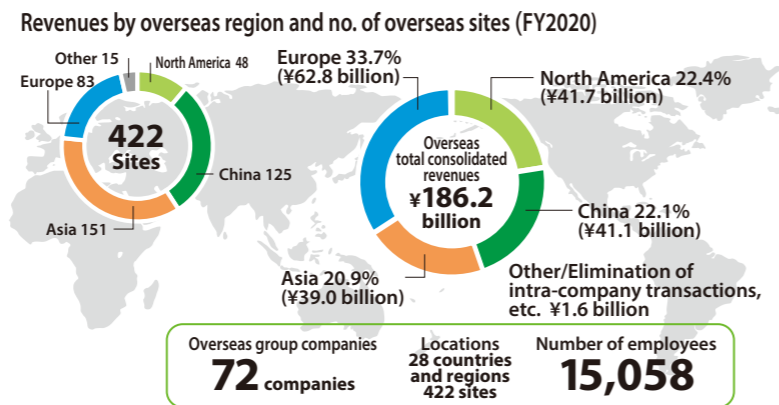


3PL Business (Overseas)

As of March 31, 2021, the HTS Group has established a global network of 422 sites in 28 countries and regions outside of Japan, since expanding into Singapore in 1976. In order to support our customers' increasingly large and complicated global supply chain, we offer a wide range of services including 3PL and Auto Parts Logistics.



FY2020 Result

Results

Revenues:

¥186.2 billion (YoY -¥4.8 billion)

Operating income:

¥9.6 billion (YoY +¥3.25 billion)

New orders/new startups

New orders: **12 projects** New startups: **11 projects**

FY2020 Topics

Asia Built a new logistics center through own investment in Chennai, further accelerating investments in India

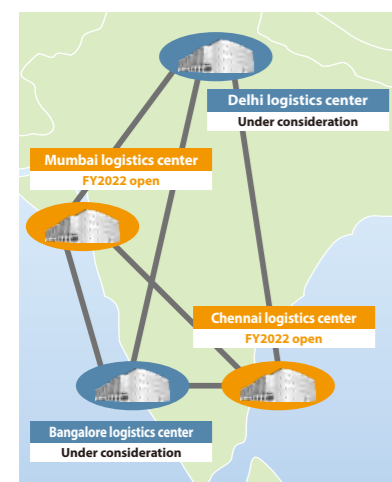
Oragadam Logistics Center

Flyjac Logistics Pvt. Ltd., which operates 3PL and freight forwarding services mainly in India, being one of the largest integrated Logistic Service providers in India has opened a new modern logistics center in Oragadam, near Chennai in June 2020. Oragadam is the nerve center of industrial activities in Chennai and home to many companies including six global automobile manufacturers. This new facility, conveniently located just one-hour away by car from the Port of Chennai, helps providing one-stop logistics services to customers as a base for handling import and export cargoes and JIT (Just In Time) delivery.



Oragadam logistics center

Concept of 4 Logistics HUBs



The logistics and supply chain market in India is forecast to grow at a CAGR of 10.5% between 2019 and 2025 *1. The HTS Group will continue to aggressively invest in India, which is one of the fastest growing markets. As a part of strategy for expanding its footprint in India, HTS is creating large multi-purpose logistics centers in four metros, to start with Mumbai and Chennai in FY2022, to be followed by Delhi and Bangalore. Our objective is to be a partner of our customers in creating value through optimizing supply chain by integrating the entire activities including international and domestic movements by air/ocean/land, support in export/import compliance, as well as providing storage solutions for raw materials and finished goods including temperature controlled cargoes.

Message from local leadership

While Flyjac has been one of the largest freight forwarding companies in India, our current focus as an integrated logistics solution partner is on developing a world-class infrastructure with multi-purpose logistic centers and modernized transportation, to enable the supply chain optimization for our 5,000 plus customers. We have upgraded our entire IT system in August 2020, to improve efficiency, speed, accuracy, and real-time visibility on a single platform.

A.V.Ravikumar
MD & CEO
Flyjac Logistics Pvt. Ltd.



*1 "Indian Logistics Industry Outlook, 2020" reported by Research and Markets

North America Started in-plant logistics business in Huntsville, Alabama

Carter Logistics, headquartered in Indiana, U.S., has developed its Auto Parts Logistics business using its unique Milkrun business model, and has been recognized by the customers as a top service provider for cross-docking of production parts and transportation of service parts. Carter Logistics has partnered with two large OEMs to provide the in-plant logistics services for a new automobile manufacturing facility located close to the city of Huntsville, Alabama. Carter was awarded the business in the summer of 2020 and started training and start up activities in the fall of 2020. At full capacity in the fall of 2022, Carter will employ close to 250 forklift operators on two shifts and will be responsible for handling over 15,000 daily skids (pallets) inbound and the unloading of more than 150 daily routes into the facility. Carter is excited to build upon its current service offerings to include in-plant logistics.



Huntsville in-plant logistics service

Message from local leadership

Carter Logistics built its foundation in trucking but is now a high-tech, results-orientated supply chain company. Carter is dedicated to innovation and marries the latest technology and data with a large, asset-based operation in the U.S. and Mexico. We are eager to add in-plant logistics services to our supply chain services and grow this new line of business.

Jessica P. Warnke
President & CEO
Carter Logistics, LLC



Europe Installed solar panels at the Hadimköy DC in Turkey

Mars Logistics Group in Turkey has installed solar panels at its Hadimköy DC in Istanbul as part of its sustainable and environmentally-friendly initiatives. Total 4,914 solar panels were installed on the 12,098 m² roof of the DC by January 2021, which are expected to save CO₂ emissions by approximately 1,134 tons annually. The center is also implementing other environmentally-friendly activities, such as collecting rainwater and using it for fire water, etc., and using paper pallets made of recycled paper instead of traditional wooden pallets.



Hadimköy DC

Message from local leadership

By installing solar panels, we contribute to achieving the SDGs, such as "Affordable and Clean Energy" and "Climate Action." We are also developing an environmentally-friendly intermodal transportation business, combining ocean and rail transportation for the trunk line transportation portion to reduce the environmental load caused by transportation. We will continue our sustainability activities and investments.

Garip Sahillioğlu
CEO
Mars Logistics Group Inc.



ESG Topics

- October 2021: Carter Express in the U.S. was awarded as a 2020 "Top Company for Women to Work for in Transportation"**
 - ✓ The award was established in 2018 to promote the accomplishments of companies that are focused on the employment of women in the trucking industry.
 - ✓ Nearly 11,000 votes were cast to determine the winners. Carter was selected as one of the top companies for women to work for in transportation.
 - ✓ Active involvement of women in various types of job, including executives, truck drivers, and mechanics, was highly evaluated.
- Mars Logistics Group in Turkey has started a project in the field of Gender Equality**
 - ✓ Mars is starting "Equality Has No Gender" project since January 2021.
 - ✓ Employees selected as ambassadors organize monthly events in cooperation with various NGOs on topics such as employment and education.
 - ✓ This initiative will contribute to the achievement of Gender Equality target, which is one of the Sustainable Development Goals.



2020 "Top Company for Women to Work for in Transportation"

