit the overseas businesses under a system of coordination with the head office. The results of those audits are reported to not only the responsible officer at the head office, but also the region head, thus helping to strengthen controls at the regional level. The mechanisms that support Group-wide internal control framework are steadily evolving through efforts by the head office's Internal Audit Chamber and the overseas auditing organizations to pursue and coordinate best practices based on a shared understanding.

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## Executive Compensation Plan

The compensation plan for directors (excluding those who are Audit & Supervisory Committee members) and executive officers is designed to: encourage those directors and officers to take action toward realizing the corporate vision, and thus help the Group to achieve sustainable growth, enhance its corporate value over the medium- to long-term, and advance sustainability management; and provide them with an appropriate incentive that is commensurate with their roles and duties, and increases their motivation to contribute to the improvement of the Group's performance not only in the short term, but also over the medium- and long-term.

### Overview of the Executive Compensation Plan

Compensation Plan	Type	Variability	Applicable Period
Basic compensation	Monetary	Fixed	—
Performance-based compensation	Performance-based monetary compensation	Monetary	Variable
	Performance-based stock compensation	Stock	Fixed Variable
			Annual During the Medium-Term Management Plan

### Performance-Based Monetary Compensation

Performance-based Indices	Weight	Calculation Method
Consolidated recurring profit	50%	Comparison with targets defined in Medium-Term Management Plan
Consolidated ROE	50%	

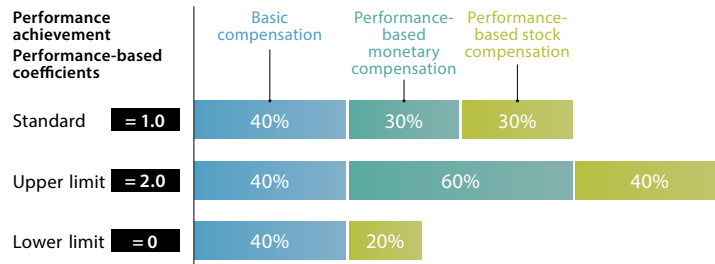
### Performance-Based Stock Compensation

Performance-based Indices	Weight	Calculation Method	Notes
Total shareholder return (TSR), including dividends	70%	Comparison with TOPIX growth rate	—
Sustainability indices	30%	Quantitative evaluation	Calculation of degree of achievement of the following non-financial indices at end of applicable period, according to baseline values which are set assuming that FY2030 targets will be achieved equally each year ■ GHG emissions (total) ■ Ratio of women managers NYK Group Non-financial Indices & KPIs Safety No. of major accidents: 0 Environment New Decarbonization Goals GHG (Scope 1+2) reduction of 45% (vs. FY2021, – Absolute corporate emissions targets) by FY2030 Human Resources Women manager ratio of 30% by 2030
		Qualitative evaluation	Assessed by the Compensation Advisory Committee based on the state of progress made in addressing the material issues (safety, environment, human resources)

Note: In the event that a major accident or compliance issue arises, the Compensation Advisory Committee will deliberate on reduction of compensation according to the seriousness of the incident

### Compensation Structure

The following shows the component weights for the president (subject to change according to position)



### Support System for Outside Directors

To enable outside directors to perform their duties based on sufficient insights and information, the Group provides them with briefings led by the Corporate Planning Group or related departments prior to Board of Directors meetings. In addition, the Group has established an Audit & Supervisory Committee's Office and assigned dedicated staffs to it to continuously support the activities of the outside directors who are members of that committee. These forms of support enable outside directors to more effectively provide supervision and advice regarding management.

**Pre-meeting information & briefings**

Outside directors are provided with opportunities to receive information resources and briefings prior to Board of Directors meetings

**Key outside director activities (FY2024)**

- ▶ Visit to NYK-TDG Maritime Academy in the Philippines
- ▶ Dialogue with institutional investors

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## Board of Directors Activities

The Board of Directors, having delegated decision-making authority on important matters of business execution to executive directors, performs duties such as making decisions on legal matters, formulating major management policies and strategies, and supervising their execution. In the wake of NYK's transition to a company with an audit & supervisory committee in 2023, action is being taken to improve the Board's effectiveness and strengthen its supervisory functions.

### Changes Resulting from Transition to a Company with Audit & Supervisory Committee

- Strengthening of governance**      **Strengthening of the Board of Directors' independence and supervisory functions through expansion of outsider's membership and establishment of the Audit & Supervisory Committee**
- Accelerating decision-making**      **Delegation of decision-making authority on important matters of business execution to executive directors, acceleration of decision-making, and focused deliberation on matters linked to enhancement of corporate value at Board of Directors meetings**
- Improvement of diversity**      **Increasing the ratio of outside directors to 50%, to enable multifaceted discussion by members with diverse backgrounds**

### Major matters deliberated by the Board of Directors (FY2024)

- Capital policy that includes acquisition of own stock
- Sustainability-related matters
  - Establishment of NYK Group Supplier Code of Conduct
  - External release of NYK Group TNFD Report 2024 – A Passion for Planetary Wellbeing
- Matters concerning important investments and financing projects
- Matters, etc. concerning risk management and internal control

## Evaluation of Effectiveness

Since fiscal 2015, the Company has continued to conduct self-evaluation surveys of all directors with the aim of further improving the Board of Directors' effectiveness.

### Summary of FY2024 Survey

- The evaluation items were selected with reference to the opinions of a third-party advisor
- Evaluation focused on the following five main categories
  - 1 Composition and operation of the Board of Directors
  - 2 Management strategy and business strategy
  - 3 Corporate ethics and risk management
  - 4 Performance monitoring and evaluation/compensation of management
  - 5 Dialogue with shareholders
- A 19-question survey on the above was conducted among the directors

### Evaluation Results

#### Response to challenges

- **Setting of agenda for Board of Directors meetings, etc.**  
Efforts were made to improve the Board of Directors' effectiveness by setting an agenda aimed at increasing the corporate value of the entire NYK Group, including consolidated subsidiaries and affiliates, at the beginning of the fiscal year as an annual plan, and by devoting more time to the discussion of the important matters of addressing sustainability challenges such as capital policy, business portfolio, Group management, geopolitical risks, decarbonization strategy, and diversity of human capital.

#### Improvements achieved

- **Discussion for revising the compensation plan**  
The compensation plan was revised to more closely align the directors with the interests of shareholders, and provide a well-balanced incentive to strive toward not only achievement of the performance targets for each fiscal year, but also the realization of sustainable growth, enhancement of medium- to long-term corporate value, and advancement of sustainability management.
- **The Board of Directors' effectiveness was improved by establishing an annual plan at the beginning of the fiscal year for the topics to be discussed at the Board of Directors meetings and the timing of the discussions, and by the devotion of more time to discussion of high-priority matters linked to enhancement of corporate value.**
- **The survey results showed a significant improvement in the evaluation of the Board of Directors' efforts regarding corporate ethics and risk management, including discussions and rule revisions.**

#### Challenges and improvements needed

- **Further optimization of agenda discussed at Board of Directors meetings, etc.**
- **Continuous improvement of how Board of Directors meetings, etc. are conducted to enable greater focus on discussion**
- **Deeper discussion of succession planning and how to monitor management human resources development**

### FY2025 Actions for Strengthening the Board of Directors' Effectiveness

The Board of Directors will leverage NYK's characteristics as a company with an audit & supervisory committee to continue accelerating decision-making and further strengthen monitoring functions. It will also monitor the impacts of the growing uncertainties of the global economy and agilely respond to changes in the business landscape. Moreover, the Board will tackle the challenges of continuously improving how its meetings are conducted and further optimizing the agenda discussed, and will pursue deeper discussion toward enhancement of the corporate value of the entire NYK Group, including consolidated subsidiaries and affiliates. In addition, it will explore in depth the topics of succession planning and how to monitor management human resources development, which are particularly important concerns over the medium- to long-term. With regard to measures for sustained improvement of corporate value, it will strive to further enhance disclosures and continue to actively engage in dialogue with shareholders.

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## Risk Management

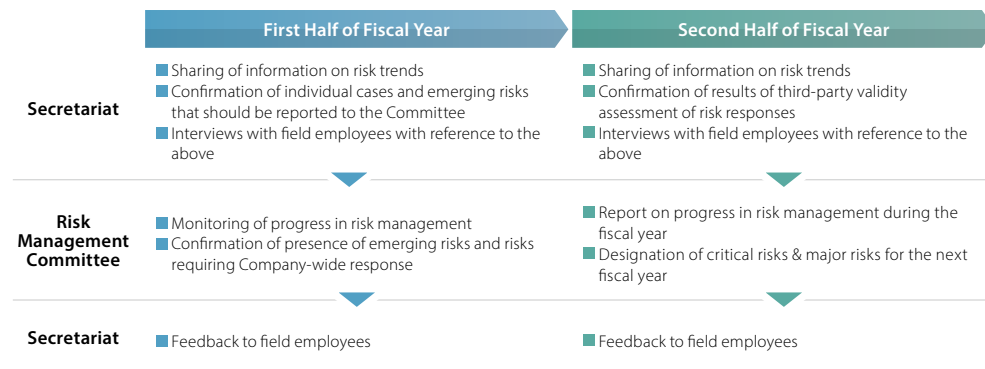
The NYK Group is working to further improve the effectiveness of its risk management system on both the execution side and the supervisory side. In addition to the ongoing risk management activities of the execution side, the Board of Directors has made risk management discussions an integral part of its agenda since fiscal 2024. In conjunction with the transition to a company with an audit & supervisory committee in June 2023, the Group reexamined the state of risk management on both sides to look for ways to reshape the system to better address the growing uncertainties of the external environment and the changing needs of society. Under the current system, the Board of Directors focuses mainly on discussion of medium- to long-term risk management, and the execution side discusses short-term risks and handles the operational aspects of overall risk management, taking into consideration the opinions and insights provided by the Board of Directors.

### Risk Management on the Execution Side

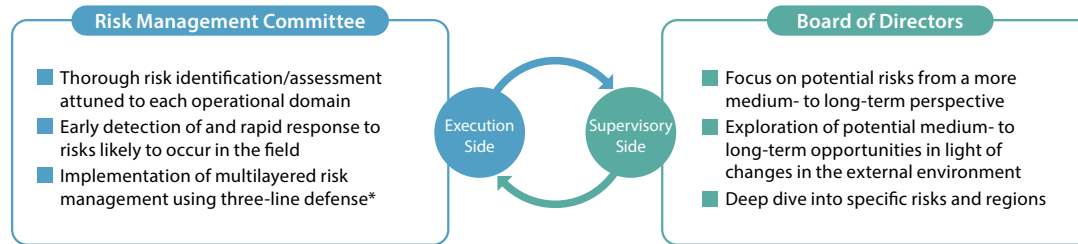
In accordance with its risk management policy and rules, the Group convenes twice yearly meetings of the Risk Management Committee, once in each half of the fiscal year. The outcome of the Risk Management Committee is reported to the Internal Control Committee and the Board of Directors.\* The Risk Management Committee is chaired by the president and consists of the chief executives. It strives to mitigate the risks of the Group as a whole by identifying major risks through the qualitative and quantitative assessments that each business division makes based on its thorough understanding of the nature of its operations, and by appointing for each critical risk a headquarters responsible for leading the countermeasures against that risk. The committee meeting in the first half of the fiscal year focuses on monitoring of progress in risk management, and the meeting in the second half is used to prepare for the next fiscal year by identifying major risks that could significantly affect the Group's management and by designating as critical risks the ones that could seriously impact the Group's business continuity.

\*NYK's Corporate Governance Organizational Structure [▶ P.51](#)

#### Risk Management Activities on the Execution Side



### Creating a Dual-Perspective Model of Risk Management



\*NYK's three-line model of defense comprises the respective headquarters and Group companies (Line 1), the headquarters appointed to lead Group-wide countermeasures against their assigned risk (Line 2), risk management supervisory departments (Line 2.5), and internal control departments (Line 3). This model serves as the basis for developing the organizational structures and rules for preventing the materialization of risks.

### Risk Management by the Board of Directors

The Board of Directors selects the topics for its risk management discussions according to three perspectives: supervision, approaches, and strategy. The discussion agenda and outputs are clearly defined for the topics of each perspective. The Board brings in the insights of outside directors, takes a deep dive into the risks of specific regions, recognizes risks based on changes in the external environment, and utilizes top-down approaches. By merging these with the execution side's bottom-up approach, the NYK Group seeks to create a risk management model that embraces dual perspectives.

#### Three Perspectives Used for Board of Directors Discussions of Risk Management



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## Critical Risks and Major Risks

This section outlines critical risks (risks that could seriously impact the Group's business continuity) and major risks (risks that could significantly affect the Group's management). For details, refer to "Risk."

[Risk](https://www.nyk.com/english/ir/manage/risk/) | <https://www.nyk.com/english/ir/manage/risk/>

Critical Risks	Description of Risks
 <p><b>Compliance Risks</b></p>	<p>Risks in which legal violations or misconduct expose the Group to response costs, fines, and reputational damage</p>
 <p><b>Major Accidents and Other Operational Risks</b></p>	<p>The risks of personal injury costs, property damage costs, and serious reputational damage resulting from major accidents involving key assets, such as ship sinkings, collisions, groundings, or fires. Also, the risk of significant economic/social liabilities exceeding insurance coverage, such as accident-related bodily injury, damages to third parties, and environmental impacts.</p>
 <p><b>Risks Pertaining to Natural and Other Disasters, and Climate Change Responses</b></p>	<p>The risk that business continuity will be disrupted if head office and operational functions are paralyzed by catastrophic damage to the head office or major operating sites in Japan and abroad as a result of natural disasters, war, terrorism, conflicts, riots, or other disturbances. Also, the risk that the Group's performance and financial standing will be negatively affected if its inability to comply in a timely manner with tighter environmental regulations for responding to climate change leads to harmful outcomes such loss of customers, deterioration of relationships with local communities, and reduced ability to secure financing.</p>
 <p><b>Cyber Risks</b></p>	<p>The risks of increased response costs and loss of opportunities when cyberattacks on the Group's IT environment result in leakage of confidential information, loss/destruction of data, downtime of core systems, or other issues at its head office and operating sites in Japan and abroad, or on its vessels.</p>

Major Risks	Description of Risks
 <p><b>Strategic &amp; Market Fluctuation Risks</b></p>	<p>The risk of reduced earnings due to overall decline in demand for cargo transportation, excess capacity, fuel price fluctuations, forex volatility, and other pressures. Also, the risk that insufficient information/communication or other inadequacies lead to poor investment decisions or a loss of creditworthiness in capital markets, or that these outcomes damage the Group's medium- to long-term corporate value.</p>
 <p><b>Financial &amp; Accounting Risks</b></p>	<p>The risks of running out of funds needed to operate businesses, incurring valuation losses or sales losses due to a decline in asset sales prices or the market price of financial assets, or suffering losses due to mismanagement of derivative and hedge product transactions. Also, the risks that the settlement of accounts is incomplete/delayed or significant errors occur in disclosures, or that these issues cause a decline in the Group's performance, including reputational damage.</p>
 <p><b>Human Rights Risks</b></p>	<p>The risk of discrimination, harassment, unfair labor practices, child labor, forced labor, or other human rights violations occurring at the Company, domestic/overseas Group companies, or supply chains.</p>
 <p><b>Risks from Infectious Diseases such as COVID-19</b></p>	<p>The risk of temporary disruption of customer services due to the impact on ship operations from mass infection of employees with a global infectious disease. Also, the risk that temporary suspension of service leads to a decline in performance.</p>

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## Compliance

# Integrity-driven evolution of the global compliance structure

Kenichiro Sutoh

Executive Officer, Deputy Chief Compliance Officer



Compliance is a vital prerequisite for the business activities of all companies, and is the foundation for realizing corporate value. The NYK Group engages in sustainability management aimed at simultaneously creating social and economic value. We recognize that respecting social norms that underpin broader harmony with society is important from the perspective of compliance. The importance of compliance is growing day by day, driven by the need to fulfill our responsibilities across the public nature of our Group's social infrastructure businesses and the diverse regional characteristics connected to people's lives worldwide. This effort is at the heart of our mission to "Bringing value to life."

The Group positions thorough compliance as the most important management issue and aims to build a global compliance system. We established the position of chief

compliance officer (CCO) in 2002, and have been gradually strengthening the system, constructing a system that enables instant collection of information from across the Group. In fiscal 2024, the Group launched Centre of Excellence (CoE) compliance initiatives involving collaboration among five regional management organizations around the world.\* These initiatives seek to realize a high level of compliance across the Group through activities such as tracking compliance in all the regions, standardizing goals and rules, and sharing best practices.

\*Japan, the Americas, Europe, East Asia, and South Asia

Going forward, we wish to expand the Group's promotion of compliance into activities founded on integrity. We view integrity as a proactive endeavor in which the members of an organization, each fundamentally guided by their own

conscience, conduct themselves according to the ethical decisions they make in the face of the current reality. NYK organizes a Compliance Day event once a year, and in fiscal 2024 we asked employees to respond to the theme, "What rules mean to you." The feedback from the more than 600 respondents revealed that they as individuals had a positive attitude toward rules. This gave us the idea that compliance might be better promoted not through activities in which the Company implants its shared rules and values as something to be obeyed, but through efforts that encourage employees to use their conscience as a moral compass. By sharing this conscience openly and making it common to the entire organization, each individual will be able to act more proactively, and this in turn should create an organization firmly committed to compliance.

Based on this insight, we decided to make the promotion of integrity the overarching policy for our activities in fiscal 2025. In practical terms, these activities do not differ significantly from past initiatives such as harassment training, but they shift the focus to creating an environment where the organization shares the concepts of conscience and proactiveness, and thus makes it easier for the individual members to take ownership of their ethical conduct. Also with regard to the CX Story's vision for the Group's future globalization, we will tackle not only the large-scale challenge—defining role sharing with regions—but also the nuts-and-bolts needs, such as developing globalized talent in Japan and addressing risks likely to actually emerge in the field through various activities, including harassment training for Japanese employees being stationed abroad.

A company's state of being is determined not only by what its members choose to do, but also by what they courageously decide not to do. We will endeavor to cultivate a truly sound corporate culture that remains trusted through actions that harness the conscience of each employee as a source of organizational strength and that are grounded in the Group's core principles—Mission, Vision, and Value.

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## 2025 Compliance Activity Program

### 1 Activities Promoting Integrity

These activities are for encouraging employees to conduct themselves in ways that concretely embody integrity, which has long been cherished as one of the 3I's\* that represent the NYK Group Values. They are global activities that involve the entire organization—NYK and all its Group companies in Japan and overseas—and aim to foster a clear sense of Ethics that serves as a code of conduct for each and every employee. The process behind them focuses on involving all members as an organization, rather than leaving everything up to the individual. Since this is a cross-functional challenge deeply intertwined with the corporate culture, it is driven by collaboration among the legal departments and other relevant units. Specific actions include establishing a code of conduct that applies to all NYK Group companies in Japan and abroad, creating a new communication culture, and implementing anti-harassment initiatives.

\*The 3I's are integrity, innovation, and intensity, which represent the values that should be shared by all NYK Group employees to achieve the corporate mission.

### 2 Strengthening of the Global Compliance System

NYK will accelerate and further enhance the content of its Centre of Excellence (CoE) compliance activities, which were launched in fiscal 2024. That same fiscal year, the Group conducted a gap analysis of the compliance systems in its five regions (Japan, the Americas, Europe, East Asia, and South Asia) based on the NYK Group's compliance standards, and clarified the current situation.

With regard to common challenges in the global organization that were revealed by the analysis, particularly issues in high-risk areas such as economic sanctions and conflicts of interest, we will promote such activities as the formulation of policies, process development, and awareness-raising efforts aimed at reducing risk in collaboration with each region.

### 3 Strengthening of Whistle-Blowing Systems at NYK and Group Companies in Japan

A survey of Group companies in Japan found that their systems for supporting whistle-blowing report handlers were inadequate and that the existing consultation/whistle-blowing services were difficult to use for the growing number of employees who are foreign nationals. Also, the results of a compliance awareness survey conducted by NYK revealed that mid-career hires and temp staff had a low level of awareness of the Company's whistle-blowing desk.

To address these challenges, support for whistle-blowing report handlers will be stepped up through training provided to domestic Group companies by an external professional service. Also, a multilingual consultation desk will be established for non-Japanese employees to facilitate their use of consultation/whistle-blowing services. Moreover, greater effort will be made to strengthen publicity and activities for raising awareness of whistle-blowing systems. These and other initiatives will help to take the Group's compliance system to a higher level.

#### Major projects

- Formulation of an NYK Group's code of conduct that applies to all NYK Group companies in Japan and abroad
- Workshops training for creating a new communication culture
- Anti-harassment activities such as harassment training and development of cross-functional mechanisms for addressing harassment cases

NYK Group Mission Statement  
Our Mission, Vision, and Value  P.02

#### Major projects

- Establishment and implementation of economic sanction policy and conflict of interest policy for the global organization
- Redesign of whistle-blowing and consultation systems for the global organization
- Introduction of compliance training for new hires common to the global organization

#### Major projects

- Strengthening of publicity and activities for raising awareness of whistle-blowing systems
- Stepping up of support for whistle-blowing desks at domestic Group companies
- Establishment of multilingual whistle-blowing desk for non-Japanese employees

## NYK's Compliance Culture as Seen from Group Companies

### Messages from Group Company Compliance Officers

#### 01 Kinkai Yusen Co., Ltd.

Our company, with the cooperation of NYK, implements activities such as providing video training in antitrust law and other compliance matters, and examining how to deal with actual cases of legal violations. Last fiscal year, we carried out our first in-house initiative, harassment training on board for seafaring employees.

Communication is a big part of improving corporate culture by fostering the integrity spirit of "doing the right thing" based on social norms and personal ethics. That's why we are building a system to enable all employees on land and at sea to speak up. This is a constant process, and we will continue collaborating with NYK to develop a sound organization.



**Koji Ikeda**  
Director, Chief Compliance Officer

#### 02 NYK Group Europe Ltd.

The launch of the Centre of Excellence (CoE) project marked an exciting step forward in our journey towards a more unified global compliance framework. Through this initiative, we have already started and will continue to align policies and build shared resources and processes that enable a smarter and more effective approach to compliance.

What I want to achieve through this initiative goes beyond operational efficiency. I see this as a chance to empower our teams, foster stronger collaboration, and embed a culture of trust, transparency and accountability across our global footprint. By simplifying how we work together and creating alignment across the regions, we reinforce our collective commitment to doing the right thing and build a more connected, resilient compliance network for the future.

I'm very optimistic about the collaboration already underway and confident that, as this initiative evolves, it will not only streamline processes but also strengthen our global compliance culture. I look forward to seeing an increasingly harmonised structure take shape—one that enables colleagues to work with clarity, confidence and shared purpose, wherever they are in the world.



**Christina Kavanagh**  
Deputy Chief Compliance Officer



## Main Consolidated Financial and Non-Financial Information (11 Years)

(Millions of yen)

		FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Results of Operations	Revenues	2,401,820	2,272,315	1,923,881	2,183,201	1,829,300	1,668,355	1,608,414	2,280,775	2,616,066	2,387,240	2,588,700
	Operating profit (loss)	66,192	48,964	-18,078	27,824	11,085	38,696	71,537	268,939	296,350	174,679	210,820
	Recurring profit (loss)	84,010	60,058	1,039	28,016	-2,052	44,486	215,336	1,003,154	1,109,790	261,341	490,866
	Profit (loss) attributable to owners of parent	47,591	18,238	-265,744	20,167	-44,501	31,129	139,228	1,009,105	1,012,523	228,603	477,707
	Capital expenditures	199,343	115,791	155,993	200,443	170,776	139,232	101,778	205,140	198,865	335,816	207,803
	Depreciation and amortization	101,045	103,347	92,004	87,839	89,713	104,057	98,803	101,596	121,658	141,605	154,632
Financial Position at Year-End	Total assets	2,569,828	2,244,772	2,044,183	2,071,636	2,001,704	1,933,264	2,125,480	3,080,023	3,776,797	4,254,770	4,320,269
	Interest-bearing debt	1,098,357	940,576	945,391	983,432	1,046,182	1,049,853	951,143	808,299	694,091	913,806	738,462
	Shareholders' equity	810,311	773,678	522,471	551,887	487,432	462,664	625,332	1,713,713	2,478,641	2,650,371	2,918,876
Cash Flows	Operating activities	136,448	142,857	27,924	89,090	45,260	116,931	159,336	507,762	824,853	401,414	510,755
	Investing activities	26,755	-46,895	-144,612	-137,994	-132,292	-54,867	-16,871	-148,571	-252,964	-285,631	-59,783
	Financing activities	-199,007	-160,260	1,952	17,587	62,715	-61,733	-125,483	-237,535	-581,203	-163,420	-427,747
Per-Share Data	Basic net income (loss)	93.5	35.8	-524.1	39.9	-87.9	61.5	274.9	1,991.3	1,993.7	468.1	1,070.3
	Equity	1,592.62	1,520.70	1,032.65	1,090.74	963.09	913.47	1,234.42	3,381.43	4,877.55	5,772.50	6,735.03
	Cash dividends applicable to the year	23	20	-	10	7	13	67	483	520	140	325
	Dividend payout ratio	24.9%	55.8%	-	25.1%	-	21.7%	24.3%	24.3%	26.1%	29.9%	30.4%
Management Indicators	Return on invested capital (ROIC)	3.3%	3.6%	-15.1%	3.1%	-0.2%	3.7%	11.7%	47.1%	35.7%	8.3%	13.2%
	Return on equity (ROE)	6.2%	2.3%	-41.0%	3.8%	-8.6%	6.6%	25.6%	86.0%	48.3%	8.9%	17.2%
	Debt-to-equity ratio (DER) (times)	1.36	1.22	1.81	1.78	2.15	2.27	1.52	0.47	0.28	0.34	0.25
	Shareholders' equity ratio	31.5%	34.5%	25.6%	26.6%	24.4%	23.9%	29.4%	55.6%	65.6%	62.3%	67.6%
Non-Financial Information	GHG emissions (ton-CO <sub>2</sub> e)	21,349,624	21,174,221	21,887,394	20,984,431	14,142,058	13,412,790	11,699,499	12,724,086	11,331,299	11,487,908	11,222,657
	Downtime (hours/ship)	14.2	18.4	11.0	23.9	19.3	19.4	17.1	20.0	15.6	17.1	23.2
	Number of Group employees (persons)	33,520	34,276	35,935	37,820	35,711	34,857	35,057	35,165	35,502	35,243	35,230

Note 1: The dividend payout ratio has not been stated when a loss attributable to owners of the parent has been recorded.

Note 2: The per-share data on this page in this 11-year summary takes into consideration the effect of a reverse stock split conducted on October 1, 2017 (1-for-10 shares of common stock) and a stock split conducted on October 1, 2022 (3-for-1 shares of common stock). (Net income is rounded to one decimal place, net assets are rounded to two decimal places, and annual cash dividends are rounded to the nearest yen.)

Note 3: ROIC = (Operating income after tax + Extraordinary profit & loss after tax + Equity in earnings of unconsolidated subsidiaries and affiliates + Dividend income) ÷ (Invested capital).

Note 4: GHG emissions are total values for Scope 1 + Scope 2. Calculation standards were changed as of fiscal 2023. Figures for fiscal 2014 through fiscal 2022 have been adjusted accordingly. From fiscal 2018 onward, the three major Japanese shipping companies integrated their container shipping businesses, and the resulting business was excluded from the scope of consolidation. Therefore, the figures do not include emissions from container ships.

Note 5: The Company uses operational downtime due to accidents or trouble to measure the achievement of safe ship operations and is working to reduce downtime to at most 10 hours per operating ship per year. The standard for aggregating downtime changed from fiscal years to calendar years from 2020. Data for 2020 has a partial overlap with 2019 (January to March 2020).

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## Main Financial Information by Business Segment

		(Millions of yen)				
		FY2020	FY2021	FY2022	FY2023	FY2024
Revenues	Liner Trade	170,537	190,552	200,705	192,353	180,424
	Air Cargo Transportation	122,459	188,731	218,095	161,186	185,723
	Logistics	561,234	847,492	862,446	702,299	812,148
	Bulk Shipping	681,564	974,556	1,240,816	1,231,654	–
	Automotive	–	–	–	490,902	532,392
	Dry Bulk	–	–	–	573,331	607,256
	Energy	–	–	–	173,372	178,565
	Others	–	–	–	222,683	204,634
	Real Estate	6,884	4,207	3,352	3,127	–
	Other Business Services	129,789	170,405	234,512	219,604	–
	Elimination and Corporate	–64,055	–95,169	–143,863	–128,888	–112,444
Consolidated Total	1,608,414	2,280,775	2,616,066	2,387,240	2,588,700	
Recurring Profit (Loss)	Liner Trade	140,821	734,245	790,637	67,891	274,366
	Air Cargo Transportation	33,281	74,068	61,556	5,758	21,070
	Logistics	27,049	58,727	54,284	25,950	21,271
	Bulk Shipping	18,605	139,100	210,440	170,296	–
	Automotive	–	–	–	105,855	113,380
	Dry Bulk	–	–	–	18,040	18,104
	Energy	–	–	–	46,393	46,172
	Others	–	–	–	3,627	6,954
	Real Estate	2,584	2,127	1,323	1,593	–
	Other Business Services	–2,251	–1,231	592	2,033	–
	Elimination and Corporate	–4,754	–3,884	–9,044	–12,176	–10,454
Consolidated Total	215,336	1,003,154	1,109,790	261,341	490,866	
Assets	Liner Trade	428,685	945,345	1,379,232	1,409,631	1,469,103
	Air Cargo Transportation	65,535	141,904	135,103	130,927	120,316
	Logistics	348,707	418,931	473,901	513,834	546,357
	Bulk Shipping	1,271,637	1,497,120	1,754,550	2,235,788	–
	Automotive	–	–	–	479,015	500,821
	Dry Bulk	–	–	–	609,926	631,110
	Energy	–	–	–	1,150,262	1,102,588
	Others	–	–	–	377,785	424,854
	Real Estate	52,400	27,764	26,562	30,266	–
	Other Business Services	173,614	221,454	247,344	350,632	–
	Elimination and Corporate	–215,099	–172,497	–239,897	–416,613	–474,882
Consolidated Total	2,125,480	3,080,023	3,776,797	4,254,770	4,320,269	

Note 1: Due to a change in the method of calculating interest and other amounts attributable to each segment as of fiscal 2023, the recurring profit (loss) of each segment for fiscal 2022 has also been restated based on the changed measurement method. Consolidated totals and revenues are not affected.

Note 2: As of fiscal 2024, the presentation of disclosure segments was changed. The "bulk shipping business" was divided into the "automotive business," the "dry bulk business," and the "energy business." The restated figures for fiscal 2023 are also included.

Note 3: As of fiscal 2024, the "real estate business" and "other business services" were consolidated into "others." The restated figures for fiscal 2023 are also included.

## Environmental Data

		(ton-CO <sub>2</sub> e)					
		FY2020	FY2021	FY2022	FY2023	FY2024	
The NYK Group's GHG Emissions by Scope							
Scope 1	Ships	9,787,671	10,708,996	10,123,951	10,239,136	9,939,832	
	Aircraft	1,642,233	1,721,397	964,063	1,048,651	1,091,449	
	Others	220,149	248,301	167,029	136,779	108,955	
	Total	11,650,053	12,678,695	11,255,044	11,424,566	11,140,236	
Scope 2	Market basis	49,444	45,391	76,255	63,342	82,420	
	Location basis	52,138	49,010	77,710	67,375	89,402	
Scope 3	Category 1	–	1,887,367	1,486,233	1,347,827	5,265,086	
	Category 2	99,013	255,143	197,887	482,457	386,218	
	Category 3	1,508,523	1,730,934	1,552,422	1,587,687	2,258,724	
	Category 4	–	–	–	–	1,321,450	
	Category 5	15,489	16,379	19,827	29,792	30,235	
	Category 6	516	678	7,404	9,877	86,282	
	Category 7	135	157	247	183	2,271	
	Category 9	–	–	–	–	49	
	Category 11	–	–	–	–	792,906	
	Category 13	–	–	–	–	4,798,628	
	Category 15	–	–	–	–	5,404,127	
	Total	1,623,676	3,890,661	3,264,023	3,457,823	20,345,980	
	Emissions from biofuel	Ships B100 basis	–	–	–	1,027	37,758
		Land B100 basis	–	–	–	–	444

Note 1: The data is gathered from the NYK Headquarters and consolidated subsidiaries. Until fiscal 2023, the Scope 3 data collection targeted only the head office and selected group companies. Beginning fiscal 2024, the scope has been expanded to include all major consolidated subsidiaries and equity method affiliates, and emissions have been collected from all categories of Scope 3. The investigation found that there were no relevant GHG emissions for categories 8, 10, 12, and 14 of Scope 3.

Note 2: t-CO<sub>2</sub>e: tons of CO<sub>2</sub> equivalent. All GHG emissions are converted to carbon dioxide equivalents.

Note 3: GHG emissions data for Scope 1, Scope 2, Scope 3, and biofuel has been verified by a third-party organization. Verification Report (<https://www.nyk.com/english/sustainability/pdf/environment009en.pdf>)

Note 4: In fiscal 2022, a renewable energy certificate was used to offset the electricity used at the Yokohama branch and the NYK Maritime Museum (234,641 kWh).

Note 5: The NYK Group mainly uses bio-blended fuel, which is a mixture of biofuel (B100) and fossil fuel emissions from the biofuel portion are counted as out of scope, while emissions from the fossil fuel portion fall under Scope 1 (tank-to-wake) and Category 3 of Scope 3 (well-to-tank). Starting from fiscal 2024, we have revised our methodology for calculating GHG emissions derived from biofuels, and restated the figures for fiscal 2023 accordingly.

Note 6: For each fiscal year, CO<sub>2</sub> emissions from electricity usage in Japan are calculated using emission coefficients provided by the electricity provider and published by Japan's Ministry of the Environment, based on the actual data from the previous year.

## Human Resources Data

Employee Diversity		FY2020	FY2021	FY2022	FY2023	FY2024
The NYK Group						
Ratio of women employees (%)		37.0	37.0	37.9	37.7	37.3
Ratio of women managers (%) *1		25.0	25.9	25.2	26.2	26.3
NYK Headquarters						
Ratio of women recruits (%)	Office workers (excludes navigation officers and engineers at office locations)	21.9	26.8	21.7	34.9	38.5
	Navigation officers and engineers	9.1	12.0	11.1	7.7	16.0
Ratio of women managers (%) *2	Office workers (excludes navigation officers and engineers at office locations)	14.7	14.0	13.7	13.6	13.9
	Navigation officers and engineers	0.4	0.4	0.4	0.4	0.4
Long-term employees, fixed-term employees, and non-fixed-term employees	Office workers (excludes navigation officers and engineers at office locations)	1,186	1,198	1,241	1,249	1,271
	Navigation officers and engineers	602	602	611	614	622

\*1 Managers or higher.

\*2 Calculation method: Women managers / Total managers.

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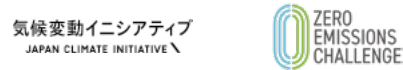
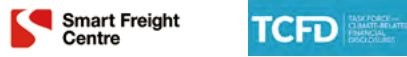
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## Major Initiatives Involving Company Participation and Membership

### Climate Change and Decarbonization



- Global CCS Institute
- Global Centre for Maritime Decarbonisation (GCMD)
- Getting to Zero Coalition
- GX League
- Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping
- Methane Abatement in Maritime Innovation Initiative (MAMII)
- Smart Freight Centre
- North Pacific Green Corridor Consortium
- Task Force on Climate-related Financial Disclosures (TCFD)
- Japan Climate Initiative
- Challenge Zero, the Japan Business Federation (Keidanren)
- International Shipping GHG Zero Emission Project

### Next-Generation Fuels



- Hydrogen Council
- Clean Fuel Ammonia Association
- Japan Hydrogen Association (JH2A)

### Biodiversity



- ANEMONE Consortium
- The Taskforce on Nature-related Financial Disclosures Forum (TNFD Forum)
- Japan Business Federation Biodiversity Declaration
- 30by30 Alliance for Biodiversity
- Japan and Biodiversity Partnership of the Japan Business Federation
- World Wide Fund for Nature (WWF)

### Human Capital and D&I



- 30% Club Japan
- Human Capital Management Consortium
- #Here We Go 203030, the Japan Business Federation (Keidanren)

### General Sustainability



- World Business Council for Sustainable Development (WBCSD)
- United Nations Global Compact

### Maritime Industry



- Sustainable Ocean Principles, the United Nations Global Compact (UNGC)
- Ship Recycling Transparency Initiative (SRTI)

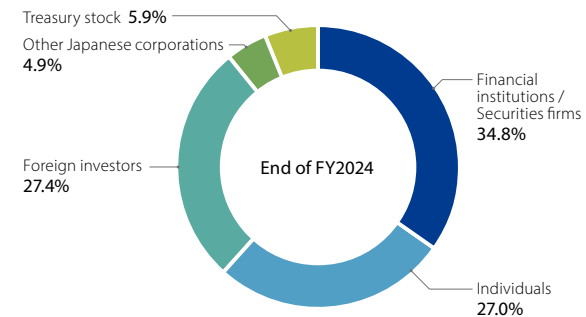
## Corporate and Stock Information (as of March 31, 2025)

Established	September 29, 1885
Paid-in Capital	¥144,319,833,730
Employees	Consolidated: 35,230 (NYK and consolidated subsidiaries) Non-consolidated: 1,893 (1,271 office workers (excluding seafarers); 622 seafarers)* * The non-consolidated number of employees includes employees currently assigned to domestic and overseas Group companies.
Head Office	3-2, Marunouchi 2-chome Chiyoda-ku, Tokyo 100-0005, Japan Telephone: +81-3-3284-5151 Website: <a href="https://www.nyk.com/english/">https://www.nyk.com/english/</a>
Common Stock	Number of authorized shares: 895,065,000 shares Number of issued and outstanding shares: 434,101,600 shares (including 27,301,541 shares of treasury stock)
Stock Exchange Listing	Prime Market of the Tokyo Stock Exchange

### Principal Shareholders

Name	Number of shares held (in thousands)	Shareholding ratio (%)
THE MASTER TRUST BANK OF JAPAN, LTD. (Trust Account)	72,113	16.63
Custody Bank of Japan, Ltd. (Trust Account)	26,068	6.01
GOLDMAN SACHS INTERNATIONAL	13,505	3.11
STATE STREET BANK WEST CLIENT - TREATY 505234	9,168	2.11
MEIJI YASUDA LIFE INSURANCE CO.	8,273	1.91
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	5,362	1.24
The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	5,075	1.17
Tokio Marine & Nichido Fire Insurance Co., Ltd.	4,168	0.96
JPMorgan Securities Japan Co., Ltd.	4,078	0.94
UEDA YAGI TANSHI Co., Ltd.	3,682	0.85

### Shareholder Composition



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[How We Create Value >](#)

[Corporate Governance >](#)

**Information**

Main Consolidated Financial and Non-Financial Information (11 Years)

Main Financial Information by Business Segment / Environmental Data / Human Resources Data

Major Initiatives Involving Company Participation and Membership / Corporate and Stock Information





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