LOGISTEED

Integrated Report 2025

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Editorial policy

The LOGISTEED Group has been publishing Integrated Reports since the 2020 edition in lieu of the conventional Annual Reports. This integrated report presents our initiatives to enhance long-term corporate value, with a core narrative centered on "maximizing value creation capabilities and pursuing sustainability and strengthening the foundation for value creation," in the context of the LOGISTEED Group's efforts to "maximize corporate value in anticipation of re-listing." Through an explanation of our value creation process and business model, we aim to provide stakeholders with a look at the initiatives we are pursuing with a view to the sustainable enhancement in corporate value. This report has been compiled with reference to the "International Integrated Reporting Framework" published by the IFRS Foundation and the "Guidance for Collaborative Value Creation 2.0" published by the Ministry of Economy, Trade and Industry.

Reporting period

The fiscal year ended March 31, 2025 (April 1, 2024-March 31, 2025 in general) However, recent activities are also reported in this report. "FY" refers to a financial period ended or ending on March 31.

Companies covered in this report

This integrated report covers LOGISTEED, Ltd. and the LOGISTEED Group (consolidated subsidiaries and associates accounted for using the equity method) in principle. The Company took over all the businesses of LOGISTEED, Ltd. as of March 1, 2024 (which changed its corporate name to L-management, Ltd. on March 1, 2024). Therefore, the details of the LOGISTEED Group are included in this integrated report.

Forward-looking statements

This integrated report contains forward-looking statements that reflect LOGISTEED, Ltd. and the LOGISTEED Group's forecast, targets, plans, and strategies. These forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, and various other factors that may cause LOGISTEED, Ltd. and its group companies' actual results, performance, achievements, or financial position to be materially different from any future results, performance, achievements, or financial position expressed or implied by these forward-looking statements.

Management Philosophy & Brand

Under the corporate philosophy "to deliver high-quality services that will help make the world a better place for people and nature for generations to come," the LOGISTEED Group aims to become The Most Preferred Global Supply Chain Solutions Provider for all of our stakeholders, including customers, investors, and employees, in the sophisticated, diversified and wide-ranging global supply chain, and under this vision, strives to achieve sustainable growth by solving issues and creating "values" through various "collaborative innovation." In addition, we have organized the role and future direction of the Group as "LOGISTEED WAY" with an aim to embody our Corporate Philosophy and Corporate Vision.

LOGISTEED WAY
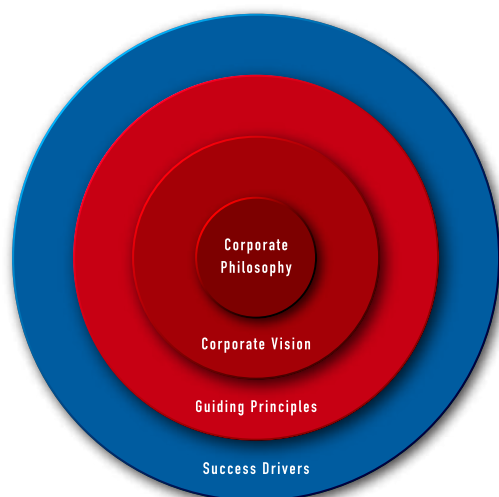
- Corporate Philosophy
- Corporate Vision
- Guiding Principles
- Success Drivers

Corporate Philosophy

The LOGISTEED Group delivers high-quality services that will help make the world a better place for people and nature for generations to come.

Corporate Vision

The Most Preferred Global Supply Chain Solutions Provider

Guiding Principles

Compliance	We value "Basics and Ethics."
Customer Focus	We deliver value to our customers.
Innovation and Excellence	We strive for service excellence through collaborative innovation.
Diversity and Inclusion	We leverage inclusive diversity for holistic growth.
Sustainability	We think and act responsibly as a global citizen.

Success Drivers

"Gemba" Power*, multiplied by Visualization

*"Gemba" Power : Frontline Excellence

3 Key Goal Indicators	Safety, Quality, and Productivity
3 Disciplines	Attention to Detail, Uncovering Problems, and Strong Sense of Speed
3 Attributes	Customer Centricity, Teamwork, and Can Do Spirit

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Brand Promise

Taking on the Future

In a world of constant change, we are committed to pioneering new trails, always looking ahead and energizing our society.

We build true trust with our customers, working tenaciously and charting a collaborative future.
We create and deliver innovative solutions, embracing cutting-edge technologies.
And we keep moving forward as one team, fostering mutual respect and releasing individual potential.

Going beyond the conventional domain of logistics, we will bring innovation to the future of business and people's lifestyles.

Business Concept

Toward New Dimensions

LOGISTEED

A word that combines LOGISTICS with Exceed, Proceed, Succeed, and Speed.

It represents our determination to lead businesses to a new domain beyond the conventional logistics.

History

Revenues

- Domestic logistics (100 million yen)
- Global logistics (100 million yen)
- ○ 3PL business (100 million yen)
- ○ Ratio of global logistics business (%)

(100 million yen)

10,000 —

8,000 —

6,000 —

4,000 —

2,000 —

0 —

1986
3PL 4
9
174

2003
3PL 1,616
19
515

3
19

1975   1980   1985   1990   1995   2000
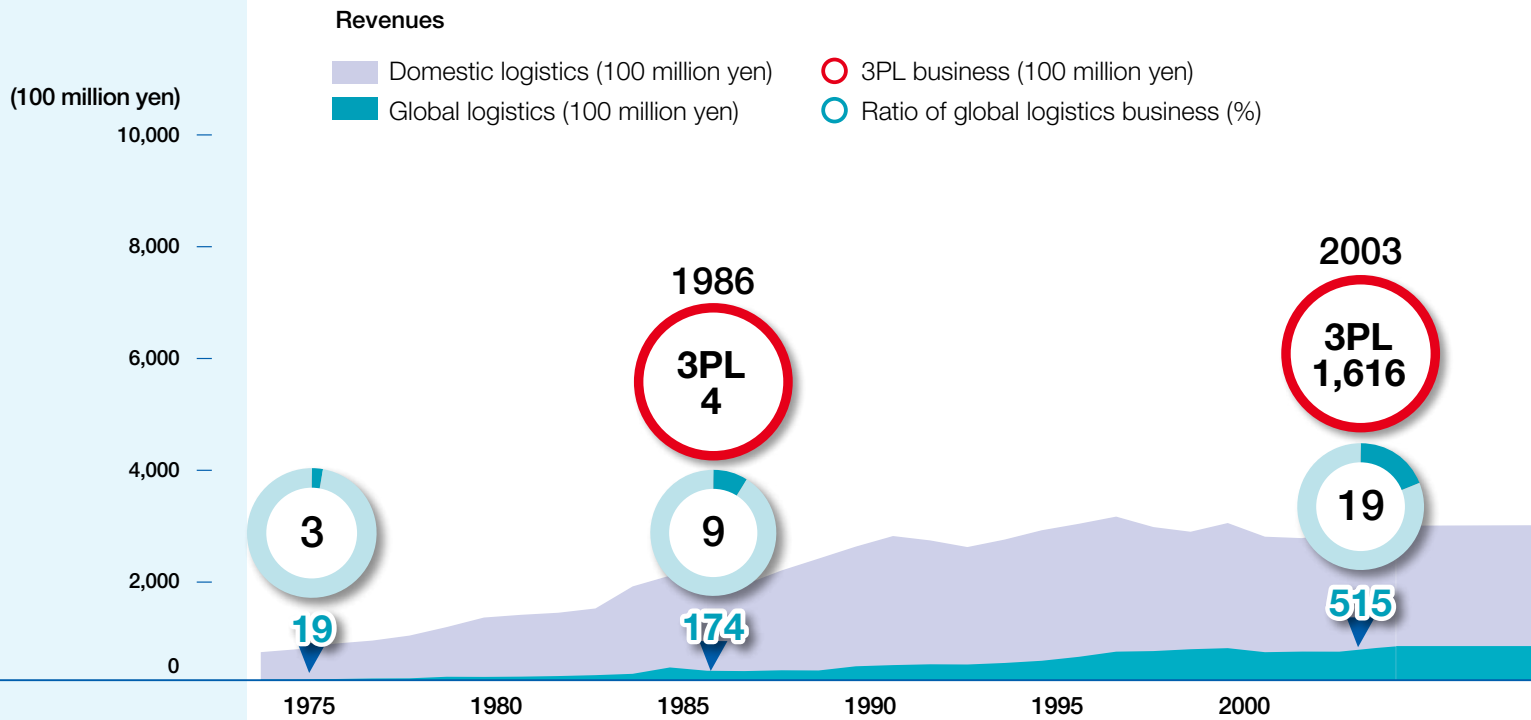
Historical Background	**1950-** Postwar reconstruction and high economic growth	**1976-** Globalization in manufacturing industry	**1986-** Bubble economy and its collapse

Changes in Value Creation

Became independent by integrating transportation divisions

The Company was founded in February 1950 as Nitto Transport KK., a logistics subsidiary of Hitachi, Ltd., and launched a special motor truck transportation business.

Expanded overseas

In 1976, our first overseas subsidiary was established in Singapore, which was followed by the Company's entry into the air cargo business in 1984. In July 1985, on our 35th anniversary, we changed our corporate name to Hitachi Transport System, Ltd.

Launched 3PL business

We launched the HB-TRINET service, the prototype of 3PL business, for customers in apparel industry in 1986. Subsequently, we expanded into new sectors such as retail distribution and entered the largescale 3PL business, providing fully integrated logistics services.

Major recent M&As

- **2007** ● Logistics subsidiary of Shiseido *1
- **2008** ● ESA (Czech Republic)
- **2009** ● Logistics subsidiary of Uchida Yoko *2
- **2009** ● J.P. Holding Company (U.S.)
- **2010** ● Flyjac Logistics (India)
  ● Dahang International Transportation (China)*7
- **2011** ● Logistics subsidiary of DIC *3
  ● Logistics subsidiary of Homac (currently, DCM) *4
  ● VANTEC
- **2011** ● Eternity Grand Logistics Public (Thailand)
- **2012** ● Hong Kong, China logistics subsidiary of DIC

*1 LOGISTEED East Japan, Ltd. (previously, LOGISTEED Collabonext, Ltd.) *2 LOGISTEED East Japan, Ltd. (previously, Hitachi Orientlogi Transport System Co., Ltd.) *3 LOGISTEED Chemical, Ltd. (previously, Hitachi Finenext Transport System Co., Ltd.)

For details, please visit our website. ↗ Financial Highlights: The Track Record of 10 Years https://www.logisteed.com/en/ir/library/annual/financialhighlightsen.pdf

2024
9,107

3PL 6,140

2011
3PL 4,639

46

4,189

27

1,486

Vision
LOGISTEED2030

- Revenues : ¥1.5 trillion
- CO_2 : Reduce by 50%
- Overseas ratio : Over 50%

2005　2010　2015　2020　2024　(FY)
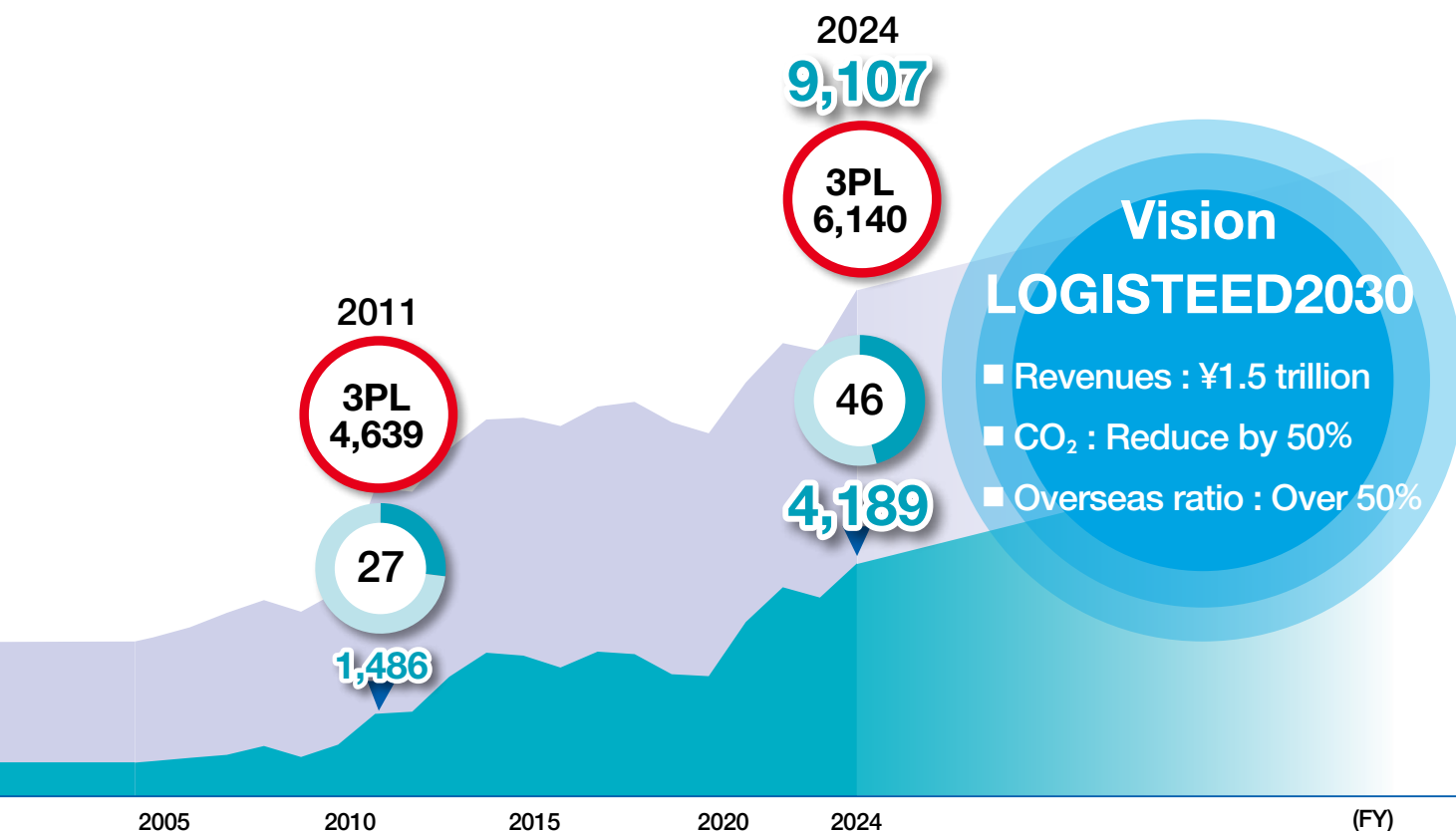
2007-
Prolonged deflation/adoption of SDGs

2016-
The U.S.-China trade friction/enforcement of Paris Agreement

Present
Sustainability/decarbonized society

Expansion strategy through M&As
Aiming to expand the industry platform domestically and our network overseas, we completed a total of 15 M&As by 2013, starting with the acquisition of the logistics subsidiary from Shiseido Company, Limited in 2007. This greatly expanded the scope of our business.

Collaborative innovation Strategy/Promotion of LOGISTEED
Our collaborative innovation efforts were significantly broadened through strategic alliances and collaborations with a variety of partners, notably SG Holdings Co., Ltd. in 2016, followed by Hitachi Capital Corporation (currently Mitsubishi HC Capital Inc.) and AIT Corporation in 2018.

AIT **SGH**
MITSUBISHI HC CAPITAL

Started as "LOGISTEED"
In April 2023, we changed our corporate name to LOGISTEED, Ltd. and, leveraging a strong partnership with Kohlberg Kravis Roberts & Co. L.P., have been implementing a range of initiatives to position ourselves as a "Leading Global 3PL Company."

/// LOGISTEED

2013 ● Logistics subsidiary of Hitachi Cable (currently, Proterial) *5

2024 ● ALPS LOGISTICS

2019 ● PALENET

2020 ● Logistics services subsidiary of Hitachi Life (currently, Hitachi Real Estate Partners)*6

2013 ● James J.Boyle (U.S.)*8
● CDS Freight Holding (Hong Kong)
● Mars Logistics Group (Turkey)

2023 ● Van den Bos & van Daalen Materieel (Netherlands)

2022 ● Cyber Freight International Holding (Netherlands)

*4 LOGISTEED North Japan, Ltd. (previously, Direx Co., Ltd.) *5 LOGISTEED East Japan, Ltd. (previously, Hitachi Frontier Transport System Co., Ltd.)
*6 LOGISTEED East Japan Distribution Services, Ltd. (previously, Hitachi Transport System East Japan Distribution Services Co., Ltd.) *7 LOGISTEED China, Ltd.
*8 LOGISTEED America, Inc.

Our Business
At a Glance

Capitalizing on our global network and abundant experiences, the LOGISTEED Group meets customers' various logistics needs with our one-stop services of Smart Logistics consisting of our 3PL Business, Freight Forwarding Business, and Heavy Machinery and Plant Logistics Business, and aims to become "The Most Preferred Global Supply Chain Solutions Provider." We provide comprehensive logistics services with a high level of safety, quality, and productivity by taking advantage of our extensive network in domestics and overseas, as well as our abundant experience and expertise as a pioneer.

Bases for Value Creation (As of March 31, 2025)

Number of Companies[1]/ Locations[2]

122 companies
1,003 sites

Domestic : 28 companies, 463 sites
Overseas : 94 companies, 540 sites

Area of Logistics Center[2]

9.19 Mm²

Domestic : 6.08 Mm²   Overseas : 3.11 Mm²

Total Personnel[3]

56,227 employees

Domestic : 34,564   Overseas : 21,663

Number of Vehicles (Including Leased Vehicles)

Total **23,369**

Trucks [4] : 6,187   Forklifts : 6,893
Trailers : 7,813   Other [5] : 2,476

FY2024 Performance Overview

Revenues

¥910.7 billion

YoY

14 % increase

Adjusted Operating Income[6]

¥48.5 billion

YoY

25 % increase

[1] Number of companies includes associates accounted for using the equity method.
[2] Number of locations and area of logistics centers excludes those of AIT Group and HTB-BCD Travel Group.
[3] Number of employees excludes associates accounted for using the equity method.
[4] Including tractors and vans
[5] Including buses and passenger cars, etc.
[6] "Adjusted Operating Income" is calculated by subtracting other income from operating income and adding other expenses, amortization of intangible assets identified through business combinations, and share-based remuneration expense (excluding those related to performance-based stock remuneration plan)

For details, please visit our website. ↗　Financial Highlights　https://www.logisteed.com/en/ir/financial/financialhighlights/

MD&A(Key Management Indicators)　https://www.logisteed.com/en/ir/library/annual/pdf/mda.pdf

Business Overview by Segment & Business Summary for FY2024

Domestic logistics

(Billions of Yen) ... (Billions of Yen)

FY	Revenue	Segment profit
2022	424.0	24.0
2023	427.5	20.0
2024	477.6	24.9
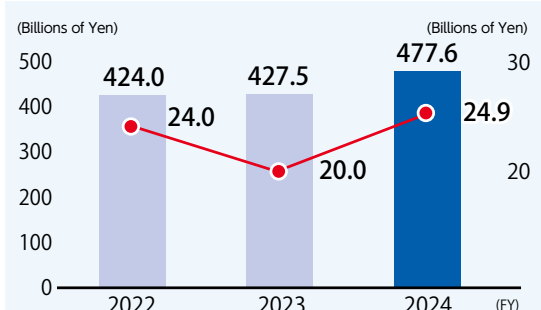
Revenues　YoY +12%

Revenues from domestic logistics increased by 12% year-on-year to ¥477,574 million, driven by the expansion of entrusted service areas, contributions from new contracts, and the consolidation of ALPS LOGISTICS CO., LTD. on October 11, 2024.

Segment profit　YoY +25%

Segment profit increased by 25% year-on-year to ¥24,926 million, primarily due to higher revenues and improved productivity.

Global logistics

(Billions of Yen) ... (Billions of Yen)

FY	Revenue	Segment profit
2022	375.9	22.3
2023	357.4	16.7
2024	418.9	21.5
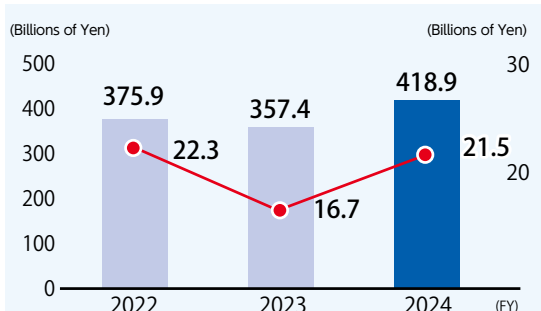
Revenues　YoY +17%

Revenues from global logistics increased by 17% year-on-year to ¥418,865 million, driven by an increase in freight volume, contributions from new contracts and the effects of exchange rate fluctuations, in addition to the consolidation of ALPS LOGISTICS CO., LTD. on October 11, 2024.

Segment profit　YoY +29%

Segment profit increased by 29% year-on-year to ¥21,528 million, primarily due to higher revenues and exchange rate fluctuations.

3PL business

Segment : Domestic logistics/Global logistics

Procurement logistics services/Production logistics services/Distribution logistics services/Reverse logistics services/Automobile parts logistics

Freight Forwarding business

Segment : Global logistics

International air transport/International ocean freight/International trucking/International rail transport

Heavy Machinery and Plant Logistics business

Segment : Domestic logistics/Global logistics

Plant-related transport/Machinery and equipment transport/Rail equipment transport/Precision equipment transport/Research equipment transport

Our Business

3PL Business

Service description and value proposition

● Procurement logistics

We provide a comprehensive service from picking up purchased products to acceptance inspection, storage, and supply. Our high value-added services include Vendor Management Inventory (VMI), assembly/painting of parts, and supply to production lines.

● Production logistics

We deploy various logistics operations in the manufacturing process including management, packaging, and shipping of materials and products. Our packaging experts provide optimal packaging solutions according to product features and logistics conditions.

Compression test

● Distribution logistics

We provide comprehensive support from the supply chain design stage, including optimal facility placement and inventory optimization. B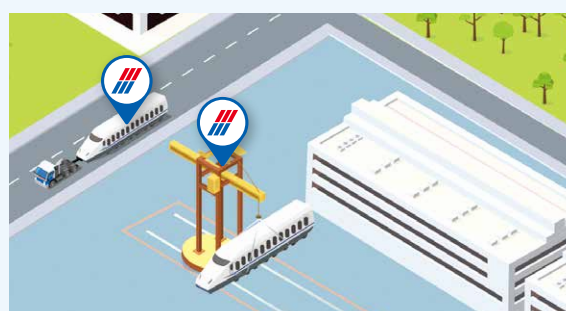y leveraging cutting-edge technologies, we design and manage highly efficient supply chains that help our customers drive order growth and expand sales.

● Solutions

We provide a number of high value-added solutions such as services integrating logistics and CE*'s skills for ICT equipment and collaborative logistics services for hazardous/chemical products.

*CE: Stands for customer engineers who configure and perform operation check of ICT equipment

t-Sort

● Reverse logistics

We are contributing to the realization of a circular economy by providing seamless return services that enhance customer satisfaction, collection services aimed at reuse and recycling, and waste disposal services that require advanced expertise and technical capabilities.

● VAS*

We provide added value to our customers by extending beyond traditional logistics across each value chain. We identify and respond to customer needs, enabling total cost reduction and greater focus on core business activities Stands for Value-Added Services.
*VAS：Stands for Value-Added Services

Kitting

Revenues (Domestic)

(100 million yen)

FY	2019	2020	2021	2022	2023	2024
	4,353	4,212	4,172	4,240	4,275	4,776
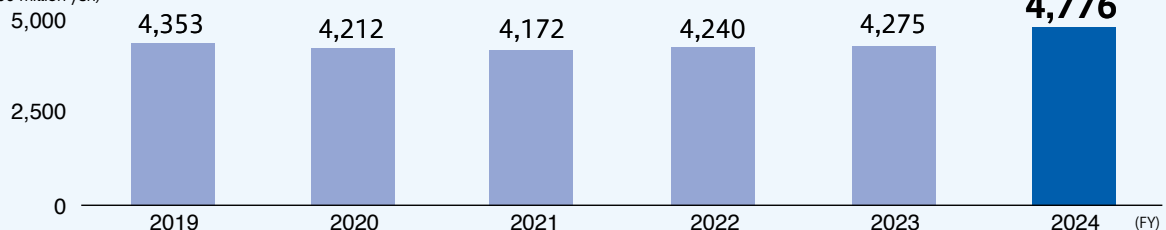
Trend of domestic 3PL market size

(Trillion yen)

Compound annual growth rate: 7.3%

2017	2018	2019	2020	2021	2022	2023 (FY)
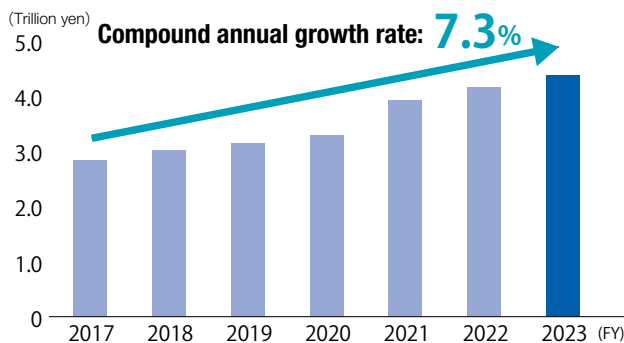
* Calculated by the Company using data in "Monthly Magazine LOGI-BIZ"

LOGISTEED ranked number one in domestic 3PL sales in FY2023

Procurement	Production	Sales distribution	After-sales service

Customers' supply chain

The LOGISTEED Group's business domain

Customers' industries:
- Transport equipment
- Electrical industry
- Groceries/Beverages
- Chemicals/Cosmetics
- Daily necessities/Apparel
- Medical supply
- Other

Sales composition ratio by customers' industry (FY2024)
- Transport equipment 28%
- Electrical industry 26%
- Groceries/Beverages 18%
- Chemicals/Cosmetics 13%
- Daily necessities/Apparel 8%
- Medical supply 6%
- Other 1%

*Calculated by top 65 customers data of the LOGISTEED Group, including overseas operations

Under our vision to become a "Leading Global 3PL Company," we support our customers' supply chain strategies with a wide range of services powered by advanced IT and technological capabilities. At the same time, we continue to lead the way forward by implementing next-generation logistics solutions leveraging the latest technologies, and expanding into new business domains.

Topics for FY2024

● Addition of ALPS LOGISTICS to the Group

ALPS LOGISTICS joined the LOGISTEED Group in October 2024. Leveraging ALPS LOGISTICS' specialized knowledge and experience in electronic components logistics alongside our robust logistics network, we strive to further improve the value we provide to our customers.

● Opening of a logistics center in Thailand

We have opened the Theparak Logistics Center near the international airport located in the outskirts of Bangkok, which is capable of managing logistics across different temperature zones. Due to its strategic location and high convenience as a transportation and distribution hub, the center will support supply chain optimization across diverse industrial sectors.

● Opening of a medical distribution center in Hyogo

We opened the Kansai III Medical Distribution Center in Sanda City, Hyogo Prefecture to serve as a medical platform center for the Western Japan area. We will continue strengthening our high-quality medical logistics network to meet the expanding demand for sophisticated pharmaceutical logistics and address customer needs.

● Opening of a logistics center in Spain

We opened a central warehouse near Barcelona to streamline supply chain operations across Europe for key customers and to enhance service delivery. We aim to optimize storage and delivery, with this serving as a key hub within the European logistics network.

● Opening of a hazardous materials warehouse in Kyoto

In Kameoka City, we opened a logistics center specialized in hazardous materials handling, comprising seven dedicated hazardous materials warehouses. We contribute to strengthening our customers' supply chains by meeting the unique regulatory and safety requirements for hazardous materials in various sectors such as chemicals, cosmetics, pharmaceuticals, and lithium batteries.

● Introduction of AutonMate

As part of initiatives to improve overall warehouse productivity, 16 autonomous mobile collaborative robots "AutonMate," which were developed by a group company, were deployed at the logistics center in Chiba Prefecture. We will promote labor saving measures by optimizing workflow and operational pathways.

Theparak Logistics Center

Kansai III Medical Distribution Center

AutonMate

Revenues (Overseas)

(100 million yen)

FY	Revenue
2019	1,910
2020	1,862
2021	2,687
2022	3,261
2023	3,222
2024	3,818
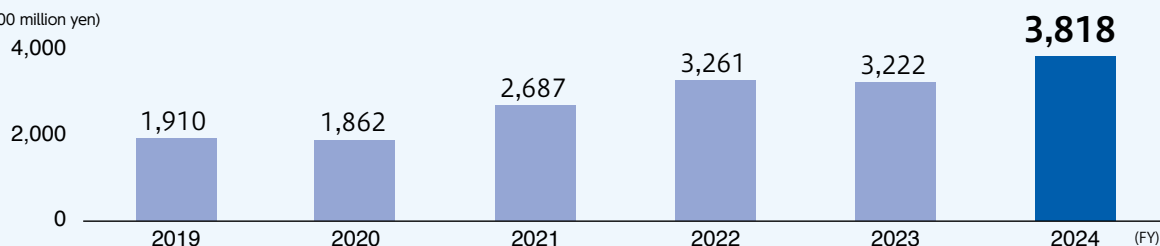
Composition ratio of revenues by overseas region and no. of overseas sites (FY2024)

540 sites

- China 155 (29%)
- Europe 125 (23%)
- North America 55 (10%)
- Asia 205 (38%)

Composition ratio of overseas revenues

- China 12%
- Europe 44%
- Asia 18%
- North America 26%

Locations
540 sites in
29 countries and regions

Number of employees
21,663

LOGISTEED Integrated Report 2025

8
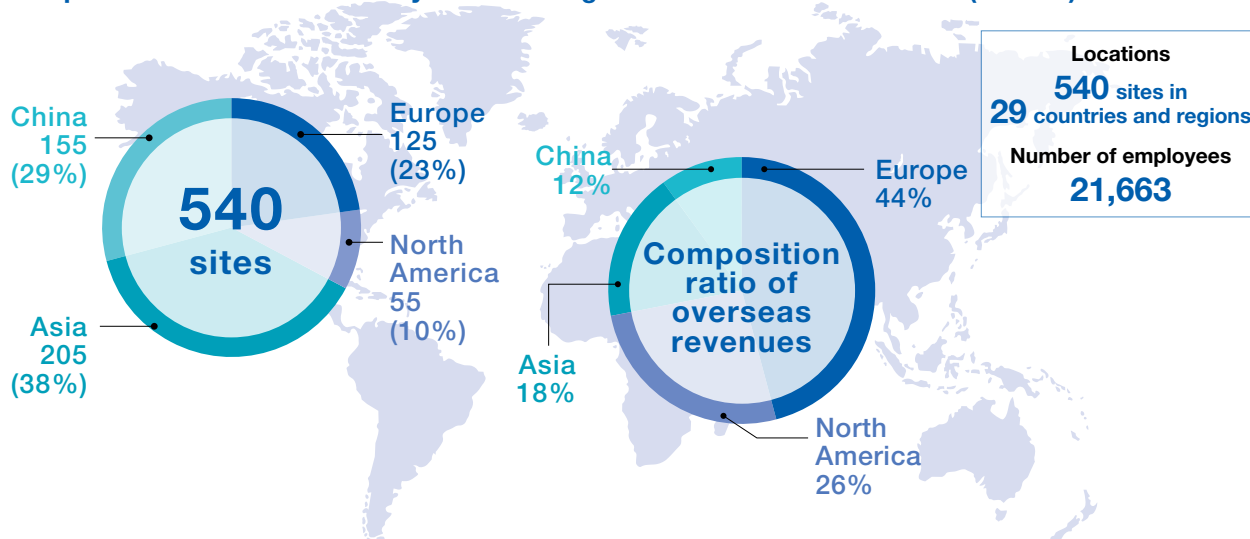
Our Business

Freight Forwarding Business

Harnessing our global network and deep expertise, we deliver customized transportation solutions by seamlessly integrating air, sea, truck, rail, and complementary services to meet our customers' diverse needs.

Service description and value proposition

● **Air freight**

We offer optimal air freight solutions tailored to your needs from urgent deliveries to cost-efficient, flexible scheduling. To reduce the risk of damage or loss during transit, we also provide packaging solutions that enhance load efficiency and ensure cargo safety.

● **Ocean freight**

We provide a wide range of ocean freight services, including Full Container Load (FCL) and Less than Container Load (LCL), Buyers Consolidation (BCN) and Freight Management Services (FMS) on behalf of our clients. We are able to accommodate various cargo types and shipping needs. With additional expertise in handling special containers and oversized cargo, we ensure smooth, timely, and efficient transportation while meeting specialized requirements.

Air freight / Ocean freight

● **Cross-border transportation**

Our cross-border transportation services ensure smooth international land freight in regions with adjacent borders. By leveraging the LOGISTEED Group's extensive network and combining our own truck with partner service networks, we deliver high-quality transportation across key corridors such as the U.S.–Mexico border, ASEAN countries, and Eastern Europe.

● **Intermodal transportation**

We provide efficient and environmentally friendly intermodal transport solutions by combining different modes such as air, sea, truck, and rail.

By integrating services like Sea-Air, and Rail, we help optimize the balance between speed and cost, delivering flexible and sustainable logistics tailored to your needs.

Intermodal transportation

Revenues

(100 million yen)

FY	2019	2020	2021	2022	2023	2024
Revenues	938	1,011	1,696	1,728	1,128	**1,347**
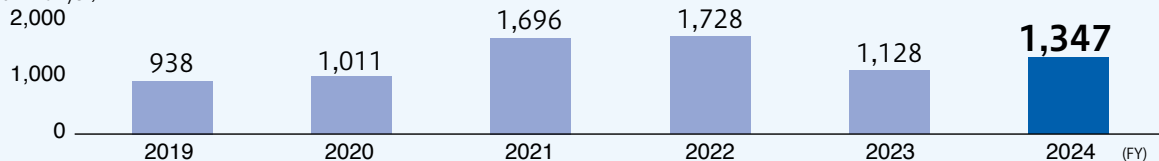
Topics for FY2024

●**Advancing "One LOGISTEED" through Organizational Enhancement**

In FY2024, we established the Freight Forwarding Headquarters to strengthen global sales collaboration across customer segments and business domains. In FY2025, we further enhanced our structure by launching a dedicated sales department, enabling us to respond to diverse customer needs with greater speed and agility.

●**Launch of the Freight Forwarding Committee (FFC)**

We formed the Freight Forwarding Committee (FFC), comprising key domestic and international forwarding entities. The committee has held multiple discussions to explore new customer opportunities, develop additional trade lanes, and build a centralized procurement framework.

●**Appointment of Foreign Operating Officer**

In November 2024, Akhil Nair was appointed as Operating Officer (International Head of Freight Forwarding) to lead the continued growth of our forwarding business.

Composition ratio of revenues by region and freight forwarding volume (FY2024)

Europe
Ocean 41 thousand TEUs
Air 17 thousand tons

Japan
Ocean 80 thousand TEUs
Air 48 thousand tons

China
Ocean 68 thousand TEUs
Air 21 thousand tons

Asia
Ocean 147 thousand TEUs
Air 23 thousand tons

North America
Ocean 36 thousand TEUs
Air 8 thousand tons

Composition ratio of revenues

- China 14%
- North America 16%
- Japan 28%
- Asia 26%
- Europe 16%

Freight forwarding volume (round amount):

Ocean transportation
373 thousand TEUs*

Air transportation
117 thousand tons

* Twenty-Foot Equivalent Unit (20-foot-long container unit)

Heavy Machinery and Plant Logistics Business

We provide one-stop logistics services covering from shipping to transportation and installation of heavy products, including power plant, industrial machinery, railway cars, and precision equipment and medical equipment requiring careful handling in domestic and overseas.

Service description and value proposition

● Power plant cargos

We provide transport solutions for large-scale equipment, including turbines and transformers, for a wide range of power generation and substation facilities, such as thermal and wind power plants. Drawing on decades of experience and sophisticated logistics planning, we deliver safe and high-quality transport solutions, including on-site delivery and installation, even for plants located in challenging inland or coastal environments.

● Industrial project cargos

Our logistics services cover a broad spectrum of industrial and construction-related equipment, such as rolling mills, dust collection equipment and other large-scale plant facilities, storage tanks, conveyors, as well as elevators and escalators. Through meticulous transport and work planning, along with specialized technical expertise in handling complex cargo, we ensure the safe delivery and installation of equipment at our customers' sites.

● Rail and other transport system project cargos

With a proven track record, specialized expertise, and an expansive global network, we provide comprehensive logistics solutions for transportation infrastructure projects. Our services encompass the transportation and installation of Shinkansen and other high-speed rail, commuter trains, monorails and other vehicles, as well as ancillary equipment like platform doors and a wide range of maintenance parts.

● Transportation and installation

We possess advanced technical expertise and specialized capabilities, backed by a strong track record, to handle everything from taking out freight and transportation, to the delivery and installation of a wide variety of machinery and equipment. We offer comprehensive, one-stop solutions for a full range of logistics operations, from packing and freight forwarding to storage.

Transportation of railway cars to Taiwan

Installation of dry distillation gasification combustion plant systems

Revenues

(100 million yen)

2019	2020	2021	2022	2023	2024 (FY)
396	352	369	385	359	**332**
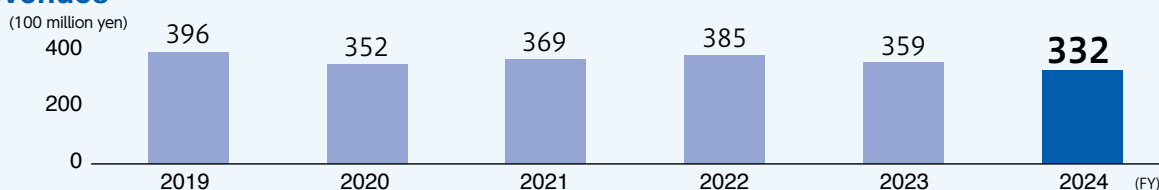
Topics for FY2024

- Undertook one-stop transportation and installation of equipment for the new semiconductor factories across all regions of Japan (including temporary storage, local transportation, and installation of equipment and semiconductor manufacturing devices)
- Undertook the on-site transportation, delivery, and installation of industrial waste treatment plant equipment, including pre-assembly at the factory
- Undertook transportation and installation of automated material handling systems for large-scale logistics centers
- Undertook sea transportation and multi-modal transportation of power generation and substation equipment in Japan and overseas (North America, Middle East, Europe, etc.) [ongoing]
- Transported railway cars to Asia and the Americas [ongoing]
- Promoted initiatives in specialized transportation for offshore wind and infrastructure-related equipment

Composition ratio of revenues (FY2024)

- Other 1%
- Overseas fieldwork 9%
- Power plant -related Forwarding 12%
- Domestic heavy cargo handling 21%
- Domestic transportation and Installation 57%

Composition ratio of revenues
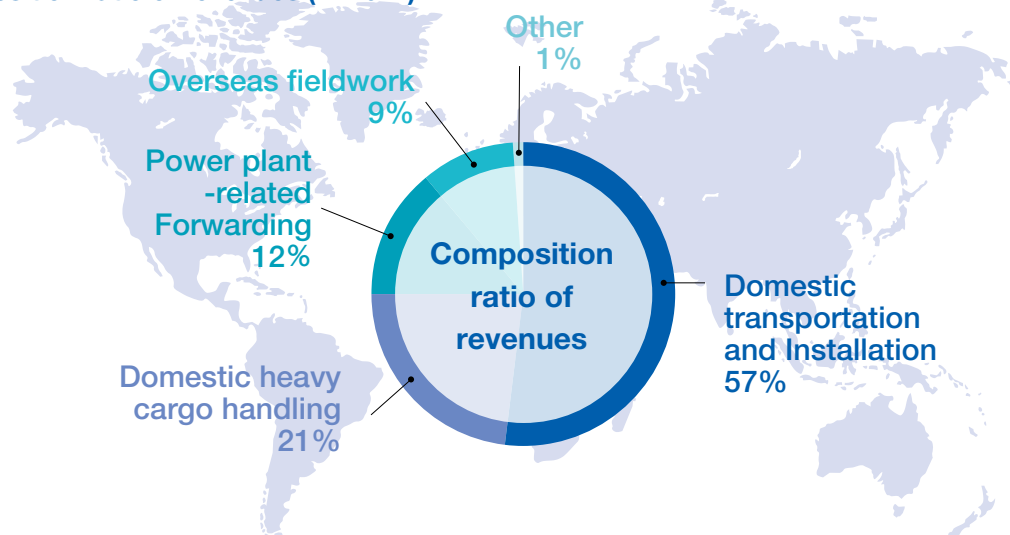
Message from the CEO

Against a backdrop of drastic change in our environment, we strive to maximize corporate value in anticipation of relisting and become a "Leading Global 3PL Company."

September 2025

Yasuo Nakatani

Representative Director,
Executive Chairman,
President and CEO

Looking Back on Mid-term Management Plan "LOGISTEED2024"

Record performance in FY2024 and a target of ¥1 trillion in revenues in FY2025

FY2024 was the final year of the Mid-term Management Plan "LOGISTEED2024" begun in FY2022. Looking back, the past three years have been a very important period for us to lay a foundation for new growth. In FY2022, the first year under the plan, the COVID-19 pandemic was continuing and LOGISTEED achieved record results as the industry overall benefited from the so-called "freight forwarding bubble." It was at this time that we delisted and changed our trade name to "LOGISTEED" and, in partnership with Kohlberg Kravis Roberts & Co. L.P. ("KKR"), began management reforms aimed at relisting and becoming a "Leading Global 3PL Company" in future. In FY2024, our revenues of ¥910.7 billion and adjusted operating income of ¥48.5 billion were both record highs, as key strategies such as topline expansion measures, M&A, asset-light (▶P70) strategy, and minimum cash operations were all successful, and the consolidation of ALPS LOGISTICS also made a partial contribution. And in FY2025, we aim to achieve revenues of over ¥1 trillion, mainly as a result of the full-year contribution of ALPS

LOGISTICS, as we steadily advance our management reforms to become a "Leading Global 3PL Company."

Organic growth also contributing to topline expansion. Challenges in freight forwarding business

The organic portion of FY2024 revenues (that is, excluding the contribution of ALPS LOGISTICS) was ¥850 billion, which is more than ¥100 billion greater than in FY2021, the year before the start of the Mid-term Management Plan. There are two main reasons for this, the first of which is the strengthening of our overseas business. In Europe, Cyber Freight International Holding B.V. and Van den Bos & van Daalen Materieel B.V. were consolidated in November 2022 and August 2023, respectively. In Asia, we established the Mumbai Logistics Center in India in February 2024, and Theparak Logistics Center near Bangkok, Thailand in January 2025. This series of investments has borne fruit, with overseas business revenues growing significantly from ¥268.7 billion in FY2021 to ¥362.3 billion (excluding ALPS LOGISTICS) in FY2024. The second reason is the renewed growth of the domestic 3PL business. Due in part to the effects of the aforementioned topline expansion measures and other factors, revenues are on an upward trend even excluding the contribution of ALPS LOGISTICS. On the other hand,

the freight forwarding business, after a period of growth during the COVID-19 pandemic followed by a time of sluggishness, remains a challenge, and we continue to focus on strengthening its competitiveness.

Investing in Smart Logistics and solidifying ESG management base

We made steady progress over the past three years on priority measures intended to improve ROIC and solidify the management base, namely "Evolve Smart Logistics" and "Solidify ESG management base." First, in our quest to "Evolve Smart Logistics," as the Japanese logistics industry faces such challenges as labor shortages and rising labor costs, we further promoted automation and labor-saving measures. These included the introduction of autonomous mobile collaborative robots developed in-house. We also focused on investing in high value-added areas such as hazardous materials warehouses and medical DCs. We will continue to promote such investments to improve ROIC.

We also made clear progress on "Solidify ESG management base," which will lead to medium- to long-term improvements in corporate value and is closely related to the company's future path to relisting and becoming a global enterprise. Specifically, as overseas revenues have been increasing, we have expanded the scope of our medium- to long-term environmental targets to include global operations and Scope 3 emissions and submitted a letter of commitment to obtain SBT certification as we advance ESG management. For the sake of safety and security, we have established the Centralized Safety and Quality Control Center, while SSCV-Safety, our unique safety operations management solution, has received numerous awards in Japan and we are increasingly being recognized for such initiatives. We will continue to pursue further quality improvements and enhancement of our unique characteristics to improve our corporate value over the medium to long term.

Progress also made in structural reforms seeking to achieve global standards and relisting

We also made significant progress implementing structural reforms to transform the company into a global enterprise and get relisted. First, in FY2024 we reorganized our organizational structure into the Japan Company, the International Company, and the Corporate Function, which supports the first two, and appointed a top executive to each of them. The sales organization serves as a link between the two companies, bridging customers in Japan and overseas while deploying know-how across the organization. Now, more than a year later, the companies are working together to deepen collaboration, create synergies, and expand the seamless delivery of value to customers. In addition, the

executive officer structure headed up by three executive vice presidents has been redesigned to be flat and fully job-based to clarify each person's respective role. In future, we intend to expand the job-based system from managers to employees. Then, to improve capital efficiency in anticipation of relisting, we made progress on our asset-light strategy and minimum cash operations mentioned above. We are proud of our ability to complete the liquidation of 34 logistics centers in Japan in one year under our asset-light strategy, generating approximately ¥230 billion, which helped us to acquire ALPS LOGISTICS. We believe this will be a driving force for the implementation of the new Mid-term Management Plan and our relisting. As for minimum cash operations, we have been able to reduce the minimum required cash and deposits by practicing thorough cash visibility and control by the head office, and I am confident that this will be a major step toward greater capital efficiency in the future.

New Mid-term Management Plan "LOGISTEED2027"

Seeing relisting as a "boarding pass" to be recognized as a "Leading Global 3PL Company"

As we move forward with our new Mid-term Management Plan "LOGISTEED2027," we are aware of growing uncertainties in the business environment, such as increasing protectionism, supply chain restructuring, labor shortages, and rising costs. At the same time, we are aware of the potential for rapid industry restructuring in light of large-scale M&A activity in the logistics industry, both in Japan and overseas. Particularly in the context of industry restructuring in Japan, where shareholders are increasingly demanding greater capital efficiency, we intend to continue focusing on our asset-light strategy and bring out its true value. Under the new Mid-term Management Plan "LOGISTEED2027," we will strive to enhance our corporate value, seeing relisting as a "boarding pass" to be recognized as a "Leading Global 3PL Company" as called for in "LOGISTEED2030."

Strongly promoting three pillars and seven priority measures for topline expansion

Following the basic policy outlined above, "LOGISTEED2027" will focus on three pillars and seven priority measures to strengthen our business base and achieve revenues of ¥1.5 trillion and an overseas ratio of at least 50% as called for in "LOGISTEED2030." First, the three pillars are "Group-wide cost structure reform and reinforcement of operational robustness" by the Japan Company, "Business expansion through group-wide collaboration focused on industry sectors, service lines, and regions" by the International Company, and "Execution of structural reform" by the Corporate Function. These will be strongly promoted under

Message from the CEO

Our Future Vision

LOGISTEED2027 Strengthen business foundations ahead of re-listing and LOGISTEED2030

Priority Measures
1. Achieve organic growth as the overwhelming No.1 in Japan's 3PL market
2. Achieve business expansion and enhance profitability through automation, labor-saving, and DX initiatives (utilizing AI)
3. Achieve robust overseas business foundation through a consistent global strategy
4. Establish a foundation for growth through PMI and inorganic initiatives
5. Achieve cash flow generation and capital efficiency on par with leading global logistics companies
6. Implement industry-leading ESG management initiatives
7. Develop an organization and structure to realize LOGISTEED2030

Mid-term Management Plan (LOGISTEED2024)

Mid-term Management Plan (LOGISTEED2027)

And go further **LOGISTEED 2030** Becoming a "Leading Global 3PL Company"

Corporate Vision

Corporate Philosophy

- Revenues ¥**1.5**trillion
- CO₂ Reduce by **50**%
- Overseas ratio Over **50**%

the leadership and responsibility of the executive vice presidents heading up the divisions. The units will moreover pursue topline expansion by seamlessly linking the Japan Company and International Company. The Corporate Function will support both companies efficiently and steadily. Based on this, we will focus on seven specific priority measures: "Achieve organic growth as the overwhelming No.1 in Japan's 3PL market" "Achieve business expansion and enhance profitability through automation, labor-saving, and DX initiatives (utilizing AI)" "Achieve robust overseas business foundation through a consistent global strategy" "Establish a foundation for growth through PMI* and inorganic initiatives," "Achieve cash flow generation and capital efficiency on par with leading global logistics companies" "Implement industry-leading ESG management initiatives" and "Develop an organization and structure to realize LOGISTEED2030." All of these are based on the framework of what we have been working on for some time, and our main focus will be to ensure that they continue to be promoted as priority measures to enhance corporate value.

*Post Merger Integration

Circulation of economic, environmental, and social value through "Strong P/L"

In addition, we will enhance economic value by clarifying where the activities of individual departments contribute to P/L, from revenues to net income, and by making sure that each department, such as sales, Gemba sites, and management, recognizes its expected roles and carries them out. We will then create environmental and social value by investing part of the economic value we generate in decarbonization and collaborative innovation with partners and will further enhance each value by putting these into circulation. As the cornerstone of LOGISTEED2027, "Strong P/L" is a strategy for continuing to enhance corporate value through the circulation of economic, environmental, and social value. We intend to fulfill the requirements for relisting by steadily implementing the three pillars, seven priority measures, and "Strong P/L."

Domestic 3PL business: accelerating creation of synergy with ALPS LOGISTICS

Since the domestic 3PL business is the root of our strength, we will ensure that it is on a renewed growth trajectory. In particular, ALPS LOGISTICS, which became a consolidated subsidiary in October 2024, has much in common with us. For example, both have expertise in manufacturing logistics as part of their DNA and the

Diagram of the "Strong P/L" Concept

Economic value				
	Revenues	Sales & Marketing	Sales growth / Existing customer support	
	Gross profit	Gemba sites	Operational efficiency (Gemba divisions)	Technology and IT
	Operating income	General administration divisions	Operational efficiency (General administrative divisions)	Automation
	Income before income taxes	Safety and quality	Minimize loss costs	Labor-saving
	Net income	Finance and accounting	Financing· Optimize tax costs	

Value cycle

Environmental value / Social value			
	Environment	Decarbonized·recycling-oriented society	Promotion of DX
	All divisions	Collaborative innovation·partnerships / Sustainable logistics services	

Human Resources and General Affairs
- Securing and Development of Human Resources
- VC Activities (Improvement)
- Governance Compliance
- Human Rights
- DE&I

Enhancement of Corporate Value

consumer logistics and retail-related businesses both account for about 20% of revenues. Also, the two have a similar history as listed companies. Therefore, we are currently focusing on joint projects such as cross-selling, pricing, transportation, and freight forwarding to maximize synergies. In addition, ALPS LOGISTICS complements our electronic components-related business, which had been a weak point for us but is now a new strength. We also expect synergies by linking our product logistics to the new subsidiary's procurement logistics, as well as streamlining effects from the integration of our warehouse management systems. By accelerating these efforts in parallel with PMI, we will maximize synergies and achieve a quick return on investment.

Overseas 3PL business: a focus on growth markets

In our overseas 3PL business, we will leverage our meticulous service to expand our bases in the growing market of India and expand our cold chain business in Southeast Asia. We will also focus on strengthening and expanding intermodal business throughout Europe and acquiring major non-Japanese customers.

Freight forwarding business: expanding global network and standardizing systems

In the freight forwarding business, an area that we are building up, we will continue to expand our global network through overseas M&A and also accelerate our push for efficiency through standardization and unification of systems that we started in FY2024. In addition, since strong governance is also necessary for goals like enhancing freight competitiveness, we are vastly reinforcing this area by appointing experienced

human resources from outside and establishing headquarters specializing in freight forwarding.

Initiatives on Material Issues

Connecting material issues initiatives with "Strong P/L"

Under our initiatives on material issues, we will continue to work on three Focus Areas: contribute to decarbonized/recycling-oriented society, build and evolve resilient, sustainable logistics services, and create new values through collaborative innovation. For our effort to contribute to decarbonized/recycling-oriented society, we are proceeding as planned to reduce CO_2 emissions in Japan, with an eye to creating environmental, social, and economic value by fulfilling our social responsibility as a logistics provider. Furthermore, as I mentioned previously, we are changing our medium- to long-term targets to be global. Intermodal transportation in Turkey and shared milkruns in North America help our customers to decarbonize and are growth drivers that create significant economic value. As for our quest to build and evolve resilient, sustainable logistics services, we will continue to promote automation and manpower saving at logistics centers to achieve "unstoppable logistics" and thereby create social value. Finally, to create new values through collaborative innovation, we aim to create new economic value through the promotion of DE&I and collaborative innovation activities with various partners. Since these initiatives on material issues contribute to the creation and circulation of environmental, social, and economic value, we will strive to enhance corporate value by promoting them as initiatives that lead to "Strong P/L" as described earlier.

What We Want to Communicate to Our Stakeholders

As I have been saying up to now, the new Mid-term Management Plan "LOGISTEED2027" is a clear expression of our will and strategy to increase corporate value with the aim of relisting. We understand that investors in Japan and overseas expect the LOGISTEED Group to raise our corporate value to a higher level by FY2027. By following through on the measures set forth in the new Mid-term Management Plan over the next three years, we will not only meet the requirements for relisting but also maximize our corporate value. In addition, industry restructuring may happen faster than anticipated, but we will continue to follow our proactive approach, which is part of our DNA. We will move with agility and act ahead of others while closely monitoring changes in the business environment.

In a drastically changing environment, you can expect to see the LOGISTEED's relisting, and beyond that, our continuing efforts to maximize our corporate value and become a "Leading Global 3PL Company."

Message from the CFO

We are working to further develop ROIC management and practice "Strong P/L" to maximize corporate value.

Hideo Nakamoto

Executive Officer, CFO
General Manager,
Financial Strategy Office

Maximizing Corporate Value from the Perspective of Shareholders and Investors

Using knowledge and experience gained from both foreign global enterprises and Japanese companies

In my 37-year career, I spent 33 years in finance at foreign global enterprises, and the last four years as CFO and CHRO at Japanese companies. At a foreign global enterprise, I was involved in FP&A*, where I had to make decisions quickly based on detailed project analysis, including return on investment. I also gained experience in making decisions from a bird's eye view of the company as a whole, while respecting each individual human resource and working with sales, Gemba sites, human resources, and other departments. I was also able to make good use of this experience in my recent work as CFO and CHRO of a Japanese company. Having become CFO of the LOGISTEED Group in September 2024, I will fully utilize my experience and knowledge to contribute to maximizing our corporate value with a view to relisting and becoming a "Leading Global 3PL Company."
I believe that the finance department should act as shareholders' eyes and ears and its role is to maximize shareholder value. Since business comes with

challenges, one of our roles is to work closely with the business divisions to meet those challenges and help the company grow and sometimes be tough internally. I am determined to make good use of the capital entrusted to us by our shareholders and borrowed from financial institutions to create sustainable results.
I also believe that human resources should be at the heart of company management. A business produces the greatest results when each employee reaches their maximum potential and these potentials are gathered into one. For that reason, I recognize that another important part of my role is to establish mechanisms to maximize employee performance and invest in human capital.

* Financial Planning & Analysis: The work of financial decision-making and management by developing financial plans and performing analysis

Continuing and further developing minimum cash operations and asset-light strategy

I believe that the minimum cash operations and asset-light strategy implemented over the past two years have been very appropriate, as they are financial capital strategies essential for the LOGISTEED Group to compete with major foreign logistics companies. At the same time, I have been impressed by the remarkable results achieved by all employees working together on these measures, and I regard the LOGISTEED Group as

a very viable organization. I believe that carefully maintaining these two strategies and further strengthening them is a necessary precondition for relisting.

It is also important to achieve profitability and capital efficiency on a level with major foreign logistics companies in order to increase corporate value after relisting. To do that, we will further strengthen cash management through minimum cash operations by fully deploying the Treasury Management System (TMS), which centrally manages funds and financial risks for the entire LOGISTEED Group, and also by consolidating overseas funds, strengthening stagnation management, and curbing the worsening of payment terms. In addition, we will further develop our asset-light strategy by liquidating our own assets and reviewing our strategic shareholdings across the entire LOGISTEED Group, including ALPS LOGISTICS.

New Mid-term Management Plan "LOGISTEED2027"

A focus on "Strong P/L" initiatives

Under the new Mid-term Management Plan "LOGISTEED2027" that took effect from FY2025, the three pillars of our strategy are "group-wide cost structure reform and business resilience" by the Japan Company, "Business expansion through group-wide collaboration based on industry, service, and region" by the International Company, and "Implementation of structural reform" by the Corporate Function. These initiatives will be supported by a financial capital strategy centered on "Strong P/L."

"Strong P/L" is an initiative to clarify which part of the P/L is impacted by the activities of each department, including management departments, by setting action items to improve revenues (top line) and profit at each stage (gross profit, operating income, income before

income taxes, and net income) in income statements, so that each employee can play an active role and consciously contribute to business performance (that is, create economic value). As the cornerstone of LOGISTEED2027, this is a strategy to improve corporate value through a cycle of economic value, environmental value, and social value. The "Strong P/L" approach is itself an easy-to-understand summary of the P/L elements of the ROIC tree. It incorporates what we have long been doing as ROIC management into each business, each stage of profit, and each employee's role. Therefore, people in all departments and positions can contribute to business profit, which is the numerator of ROIC. For example, sales personnel can help improve ROIC by expanding the range of business commissioned to us by existing customers or by developing new customers. Gemba site warehouse operations personnel can help improve ROIC by efficiently performing warehouse operations and increasing productivity. These can lead to higher gross profit margins, and implementing tax strategies developed by the financial division to optimize the effective tax rate on a global basis can also help improve ROIC. Moreover, IT and technology departments can contribute by streamlining warehouse operations with DX and advancing automated equipment. Since all employees are involved in some aspect of P/L in this way, the LOGISTEED Group aims to make the "Strong P/L" approach permeate all departments, including sales, Gemba sites, and management, so that all employees can contribute to business performance.

ROIC management that encourages taking new challenges with a vision in mind

Along with our "Strong P/L" efforts, we will also further strengthen ROIC management, which has been a focus since 2018. While we will continue to invest in warehouse facilities for business growth and actively invest in IT and DX for automation and labor savings, we will carefully

Diagram of the "Strong P/L" Concept

			Technology and IT	Human Resources and General Affairs	
Economic value	Revenues	Sales & Marketing	Sales growth / Existing customer support	Automation	Securing and Development of Human Resources
	Gross profit	Gemba sites	Operational efficiency (Gemba divisions)		
	Operating income	General administration divisions	Operational efficiency (General administrative divisions)		VC Activities (Improvement)
	Income before income taxes	Safety and quality	Minimize loss costs	Labor-saving	Governance Compliance
	Net income	Finance and accounting	Financing · Optimize tax costs		Human Rights
Value cycle				Promotion of DX	DE&I
Environmental value Social value	Environment		Decarbonized · recycling-oriented society		
	All divisions		Collaborative innovation · partnerships Sustainable logistics services		

Enhancement of Corporate Value

Message from the CFO

select investments by closely examining their contribution to profits and return on investment, as measured by ROIC. This will position us to achieve profitability comparable to major foreign logistics companies.
As part of this effort, we are taking such steps as training managers to increase understanding of the ROIC tree, ROIC calculation methods, and the "Strong P/L" approach so that these become more firmly entrenched.

Maximizing Corporate Value

A focus on maximizing value creation capabilities, based on "Strong P/L" and ROIC tree

In addition, we will work to maximize corporate value with a view to relisting, with two core stories in particular: maximizing value creation capabilities (maximizing value provided and the ability to generate cash) and pursuing sustainability and strengthening the foundation for value creation (reducing future capital costs).
Regarding the first, maximizing value creation

capabilities, we will first expand and strengthen our business globally, including in Japan, with topline expansion as our chief goal. Specifically, in addition to maximizing synergy by firmly executing PMI with ALPS LOGISTICS, expanding business in the growing markets of India and Southeast Asia, and strengthening and expanding intermodal transportation business throughout Europe, we will enhance the freight forwarding business's use of our global network by unifying systems across the globe. In addition, we will work to reduce expenses to reform our cost structure and make our business more resilient. We will also work to consolidate operations and deploy DX, new technologies, and the like throughout the LOGISTEED Group, and quickly deploy successful examples across the organization.
Additionally, the entire LOGISTEED Group will work together to promote these initiatives to maximize the value provided and the ability to generate cash as action items for each employee based on the "Strong P/L" and ROIC tree mentioned above.

Key action items in the ROIC tree to increase corporate value

				Major action items
ROIC	Improve business profit	Improve operating income	Grow topline	Increase orders received and enhance phase-gate process management
				Expand sales through Global Account Program (GAP)
				Strengthen freight forwarding business
				Strengthen PMI with merged and acquired businesses
				Expand sales by strengthening intellectual capital and intellectual property strategy
			Further improve productivity and added value	Reduce costs and optimize SG&A expenses
				Improve productivity and operational efficiency
				Execute structural reform
				Slim down corporate divisions
				Minimize loss costs
				Withdraw from/replace unprofitable businesses
		Optimize tax costs		Implement tax strategy
		Improve equity method profit or loss		Realize alliance synergy with collaborative innovation partners
	Improve business asset efficiency	Improve working capital turnover ratio	Improve cash conversion cycle	Collect trade receivables early
				Reduce inventories
				Trade payables: Set appropriate payment terms
				Acquire advances received
		Improve fixed asset turnover ratio		Improve turnover ratio of assets held (warehouses/trucks)
				Implement asset-light strategy
				Enhance pre-investment checks and post-investment monitoring
				Review strategic shareholdings/equity method investments
	Reduce both cash on hand and interest-bearing debt			Improve cash flow forecast accuracy
				Practice minimum cash operations, consolidate overseas funds
				Reduce external borrowings, etc. by expanding cash pooling

Sustainability initiatives to reduce cost of capital

As for the second theme, pursuing sustainability and strengthening the foundation for value creation, our efforts here will bear fruit in the form of reduced capital costs in the future, not just when we are relisted some years from now. This will help us to maximize corporate value. Therefore, we will financially support various initiatives on material issues.

Specifically, we will make the environmental investment necessary for the material issue "contribute to decarbonized/recycling-oriented society," the capital investment needed to achieve "build and evolve resilient, sustainable logistics services" and "step up DX," and the human capital investment necessary to "secure diverse human resources to support growth." We will make these investments in a timely, appropriate, and flexible manner, while keeping an eye on the group-wide cash allocation strategy and investment portfolio.

Regarding human capital investment in particular, we will actively utilize tools like generative AI to increase productivity with DX and enable employees to focus on more value-added and creative work. We will also prioritize investments to keep our employees up-to-date with the latest digital literacy, given the rapid pace of technological advancement.

In addition, various methods have evolved in recent years in finance, the area that supports these investment strategies. Thus, we will redefine the skills required for the financial capital strategies of the LOGISTEED Group as it aims to maximize corporate value in anticipation of relisting and become a "Leading Global 3PL Company." We will also establish a training system that will enable us to continually brush up our skills.

Further enhancement of corporate value through a virtuous cycle centered on human resources

As I noted previously, in my career I have consistently valued human resources and focused on FP&A operations. As such, I intend to lead the LOGISTEED Group's financial capital strategy by making full use of the knowledge and ideas I have developed regarding both human and financial capital.

In this context, I believe it is important to create an environment where every employee can feel that they have accomplished something, no matter how small, every day, and feel the joy of achieving things with their colleagues. We will aim to be a company where employees build up small successes from the early stages of their employment and people can enjoy self-realization despite the rigors of the job. By doing so, we will accelerate the growth of our business, which in turn will attract good human resources in a virtuous cycle that will help to maximize corporate value. Also to maximize corporate value, we will focus on communication with capital markets and other stakeholders.

Besides those I have described so far, the LOGISTEED Group is also pursuing a variety of other initiatives, and I consider it very important to publicize these initiatives in turn. Specifically, while we take pride in being a leading company in the 3PL industry in Japan, we do not rest on our laurels. Instead, we focus constantly on proactive investment in DX and creating a comfortable working environment for our employees. We are confident that by informing our stakeholders of these latest efforts and helping them understand these, they will decide that ours is a company worth investing in. And we will focus our efforts on the new Mid-term Management Plan and increase the topline, ROIC, and ROE to ensure that we always meet those expectations.

Value Creation Process of the LOGISTEED Group

A business model to realize value creation of the LOGISTEED Group consists of a value chain comprising of task analysis, design for operation, operation and improvement of the customers' supply chain and structure to support it such as collaborative innovation, R&D, human resource development, and VC activities, with the LOGISTEED WAY indicating how the LOGISTEED Group should be and a path to take as the source of all values.

Input

Financial capital
- Stable financial base
- Surplus funds to enable flexible investments

Total assets
1.755 trillion yen

Cash and cash equivalents
Balance at end of year
62.5 billion yen

Manufactured capital
- Global business sites
- Transport vehicles
- Digital business platform underpinning LOGISTEED

Business sites[*1]
Japan **463** sites

Overseas **540** sites
in 29 countries and regions

Area of Logistics Center[*1]
9.19 million m²

Intellectual capital
- Patent (warehouse design/management system, etc.)
- Expertise (SCM optimization, safety, advanced logistics technology)

Number of patents held
171

Number of systems in operation[*2]
517

Human and organizational capital
- Diverse human resources well-versed in logistics
- Human resources who carry out the LOGISTEED WAY

Total personnel
56,227

Training hours per employee (domestic employees)
17.1 hours

Social and relationship capital
- Trust relationships with stakeholders
- Business ecosystem to be built together with collaborative partners

Transportation partners (Japan)
Approx. **1,300** companies

Natural capital
- Resources and energy that we use through logistics service with less environmental load

Total energy consumption (Japan) (crude oil equivalent)
1) Electricity consumption
33,899 kl

2) Fuel consumption
16,544 kl

Business model

Toward New Dimensions

LOGISTEED

Improvement — Ongoing improvement of safety, quality, and productivity

Analysis — Task analysis of the customers' supply chain

Design — Design and proposal for advanced operation

Operation — Flexible and reliable operation

DX
Visualization/optimization

Cycle to accumulate knowledge

Physical space

Virtual space (cyber)

Strengths ▶P21-22

1 Ability to accomplish operation

2 Advanced logistics engineering capability

3 Global network

―Structure to support value creation―

Collaborative innovation · R&D · Human resource development · VC activities (Improvement activities)

Sustainability management ▶P35-38 P41-48 P57-68

Corporate Governance ▶P51-56

LOGISTEED WAY ("Gemba" Power, multiplied by Visualization) ▶P7-10

Corporate Philosophy ▶P2

* The figures are as of March 31, 2025
*1 Number of business sites and area of logistics centers exclude those of AIT Group and HTB-BCD Travel Group. *2 Self-developed systems

Using our strengths of Ability to accomplish operation, Advanced logistics engineering capability, and Global network as key drivers, we strive to reinforce our value chain to sustainably create economic, social, and environmental values to our stakeholders. We will contribute to SDGs through sustainable increase of corporate value.

Output

Outcome

Mid-term Management Plan
▶P23-28

Material Issues
▶P42-48

We support people's lives and assume a role as a social infrastructure provider by providing comprehensive logistics services with high level of safety, quality, and productivity.

3PL Business

Freight Forwarding Business

Heavy Machinery and Plant Logistics Business
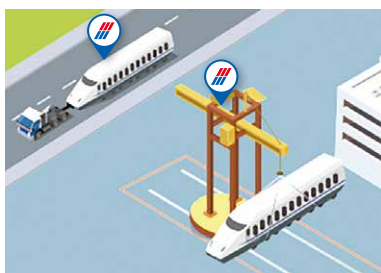
▶P7-10

Economic value

Financial capital

Credit rating (JCR)

A(Stable)

Manufactured capital
Use accumulated skills and expertise as reference models to build and manage new logistics centers and systems

Revenues

910.7 billion yen

Social value

Intellectual capital

Number of patent applications

28

Number of attendees of data scientist training course (accumulated)[3]

165 attendees

Number of work-hours saved using generative AI and low-code tools, etc.

Approx. **1.21** million hours

Human and organizational capital

Employee engagement (benchmark score clear rate by country)[4]

44%

Ratio of female managers

6.9%

[Negative outcome]
Workplace accident index

Frequency rate : 0.44
Severity rate : 0.018

Social and relationship capital

Domestic share of 3PL business[5]

12.2%

No. of customers
Over
20,000 companies
(80 industries)

Environmental value

Natural capital

Rate of change in CO_2 emissions (Japan/overseas) (Scope 1&2)

+7.2% YoY

[Negative outcome]
CO_2 (greenhouse gas) emissions
(Japan/overseas) (Scope 1&2)   33.8 (10,000 t-CO_2)

*3 Number of attendees of in-house training to foster data scientist with advanced data analyst skills
*4 Percentage of companies exceeding the country-specific benchmark scores outlined by Willis Towers Watson of those conducting engagement surveys
*5 Calculated by LOGISTEED using data in "Monthly Magazine LOGI-BIZ"

Stakeholders

- Customers
- Employees
- Business partners
- Investors
- Local administration
- Local community

Sustainable Development Goals (SDGs) on which we focus for sustainable growth

▶P35-38
▶P41-48
▶P58-68

The LOGISTEED Group's Strengths

The LOGISTEED Group has three strengths: The ability to accomplish operations, Advanced logistics engineering capability, and a Global network. Drawing on our expertise and network accumulated over 70 years since our foundation as a logistics operator, we provide comprehensive logistics services with a high level of safety, quality, and productivity.

1 Ability to Accomplish Operation

Manufactured capital · Human and organizational capita · Social and relationship capital

Diverse human resources well-versed in logistics

Total personnel
56,227

Transportation assets to support society and people's lives

No. of vehicles
23,369
(including leased vehicles)

Digital business platform underpinning LOGISTEED

No. of self-developed systems in operation
517

2 Advanced Logistics Engineering Capability

Human resources specialized in logistics engineering, DX, IT

Analysis, operation management design, automation promotion initiatives, and advanced technologies

Approx. **1,600** employees

Excluding ALPS LOGISTICS Group

(The figures are as of March 31, 2025)

Value chain

Analysis

Task analysis of the customers' supply chain

Analyze supply chain issues based on data and interviews by communicating with customers

- Conduct realistic analysis and identify issues, leveraging abundant experience in logistics operations as a leading 3PL company
- Close collaboration between sales representatives and logistics engineers familiar with the relevant industries
- Understand customer needs accurately through communication with customers
- Support customers' supply chain reforms by using "SCDOS" which enable central management of customers' supply chain information, visualization, analysis, and simulation
- Unique training program to develop data analysis experts

───── Related solutions, tools, etc. ─────

- SCDOS (Supply Chain & Optimization Services)
  ▶P29-30
- Develop data analysis experts

SCDOS

Design

Advanced operation design and proposals

Design and propose optimal site placement, delivery routes, transportation methods, and warehouse operations to customers based on analysis results

- Expertise and internal system to optimize site placement, plan distribution centers, design warehouse layouts, and establish warehouse workflows
- Design and develop high-performance warehouse management system (WMS) applicable to various sectors
- Design sustainable logistics by introducing advanced technologies and strategically working on sophistication and automation/labor-saving of logistics
- Design and provide smart warehouse combining automation/laborsaving expertise and digital technologies
- Use latest technologies and design one-stop service including carrying out, transportation, installation, and setting up of heavy machineries such as plant cargoes and machineries relating to social infrastructure

───── Related solutions, tools, etc. ─────

- EC platform (smart warehouse)
- SLC* (warehouse design support tool)
- AutonMate (Autonomous mobile collaborative robot)

*SLC: Smart Logistics Configurator

SMART WAREHOUSE

Revenues
FY2024 compared to FY2014

34% increase in 10 years

Adjusted Operating margin
FY2024 compared to FY2014

1.9 point improvement over 10 years

1st place in domestic 3PL sales in FY2023

1st place in shipper satisfaction surveys
(3PL/warehousing/freight forwarding)

Source: Monthly Magazine LOGI-BIZ June and September 2024 issues

Manufactured capital | Intellectual capital | Human and organizational capital

SSCV development and introduction

Improve operational efficiency
Secure safety
Safety
Safety
Efficiency
Vehicle management
Smart
Vehicle
Legal compliance

No. of SSCV-Safety installed within the LOGISTEED Group

Approx. **2,400** units

Implementation of automation facilities, such as AGV*1, AMR (▶P70), etc.

No. of AGV/AMR facilities installed within the LOGISTEED Group

Approx. **530**

*1 AGV: Automated Guided Vehicle

3 Global Network

Manufactured capital

Business sites supporting global supply chain

Locations
1,003 sites in
30 countries and regions

Logistics centers
Total **9.19** Mm²

Operation

Flexible and reliable operation

Accomplish operation based on well-designed workflows, and strictly manage safety, quality, and productivity

- 1,003 domestic and overseas business sites supporting global supply chain
- Operating structure capable of responding to changes in customers' sales channels and environment flexibly and promptly
- Favorable and solid relationships with customers and partner companies
- Implement KPI-based strict control and improvement measures for profitability, safety, quality, and productivity
- Implement measures using technology for packaging and transportation jigs to improve transportation quality and reduce environmental load
- Secure safety, comply with laws and regulations and improve operational efficiency with "SSCV" using IoT technology

Related solutions, tools, etc.

- SSCV (transport digital platform) ▶P29-30
- RCS (resource control system) ▶P29-30
- AutonMate (Autonomous mobile collaborative robot)

SSCV
Smart & Safety Connected Vehicle

Improvement

Ongoing improvement of safety, quality and productivity

Improve the productivity and quality of the entire organization through improvement activities reflecting customers' feedback and employees' opinions

- Visualize the progress and good examples of improvement activities and spread improvement culture through group-wide "VC activities" (▶P70)
- Use logistics engineering capability and digital business platform to continuously improve transportation routes, warehouse layouts, and warehouse operation processes
- Provide various improvement educations and practice at workplaces
- Implement cross-departmental productivity reform by making full use of digital tools such as RPA, AI-OCR*, and generative AI
- Provide guidance to improve driving skills by using "SSCV-Safety" which makes full use of IoT technology

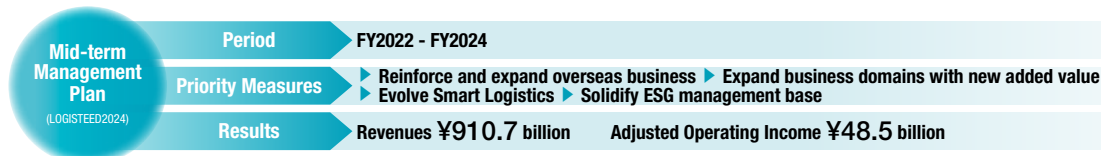#### Related solutions, tools, etc.

- Operation analysis support tool
- RPA, AI-OCR
- SSCV (transport digital platform)

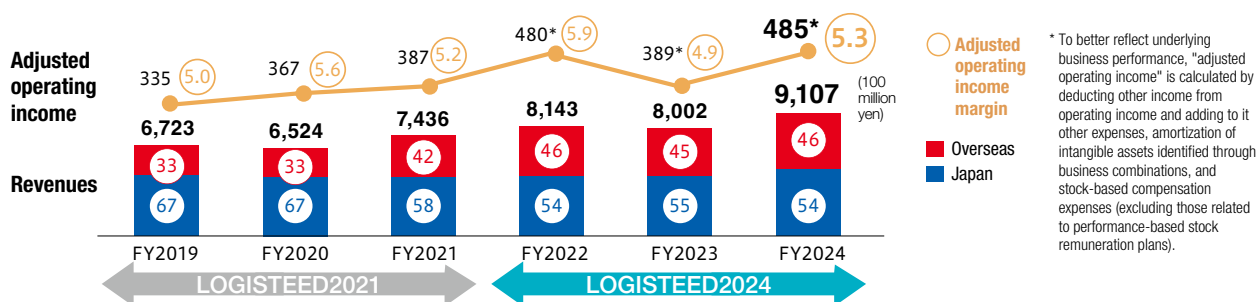*AI-OCR: Optical Character Reader with AI

Review of the Previous Mid-term Management Plan "LOGISTEED2024"

With an aim to become "The Most Preferred Global Supply Chain Solutions Provider," the LOGISTEED Group promotes the Mid-term Management Plan "LOGISTEED2024" and has strived to solve issues and create "values" through various "collaborative innovations." As a result, revenues grew by 22% over the past three years, with revenues and operating income reaching record highs in FY2024.
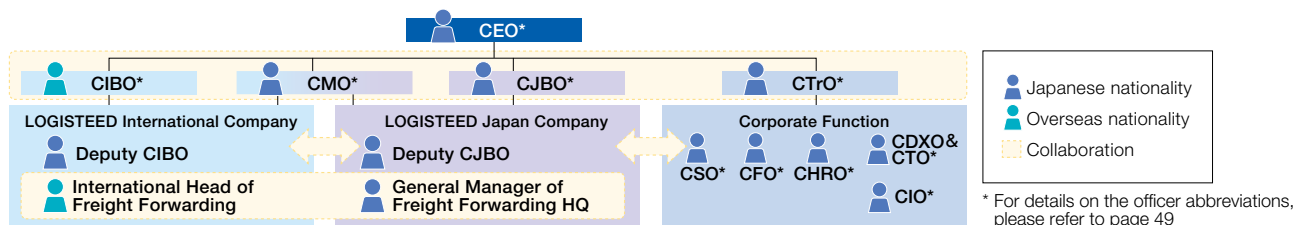
Mid-term Management Plan (LOGISTEED2024)

Period	FY2022 - FY2024
Priority Measures	▶ Reinforce and expand overseas business ▶ Expand business domains with new added value ▶ Evolve Smart Logistics ▶ Solidify ESG management base
Results	Revenues ¥910.7 billion Adjusted Operating Income ¥48.5 billion

● Business performance trends

Adjusted operating income

	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Adjusted operating income	335 (5.0)	367 (5.6)	387 (5.2)	480* (5.9)	389* (4.9)	485* (5.3)
Revenues	6,723	6,524	7,436	8,143	8,002	9,107
Overseas	33	33	42	46	45	46
Japan	67	67	58	54	55	54

(100 million yen)

○ Adjusted operating income margin

■ Overseas
■ Japan

LOGISTEED2021 (FY2019–FY2021)   LOGISTEED2024 (FY2022–FY2024)

* To better reflect underlying business performance, "adjusted operating income" is calculated by deducting other income from operating income and adding to it other expenses, amortization of intangible assets identified through business combinations, and stock-based compensation expenses (excluding those related to performance-based stock remuneration plans).

● Transition to the new structure

To facilitate seamless value delivery to customers across borders through close collaboration between our domestic and overseas business divisions, we have restructured our organization effective April 2024. This new structure consists of the LOGISTEED International Company, which has been driving the strengthening and expansion of our global business; the LOGISTEED Japan Company, which has been leading the sustainable growth of our domestic business; and the Corporate Function which has been building a robust foundation common to both domestic and global business. By ensuring close collaboration among the CxOs overseeing each organization, we aim to enhance group-wide coordination and leverage the strengths of individual companies to create further synergies on a global scale.

CEO*

CIBO*   CMO*   CJBO*   CTrO*

LOGISTEED International Company
- Deputy CIBO
- International Head of Freight Forwarding

LOGISTEED Japan Company
- Deputy CJBO
- General Manager of Freight Forwarding HQ

Corporate Function
- CSO* CFO* CHRO*
- CDXO& CTO*
- CIO*

● Japanese nationality
● Overseas nationality
▢ Collaboration

* For details on the officer abbreviations, please refer to page 49

● Implementation status of priority measures

To realize the vision of "solidifying business and developing a global business" as outlined in "LOGISTEED2024," the LOGISTEED Group worked to enhance management agility in each region and foster synergies across the entire group globally by implementing the following initiatives.

Execute Structural Reform

● Building of a management structure that paves the way to further domestic and overseas business expansion
- Enhancement in management agility through a structural reorganization into three segments, International, Japan, and Corporate (April 2024)

● Promotion of asset liquidation
- Enhancement in management agility and asset efficiency through the transfer of 34 domestic logistics centers (March 2024)

● Integration of domestic group companies
- Organizational optimization and strengthening of governance through the integration of group companies in the east Japan region (October 2023)

● Implementation of 100-day plans
- Establishment of project teams to address key challenges in achieving the Mid-term Management Plan, with initiatives being driven under the leadership of the CTrO (From April 2023)

1 Reinforce and Expand Overseas Business

● **Reinforced and expanded overseas markets through proactive M&A and the creation of synergies**

- Entry into the European low-temperature consolidated transportation business by incorporating Van den Bos & van Daalen Materieel into the LOGISTEED Group (August 2023)
- Expansion of the global pharmaceutical business by incorporating Cyber Freight International Holding into the Group (November 2022)

● **Captured growth markets through the expansion of high-functionality hubs**

- Strengthening of cold chain logistics through the opening of a multi-temperature, multifunctional logistics center in the Bangkok metropolitan area (January 2025)
- Promotion of plans to develop multi-purpose logistics centers in India's four major cities (Mumbai: February 2024, Chennai: October 2022)
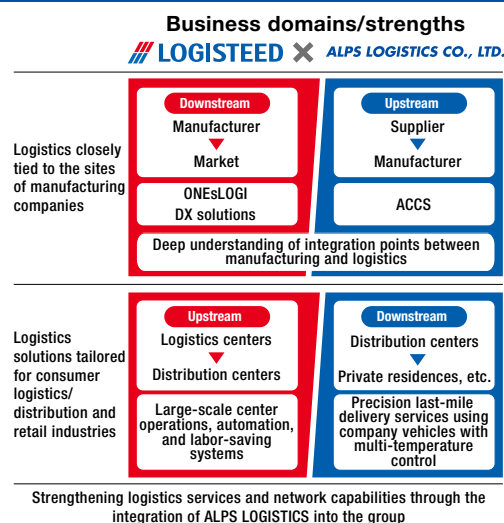
2 Expand Business Domains with New Added Value

● **Enhanced the added value in services across the entire supply chain (SC) by leveraging M&As**

- Strengthening of electronic components logistics and procurement logistics by incorporating ALPS LOGISTICS into the LOGISTEED Group (October 2024)

● **Address SC issues through DX-driven visualization, optimization, and advancement**

- Launch of a warehouse operation 3D simulation service for warehouse operations aimed at enhancing operational efficiency and accuracy (March 2025)
- Improvement of our value proposition by enhancing SCDOS functions
  - Implementation of the SCDOS coordination type inventory control support service to optimize inventory levels at logistics centers (July 2023)
  - Certification of conformity for the CO_2 emissions visualization solution by a third-party certification body (August 2022)

Business domains/strengths

/// LOGISTEED ✕ ALPS LOGISTICS CO., LTD.

Logistics closely tied to the sites of manufacturing companies

Downstream	Upstream
Manufacturer ▼ Market	Supplier ▼ Manufacturer
ONEsLOGI DX solutions	ACCS

Deep understanding of integration points between manufacturing and logistics

Logistics solutions tailored for consumer logistics/ distribution and retail industries

Upstream	Downstream
Logistics centers ▼ Distribution centers	Distribution centers ▼ Private residences, etc.
Large-scale center operations, automation, and labor-saving systems	Precision last-mile delivery services using company vehicles with multi-temperature control

Strengthening logistics services and network capabilities through the integration of ALPS LOGISTICS into the group

3 Evolve Smart Logistics

● **Enhance warehouse business by promoting automation, laborsaving, DX, and standardization**

- Deployment of our proprietary-developed autonomous mobile collaborative robot "AutonMate" at logistics centers (September 2024)
- Installation of automated/labor-saving equipment resulting in labor-saving effects equivalent to 414 personnel (FY2024 results)

● **Enhanced and expanded functions of hazardous substances warehouses and GDP-compliant warehouses**

- Capture of the growing demand for hazardous materials transportation, including batteries, through the establishment of a new hazardous materials warehouse
  - Kameoka, Kyoto (January 2025), Sakura, Chiba (January 2024), Otsu, Shiga (January 2022)
- Measures addressing the need for advanced pharmaceutical logistics through the opening of the Kansai III Medical Distribution Center, equipped with GDP-compliant and hazardous materials warehouse facilities (December 2024)

Autonomous mobile collaborative robot "AutonMate"

4 Solidify ESG Management Base

● **Implemented disaster prevention measures and risk management**

- Operation of the Centralized Safety and Quality Control Center, which enables the visualization and centralized control of safety・quality・productivity・fire prevention・crime prevention (January 2023)

● **Accelerate decarbonization activities**

- Submission of a commitment letter concerning the acquisition of SBT certification (March 2025)

Results achieved through LOGISTEED2024
- Strengthened the management foundation and enhanced corporate value as a global logistics provider by executing structural reforms
- Expanded and strengthened our overseas business and business domains through M&As
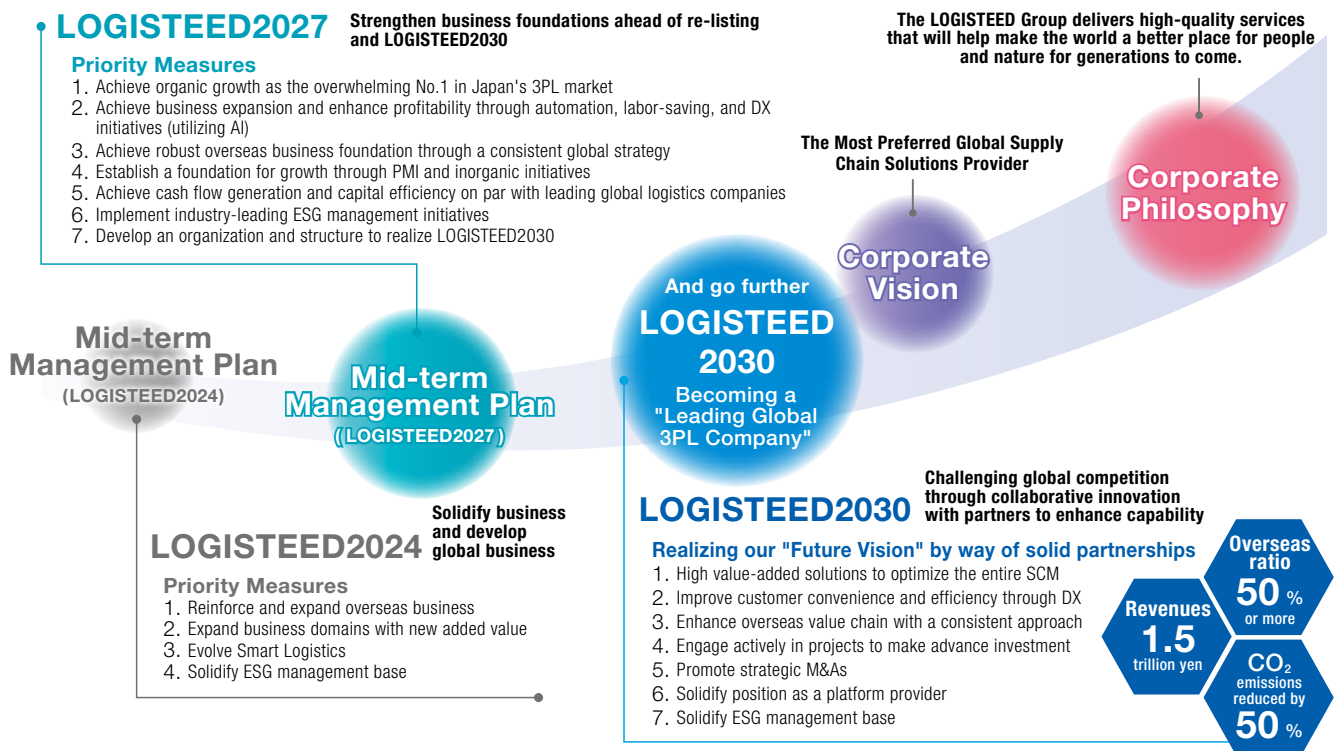
Ongoing priority initiatives
- Driving further profitability improvements through enhanced collaboration across the One LOGISTEED network
- Creating synergies through the disciplined execution of PMI, etc.

New Mid-term Management Plan "LOGISTEED2027"

Given the major changes in the external landscape since "LOGISTEED2024" and the important material issues to be tackled in the new Mid-term Management Plan, we have established "LOGISTEED2027," our medium-term management plan through FY2027. By promoting the One LOGISTEED initiative, we are driving higher-value solutions and enhancing the value we provide to customers, while further strengthening our business foundation ahead of our re-listing and LOGISTEED2030.

Vision

Guided by its corporate philosophy, the LOGISTEED Group aims to become "The Most Preferred Global Supply Chain Solutions Provider" for all of our stakeholders, including customers, shareholders, and employees, in the sophisticated, diversified and wide-ranging global supply chain, and under this vision, strives to achieve sustainable growth by solving issues and creating "values" through various "collaborative innovation." Under the new medium-term management plan "LOGISTEED2027," we will look to further strengthen and leverage our move to solidify business and develop global business established as a global logistics provider through "LOGISTEED2024." Further, we will continue to enhance our management and business foundations ahead of our re-listing and LOGISTEED2030.

LOGISTEED2027
Strengthen business foundations ahead of re-listing and LOGISTEED2030

Priority Measures
1. Achieve organic growth as the overwhelming No.1 in Japan's 3PL market
2. Achieve business expansion and enhance profitability through automation, labor-saving, and DX initiatives (utilizing AI)
3. Achieve robust overseas business foundation through a consistent global strategy
4. Establish a foundation for growth through PMI and inorganic initiatives
5. Achieve cash flow generation and capital efficiency on par with leading global logistics companies
6. Implement industry-leading ESG management initiatives
7. Develop an organization and structure to realize LOGISTEED2030

The LOGISTEED Group delivers high-quality services that will help make the world a better place for people and nature for generations to come.

Corporate Philosophy

The Most Preferred Global Supply Chain Solutions Provider

Corporate Vision

Mid-term Management Plan (LOGISTEED2024)

Mid-term Management Plan (LOGISTEED2027)

And go further
LOGISTEED 2030
Becoming a "Leading Global 3PL Company"

LOGISTEED2024
Solidify business and develop global business

Priority Measures
1. Reinforce and expand overseas business
2. Expand business domains with new added value
3. Evolve Smart Logistics
4. Solidify ESG management base

LOGISTEED2030
Challenging global competition through collaborative innovation with partners to enhance capability

Realizing our "Future Vision" by way of solid partnerships
1. High value-added solutions to optimize the entire SCM
2. Improve customer convenience and efficiency through DX
3. Enhance overseas value chain with a consistent approach
4. Engage actively in projects to make advance investment
5. Promote strategic M&As
6. Solidify position as a platform provider
7. Solidify ESG management base

Revenues 1.5 trillion yen

Overseas ratio 50 % or more

CO_2 emissions reduced by 50 %

Environmental Outlook and Strategic Direction

In recognition of significant changes in the external environment, including geopolitical instability, risks of supply chain (SC) vulnerabilities, the tangible impact of climate change, and the rise of protectionism, we have outlined the strategic priorities we must pursue.

| Changes in the external environment		Verification of material issues	Direction
Geopolitical instability· Risk of SC vulnerabilities	Tangible effects of climate change		Build and evolve resilient, sustainable logistics services· Expand our global network
Rise in protectionism	Labor shortages· increasingly aging population		Improve profitability and efficiency through automation, labor-saving, and DX initiatives
Restructuring of the SC	Digital technology innovation		Diversify the customer base and accelerating international business growth
Elevated and sustained inflation	Burgeoning costs· fluctuating interest rates		Maintain competitiveness by reducing and optimizing costs
Measures toward a sustainable society	ESG investment		Reduce environmental load, secure human resources, and develop a welcoming workplace environment

Priority Measures

In pursuit of our vision, the Japan Company, International Company, and Corporate Function will proactively and collaboratively drive seven priority measures under three strategic pillars.

Three pillars underlying the strategy toward achieving the Mid-term Management Plan

Group-wide cost structure reform and reinforcement of operational robustness

■ Improve profitability
■ Execute PMI and create synergies
■ Drive sales and marketing initiatives through Company-wide collaboration
■ Automation·labor-saving·DX
■ Enhance transportation capability
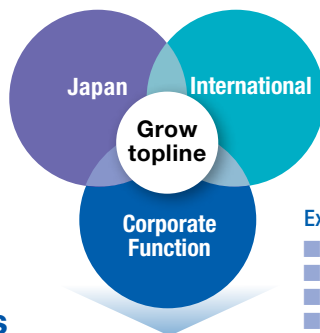
Japan — International — Corporate Function

Grow topline

Business expansion through group-wide collaboration focused on industry sectors, service lines, and regions

■ Enhance freight forwarding (FWD)
■ Leverage global networks
■ Implement an integrated global FWD system
■ Strengthen the management structure

Execution of structural reform

■ Streamline corporate divisions
■ Comprehensive cost management
■ Asset-light
■ Workforce mobility

Seven priority measures

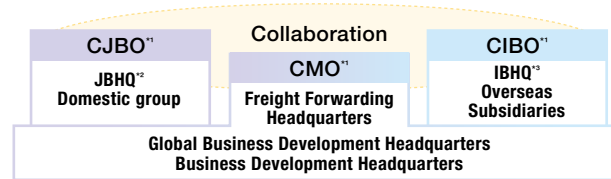|		
1	**Achieve organic growth as the overwhelming No.1 in Japan's 3PL market** • Enhance client engagement and drive revenue growth through coordinated global efforts, and other initiatives	**Foundation for value creation toward achieving the corporate vision**
2	**Achieve business expansion and enhance profitability through automation, labor-saving, and DX initiatives (utilizing AI)** • Provide customer decision-making support and elevate SC value with integrated SC DX solutions • Transition to data-driven management by developing a data platform and standardizing supply chain-wide data and KPIs, among other initiative	
3	**Achieve robust overseas business foundation through a consistent global strategy** • Establish global networks in the FWD business • Expand FWD and transport businesses while advancing integrated logistics capabilities, among other initiatives	
4	**Establish a foundation for growth through PMI and inorganic strategies** • Evaluate and execute M&A activities to drive growth in global networks and business areas, and to enhance ROIC • Realize synergies through PMI by building post-M&A governance frameworks and formulating and implementing 100-day plans, among other measures	**Strengthening of the management base as a global logistics provider**
5	**Achieve cash flow generation and capital efficiency on par with leading global logistics companies** • Generate cash flow through the establishment of a global standard management foundation and other measures	
6	**Implement industry-leading ESG management initiatives** • Build organizational and human resources strengths to succeed in Japan and expand internationally • Further establish the LOGISTEED WAY and VC activities • Revise decarbonization targets in line with international standards and execute sustainability initiatives, among other measures	
7	**Develop an organization and structure to realize LOGISTEED2030** • Build a proactive organizational framework, and other measures	

Priority Measures 1 — **Achieve organic growth as the overwhelming No.1 in Japan's 3PL market**

Leveraging the know-how and data accumulated as Japan's leading 3PL provider, the LOGISTEED Group aims to achieve sustained organic growth by enhancing customer value and reinforcing a virtuous growth cycle, solidifying its position as the dominant player in Japan's market.

● **Enhance client engagement and drive revenue growth through coordinated global efforts, and other initiatives**

The LOGISTEED Group will enhance customer value by sharing insights and working collaboratively across regions and business domains, enabling timely, coordinated proposals to optimize and enhance our customers' supply chains. To enhance our enterprise-wide sales and marketing capabilities, we have initiated efforts to build cross-organizational engagement structures tailored to each customer and have begun organizing and sharing relevant information across the group. Going forward, we will leverage Company-wide data analysis to deepen our customer engagement by offering tailored supply chain strategies and accompanying clients through implementation, reinforcing our status as Japan's preeminent 3PL company.

CJBO*1	Collaboration	CIBO*1
JBHQ*2 **Domestic group**	**CMO*1** **Freight Forwarding Headquarters**	**IBHQ*3** **Overseas Subsidiaries**
Global Business Development Headquarters **Business Development Headquarters**		

*1 For details on the officer abbreviations, please refer to page 49
*2 JBHQ: Japan Business Headquarters   *3 IBHQ: International Business Headquarters

New Mid-term Management Plan "LOGISTEED2027"

Priority Measures 2 | **Achieve business expansion and enhance profitability through automation, labor-saving, and DX initiatives (utilizing AI)**

Leveraging our technological capabilities, underpinned by deep expertise and a wealth of data, one of our core strengths, we will integrate cutting-edge technologies such as generative AI to advance automation, labor saving, and DX to unlock new growth opportunities and enhance profitability.

● Provide customer decision-making support and elevate SC value with integrated SC DX solutions

Drawing on our deep SCM expertise and advanced data analytics, we aim to scale our SC consulting services globally, empowering customers in optimizing decisions and ensuring executional excellence. As part of our supply chain transformation, we will drive operational optimization through simulation-based planning and maximize the efficiency of automation and labor-saving systems powered by our proprietary-developed RCS solution. Through these initiatives, we will contribute to the higher value creation in customer supply chains, thereby driving business expansion and improving profitability.

● Transition to data-driven management by developing a data platform and standardizing supply chain-wide data and KPIs, among other initiative

We are laying the foundation for a global operations data infrastructure, which encompasses sales data, to accelerate the shift toward data-driven management anchored by unified KPIs. Operational standardization and efficiency enabled by system integration, combined with centralized, transparent data, will serve as key levers to reinforce our corporate governance.

Priority Measures 3 | **Achieve robust overseas business foundation through a consistent global strategy**

Leveraging structural reforms and global system standardization, we are strengthening our network under the One LOGISTEED banner, while expanding customer value through seamless collaboration focusing on industries, services, and regions, which serves to solidify our overseas business foundation.
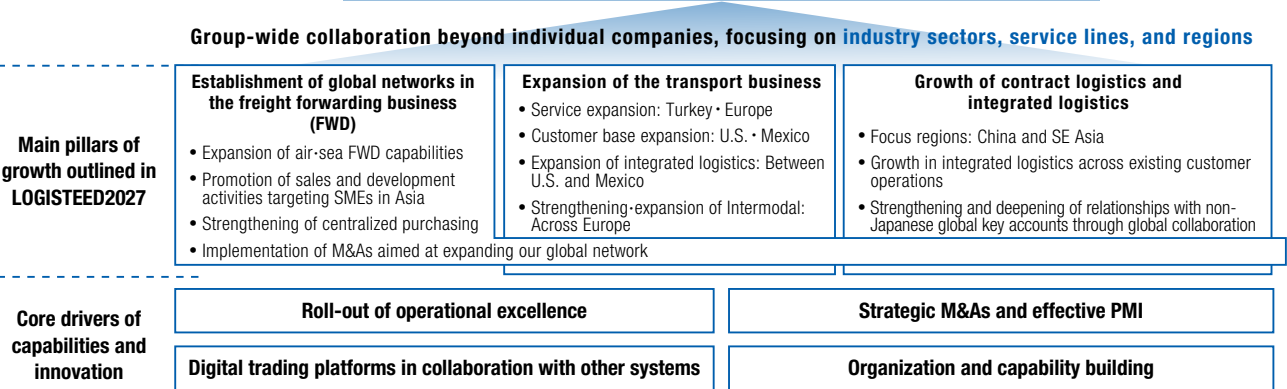
● Establish global networks in the freight forwarding business

We are enhancing our freight rate competitiveness through centralized procurement that consolidates cargo across the entire group, strengthening our bidding capabilities with a dedicated expert team, and promoting operational standardization and efficiency through the implementation of a unified forwarding system. Under the One LOGISTEED network, we are also advancing global network integration by fostering collaboration between departure and arrival locations, thereby improving service convenience for our customers.

● Expand the freight forwarding and transport businesses while advancing integrated logistics capabilities

We have established a group-wide International Leadership Team to share industry trends and customer insights. Theme-oriented subcommittees further drive targeted initiatives, fostering greater autonomy and proactive engagement within each country. We are reinforcing inter-group collaboration and knowledge transfer to not only scale our freight forwarding and transport operations, but also to deliver comprehensive logistics solutions that enhance our overall customer value proposition.

Developing a global SC network with strong ties to Japan

Group-wide collaboration beyond individual companies, focusing on industry sectors, service lines, and regions

Main pillars of growth outlined in LOGISTEED2027	Establishment of global networks in the freight forwarding business (FWD)	Expansion of the transport business	Growth of contract logistics and integrated logistics
	• Expansion of air・sea FWD capabilities • Promotion of sales and development activities targeting SMEs in Asia • Strengthening of centralized purchasing	• Service expansion: Turkey・Europe • Customer base expansion: U.S.・Mexico • Expansion of integrated logistics: Between U.S. and Mexico • Strengthening・expansion of Intermodal: Across Europe	• Focus regions: China and SE Asia • Growth in integrated logistics across existing customer operations • Strengthening and deepening of relationships with non-Japanese global key accounts through global collaboration
	• Implementation of M&As aimed at expanding our global network		

Core drivers of capabilities and innovation	Roll-out of operational excellence	Strategic M&As and effective PMI
	Digital trading platforms in collaboration with other systems	Organization and capability building

Priority Measures 4 | **Establish a foundation for growth through PMI and inorganic initiatives**

We will ensure successful PMI and synergy realization through the implementation of 100-day plans for group companies acquired via M&A. Concurrently, we will evaluate and execute global M&A targeting key markets and sectors to expand our global network and business domains and improve ROIC.

● **Evaluate and execute M&A activities to drive growth in global networks and business areas, and to enhance ROIC**

We aim to expand our global network and business domains, improve ROIC, and drive sustainable corporate value enhancement by identifying and acquiring companies that possess competitive advantages in growth markets and complementary areas to our network.

● **Realize synergies through PMI by building post-M&A governance frameworks and formulating and implementing 100-day plans, among other measures**

Following an M&A, we promptly establish an appropriate governance framework and realize synergy creation and performance expansion by developing and executing concrete 100-day plans that encompasses all key domains.

Priority Measures 5 | **Achieve cash flow (CF) generation and capital efficiency on par with leading global logistics companies**

Through the steady execution of performance improvement initiatives formulated across business, management, and finance divisions, we aim to achieve cash flow generation and capital efficiency commensurate with global logistics industry standards.

● **Generate cash flow through the establishment of a global standard management foundation**

We aim to realize cash flow generation and capital efficiency consistent with global logistics industry standards by improving margins through the strategic deployment of human resources worldwide and procurement optimization, delivering productivity improvements through DX, automation, and labor-saving by harnessing cutting-edge technologies such as AI, and efforts to minimize loss costs by eliminating accidents and incidents via system development and implementation.

Priority Measures 6 | **Implement industry-leading ESG management initiatives**

We aim to reinforce the foundation for our re-listing and long-term vision under LOGISTEED2030 by bolstering our organizational structure and talent, driving human rights due diligence to reduce and prevent risks, promoting safety and quality improvements via AI-powered incident detection, and advancing our decarbonization activities.

● **Build organizational and human resources strengths to succeed in Japan and expand internationally**
● **Revise decarbonization targets in line with international standards and execute sustainability initiatives**
● **Further establish the LOGISTEED WAY and VC activities**

Priority Measures 7 | **Develop an organization and structure to realize LOGISTEED2030**

We will continue to drive organizational optimization by progressing the rationalization and business foundation enhancements building on the organizational and structural reforms initiated in the prior Mid-term Management Plan. This will enable us to establish the organizational framework necessary to achieve LOGISTEED2030 and enhance corporate value.

● **Build a proactive organizational framework**

We will advance the integration and restructuring of overlapping functions group-wide focusing on regions and businesses, both domestically and overseas, to build an optimal organizational structure, in addition to promoting structural reforms to build the organizational foundation needed to achieve LOGISTEED2030. In addition, each department, from sales and Gemba sites, to management, will strive to contribute to increasing corporate value within their respective areas, promoting both top line and bottom line growth. The enhancement of corporate value includes not only value creation for our company but also the propagation of economic value to the nation and society, the continuous creation of environmental value through the promotion of decarbonization and the realization of a circular economy, and the improvement of social value by building sustainable logistics services. All employees recognize their expected roles and actively fulfill them, thereby continuously expanding economic, environmental, and social value, which contributes to the enhancement of corporate value.

Economic value	Revenues	Sales & Marketing	Sales growth / Existing customer support	Technology and IT	Human Resources and General Affairs	Enhancement of Corporate Value
	Gross profit	Gemba sites	Operational efficiency (Gemba divisions)		Securing and Development of Human Resources	
	Operating income	General administration divisions	Operational efficiency (General administrative divisions)	Automation		
	Income before income taxes	Safety and quality	Minimize loss costs		VC Activities (Improvement)	
	Net income	Finance and accounting	Financing·Optimize tax costs	Labor-saving		
Value cycle					Governance Compliance	
Environmental value / Social value	Environment		Decarbonized·recycling-oriented society	Promotion of DX	Human Rights	
	All divisions		Collaborative innovation·partnerships / Sustainable logistics services		DE&I	

LOGISTEED Group's Approach to DX

Overall Picture of DX Initiatives

As a market leader in the domestic 3PL market, the LOGISTEED Group has leveraged its extensive knowledge accumulated over the years to provide various services that contribute to solving social issues by visualizing, analyzing, and improving Gemba site operations through digital transformation (DX). In a rapidly changing and highly uncertain business environment, we are promoting the standardization of internal systems globally and implementing a management cockpit to enable swift, data-driven decision-making, thereby further strengthening our business foundation. While continuously advancing external DX to enhance the value we provide to our customers, we are advancing internal DX to establish data-driven management globally within the LOGISTEED Group, aiming to create further synergies as a group.
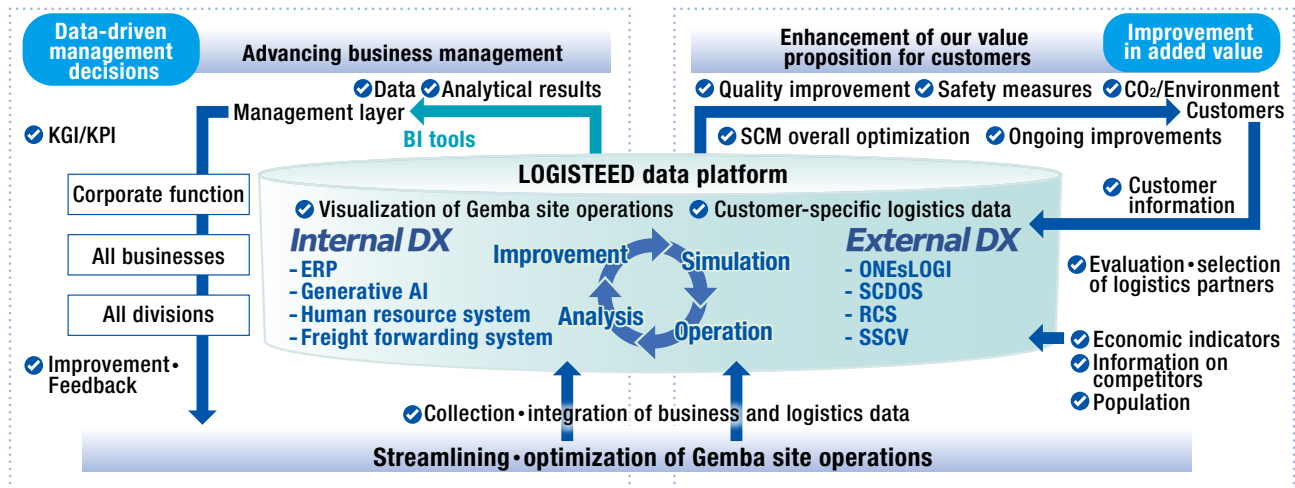
DX Promotion Structure

Within the LOGISTEED Group, the CTO, who has overseen general technologies including digital, has led the development of both external and internal DX solutions. In parallel, the CIO, responsible for information systems, has overseen the advancement of internal DX and information security. Together, they have worked in close collaboration to promote DX and strengthen governance. Starting in FY2025, we established a Chief Digital Transformation Officer (CDXO) position to provide comprehensive oversight of DX initiatives and further accelerate the LOGISTEED Group's DX efforts.

External DX - Solution Introduction -

In recent years, the importance of supply chain (SC) strategy has grown globally, and even in Japan, where, starting in FY2026, companies that meet specific criteria will be required to appoint a Chief Logistics Officer (CLO). Amid these developments, the LOGISTEED Group leverages its accumulated expertise and technological capabilities to deliver DX solutions that provide a robust array of comprehensive support to customers, from the formulation and execution of SC strategies and reform initiatives to ongoing improvements. This helps drive logistics efficiency and, ultimately, SC optimization and advancement.
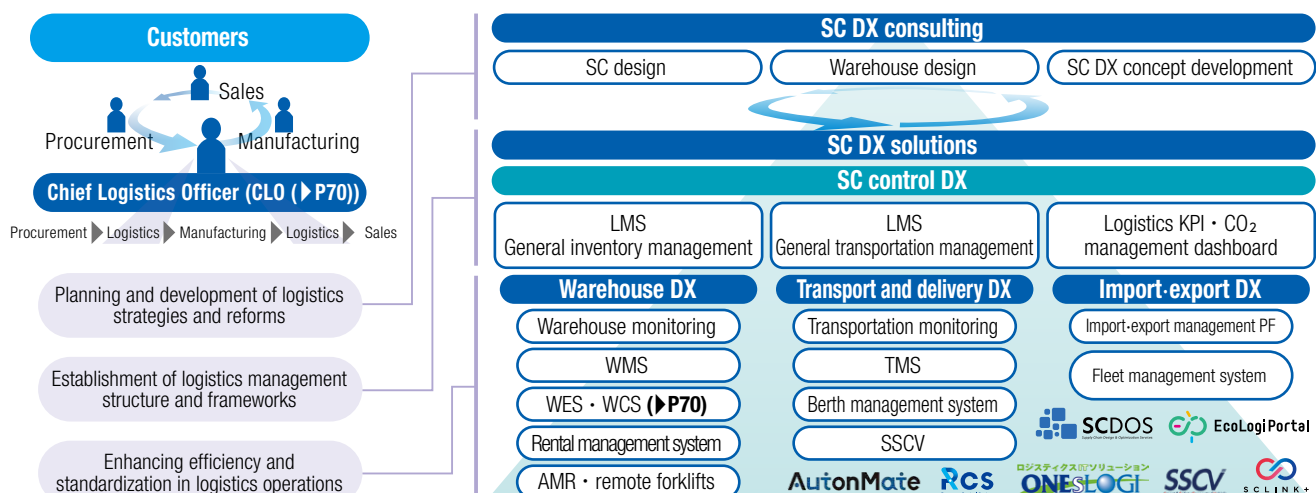
## ● Optimization of supply chain and logistics: SCDOS

SCDOS supports the optimization and advancement of customers' supply chains by offering simulation-driven strategic planning that reflects business strategies and changes in the external environment, and comprehensive evaluation and analysis capabilities to assess outcomes after execution, contributing to the acceleration of supply chain transformation.

SC costs
10 to 20% down [*1]

Recent Topics

- Projects implementing SC design and SC controls:
  Over **400** (of which, over 40 were overseas projects)
- A joint delivery scheme leveraging EcoLogiPortal (▶ **P70**), a CO_2 visualization solution, was officially registered under the J-Credit Scheme (▶ **P70**) (first scheme registered in Japan)
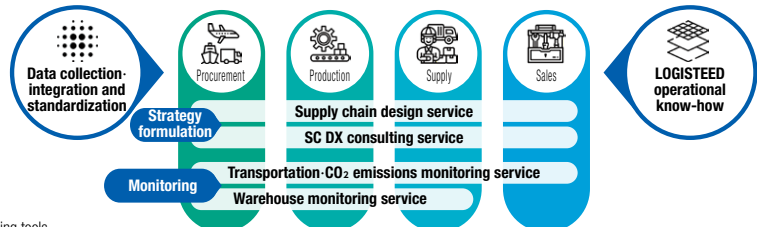
*1 Average of SC network optimization simulation using SC design, one of the strategic planning tools

Data collection·integration and standardization — Procurement — Production — Supply — Sales — LOGISTEED operational know-how

Strategy formulation — Supply chain design service / SC DX consulting service

Monitoring — Transportation·CO₂ emissions monitoring service / Warehouse monitoring service

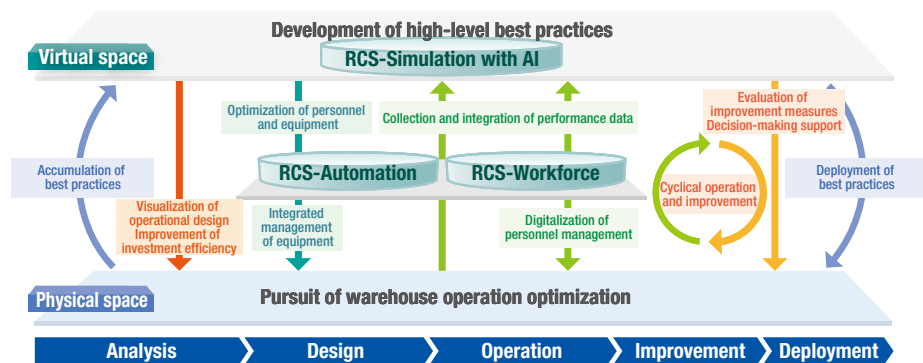## ● Optimization of logistic center operations: RCS (WCS・WES)

RCS consists of optimization solutions for equipment management (RCS-Automation) and workforce management (RCS-Workforce), alongside a solution that constructs a virtual space using acquired warehouse operational data to conduct resource optimization simulations (RCS-Simulation). By doing so, we aim to establish an improvement cycle that accumulates and utilizes best practices in the virtual space and deploys higher-level best practices in the physical space, leading to the constant overall optimization of warehouse operations.

Human resources management administrative man-hours
85% down [*2]

*2 Effects of implementing RCS-Workforce

Recent Topics

- No. of projects introduced Approx. **70**
- Continuously expanding and deploying RCS-Automation's functionality, including support for a broader range of equipment.
- Promoting the deployment of RCS-Workforce and integrating site-level insights to advance data-driven human resource management and foster continuous improvement across our operations.

Development of high-level best practices — RCS-Simulation with AI

Virtual space — Accumulation of best practices — Visualization of operational design Improvement of investment efficiency — Optimization of personnel and equipment — Integrated management of equipment — RCS-Automation — RCS-Workforce — Collection and integration of performance data — Digitalization of personnel management — Evaluation of improvement measures Decision-making support — Cyclical operation and improvement — Deployment of best practices

Physical space — Pursuit of warehouse operation optimization

Analysis ＞ Design ＞ Operation ＞ Improvement ＞ Deployment

● Enhancement of the sustainability of transport and delivery operations: SSCV

SSCV is a transportation digital platform comprising Smart (efficiency), Safety, and Vehicle (fleet management) modules, contributing to sustainable logistics by addressing transportation-related social and business challenges, enhancing transportation value, and fostering new business creation.

Near misses
98% down [*3]

*3 SSCV-Safety implementation effects

Recent Topics

- Ministry of Land, Infrastructure, Transport and Tourism "Devices contributing to the prevention of overwork driving in FY2024" certification
- Awarded the Minister of Land, Infrastructure, Transport and Tourism Commendation for Excellence in Transport Safety Management in FY2024.
- Awarded the Gold Prize at the Safety Driving Award 2024, sponsored by Nikkei Business.
- Awarded the Best Logistics Improvement Award at the All Japan Logistics Improvement Case Study Conference 2025 organized by the Japan Institute of Logistics Systems and the Japan Logistics Research Society.

Message from the officer in charge

Leveraging our core strengths in both hardware and software technologies, the LOGISTEED Group has been at the forefront of developing and delivering diverse DX solutions that comprehensively address the entire value chain. Going forward, we will continue addressing societal demands and challenges through these DX solutions. In addition to optimizing and advancing customers' supply chains, we will drive the creation of high value in both consulting and solution services, thereby contributing to corporate value enhancement starting from the supply chain.

Executive Officer, CDXO and CTO
General Manager, Logistics Solution Management Headquarters

Yutaka Haga

Employee Roundtable Discussion

The Evolving Future of the Global Supply Chain, Pioneered by DX and Human Resources

Yusuke Tanaka,
Manager, Supply Chain Innovation Department

Yasuhiro Hanzawa,
Deputy General Manager, Supply Chain Innovation Department

Mio Matsui,
Supply Chain Innovation Department

Ishraq Mohammad Fatin,
Supply Chain Innovation Department

Yuma Suzuki,
Supply Chain Innovation Department

— **Please tell us about your backgrounds and how you are working to achieve our Corporate Vision of becoming "The Most Preferred Global Supply Chain Solutions Provider."**

Hanzawa: I joined the company in 2019 as a mid-career hire. Currently, I'm responsible for promoting SCDOS (Supply Chain Design & Optimization Services ▶ **P30**), which leverages data to optimize our customers' entire supply chain (SC). I'm working to establish a unique business model that sets us apart in pursuit of our Corporate Vision.

Tanaka: After joining the company in 2012, I worked for seven years on a team responsible for warehouse design and establishing new sites. Since 2019, my role has shifted to optimizing the entire SC network, which remains my current focus. Our Corporate Vision reflects a strong commitment to three key principles: being global, taking responsibility for the SC beyond logistics, and working closely with customers to solve their challenges. I believe these principles also form the foundation for the development of SCDOS.

Matsui: I joined in 2022. After being assigned to the Supply Chain Innovation Department (SCI), I expressed a desire to get a variety of experience and so I've been involved in the development of EcoLogiPortal (▶ **P70**),

which provides visual images of CO_2 emissions. I've also worked in logistics consulting, data analysis and simulation in SC design, and more. In the logistics industry of the future, in addition to our actual operations, I think we will have to promote DX such as data analysis. So taking this perspective, I will be even more conscientious about realizing our Corporate Vision going forward.

Suzuki: I joined in 2022, the same as Ms. Matsui. I learned the importance of using data to advance DX during my new-employee training, which led me to request an assignment to my current department, where I am working on EcoLogiPortal's development overseas. The LOGISTEED Group has data on transportation and other activities from our actual business, and one of our advantages is the low cost of data collection. I'd like to see us leverage this strength to promote DX globally.

Ishraq: I joined in 2024. I came to Japan from Bangladesh to study and became interested in this industry by doing international logistics research in a university strategic marketing seminar and an internship at a logistics company. During my post-hiring training, I became interested in logistics optimization and requested to be assigned to SCI. Currently, I am learning about global development know-how, new ideas, consulting, and more to make the most of my experience as an international student in Japan.

— **Give us some background and overview of the development of SCDOS including EcoLogiPortal. And tell us how receptive society has been to it.**

Hanzawa: An SC is made up of stakeholders not only from the logistics domain, but from many departments,

including production, procurement, sales, and quality. Unfortunately, coordination among these departments is not always easy. For example, production builds up inventory from the perspective of reducing production costs, resulting in losses. Salespeople hold inventory for the sake of their sales relationships, and this impairs the cash conversion cycle. These things have an impact on management. Moreover the inventory turnover ratio and life cycle cost, which are logistics KPIs, are directly related to financial indicators. The more effectively the logistics department functions, the stronger the SC, and by extension, the stronger the management. With all that in mind, the concept of SCDOS was launched with the belief that data-driven solutions would definitely be an advantage for our clients' SCs. In addition, visualizing CO_2 emissions in the SC is also essential for a logistics company to provide customers with added value, not only economic, but also environmental and social value. EcoLogiPortal was built on the hypothesis that it would be possible to provide services quickly by incorporating CO_2 calculation logic into the SCDOS infrastructure and utilizing data necessary for CO_2 calculation, as obtained from actual business operations. At first, we provided services to customers on a trial basis. Customers were enthusiastic about our services, so we started offering them as a formal product.

Speed has been the most important factor in our subsequent service rollout. By creating a foundation for visualization that anyone can easily handle by simply combining elements, we are increasing the speed of human resources development by enabling people to play an active role from their first year with the company. We also provide the necessary solutions for our customers, by first quickly grasping the big picture with comprehensive data.

Suzuki: For the LOGISTEED Group to contribute to the evolution of global SCs, we must achieve a high level of commitment to environmental issues and fulfill our social responsibility. EcoLogiPortal plays a part in this. It can use customers' existing data to calculate and visualize CO_2 emissions quickly. The EcoLogiPortal data platform can also be used outside Japan, and we believe that promoting its development overseas is essential for us to take the lead in the logistics industry.

Hanzawa: EcoLogiPortal has received high honors, including a Special Award at the 24th Logistics Environment Awards. Besides that, in April 2025, our CO_2 reduction project using joint delivery was the first in Japan to be registered under the J-Credit Scheme. That's an example of how we are working to create new added value.

In particular, the fact that we were able to use joint delivery to register with the program has given us a significant advantage in the industry.

—SCDOS and EcoLogiPortal also contributed to our business performance and our progress on the previous Mid-term Management Plan. Tell us about past and current efforts with both of those services.

Matsui: Using these services, we visualize entire SCs and, based on the results, provide consulting that proposes ways to optimize and advance SCs. And using the expertise we have gained through our relationships with more than 20,000 business customers has led to actual 3PL operations, turning our proposals into real business. For example, one customer wanted to consolidate their European locations. We used SCDOS to propose the optimal location. In some cases, after a series of talks with customers, we proposed the optimal warehouse location, then the customer built the warehouse and we began operating it. In each of these projects, I could really see how we build up trust doing something small, that is, data analysis, but this leads to larger projects like 3PL.

Ishraq: I believe that knowledge and language will be two important factors for the global expansion of SCDOS. I can contribute to the language part, especially in English, but my knowledge is still limited. So, I am working with Mr. Tanaka on several consulting projects and am working closely with Ms. Matsui and Mr. Suzuki to learn and experience how they work. Although I've still only worked on a few projects, I hear positive feedback like "I really like it" from our customers when we propose new ideas to them. In future, I hope to offer high added value to our customers in Europe, North America, Africa, South Asia, and elsewhere.

Suzuki: We implemented EcoLogiPortal at a LOGISTEED Group company in Turkey to offer a menu of services to visualize how much CO_2 emissions could be reduced by switching from truck transportation to intermodal transportation (▶P9). There is particular interest in lowering CO_2 in Europe, so EcoLogiPortal has been well received by our customers there. It conforms to the GLEC* framework that has become the de facto European standard. In Singapore, we used the functions of SCDOS to create a dashboard that not only visualizes inventory but also incorporates depreciation information and other data directly related to the company's profitability. Customers have given this high praise too, and it has helped to strengthen relationships.

* Abbreviation for Global Logistics Emissions Council. International industry guidelines for calculating and reporting greenhouse gas emissions from the logistics domain

Employee Roundtable Discussion
The Evolving Future of the Global Supply Chain, Pioneered by DX and Human Resources

— Were you already aiming to expand overseas from the development stage? Talk about your efforts to expand overseas.

Tanaka: It's not that we were aiming for overseas markets from the start. Rather, we were trying to build strength domestically and then gradually expand overseas. The phase we are in right now is setting up a foundation for overseas expansion. My interest in SC network optimization was sparked when I attended an online lecture offered by the Massachusetts Institute of Technology (MIT). There, I learned about trends and methods that have become global standards in the SCM domain. We have been using these to optimize SCs and provide consulting services, starting first in Japan and building up a solid track record. Later, taking advantage of opportunities to make bottom-up proposals to management, I created a path to study for a Master's degree in SCM at MIT. All along, it was my goal to further develop these initiatives and expand them overseas. Since I completed the program, I've put my energy into activities with an overseas focus. In FY2024, we began full-scale global expansion of SCDOS by utilizing strategic investments to support initiatives that will contribute to our medium- to long-term growth. We've established the foundation for global expansion by visiting customers, subsidiaries, and partners in the U.S., Singapore, Germany, and other places.

Matsui: We held a seminar in Singapore with the aim of expanding business in the region. About 30 customers attended, and when we explained SCDOS there, many of them asked questions and showed great interest. Since some people were not aware of our service SC Design, I realized that face-to-face channels like this are important if we are to communicate information well.

Tanaka: We hope to increase the overseas sales ratio through group-wide efforts to develop these solutions. We are establishing a flow from consulting and proposals to execution by forming project teams that include SCI as well as sales, Gemba sites, and warehouse design departments. This flow enhances customer convenience.

Hanzawa: Warehouse engineering and operational design are LOGISTEED Group strengths. As such, our customers are pleased by our ability to select the appropriate material handling equipment and propose optimal designs. Our advantage is that we can offer comprehensive optimization proposals centered on these DX solutions, and we would like to expand these efforts.

— Some customers may see DX as a difficult hurdle to overcome. How do you support them?

Matsui: We're developing a workshop called LOGISTEED LAB, or LOGILAB, which aims to elicit from customers themselves what they want to change and for what purpose. First, we get customers to tell us the challenges they are currently facing so that everyone concerned has a shared awareness. Ultimately, we figure out specific solutions and decide which ones take priority. LOGILAB has been well received by participants. They say it has led to a sense of ownership and common awareness that transcends departmental boundaries, as well as improved camaraderie and mutual understanding.

Ishraq: SCM is becoming increasingly important globally. For example, the revised Act on Advancement of Integration and Streamlining of Distribution Business makes it mandatory to appoint a CLO (Chief Logistics Officer) in Japan. As another example, global enterprises are appointing CEOs with SCM leadership experience. And it's becoming more necessary to implement DX to enable data-driven SCM. We have stayed ahead of the curve by offering CLO consulting services to support top SCM management at our clients. We recently conducted surveys in three regions, North America, Europe, and Asia-Pacific, to determine the status of CLOs in each region. Since there are differences in the functions of CLOs in each market, we want to offer proposals that focus on these and offer high value to our clients.

— How is the LOGISTEED Group developing DX human resources?

Tanaka: As a solutions provider, it's critical that we can propose and execute ideas, and that makes human resources our greatest asset. So we offer a variety of training opportunities for our people.

The MIT online course I completed currently has three graduates, including myself, and one person who is currently enrolled.

We have also continued our Logistics Data Scientist Training Program since 2016. It is unique in that it is a data science program focused on technology that can be used in logistics.

Participants come not only from technology departments, but from IT, sales, Gemba sites, and corporate divisions as well. Also, we have been participating in a competition called the Global Professional Challenge since 2020. Here, teams representing renowned companies from around the world compete in an online simulation game that concerns SCs. When I participated in 2020, we placed fifth in the world, the highest finish for a Japanese company at that time. Last year, though, we came in first out of more than 1,200 companies. The training in the Netherlands that we got as a supplementary prize after the competition was also very meaningful.

Hanzawa: The fact that Mr. Ishraq, who is part of this discussion today, has joined the company is symbolic of the diversity of our human resources. From now on, it will not be enough to recruit only new Japanese graduates. We would like to develop more and more programs that take account of people's diverse backgrounds and help them grow through a variety of experiences.

Ishraq: The company has an overseas training program, but I also hold my own weekly English conversation study sessions with my seniors. I started with Ms. Matsui and the circle is gradually expanding. I am doing my best as an instructor taking one small step toward future global expansion.

Tanaka: We believe that teaching is also a powerful way to learn. In that spirit, the Logistics Data Scientist Training Program is taught by its own graduates, fostering a system in which our internal human resources continuously enhances one another's skills.

— What issues and aspirations do you each have for the future?

Tanaka: Global expansion is essential. When I made site visits overseas last year, I was reminded that there are strong LOGISTEED Group companies in each region, and some companies have units that are working on DX solutions. For these units to be able to provide SCDOS services, I believe that the shortest route to doing so is to first conduct a joint project led by SCI. We have already begun doing so based on several specific projects. On the technology side, we must have global standards, but logistics is highly regional and has its own requirements. If we don't take this into account, we cannot develop realistic designs. So what we hope to achieve is "glocalization."

In other words, units in different countries can use global-standard technology but still conduct their projects.

Matsui: I have not only been developing SCDOS solutions, but have also participated in sales activities, logistics consulting, and the Logistics Data Scientist Training Program. I hope to make extensive use of these experiences. In the future, it will be essential to communicate closely not only within Japan, but also with people overseas. With that in mind, I aspire to become a globally capable professional who can actively address emerging needs and SC challenges.

Suzuki: SCDOS and EcoLogiPortal are new services, so we have to build a track record. Last year, a group was established within the department to collaborate with sales departments of the entire LOGISTEED Group. We will hold more and more briefings for internal sales departments to ensure that the entire LOGISTEED Group understands these services. In addition to studying the latest information such as GLEC and other guidelines and reflecting them in our solutions, as a young employee, I am given a lot of time to talk directly with each customer. I hope to use this to deepen my relationships with customers and personnel at local subsidiaries, thus enriching my network within and beyond the LOGISTEED Group and contributing to the growth of our services.

Ishraq: I got my assignment in October last year, so half a year has passed. I was apprehensive at first, but I realize that the company offers many opportunities to learn while working on projects. Through on-the-job training and other trainings, I hope to acquire skills that will allow me to soon take on global projects in SC design and logistics consulting and contribute to our global expansion.

Hanzawa: I tell young people that it's OK to fail again and again. The quicker you fail, the quicker you can start over. This cycle gives you experience and you grow faster.
 I believe that stakeholder engagement will become even more important in the future. And I think the LOGISTEED Group needs to be a connecting point for many stakeholders with the "power of data" and the "power of human resources" as we seek to achieve sustainable logistics. To this end, we will have our talented young people quickly gain experience and enable our organization to speak more realistically about SCDOS being at the center of our services.

Message from the officer in charge

The LOGISTEED Group is implementing a virtuous cycle of increasing economic value by providing solutions with high social and environmental value, leading to even higher added value. SCDOS is a prime example of this, so we are speeding up its development in cooperation with sales departments and overseas subsidiaries. To address our clients' issues, we must develop human resources with a high level of expertise and the ability to get things done, so we have created an environment in which young people can grow through practice and learning. We aim to provide high value to more customers and be "The Most Preferred Global Supply Chain Solutions Provider."

Takaharu Sakurada
General Manager, DX Solution Development Headquarters

Initiatives for Human Capital -Enhancement of Human Resource Capability-

As part of cultivating change leaders who will drive the realization of "LOGISTEED2030," we are strengthening both "the developing of foundational human resources" and "fostering diverse human resources to support growth." At the same time, we are actively utilizing talent development programs to deeply instill the "LOGISTEED WAY," the cornerstone of the LOGISTEED Group's business operations and culture, into each employee.
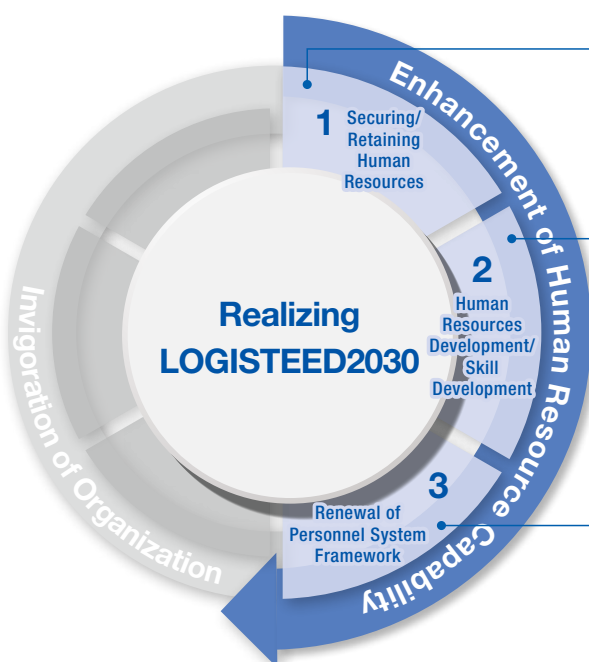
Securing/Retaining Human Resources

To realize "LOGISTEED2030," we strive to actively secure diverse human resources, including those with skills for global business and DX, increase the ratio of women in the workforce, and promote initiatives to support their early participation.

Human Resources Development/Skill Development

To realize "LOGISTEED 2030," we are implementing organization-wide talent development measures aligned with the expected roles across different levels and functions, while promoting individual development planning and execution through dialogue between supervisors and their team members. In addition, to drive growth in our overseas business, a core pillar of our business strategy, we are fostering human resources with global skills, including within our overseas group companies.

Renewal of Personnel System Framework

To ensure the entire company works together to expand business domains and create new added value, we are introducing a group-wide "a job-based personnel system" and building a "personnel management system." By fostering each employee's awareness to autonomously carry out their roles, encouraging them to challenge the unknown and grow, and better reflecting their actions, processes, and results in evaluation and compensation, we aim to enhance employees' sense of satisfaction and accomplishment. We aim to create greater value for the Company and all group companies.

1.Securing/Retaining Human Resources

● Secure diverse human resources to support growth

・Ensure diversity
To secure top talent that supports sustainable growth, we are implementing proactive measures including the recruitment of non-Japanese nationals and efforts to improve gender balance in our hiring practices.

・Secure human resources with DX skills
We are working to enhance our appeal to new graduates by providing opportunities for them to interact with employees from the IT and technology departments. This helps to concretize and highlight the attractiveness of supply chain DX.

・Secure human resources with expertise
With regard to mid-career hires, we are actively recruiting human resources with diverse skills and experiences in the logistics field and elsewhere that contribute to business operations and corporate strategies, including IT, legal and accounting expertise.

Ratio of graduate hires with an overseas nationality (FY2024)	**14**%
Scope: LOGISTEED	

● Support for employee retention and early participation

・Implement on-boarding program
To promote the early integration and retention of both new graduates and mid-career recruits, we provide training programs covering our corporate philosophy and guiding principles "LOGISTEED WAY," as well as safety and legal compliance, in order to foster a deep understanding and integration of our corporate culture.

・Surveys and career development interviews
We conduct surveys targeting young employees to measure their work awareness, and based on the results, we provide advice to their supervisors. Additionally, to improve employee retention rates, we implement initiatives such as a mentoring program and regular career development interviews.

For details, please visit our website. ↗ Human Resource Management https://www.logisteed.com/en/csr/social/human-resources/
DE&I/Work-life Balance https://www.logisteed.com/en/csr/social/diversity/

2.Human Resources Development/Skill Development

● Overall education system

Domestically, we have established an educational framework to support the acquisition of knowledge and skills required for fulfilling the expected roles of various positions and specialized professions, and we regularly update this framework. Additionally, we provide an environment that supports autonomous growth by offering career training and external courses that employees can voluntarily attend.

● Enhancement of human resource capability

Since FY2023, as a priority measure concerning human resource development, we have been implementing executive dialogue sessions for second-year employees through to newly appointed managers to promote understanding of the "LOGISTEED WAY." We have also introduced "Management Enhancement Training" for domestic managers who serve as key drivers of workplace leadership.

● Fostering diverse human resources to support growth

To cultivate the talent that will lead the realization of "LOGISTEED 2030," we have designated three core focus areas for development: Gemba power in 3PL, digital transformation (DX), and global expertise. We have established original training programs for each development theme and provide targeted learning opportunities tailored to the expected roles and skill levels of each position.

● Fostering human resources with global skills

We are promoting the visualization and development of human resources on a global scale, including the formulation of succession plans for key positions, including human resources with business management capabilities. For domestic human resources, we are advancing initiatives such as an overseas business training program and international assignee training, founding on the early identification of promising young employees, and tailored to employees' career stages, in addition to providing learning opportunities aimed at improving practical communication skills. For overseas personnel, in addition to the ongoing rollout of globally mandated programs such as LOGISTEED WAY and human rights training, we plan to refine leadership development initiatives, broaden specialized training in 3PL and digital transformation (DX), and advance collective training programs and personnel rotations conducted in Japan or third countries. Through these efforts, we aim to cultivate diverse global talent, both domestic and international, who can lead our business across countries and regions.

> **Training hours per employee (FY2024)**
> Scope: LOGISTEED, domestic group companies
> **17.1** hours

3.Renewal of Personnel System Framework

● Introduce job-based personnel system

We have established clear job descriptions that define the roles and required skills for each position. Shifting from a seniority-based approach, we are promoting the adoption of a job-based human resource system that ensures fair evaluations aligned with job responsibilities, while enabling employees to proactively build their own careers.

● Establish the personnel management system for group companies in domestic and overseas

We are aiming to build a common "HR Visualization Platform" for both domestic and overseas groups, which will enable us to strategically develop and place human resources required for each "position" in a planned manner. This platform will support both employees and their supervisors in identifying gaps, thereby enhancing human resources capabilities through proactive career planning and supervisor support.

(i) Establish standards for organizational size (e.g., revenue/management span) that varied across companies to achieve optimal human resources placement and rotation

(ii) Clarify and document the roles for each position, establishing standards for the scope of roles

(iii) Shift from a grading/evaluation/compensation system tied to individuals to one tied to positions (roles)
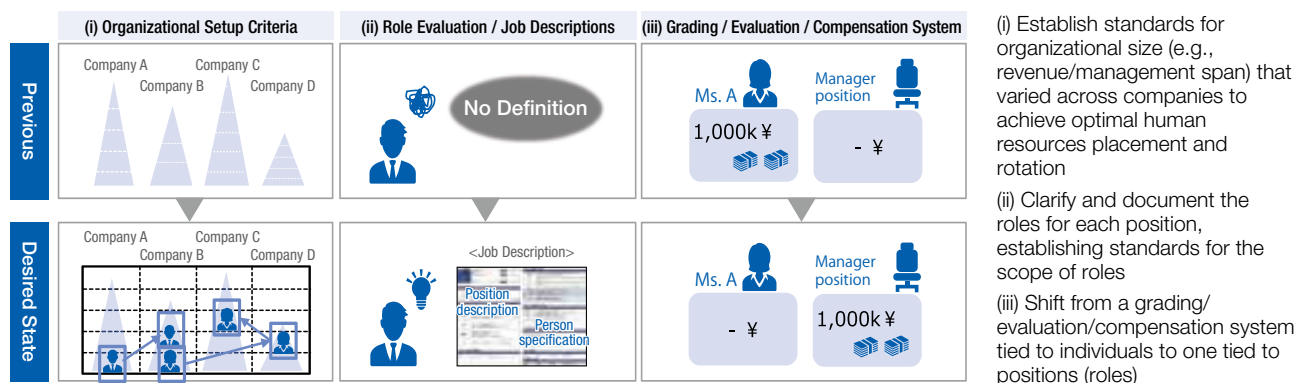
Initiatives for Human Capital -Invigoration of Organization-

To realize "LOGISTEED2030," we are working to enhance each employee's sense of contribution to the company and foster a culture and human resources that proactively engages in transformation and improvement.

Increase in Employee Engagement

In pursuit of realizing our "LOGISTEED2030," the LOGISTEED Group is actively engaging in M&A activities both in Japan and overseas. As such, the importance of each and every employee aligning toward a shared direction and working together as one cohesive team has become even more critical. Based on the results of the FY2024 engagement survey, we identified key issues particularly in the areas of "executive leadership" and "understanding and dissemination of policies and goals." In response, we are implementing a range of initiatives aimed at improving these scores.

Diversity, Equity & Inclusion

To drive growth as a global logistics company, it is essential to continuously enhance our organizational capabilities and competitiveness both in Japan and overseas by empowering talent with diverse values and backgrounds. To promote DE&I, the LOGISTEED Group is enhancing systems and frameworks that enable diverse work styles, and fostering an inclusive corporate culture through education and awareness initiatives.

Working-style Reform/Health and Productivity Management

The LOGISTEED Group aims to foster diverse human resources and create a workplace where each employee can work healthily and securely. Through high-quality logistics services, we strive to contribute to building a prosperous society.
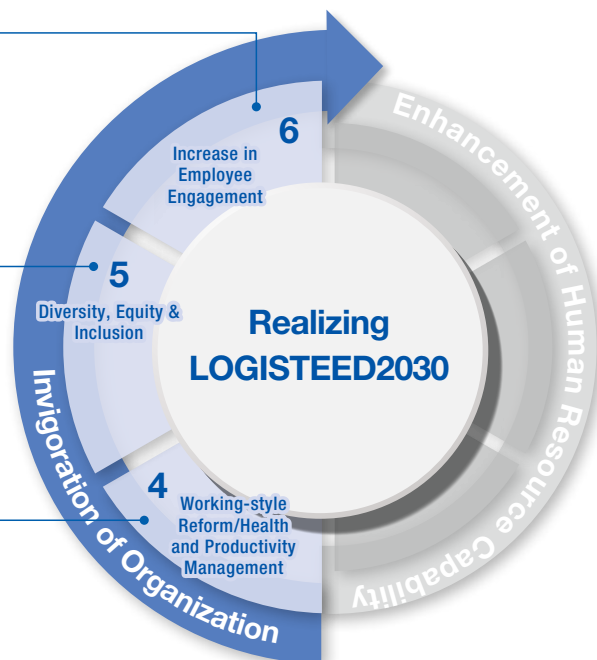
4.Working-style Reform/Health and Productivity Management

● Improving "work style reforms" and enhancing engagement through VC activities

The LOGISTEED Group actively promotes VC (Value Change & Creation) activities, which support employee-driven initiatives to improve operations at the frontline level. These improvement initiatives contribute to more efficient work styles at the individual level and enhanced organizational productivity through the sharing of best practices. They also help strengthen employee engagement by encouraging proactive participation.

● Optimization of working hours (reduction of long working hours)

In Japan, we ensure proper working hour management by using objective records such as PC logs. Additionally, through the promotion of work style reform, we are working to reduce overtime hours and encourage the use of annual paid leave.

Average overtime hours	Rate of paid leave taken
28.6 hours/month	**68.3%**
Scope: LOGISTEED	Scope: LOGISTEED, domestic group companies

● Health and Productivity Management (support for employees' health enhancement)

In August 2022, we announced our "Health and Productivity Management Declaration," aiming to support the physical and mental well-being of each employee and to foster a fulfilling and enriched life. Key initiatives include the establishment of the Group Health Management Office, integrating efforts between occupational health professionals such as industrial physicians, public health nurses, and licensed psychologists, along with health insurance associations, to proactively support the health and wellbeing of employees and their families. These efforts have been recognized, and for three years running since 2023, we have been certified as a "Certified Health & Productivity Management Outstanding Organization (Large Enterprise Category)."

5.Diversity, Equity & Inclusion

● Initiatives to respect human rights as a global company

As a global company committed to fulfilling our responsibility to respect human rights, in FY2024 we actively engaged in efforts to reduce risks of human rights infringements within the framework of our human rights due diligence process.

Specifically, we conducted compliance reviews with laws and regulations across various countries, as well as assessing the work environment of foreign technical intern trainees. Looking ahead, while considering the expansion of human rights due diligence to our supply chain, we remain committed to furthering our efforts to uphold human rights.

● Promotion of women's participation in the workplace

To create a workplace where women can thrive, we are working on creating a supportive environment that includes the planned development and promotion of female employees and the establishment of a supportive workplace environment, including the development of systems that help employees balance work with childcare and caregiving responsibilities. For our domestic group companies, we conduct "leadership trainings" and "career development trainings" aimed at raising awareness for the promotion of women to managerial positions, as well as training for supervisors to female employees to enhance their understanding.

> **Ratio of female managers**
> Scope: LOGISTEED
> **6.9**%

● Support for balancing work and childrearing/nursing care

Recognizing that enabling employees to simultaneously manage childcare, caregiving, and work is fundamental to fostering Diversity, Equity & Inclusion and ensuring a comfortable workplace for all, we are advancing efforts to raise awareness of our work-life balance support programs and to foster a workplace where these programs are easily accessible. During FY2024, efforts to deepen awareness around balancing childcare and caregiving with work included the implementation of e-learning courses on paternal leave and the regular distribution of information related to caregiving and work-life balance.

> **Rate of childcare leave taken by male employees**
> Scope: LOGISTEED
> **37.8**%

● LGBTQ+ initiatives

To prevent harassment related to sexuality and promote the active participation of diverse human resources, we are working to promote understanding of LGBTQ+ people. We have established an external LGBTQ+ consultation desk that can be used by all employees of LOGISTEED and its domestic group companies, providing an environment where anyone can consult at any time.

6.Increase in Employee Engagement

● Engagement enhancement cycle

Starting in 2021, we have carried out annual engagement surveys, and in FY2024, we expanded this initiative to include 26 key overseas group companies. In FY2025, we intend to broaden the survey's coverage to cover both domestic and overseas entities on a consolidated basis.

The survey results are used to identify challenges at the management, human resource, and workplace levels, advancing change via a scheme that facilitates the formulation and execution of corresponding initiatives.

● Addressing challenges

Based on these survey results, as part of our initiatives to further promote the "LOGISTEED WAY," which serves as the starting point for decision-making within the LOGISTEED Group, we provide opportunities for interactive communication between management and employees. Furthermore, targeted management training is provided to middle managers, who serve as the starting point for policies and strategic initiatives, to strengthen the dissemination and execution of Company-wide strategies.

> **Employee engagement surveys (FY2024)**
> Scope: LOGISTEED, domestic group companies, overseas group companies
> **74***
> * Score the ratio of survey respondents giving positive responses

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Message from the officer in charge

In pursuit of continued growth as a global logistics enterprise, our goal is "to build an organization and workforce that succeed domestically and scale internationally." To this end, since FY2024, we have been actively advancing the establishment of a global organizational structure as well as the recruitment, promotion, and development of global talent both domestically and internationally. In addition, to drive integrated management as "One LOGISTEED," encompassing overseas group companies and newly acquired entities through M&A, we will globally expand and deepen the dissemination of our core culture, the "LOGISTEED WAY," alongside our VC activities.

Tsukasa Kudo

Executive Officer,
CHRO
General Manager,
Human Resources &
Business Support
Office

Initiatives for Intellectual Capital
-Governance of intellectual property and intangible assets to maximize corporate value-

Steps toward sustainable value creation by utilizing intellectual capital as management resources

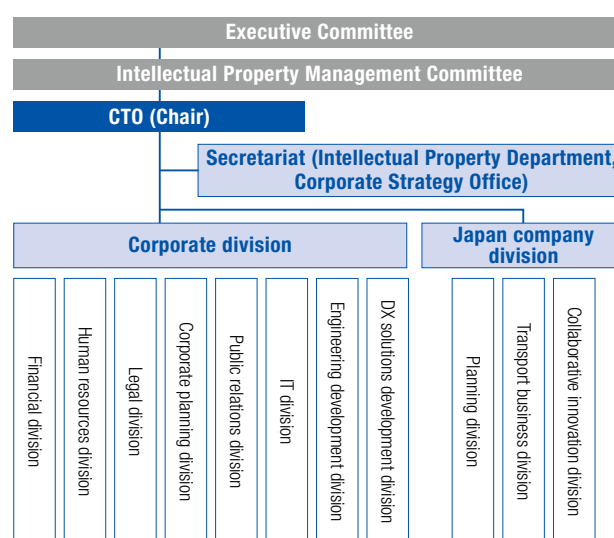### Basic Principle and Response policy

The LOGISTEED Group recognizes that logistics is an important form of infrastructure in society. In order to fulfill its role as a platform underpinning socio-economic activities, the LOGISTEED Group actively takes on the challenge of introducing groundbreaking technologies to address various issues and promote innovation. In this context, the LOGISTEED Group considers intellectual property to be a source of business competitiveness, and aims to achieve sustainable growth and maintain competitiveness through the acquisition, protection, and management of intellectual property rights. Based on this response policy, the LOGISTEED Group is working to improve data-driven decision-making and efficiency, overall business management, and internal control performance, while providing our customers with advanced, high-quality logistics services.

Structure and Strategy for Promoting Intellectual Property Management

The LOGISTEED Group, recognizing intellectual property as a crucial management resource, has established the Intellectual Property Management Committee as the decision-making body for intellectual property strategy and management, and is actively involved in intellectual property initiatives.
In response to the development of new services and business models, we actively pursue the acquisition and protection of industrial property rights such as patents. In addition, we view the data and operational know-how accumulated through Gemba sites as critical intangible assets. By leveraging these assets effectively, we aim to further improve productivity and added value across our operations.
Regarding third-party intellectual property, in accordance with the LOGISTEED Group Code of Conduct, we provide employees with specialized training for each business as well as regular compliance training to ensure that they always act honestly and fairly, based on the proper handling and protection of intellectual property in accordance with laws, regulations, and contracts.

Executive Committee
Intellectual Property Management Committee
CTO (Chair)
Secretariat (Intellectual Property Department, Corporate Strategy Office)
Corporate division — Financial division / Human resources division / Legal division / Corporate planning division / Public relations division / IT division / Engineering development division / DX solutions development division
Japan company division — Planning division / Transport business division / Collaborative innovation division
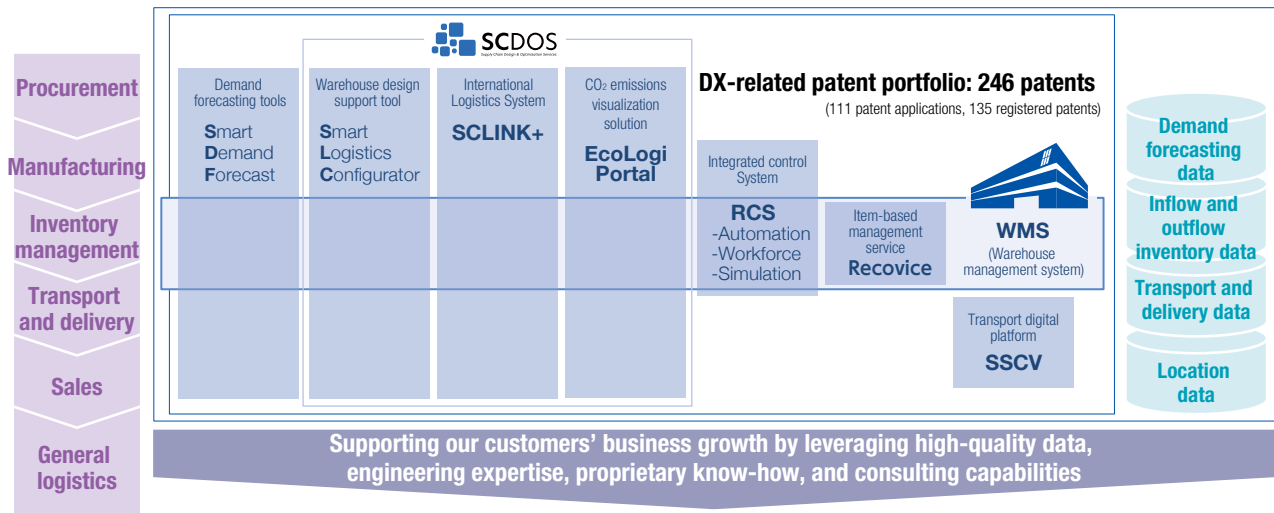
Strengthening of intellectual capital/intellectual property rights strategy

Through many years of experience in the 3PL business, we have developed a strong foundation of proprietary and comprehensive capabilities. The high-quality data, experience, knowledge, and know-how, as well as the trusted relationships we have cultivated with our customers, represent key intellectual property and intangible assets of the LOGISTEED Group. We analyze data in alignment with customer business domains, operating environments, and medium- to long-term management plans. Through this, we provide solutions to their business challenges and contribute to the successful execution of their management goals. Our advanced data science capabilities are underpinned by proprietary expertise developed through years of experience as a pioneer in the 3PL industry. This domain is further expanding through the deepening of our DX efforts and reinforcement of our strategies surrounding intellectual capital and intellectual property rights. For technological achievements arising from the introduction of innovative technologies and development projects, we develop tailored intellectual property strategies for each business unit, either by safeguarding proprietary know-how through confidentiality measures or securing rights via patent applications. Operational improvements and developments are a continuous process that extends beyond initial trials, involving iterative optimization post-implementation. Although certain phases may not yield immediately quantifiable results, the LOGISTEED Group views every success, failure, and remedial action as valuable experience. Leveraging accumulated insights and data, we rigorously test them to inform decision-making, thereby driving superior productivity across our operations. The LOGISTEED Group's notable approach to patent filing and registration represents a critical process that makes technological achievements in our business visible. The number of patents acquired (registered patents) and those held serve as key quantitative indicators (KPIs) of our innovation outcomes.

	FY2022	FY2023	FY2024	FY2025 (Target)
No. of registered patents	24	30	29	30
No. of patents held	108	138	171	201
No. of inventors submitting patent application	34	23	29	30
No. of specialized training/compliance trainings sessions held	4	3	3	3

For details, please visit our website. ↗ Intellectual property https://www.logisteed.com/en/csr/governance/ip/

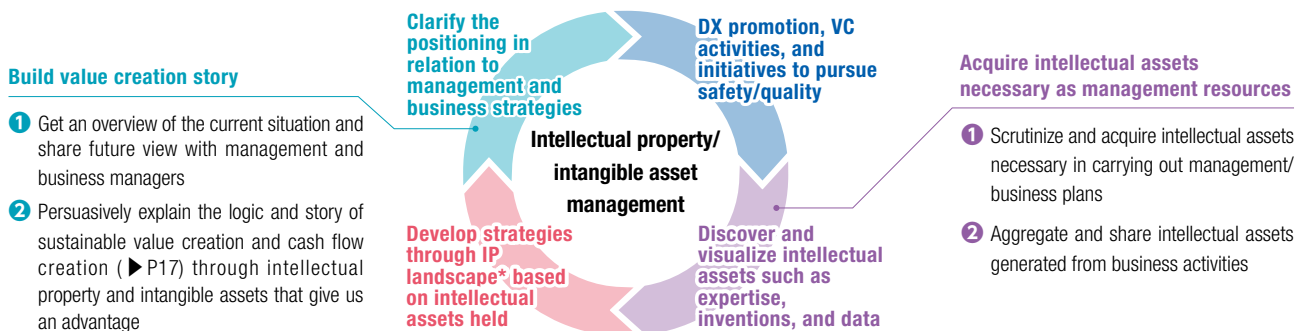# Cycle of Adding Value to Intellectual Property and Intangible Assets

The LOGISTEED Group continues to develop high value-added services and expand its lineup by leveraging data generated through our WMS and our strengths in data science. Each of our DX services, as illustrated below, is supported by patent filings and registrations, positioning them as unique, one-of-a-kind offerings. In addition to comprehensive supply chain data covering everything from procurement to sales, we also utilize output data generated from each service. These data assets also represent important intangible assets, forming the foundation for enhancing the sophistication of our logistics consulting services.

SCDOS

Procurement	Demand forecasting tools **Smart Demand Forecast**	Warehouse design support tool **Smart Logistics Configurator**	International Logistics System **SCLINK+**	CO_2 emissions visualization solution **EcoLogi Portal**
Manufacturing				
Inventory management				
Transport and delivery				
Sales				
General logistics				

DX-related patent portfolio: 246 patents
(111 patent applications, 135 registered patents)

Integrated control System
RCS
-Automation
-Workforce
-Simulation

Item-based management service
Recovice

WMS
(Warehouse management system)

Transport digital platform
SSCV

Demand forecasting data

Inflow and outflow inventory data

Transport and delivery data

Location data

Supporting our customers' business growth by leveraging high-quality data, engineering expertise, proprietary know-how, and consulting capabilities

Achievements made through intellectual capital/intellectual property rights processes

The LOGISTEED Group's intellectual property strategy serves to differentiate us from competitors and make our strengths visible, while also aligning organizational efforts to strengthen our foundation and create shared value. In the process of strategy formulation, discussions and evaluations focus on solutions that maximize contributions to customers and society, as well as the value delivered. Through comprehensive, medium to long-term analysis and insights of our customers' business models and market environments, we facilitate alignment among stakeholders regarding hidden issues, operational bottlenecks, and emerging risks. Based on this, discussions are held to determine the types of patent portfolio our company needs to develop. The process of sharing customer and societal challenges fosters the growth mindset and spirit of challenge among next-generation logistics talent, supporting the cultivation of talent essential to driving our company's ongoing innovation. Additionally, formalizing innovations through precise documentation and articulation is indispensable for transforming know-how into explicit, shareable knowledge and patents application. This approach excels in transforming the tacit knowledge and expertise traditionally held solely by skilled artisans into explicit, shareable knowledge, thereby enhancing internal information exchange and driving productivity gains.

The LOGISTEED Group actively pursues the adoption of cutting-edge technologies and operational improvements beyond conventional practices. Through the development of bespoke software grounded in Gemba site perspectives and leveraging our expertise in digitalization, we enable enhanced visibility and holistic optimization of our customers' logistics. Further, we are committed to fostering growth together with our customers by providing advanced, value-enhancing services powered by data science.

Build value creation story

❶ Get an overview of the current situation and share future view with management and business managers

❷ Persuasively explain the logic and story of sustainable value creation and cash flow creation (▶ P17) through intellectual property and intangible assets that give us an advantage

Clarify the positioning in relation to management and business strategies

DX promotion, VC activities, and initiatives to pursue safety/quality

Intellectual property/ intangible asset management

Develop strategies through IP landscape* based on intellectual assets held

Discover and visualize intellectual assets such as expertise, inventions, and data

Acquire intellectual assets necessary as management resources

❶ Scrutinize and acquire intellectual assets necessary in carrying out management/ business plans

❷ Aggregate and share intellectual assets generated from business activities

*IP landscape: (1) conduct analysis that incorporates intellectual property information into management/business information, and (2) share the current overview and future prospects with management and business managers, in developing management or business strategies

Sustainability Governance

Under the LOGISTEED Group's corporate philosophy, "to deliver high-quality services that will help make the world a better place for people and nature for generations to come," we have been promoting sustainability initiatives to contribute to the realization of a sustainable society.

Sustainability Promotion Structure

In order to promote sustainability on a group-wide level, the LOGISTEED Group has set up the "Sustainability Promotion Committee," chaired by the Executive Officer, General Manager of Corporate Strategy Office, and holds meetings regularly. Important agenda discussed in the meetings are submitted to the Executive Committee.

Board of Directors — **Executive Committee** / **Executive Chairman and President**

Sustainability Promotion Committee

Chair	Executive Officer, General Manager of Corporate Strategy Office
Committee members	Person in charge of each division — Environment, Safety, Quality, Human Resource, Administration, Procurement, Legal, Risk Management, Information Security, Finance, Corporate Planning, Public Relations, Digital Promotion, Business Improvement, Business Development, Domestic Business Management, Global Business Management

Secretariat
Corporate Strategy Office
Sustainability Promotion Department

● FY2024 Sustainability Promotion Committee

Number of the committee held	2 times (September, March)
Major agenda items	• Discuss and approve the method to disclose information on the progress of material issues and ESG • Share the information about the ESG external evaluation and external trends regarding sustainability

Participation in International Initiatives

The LOGISTEED Group expresses its support for the UN Global Compact (hereafter, UNGC). The UNGC is a voluntary initiative to participate in creating a global framework for the sustainable growth. The LOGISTEED Group continues to make efforts to realize the ten principles of the UNGC by, for example, reporting the progress annually.

● Contribution to SDGs

SDGs are 17 universal goals for the international community to be attained by 2030, which the UNGC takes the lead in efforts toward their achievements, and the LOGISTEED Group is fully aware of the importance of achieving the SDGs. Eight of the 17 goals are deeply related to us. We will work to do our part in achieving these SDGs as we move into high gear to reach our Focus Areas.

SDGs closely relating to Focus Areas of the LOGISTEED Group ▶P42-46

Message from the officer in charge

In recent years, as awareness toward building a sustainable society has grown, activities related to sustainable development are now viewed by a wide range of stakeholders as critical benchmarks for evaluating corporate value. Under our new Mid-term Management Plan "LOGISTEED2027," which began in FY2025, we have positioned "Implement industry-leading ESG management initiatives" as a priority measure with the goal of accelerating sustainability initiatives in tandem with business expansion. We remain committed to advancing sustainability management, striving to contribute to a sustainable society while creating environmental, social, and economic value, and enhancing corporate value.

Isao Takaoka

Executive Officer,
CSO and CPO
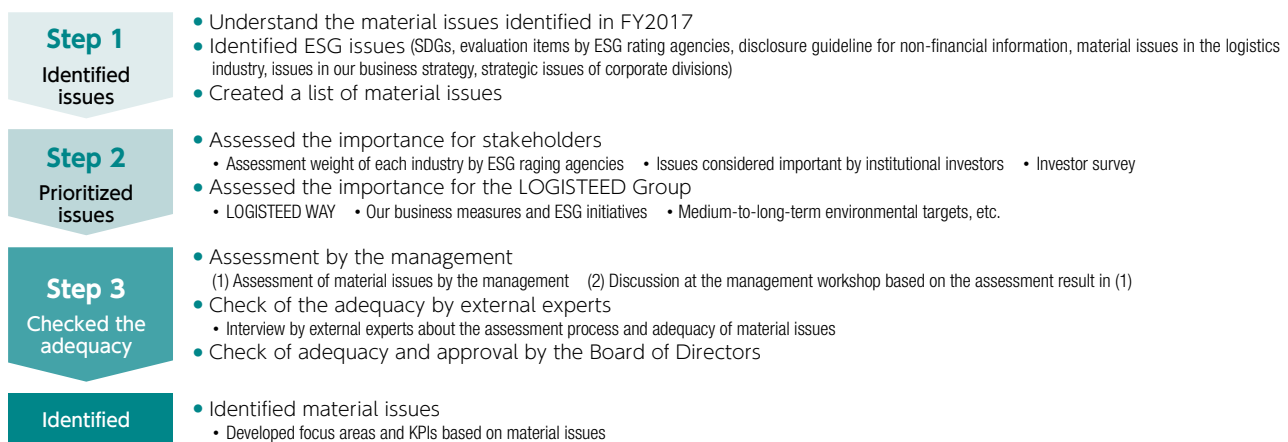General Manager,
Corporate
Strategy Office

LOGISTEED Group Material Issues

The LOGISTEED Group identified 15 material issues in FY2017 and developed four focus areas from CSV* viewpoint, but we reviewed the material issues in FY2021 in light of drastic changes in issues and management environment relating to sustainability. In the course of the review, we identified material issues not only from an ESG perspective, but also with a focus on addressing social challenges specific to the logistics sector and alignment with our business strategy. As a result, the material issues identified reflect a strong business-oriented dimension. Furthermore, sector-specific priorities such as "Prevent accidents during operation" and "Enhance disaster prevention/mitigation," inherent to the logistics industry's role as a key pillar of social infrastructure, were clarified, leading to the final selection of 12 material issues. With the recognition of the identified material issues as the social responsibility that the LOGISTEED Group should fulfill, we promote effective activities toward solving social issues.

*Creating Shared Value (CSV): Refers to practices that balance activities to create economic benefits with solutions to social issues, or management strategies to achieve them

● Process to identify material issues

Step 1
Identified issues
- Understand the material issues identified in FY2017
- Identified ESG issues (SDGs, evaluation items by ESG rating agencies, disclosure guideline for non-financial information, material issues in the logistics industry, issues in our business strategy, strategic issues of corporate divisions)
- Created a list of material issues

Step 2
Prioritized issues
- Assessed the importance for stakeholders
  - Assessment weight of each industry by ESG raging agencies • Issues considered important by institutional investors • Investor survey
- Assessed the importance for the LOGISTEED Group
  - LOGISTEED WAY • Our business measures and ESG initiatives • Medium-to-long-term environmental targets, etc.

Step 3
Checked the adequacy
- Assessment by the management
  (1) Assessment of material issues by the management   (2) Discussion at the management workshop based on the assessment result in (1)
- Check of the adequacy by external experts
  - Interview by external experts about the assessment process and adequacy of material issues
- Check of adequacy and approval by the Board of Directors

Identified
- Identified material issues
  - Developed focus areas and KPIs based on material issues

Developed Focus Areas

Of the identified 12 material issues, we classified those relating to value creation into three Focus Areas and those relating to the business base, such as compliance and risk management, into "Supportive foundation for the Focus Areas" in order to take actions for issues to be addressed with priority. We also clarified the relation between the Focus Areas and SDGs.

Focus Area 1 — Contribute to Decarbonized/Recycling-oriented Society
Material issues
- Contribute to decarbonized society
- Contribute to recycling-oriented society

Focus Area 2 — Build and Evolve Resilient, Sustainable Logistics Services
Material issues
- Build and evolve resilient, sustainable logistics services

Focus Area 3 — Create New Values through Collaborative Innovation
Material issues
- Secure diverse human resources to support growth
- Step up DX
- Establish business models through collaborative innovation

Supportive Foundation for the Focus Areas
Material issues
- Realize safe, healthy, and rewarding workplace
- Establish a responsible supply chain in which human rights are respected
- Governance and compliance
- Risk management
- Prevent accidents during operation
- Enhance disaster prevention/mitigation

Material Issues and KPIs of the LOGISTEED Group

For the 12 material issues identified, the LOGISTEED Group has set KPIs that are closely aligned with both its Mid-term Management Plan and operational initiatives. We aim to contribute to the realization of a sustainable society and our corporate vision by promoting group-wide initiatives related to material issues and advancing the management and disclosure of KPI progress.

Focus Area 1 — Contribute to Decarbonized/Recycling-oriented Society

Material issues	Risks and opportunities	KPIs
Contribute to decarbonized society	**Risks** Medium- to Long-term ● Increase in tax burden related to climate change and cost increase due to tightening or introduction of regulations on CO_2 emissions Medium- to Long-term ● Increase in CO_2 emission reduction cost and loss of customers due to delay/failure in introducing environmental technology Medium- to Long-term ● Loss of customers due to inadequate response to customers who emphasize low carbon or carbon-neutral transportation and the use of renewable energy **Opportunities** Medium- to Long-term ● Promote introduction of more efficient transportation modes and production/distribution processes by pursuing low energy Long-term ● Continue receiving orders from existing customers and acquire new customers by enhancing climate- and decarbonization-conscious measures and promoting use of renewable energy	Reduction of CO_2 emissions[1] Support customers' decarbonization by providing SCDOS "Decarbonization Monitoring Service" Promote initiatives to set CO_2 emission reduction targets including supply chains
Contribute to recycling-oriented society	**Risks** Medium- to Long-term ● Loss of reputation and customers due to inadequate responses to environmental pollution and waste reduction Medium- to Long-term ● Obsolescence of services and decrease in competitiveness due to a delayed response to a recycling-oriented society **Opportunities** Long-term ● Continue receiving orders from existing customers and acquire new customers by enhancing measures considering environmental pollution Long-term ● Diversify business activities and create new businesses by seeking to reduce and avoid resource use	Recycling rate Promote initiatives to build a circular economy business model

Focus Area 2 — Build and Evolve Resilient, Sustainable Logistics Services

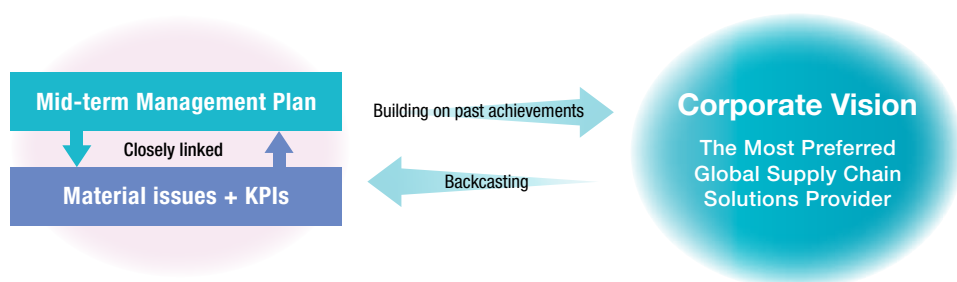| Material issues	Risks and opportunities	KPIs
Build and evolve resilient, sustainable logistics services	**Risks** Short to Long-term ● Decrease in competitiveness and loss of customers due to deterioration of safety/quality/productivity and delayed deliveries, etc. Short to Long-term ● Suspension of operations due to inadequate transportation enhancement measures, etc., interruption/weakening of logistics networks, and deterioration of services/quality Short to Medium-term ● Difficulties in securing transportation capacity due to the aging of managers and drivers of transportation partner companies and rising costs to secure such capacity **Opportunities** Medium- to Long-term ● Acquire customer trust and improve reputation by strengthening the business continuity Short to Long-term ● Diversify business activities and create new businesses by pursuing transportation enhancement measures to address social issues and services with high level of safety/quality/ productivity Short to Long-term ● Build partnerships with customers and acquire new customers by continuously providing services with high level of safety/quality/productivity	Support customers' SCM[2] with SCDOS Realize a comfortable workplace by installing automated/labor-saving equipment at logistics centers Contribute to safe and more efficient transport by expanding user network of each "SSCV" function Enhance transport business to cope with the 2024 issue in logistics Expand GDP-compliant equipment at medical DCs

Timeline definitions: Short-term: Up to one year; Medium term: Two to five years; Long-term: Six years or more
*1 Total of scope 1 and 2
*2 Supply chain management
*3 Full-Time Equivalent: A unit of the full-time work amount in an organization
*4 Trucks, commercial vehicles, forklifts

For details, please visit our website. ↗ Material Issues **https://www.logisteed.com/en/csr/materiality/**

Mid-term Management Plan
↕ **Closely linked**
Material issues + KPIs

Building on past achievements →

← Backcasting

Corporate Vision

The Most Preferred Global Supply Chain Solutions Provider

LOGISTEED	Japan	Overseas	FY2024 achievements	Targets Unless otherwise stated, the figures represent targets for FY2024	Related SDGs	References
●	●		Down by 22% from FY2013 * Down by 31% from FY2013 when excluding the impact of consolidating ALPS LOGISTICS within the Group	Down by 26% from FY2013		P57-64
●	●	●	Proposed the SCDOS "EcoLogiPortal (CO₂ emission visualization solution)" to customers exceeding the annual target for the number of companies we approach this fiscal year, and supported multiple customers in visualizing and reducing CO₂ emissions in their logistics areas both domestically and internationally	Achieve annual targets for the number of companies we approach	7 AFFORDABLE AND CLEAN ENERGY / 11 SUSTAINABLE CITIES AND COMMUNITIES / 12 RESPONSIBLE CONSUMPTION AND PRODUCTION / 13 CLIMATE ACTION / 17 PARTNERSHIPS FOR THE GOALS	P29-30, 63
●	●	●	Japan: Automated Scope 3 data aggregation Overseas: Implemented and commenced operation of a system for aggregating Scope 1 and 2 emissions	Establish a framework and scheme for calculating supply chain emissions, including international operations		P58,63
●	●		99%	Maintain 99% every fiscal year		P57,64
●	●		A LOGISTEED Group company which sells and rents plastic pallets, recycles damaged pallets into raw materials and refurbishes them into plastic pallets, enabling their reuse within the rental pallet business	Keep track of the achievements		P64

LOGISTEED	Japan	Overseas	FY2024 achievements	Targets Unless otherwise stated, the figures represent targets for FY2024	Related SDGs	References
●	●	●	Enhanced the functions of SCDOS and made proposals to a large number of customers exceeding the annual target for the number of companies we approach this fiscal year, supporting multiple customers in improving their SCM both domestically and internationally	Achieve annual support targets		P29-30
●	●	●	Installed automated/labor-saving equipment for cargo handling and delivery at multiple logistics centers in Japan and overseas, saving 100 FTE*³ per year compared to FY2023	Mechanize cargo handling work (100 FTE per year)	8 DECENT WORK AND ECONOMIC GROWTH / 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE / 11 SUSTAINABLE CITIES AND COMMUNITIES / 17 PARTNERSHIPS FOR THE GOALS	P24,65
●	●		Expanded the LOGISTEED Group's ecosystem through the installation of "SSCV" (1) Smart: Installed at a total of 913 partner companies (2) Safety: Installed in a total of 4,313 vehicles (of which, 1,285 are vehicles operated by partner companies) (3) Vehicle: Installed in a total of 3,423 vehicles	Achieve the targets to install: (1) Smart: partner companies (2) Safety: vehicles of partner companies (3) Vehicle: the LOGISTEED Group's vehicles*⁴		P29-30, 65,67
●	●		Number of violations of labor standards regarding drivers: 0	Number of violations of labor standards regarding drivers: 0		P65
●	●		Expanded our educational program aimed at strengthening GDP quality control and operational capabilities, and implemented this program for all employees engaged in GDP operations.	Complete installations in target sites		P24,65

Material Issues and KPIs of the LOGISTEED Group

Focus Area 3 **Create New Values through Collaborative Innovation**

Material issues	Risks and opportunities		KPIs
Secure diverse human resources to support growth	**Risks**		Implement education to develop human resources with DX skills
	Medium- to Long-term ● Human resource shortage due to failure to promptly respond to digitalization and labor saving		
	Medium- to Long-term ● Stereotypical ideas due to lack of diverse human resources, loss of new business opportunities, and decrease in competitiveness		
	Medium- to Long-term ● Loss of human resources due to a mismatch between the HR measures and what employees desire and a delayed response to diversified working-style		Expand global human resources and reform organizational culture
	Opportunities		
	Medium- to Long-term ● Create new business opportunities and improve competitiveness by securing diverse human resources including highly skilled personnel and those from different industries, etc.		
	Short to Long-term ● Improve labor productivity by increasing employee motivation		Improve operational efficiency by installing digital tools such as RPA
			Improve the score of sustainable engagement in the employee engagement survey
			Ratio of female managers
Step up DX	**Risks**		Establish a digital platform to create innovation through DX
	Medium- to Long-term ● Obsolescence of existing technologies due to failure to promptly deal with digitalization and introduce new technologies		
	Medium- to Long-term ● Obsolescence of existing services and business models due to rapid development of digital technologies		Execute logistics service reform projects utilizing a digital business platform (data linkage hubs)
	Medium- to Long-term ● Damage to the Company's business and loss of position in the industry due to the rise of new entrants and competitors		Implementation of Resource Control System (RCS)
	Opportunities		Improve conformance rate of ONEsLOGI*1 WMS-Platform (PF) to logistics operations
	Short to Long-term ● Improve efficiency of business operations, promote labor-saving, and improve quality/safety through "Step up DX"		
	Short to Long-term ● Create new businesses leading to continued orders from existing customers and acquisition of new customers		Number and percentage of DX-related patent applications included in the total patent applications (publication)
Establish business models through collaborative innovation	**Risks**		Develop new services and business models through collaborative innovation
	Medium- to Long-term ● Obsolescence of existing services and business models due to lack of or delay in collaboration with external parties and a delayed response to rapid technological development		
	Opportunities		
	Medium- to Long-term ● Acquire growth opportunities through the development of revolutionary technologies that reflect external perspectives		
	Medium- to Long-term ● Establishment of growth platforms through acquisition of new management resources and creation/expansion of an ecosystem		

Timeline definitions Short-term: Up to 1 year; Medium-term: 2 to 5 years; Long-term: 6 years or more
*1 One Stop Logistics IT Solution: A suite of logistics management solutions provided by our subsidiary company, LOGISTEED Solutions, Ltd.
*2 Certain components of training programs have been excluded from aggregate totals as these have been incorporated into the "VC Basics Course" e-learning program for all employees
*3 Proportion of companies implementing engagement surveys exceeding the country-specific benchmark scores provided by Willis Towers Watson
*4 AutonMate: An AMR (Autonomous Mobile Robot) developed by our subsidiary company, LOGISTEED Solutions, Ltd.

For details, please visit our website. ↗   Material Issues https://www.logisteed.com/en/csr/materiality/

LOGISTEED	Japan	Overseas	FY2024 achievements	Targets Unless otherwise stated, the figures represent targets for FY2024	Related SDGs	References
●	●		・All relevant employees received "Basic DX Training" aimed at developing a digital transformation mindset (14,408 attendees) ・Implemented an education program to develop human resources with DX skills 　・Intensive training for human resources to promote DX business: 618 attendees in total (cumulative) 　・Intensive training for DX technical skills: 670 attendees in total (cumulative) 　・DX mindset cultivation program: 4,152 attendees in total (cumulative)[2]	Every fiscal year: All employees attend mindset training		P35-36, 66
●	●	●	・To enhance the visibility of human resources across the entire LOGISTEED Group, implementation of the global human resources DB has been launched in group companies overseas, including Asia and China. ・A dialog-based education program was conducted in Indonesia to promote the internal dissemination of LOGISTEED WAY throughout the LOGISTEED Group, including overseas group companies. ・Time invested in global human resource development: 12,888 hours	Keep track of the achievements		P35-38, 66
●	●	●	Reduction of working hours: Cumulative 1.21 million hours	Reduction of working hours: Cumulative 1.2 million hours		—
●	●	●	Benchmark score clear rate by country[3]: 44%	FY2027: Benchmark score clear rate by country: 100%	5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 17 PARTNERSHIPS FOR THE GOALS	P37-38
●			6.9%	FY2025:8%		P37-38
●	●	●	Renewal of core management system at 17 overseas group companies	Keep track of the achievements		P29-30
●	●	●	Achieved the FY2024 targets ahead of schedule in FY2022	Total number of executions: 60		P29-30
●	●	●	Installed in 70 warehouse projects	Achieve the target number of installations		P29-30
●	●	●	Conformance rate of 95.9%	Maintenance and continuation of conformance rate		P29-30
●	●	●	Number of DX-related patent applications: 12 Share of DX-related patent applications: 63%	Keep track of the achievements		P39-40
●	●	●	Development of the autonomous mobile collaborative robot "AutonMate" [4] through collaborative innovation with partner companies	Keep track of the achievements		P24, 65-66

Material Issues and KPIs of the LOGISTEED Group

Supportive Foundation for the Focus Areas

Material issues	Risks and opportunities	KPIs
Realize safe, healthy, and rewarding workplace	**Risks** *Short to Long-term* ● Impact on operations and loss of social trust due to workplace accidents *Short to Long-term* ● Loss of employee motivation, decline in labor productivity, and loss of human resources due to long working hours **Opportunities** *Short to Long-term* ● Improve employee motivation and labor productivity by creating a comfortable workplace that takes health and safety into consideration *Short to Long-term* ● Enable stable operations by ensuring occupational health and safety	Workplace accident frequency rate/severity rate Number of serious accidents (fatal workplace accidents) Rate of paid leave taken Rate of sick leave days[1] —Promote health and productivity management—
Establish a responsible supply chain in which human rights are respected	**Risks** *Short to Long-term* ● Reputational damage, lawsuits and penalties resulting from infringement of human rights, and loss of human resources *Short to Long-term* ● Decrease in competitiveness due to deterioration of quality and productivity in the supply chain **Opportunities** *Short to Long-term* ● Enable stable business operations by building long-term relationships with suppliers that give consideration to human rights *Medium- to Long-term* ● Improve competitiveness by building a supply chain with high quality and productivity	Promote initiatives to develop a business platform that respects human rights Human rights education Promote initiatives to establish a compliance screening system for suppliers
Governance and compliance	**Risks** *Short to Long-term* ● Loss of social trust due to violation of various laws and regulations and deviation from social norms *Short to Long-term* ● Business disruption, loss of social trust, and unexpected losses due to dysfunctional governance and internal control **Opportunities** *Short to Long-term* ● Earn social trust by demonstrating a commitment to legal compliance *Short to Long-term* ● Earn trust of stakeholders by realizing highly effective corporate governance and making ongoing improvement	Attendance rate for LOGISTEED Group Code of Conduct education (e-learning)[2] Ratio of female executive officers[3] Reflect evaluation of ESG initiatives, etc. in compensation plan for officers
Prevent accidents during operation	**Risks** *Short to Long-term* ● Impact on operations and loss of human resources and social trust due to accidents **Opportunities** *Short to Long-term* ● Enable stable operations by securing safety in operation/transportation *Short to Long-term* ● Earn social trust by demonstrating a commitment to preventing accidents during operation/transportation	Reduction rate for three types of accidents[4] Implement measures to strengthen prevention Reduce incidents during vehicle operation by utilizing "SSCV-Safety"
Risk management	**Risks** *Short to Long-term* ● Business suspension/discontinuation due to inadequate/dysfunctional risk management **Opportunities** *Short to Long-term* ● Enable to recover business quickly and restore corporate reputation by enhancing risk management initiatives	Conduct company-wide disaster prevention training and overseas BCP caravans[8] Number of information security incidents Attendance rate for information security training course and rate of targeted threat emails for simulation trainings opened
Enhance disaster prevention/ mitigation	**Risks** *Short to Long-term* ● Suspension of operations, interruption of logistics networks and damage to employees, as well as damage to the Group assets (e.g. buildings and facilities) and customer products, and loss of customer trust due to insufficient measures *Short to Long-term* ● Damage to related parties, compensation to victims, and lawsuits by victims **Opportunities** *Short to Long-term* ● Avoid opportunity loss through rapid business continuity and recovery *Short to Long-term* ● Earn social trust by demonstrating a commitment to enhancing resilience	Enhance functions of the Centralized Safety and Quality Control Center Establish a management system utilizing a visualization system for firefighting operations Conduct trainings for initial response at disasters

Timeline definitions: Short-term: Up to one year; Medium term: Two to five years; Long-term: Six years or more

*1 Rate of sick leave days = (Number of sick leave days/Total prescribed working days for employees) × 100   *2 Training themes for FY2024 include the Subcontract Act, Construction Industry Act, Worker Dispatch Act, respect for human rights, antitrust law, bribery, conflicts of interest, laws and regulations on importing and exporting, money laundering   *3 Percentage of female executive officers and operating officers   *4 Workplace accidents, vehicle accidents, and product accidents   *5 SSCV-Safety service is available only in Japan   *6 Average number of incidents per month per vehicle in operation owned by the LOGISTEED Group

For details, please visit our website. ↗   Material Issues https://www.logisteed.com/en/csr/materiality/

LOGISTEED	Japan	Overseas	FY2024 achievements	Targets Unless otherwise stated, the figures represent targets for FY20244	References
●	●		Frequency rate: 0.44 Severity rate: 0.018	Keep track of the achievements	P67
●	●	●	Japan: 0, Overseas: 4	0	P67
●	●		68.3% (+0.9% YoY)	Keep track of the achievements	P37-38, 67
●	●		1.05% (-0.03% YoY)	Keep track of the achievements	P37-38
●	●	●	・Submitted initial statement to the Australian government in compliance with the Australian Modern Slavery Act ・Implemented risk mitigation measures, including support for foreign technical intern trainees, based on the results of the human rights risk assessment survey conducted in FY2023	Keep track of the achievements	P37-38, 68
●	●	●	・Conducted human rights education for employees in Japan and overseas (35,437 participants, participation rate 98.5%) ・Conducted human rights training for newly appointed executives of domestic and overseas group companies (excluding some regions) (41 participants, 100% participation rate)	Keep track of the achievements	P37-38, 68
●	●	●	Established an annual screening framework for customs clearance service providers	Perform regular screening	P53
●	●	●	98.8% (71,430 participants in total)	Every fiscal year: 100%	P53
●			0% (as of March 31, 2025) *Ratio of executive officers with a foreign nationality: 8%	Over 10%	—
●			From FY2024, annual bonuses for executive officers reflect both CO_2 emissions reduction, employee engagement survey results, and progress on KPIs concerning material issues	Increase factors to be reflected	—
●	●	●	Up by 8% from FY2023	Down by 30% from FY2023	P67
●	●	●	・Conducted safety education (Group training: 6; Off-site/online training: 17/Number of participants: 370 in total) ・Conducted education through experiential sessions using VR (Implemented at 65 domestic and overseas sites/Approximately 1,955 participants in total) ・Held regular education webinars for companies that installed SSCV-Safety[5] (including those considering to install) (Number of sessions held: 12/Number of attendees: 44 companies, 77 persons in total)	Keep track of the achievements	P67
●	●		Number of incidents[6]: 0.010 (Down by 33% YoY) The rate of serious accidents involving the LOGISTEED Group's vehicles was approximately 82% lower than the national average as of FY2022[7]. As a further measure to prevent accidents in advance, we are promoting the visualization of incidents to reduce the number of close calls.	Keep track of the achievements	P67
●	●	●	・Conducted "company-wide BCP trainings by disaster response HQ" in September ・Developed BCP manuals for seven companies[9] in the Asia and China area as part of the overseas BCP caravan	Keep track of the achievements	P68
●	●	●	0	Every fiscal year: 0	P53
●	●	●	・Attendance rate for information security training course: 100% (35,504 attendees) ・Rate of targeted threat emails for simulation trainings[10] opened: 11%	Every fiscal year: 100% attendance/Open rate: 10%	P53
●	●		Installed advanced video management systems and other technologies at seven distribution centers in Japan (cumulative total), expanding remote monitoring of unsafe behaviors and hazardous events	Keep track of the achievements	P68
●	●		Launched regular monitoring and improvement guidance operations for approximately 500 sites equipped with the "firefighting visualization system"	Keep track of the achievements	P68
●	●		Conducted initial response training group-wide assuming natural disasters such as earthquakes: 14 companies (286 participants)	Keep track of the achievements	P68

*7 Calculated based on the "Data on Traffic Accidents Involving Commercial Vehicles (2022)" published by the Institute for Traffic Accident Research and Data Analysis. While the national average driving distance per accident stands at 4.55 million kilometers, for the LOGISTEED group this figure is 25.5 million kilometers.   *8 Activities to build and improve risk management systems in overseas sites by sending instructors from Japan   *9 LOGISTEED China, Ltd., LOGISTEED Malaysia Sdn. Bhd., LOGISTEED (Thailand), Ltd., Eternity Grand Logistics Public Co., Ltd., PT Berdiri Matahari Logistik, PT LOGISTEED Indonesia, PT VANTEC INDOMOBIL LOGISTICS   *10 The scope includes LOGISTEED and domestic group companies, with some exceptions for overseas group companies

Executive Team *Listed in Japanese alphabetical order by title

Directors

Representative Director **Yasuo Nakatani**	Outside Director **Mitsudo Urano**	Outside Director **Hirofumi Hirano**	Outside Director **Takeshi Watabe**
		Partner, Chief Executive Officer, KKR Japan	General Manager, Business Development Office, Strategy Planning Division, Hitachi, Ltd.

Executive Officers

Executive Chairman, President and CEO★ **Yasuo Nakatani**	Executive Vice President and Executive Officer, CIBO **Christopher Logan**	Executive Vice President and Executive Officer, CJBO **Kazuhiro Nishikawa**	Executive Vice President and Executive Officer, CTrO **Nobukazu Hayashi**
★Concurrently serve as Director	President of LOGISTEED International Company	President of LOGISTEED Japan Company General Manager, AL Collaborative Innovation Project Team	In charge of Corporate Function

Executive Officer **Takashi Jinguji**	Executive Officer, CSO and CPO **Isao Takaoka**	Executive Officer, CFO **Hideo Nakamoto**	Executive Officer, CDXO and CTO **Yutaka Haga**
President and Representative Director, LOGISTEED East Japan, Ltd.	General Manager, Corporate Strategy Office	General Manager, Financial Strategy Office	General Manager, Logistics Solution Management Headquarters Representative Director, President Executive Officer, LOGISTEED Solutions, Ltd.

Abbreviation Details

C E O： Chief Executive Officer	C M O： Chief Marketing Officer	C F O： Chief Financial Officer
CIBO： Chief International Business Officer	CHRO： Chief Human Resources Officer	CDXO： Chief Digital Transformation Officer
CJBO： Chief Japan Business Officer	C S O： Chief Strategy Officer	C T O： Chief Technology Officer
CTrO： Chief Transformation Officer	C P O： Chief Procurement Officer	C I O： Chief Information Officer

Outside Director | **Miho Aoki**
(Audit & Supervisory Committee Member)

Outside Director | **Hideaki Miyauchi**
(Audit & Supervisory Committee Member)
Director, KKR Japan

Outside Director | **Eiji Yatagawa**
(Audit & Supervisory Committee Member)
Partner, KKR Japan

Executive Officer, Deputy CIBO | **Kazuo Abe**
General Manager, International Business Headquarters
General Manager, AEO* & Corporate Export Regulation Office

Executive Officer | **Masaru Usui**
Representative Director, Executive Chairman of ALPS LOGISTICS CO., LTD.

Executive Officer, CMO | **Koji Kawakita**

Executive Officer, CHRO | **Tsukasa Kudo**
General Manager, Human Resources & Business Support Office
In charge of Internal Auditing Office

Executive Officer, Deputy CJBO | **Keisuke Fukazawa**
General Manager, Japan Business Headquarters

* AEO (Authorized Economic Operator) System: A system in which customs authorities certify businesses that have established security management and legal compliance systems, and grant benefits such as simplified customs procedures

Operating Officers

Akhil Nair	Operating Officer	International Head of Freight Forwarding
Kazunori Azusawa	Operating Officer, CIO	General Manager, Information & Communication Technology Infrastructure Headquarters, Logistics Solution Management Headquarters, General Manager, Information Security Office
Koji Ito	Operating Officer	General Manager, Global Business Development Headquarters
Kenichi Iyoku	Operating Officer	Deputy General Manager, Japan Business Headquarters
Ryoichi Okamoto	Operating Officer	General Manager, Safety and Quality Control Management Office
Kenichiro Ogawa	Operating Officer	Deputy General Manager, Corporate Strategy Office
Yuichi Kuroume	Operating Officer	Deputy General Manager, International Business Headquarters President, LOGISTEED China, Ltd.
Kazuhiko Zaiki	Operating Officer	General Manager, Business Development Headquarters
Kazuhisa Sakaguchi	Operating Officer	Deputy General Manager, Japan Business Headquarters
Mitsushika Nagano	Operating Officer	President and Representative Director, LOGISTEED West Japan, Ltd.
Kazushige Natori	Operating Officer	General Manager, Freight Forwarding Headquarters President and Representative Director, LOGISTEED Express, Ltd.
Kazuhiro Fujiwara	Operating Officer	Deputy General Manager, Financial Strategy Office
Toru Watanabe	Operating Officer	General Manager, Transport Business Enhancement Headquarters, Japan Business Headquarters

As of June 27, 2025

Corporate Governance

Basic Principle

At the LOGISTEED Group, we consider corporate governance to be key to realizing even greater management transparency and efficiency, as well as ensuring that our business is carried out with compliance and in accordance with correct corporate ethics. By extension, the crux of corporate governance lies in increasing medium-to-long term corporate value and sustainable development.

LOGISTEED's Organization Design

To enhance corporate value through faster decision-making and strengthening and upgrading the Board of Directors' oversight functions, we adopted a company with Audit & Supervisory Committee system. We have established a Board of Directors, an Audit & Supervisory Committee, and accounting auditors. By reinforcing the oversight function of the directors' duties, we ensure objectivity and transparency in management. Additionally, we have adopted an executive officer system to accelerate decision-making and clarify the responsibilities and authority for business execution.

● Board of Directors

The Board of Directors consists of seven directors, including six outside directors, and appoints executive officers based on the recommendations of the voluntarily established Nominating and Compensation Committee.

Each executive officer executes their duties under the direction and supervision of the Representative Director within the scope of their respective authority and responsibility.

● Audit & Supervisory Committee

The Audit & Supervisory Committee, which is held once a month in principle, is composed of three outside directors who are also Audit & Supervisory Committee members. The committee exchanges information and discusses audit implementation status, and receives reports from the

accounting auditors and internal audit departments, among others, to exchange opinions. The Audit & Supervisory Committee members receive advance reports from the accounting auditors regarding their audit plans.

● Executive Committee

In principle, the Executive Committee meets once a month, and conducts deliberations in accordance with the agenda criteria set forth in the "Rules of the Executive Committee." In addition, each executive officer carries out their duties in

line with the "Criteria for Resolution of Executive Officer" established. The Company has an environment which allows outside directors to remotely attend important internal meetings, such as the Executive Committee.

● Primary roles of the Board of Directors, etc. (FY2025)

Board of Directors
Determines basic management policies, etc. and supervises the execution of duties by directors and executive officers
Also passes a resolution by focusing on specific discussions on the Mid-term Management Plan and fiscal budget in addition to matters to be resolved stipulated by laws and regulations, the Articles of Incorporation and the Board of Directors regulations.

Female**1**
Male**6**

Audit & Supervisory Committee
Performs audits of directors' business implementation and prepares audit reports
Performs audits of execution of duties by directors from the viewpoint of legal compliance and appropriate performance of duties in cooperation with accounting auditors and internal audit division, with an aim of establishing a high-quality corporate governance system to maintain social trust.

Female**1**
Male**2**

Nominating and Compensation Committee
Gives recommendations on the nomination of candidates for directors, etc. as an advisory board to the Board of Directors
Makes proposals on the nomination of director candidates, the appointment and dismissal of executive officers, etc. the selection and removal of Representative Directors, the succession plan for executive officers including the President, and the policies regarding the compensation of directors and executive officers, etc.

Female**0**
Male**4**

● Primary roles of the Executive Committee (FY2025)

Executive Committee
Deliberates on important issues related to business implementation
Composed of executive officers and persons specifically nominated by the Executive Chairman, President and CEO, and is responsible for deliberating and reporting on fundamental policies related to business management, financial results, and business plans, etc.

Female**0**
Male**13**

The Corporate Governance System and Internal Control System

Under the "Basic Policy for Building an Internal Control System" established by the Board of Directors, the Company strives to develop and appropriately operate a system to ensure the appropriateness of the operations of the corporate group. The following illustrates an overview of the operational status.

● Overall internal control and internal audit

With regard to overall internal control, we have established and operate the internal control system of the Company and group companies, and perform an audit on a regular basis to effectively achieve the internal control goals. Regarding internal audits, the Internal Auditing Office, other responsible departments, and the relevant departments of our subsidiaries conduct internal audits to verify compliance with laws and regulations and to deter violations of such laws and regulations. Additionally, we have established the "LOGISTEED Group Internal Whistleblowing System," our internal reporting system. The results of internal audits and the status of reports under the compliance internal whistle-blowing system are regularly reported to the Audit & Supervisory Committee.

● Risk management system

For compliance, information security, environment, disasters, quality control, export control, and prevention of antisocial transactions, etc., each responsible department established rules including "Rules on Prevention of Bribery," "Basic Policy on Information Security," and "Quality Assurance Control Rules." The Company, together with its subsidiaries, prepared and distributed manuals for legal compliance, and holds e-learning on a regular basis. In addition, the Executive Committee deliberates and reports on compliance, information security, environment, disasters, quality control, export control, and prevention of antisocial transactions, etc. to understand the risk likelihood. The Board of Directors also deliberates and reports on important policies and internal rules.

● Structure of group companies

We require our group companies to establish a system according to their size, as well as send directors and Audit & Supervisory Board members to subsidiaries and conduct audits, etc. of each department of subsidiaries on a regular basis. Also, the Company's Board of Directors and Executive Committee deliberate important business matters related to subsidiaries in accordance with the "Group Company Management Standards." In addition, we established basic policies such as the "LOGISTEED Group Code of Conduct" and share corporate social responsibility with group companies.

Compliance/Information Security

Compliance

In order to ensure management in compliance with laws and regulations, the LOGISTEED Group has put in place a system to clarify compliance functions and set a compliance basic policy, including matters concerning anticorruption, to be observed by all officers and employees, to ensure thorough compliance with laws and regulations, company rules, and corporate ethics. Additionally, we have established the "LOGISTEED Group Code of Conduct," which specifies how all officers and employees should act in their corporate activities. It is mandatory for the entire group to act in accordance with this code, ensuring compliance with corporate ethics.

● Compliance education

To build a robust corporate culture that does not tolerate compliance violations, we regularly provide "Code of Conduct e-learning" for all employees, including officers. Additionally, we conduct rank-based education programs and group training sessions for newly appointed executives of domestic.

Attendance rate of Code of Conduct e-learning course (FY2024)

98.8%

Scope: LOGISTEED, domestic and overseas group companies

● Procurement compliance education

To ensure fair procurement activities, we provide e-learning for procurement compliance targeting all employees, as well as special e-learning and group trainings on a regular basis for those engaging in procurement in domestic and overseas group companies.

Number of companies implementing education for those engaging in procurement (FY2024)

Domestic: **18** companies   Overseas: **27** companies

● Initiatives to prevent bribery

We view anti-corruption efforts as a key compliance issue. In particular, we are actively working to strengthen management and control frameworks concerning bribery prevention both in domestic and overseas. We conduct anti-bribery training for all employees, obtain annual anti-bribery pledges from management, and carry out due diligence on business partners dealing with customs clearance both at the commencement of transactions and on a periodic basis.

● Whistle-blowing system

In order to detect and correct illegal and/or inappropriate actions early on, the LOGISTEED Group has a whistleblowing system with internal and external points of contact to allow employees and other stakeholders to report without hesitation, and ensures thorough protection of whistleblowers.

Information Security

We recognize that the highest priority is to properly manage and protect information assets of customers and the LOGISTEED Group, and accordingly the entire group has been promoting the preparation of internal rules as well as education and awareness activities for employees. In response to changes in social conditions and the status of personal information protection abroad, we revise our internal rules accordingly. We work to prevent information leakage by verifying the management and operational status of personal information protection and information security, striving to maintain a high level of security and strengthen governance across the entire group.

● Education and training for personal information protection/information security

In addition to e-learning for all employees, we provide rank-based group trainings for information security education. Additionally, as a countermeasure against targeted threat emails, we have expanded our training to include not only our domestic group companies but also our overseas group companies. This training utilizes a simulation system we have independently developed.

Attendance rate of information security training course (FY2024)

100%

Rate of targeted threat emails for simulation trainings opened (FY2024)

11%

Scope: LOGISTEED, domestic and overseas group companies

● Acquisition and maintenance of third-party certification

We have obtained the Privacy Mark certification, which certifies that we have established a system to implement appropriate measures for protecting personal information. We have also acquired ISO/IEC 27001 which is an international standard certifying that an information security management system satisfies certain criteria.

Privacy Mark acquisition status (As of March 31, 2025)

9 companies

ISMS Certification* (As of March 31, 2025)

20 departments

Scope: LOGISTEED, domestic group companies

* Scope of registration: Sales, design, and development operations within the 3PL business, and logistics center operation (Medical, pharmaceutical, agrochemical, document management, and ICT equipment)

For LOGISTEED Group Code of Conduct, please refer to our website. **https://www.logisteed.com/en/csr/pdf/logisteed_group_code_of_conduct.pdf**
For Compliance information, please refer to our website. **https://www.logisteed.com/en/csr/governance/compliance/**
For Information security, please refer to our website. **https://www.logisteed.com/en/csr/governance/riskmanagement/**
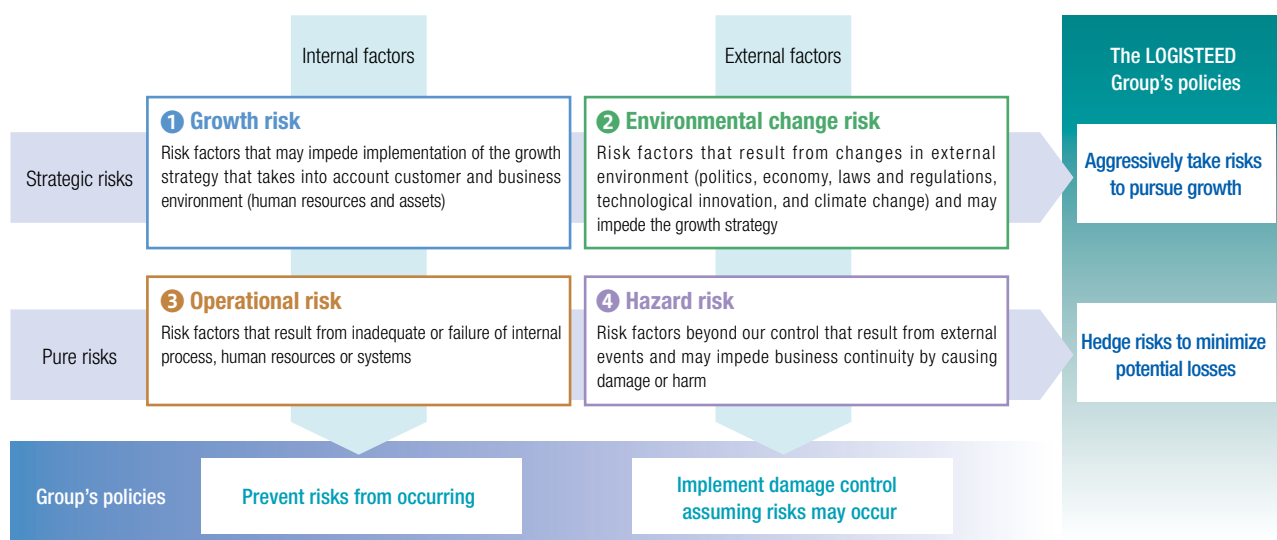
Risk Management

The LOGISTEED Group strives to enhance the PDCA cycle of risk management to address risks or opportunities that are difficult to foresee and require company-wide response. This involves identifying risk items (detection), analyzing risks (quantification), assessing risks (prioritization), and considering risk responses (response policies) increase corporate value and achieve sustainable growth.
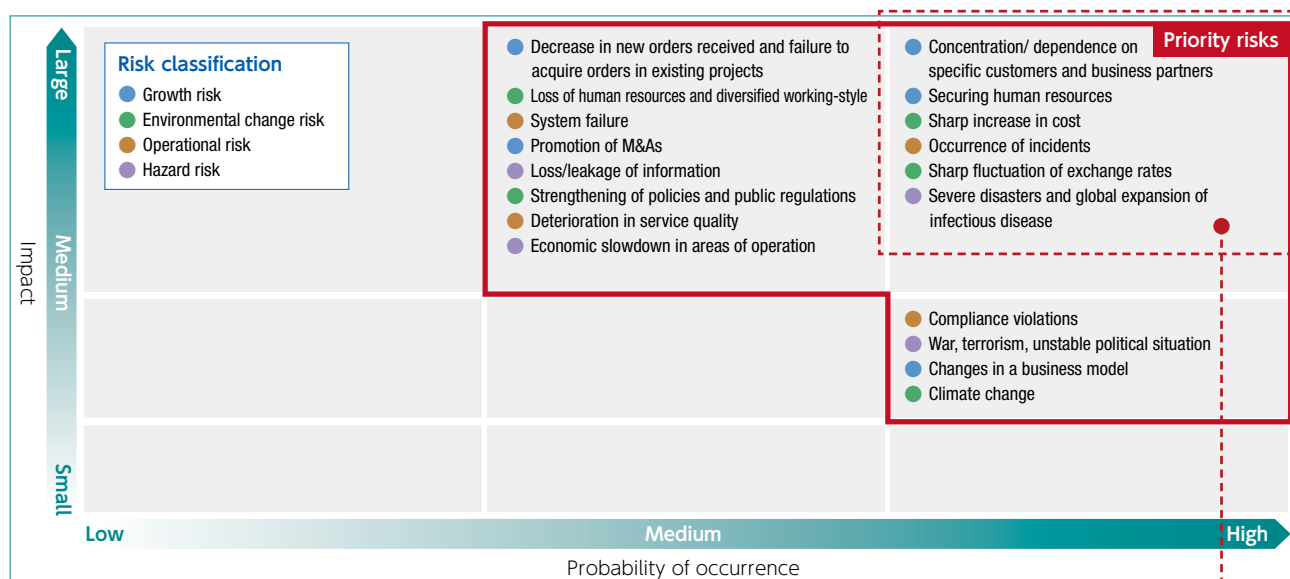
● Definition and classification of risks

The LOGISTEED Group defines risk as "the influence of uncertainty about our objectives and the possibility to influence the achievement of our strategy and business goals when an event occurs."
We classify recognized risks as follows based on their types (strategic or pure) and factors (internal or external)

and quantify them by risk factors based on the probability of occurrence and the degree of impact to select priority risk which exceeds the reference point. We also prioritize risks based on the assessment points and focus on reviewing countermeasures against them.

	Internal factors	External factors	The LOGISTEED Group's policies
Strategic risks	**❶ Growth risk** Risk factors that may impede implementation of the growth strategy that takes into account customer and business environment (human resources and assets)	**❷ Environmental change risk** Risk factors that result from changes in external environment (politics, economy, laws and regulations, technological innovation, and climate change) and may impede the growth strategy	**Aggressively take risks to pursue growth**
Pure risks	**❸ Operational risk** Risk factors that result from inadequate or failure of internal process, human resources or systems	**❹ Hazard risk** Risk factors beyond our control that result from external events and may impede business continuity by causing damage or harm	**Hedge risks to minimize potential losses**
Group's policies	**Prevent risks from occurring**	**Implement damage control assuming risks may occur**	

● Heatmap by risk factors (in descending order of priority)

Risk classification
- ● Growth risk
- ● Environmental change risk
- ● Operational risk
- ● Hazard risk

Impact (Large / Medium / Small)

Priority risks

- ● Decrease in new orders received and failure to acquire orders in existing projects
- ● Loss of human resources and diversified working-style
- ● System failure
- ● Promotion of M&As
- ● Loss/leakage of information
- ● Strengthening of policies and public regulations
- ● Deterioration in service quality
- ● Economic slowdown in areas of operation

- ● Concentration/ dependence on specific customers and business partners
- ● Securing human resources
- ● Sharp increase in cost
- ● Occurrence of incidents
- ● Sharp fluctuation of exchange rates
- ● Severe disasters and global expansion of infectious disease

- ● Compliance violations
- ● War, terrorism, unstable political situation
- ● Changes in a business model
- ● Climate change

Probability of occurrence (Low / Medium / High)

The status of measures addressing the priority risks that have the highest priority is outlined on the next page.

For disaster risk measures and the business continuity management/BCP promotion system, please refer to our website.
https://www.logisteed.com/en/csr/governance/riskmanagement/

Risk Management

● Risk Management System

The LOGISTEED Group manages risks with a system whereby a Risk owner[1] and a Risk manager[2] are appointed for each risk factor who collaborate across divisions (domestic business, overseas business, sales and development division, corporate division). Risk owners or risk managers report the status of relevant risk items to the Executive Committee and also to the Board of Directors and the Audit & Supervisory Committee when necessary, in order to ensure effectiveness of Enterprise Risk Management (ERM).

● Risk Management Structure
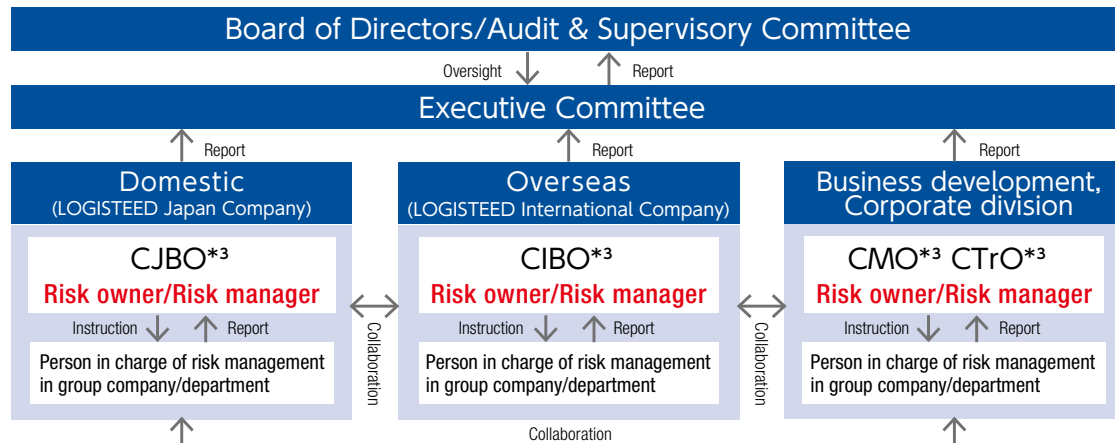
*1 Risk owner: A person in charge of discussing risk responses and monitoring/supervising the implementation of measures
*2 Risk manager: A person in charge of addressing risks in cooperation with a Risk owner and promptly implementing relevant measures
*3 For details on the officer abbreviations, please refer to page 49.

● Risk factors and the implementation status of our measures (highest priority risks)

❶ Growth risk

Risk factors	Description of risks/opportunities	Group's measures
Concentration/ dependence on specific customers and business partners	**Risks** ● Impact on business results and continued employment by losing projects ● Impact on the LOGISTEED Group's business due to customers' performance fluctuations or deterioration, and business reorganizations ● Impact on the LOGISTEED Group's business due to the changes in customers' business environment including drastic changes in the industrial structure and increasing supply chain vulnerability ● Impact on the LOGISTEED Group's business due to the poor performance of the business partners **Opportunities** ● Efficient business expansion and able to take advantage of scale	● Account management through enhanced collaboration among group companies and divisions ● Monitor customers' business condition ● Monitor the movements of peer companies ● Establish and monitor credit limit ● Perform periodic review of customer dependency ● Allocate management resources to non-core businesses ● Develop/provide services beyond conventional logistics domain ● Strengthen sales and marketing activities to existing/new Key Accounts (KA) via the Global Account Program (GAP) ● Supply chain optimization consulting activities utilizing engineering expertise
Securing human resources	**Risks** ● Labor shortage due to tighter regulation on drivers' overtime work by the Work Style Reform Act ● Difficulty in securing human resources due to aging population combined with a declining birth rate and intensifying competition in the labor market ● Loss of momentum for promotion of diversity management which enables diverse employees to participate in the workplace **Opportunities** ● Acquisition of new expertise and creation of new businesses	● Expand network of partner companies and secure workforce by enhancing recruitment of in-house drivers (increase personal vehicles) including reviewing drivers' benefit ● Monitor the bankruptcy risk of partner transport companies, and negotiate with partner companies to appropriately pass on labor costs in pricing ● Visualize human resource skills using the HR management system and make full use of skills ● Secure human resources with site management, global, digital, and business management capabilities according to the business strategy (Enhance recruiting and establish a compensation system) ● Enhance in-house training programs to foster and educate human resources ● Perform human resource retention control (create a pleasant working environment, conduct regular employee engagement surveys) ● Improve work efficiency through implementation of automation, RPA, and generative AI ● Foster human resources proficient in logistics through collaboration with external organizations, including industry-academia partnerships ● Promote recruiting of foreign drivers and employees

For details, please visit our website. Risk factors ↗ Risk Management https://www.logisteed.com/en/csr/governance/riskmanagement/

❷ Environmental change risk

Risk factors	Description of risks/opportunities	Group's measures
Sharp increase in cost	**Risks** • Impact on profits due to increase in procurement costs (fuel, car allocation expenses, labor costs, warehouse rent, and utility costs, etc.) **Opportunities** • Decrease in procurement costs • Improvement in profitability through customer pricing negotiations	• Promote streamlining through relay transport, joint delivery, modal shift and double-trailer truck transport, etc., in addition to building close relationships with partner companies • Optimize fees and contract form based on the movements of peer companies • Efficient management by promoting automation, digitalization, in-house manufacturing, and joint procurement • Reduce impact on business continuity by monitoring management of major partner companies • Curbing procurement costs by changing and consolidating suppliers, canceling unnecessary contracts, reviewing contract periods, and taking other measures • Appropriately passing on costs to customers • Specify in the contract terms to ensure passing on costs
Sharp fluctuation of exchange rates	**Risks** • Exchange loss • Negative impact of translation of business results of overseas subsidiaries into Japanese yen **Opportunities** • Exchange gain • Positive impact of translation of business results of overseas subsidiaries into Japanese yen	• Concentrate exchange risks (centralize transactions such as forward exchange contracts and currency options in the head office) • Enter into hedge transactions including forward exchange contracts with financial institutions • Maintain a balance of foreign currencies and continue investment in time deposits

❸ Operational risk

Risk factors	Description of risks/opportunities	Group's measures
Occurrence of incidents	**Risks** • Occurrence of industrial accident, vehicle or product accidents, and fire	• Enhance disaster prevention/mitigation capabilities by providing education and trainings and installing equipment and systems • Confirm proper insurance for assets in custody (inventory), and inspection of fire extinguishing equipment • Strengthen communications with employees, and develop educational materials and experiential training adapted to changes in the work environment, such as an increasing number of older employees and foreign workers • Establish safety workplaces through the proactive use of technology (such as the Centralized Safety and Quality Control Center, SSCV, and security robots) • Develop and implement a facility maintenance plan • Establish an initial response and reporting system in case of an accident, and conduct drills • Share lessons, insights, and good examples within the Company • Implement safety activities both domestically and internationally, including remote and VR education • Implement safety and quality caravans, including overseas, comply with fire safety laws through the use of a firefighting visualization system, and conduct fire drills with full employee participation • Establish and regularly review the LDSK (LOGISTEED Work Standards)

❹ Hazard risk

Risk factors	Description of risks/opportunities	Group's measures
Severe disasters and global expansion of infectious disease (pandemic)	**Risks** • Damage to employees • Disruption of logistics network • Damage to the LOGISTEED Group's assets (e.g. buildings and facilities) and customers' products	• Assess business interruption risk in each region • Develop business continuity plan (BCP) for early business recovery (including prior consultation with customers and business partners) • Establish rules for information collection and work regulations as a global organization in case of pandemic • Carry out business continuity management (BCM) • Promote automation/labor-saving • Execution of operations remotely using online tools • Introduce a disaster and infection reporting system

Environmental Management

The LOGISTEED Group is promoting "business activities with less environmental load" based on the following four policies. As for measures against global warming, we are working to enhance green logistics including collaborative logistics and modal shift together with our partner companies.

Environmental Policy

1 Reduce Environmental Load Generated at All Our Places of Business
Reduction of consumption of electricity, fuel, and packaging materials, as well as recycling of waste, etc.

2 Provide Logistics/Services with Less Environmental Load
Contribute to customers through CO_2 emission reduction and resource recycling.

3 Improve Eco-Mind Level and Enhance Eco-Management System
Increase global environmental awareness. Observe environmental laws/ordinances and company regulations.

4 Promote Symbiosis with Nature and Environmental Communications
Preserve biodiversity and ecosystem. Maintain environmental collaboration with customers and local communities.

Environmental Management Structure

Since establishing a dedicated environmental department at our headquarters in August 1992, we have been advancing efforts to reduce environmental impact. Currently, we are engaged in unified global activities across the LOGISTEED Group, working toward environment-conscious business operations. Under the supervision of the Board of Directors and the Executive Committee, Sustainability Promotion Department, Corporate Strategy Office chaired by Executive Officer in charge of environmental issues, is responsible for overall environmental management work and oversees the entire group.

Strengthen Environmental Management

We utilize management systems to understand and monitor actual data. In overseas, we conduct research on important environmental laws and regulations for the purpose of managing environmental load and legal compliance.

● Holding Environmental Conference

We share environmental information in Japan and overseas to improve environmental awareness and the management level.

Number of environmental conferences held (FY2024)

Japan: Environmental Promotion Conference	Overseas: Environment Officers Meeting
2 times	**2** times

● Performance of internal environmental audit

We perform internal audit to prevent or promptly correct violations of the environmental compliance and improve the management level.

Number of sites subjected to internal environmental audits (Japan : FY2024) — **56** sites

Improving Environmental Awareness

We conduct environmental e-learning for domestic employees on topics such as global warming prevention, resource recycling, and ecosystem preservation. In FY2024, reflecting global trends, we expanded the scope to include overseas subsidiaries with the theme of a "Circular Economy" and carried out the training. In addition, we publish newsletters for both domestic and international employees, featuring essential knowledge on decarbonization and case studies of our own initiatives. In FY2024, our communications highlighted key environmental initiatives, including topics such as CO_2 emissions reduction targets, electric vehicles,

Environmental Management Structure

- Board of Directors
- Executive Committee
- Executive Chairman, President and CEO
- Executive Officer in Charge of Environment
- Executive Officer General Manager of Corporate Strategy Office
- Corporate Strategy Office Sustainability Promotion Department
- Environmental Promotion Conference Overseas Environment Officers Meeting

Head Office/ Corporate Function	Japan Business Headquarters	International Business Headquarters
(Sustainability Promotion Department)	Labor Safety, Corporate Quality Promotion & Environment Policy Department	Corporate Governance Department
Group Companies (President/Environment Officer)	Group Companies (President/Environment Officer)	Group Companies (President/Environment Officer)

● Strengthening cooperation with overseas group companies

In FY2024, our overseas subsidiaries, alongside domestic group companies, formulated environmental action plans tailored to each country's circumstances and actively promoted monitoring of environmental impact data, with a focus on CO_2 emissions.
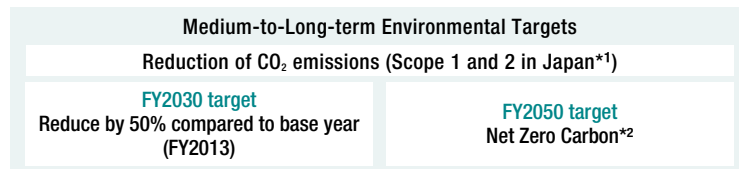
● Third-party certification initiatives

The LOGISTEED Group seeks third-party certification and Sustainability Promotion Department has acquired the "Eco Stage" certification. From FY2017, we have upgraded the certification level to "Eco Stage II" which is equivalent to ISO14001.

and LED lighting equipment. In addition, in Japan, we updated the manuals and conducted online training to improve the input accuracy of the management system.

Attendance rate of environmental e-learning courses (Japan: FY2024)	**89**%
Management system online training (Japan: FY2024)	Total participants: **409**
No. of articles featured in newsletters (FY2024)	**18**

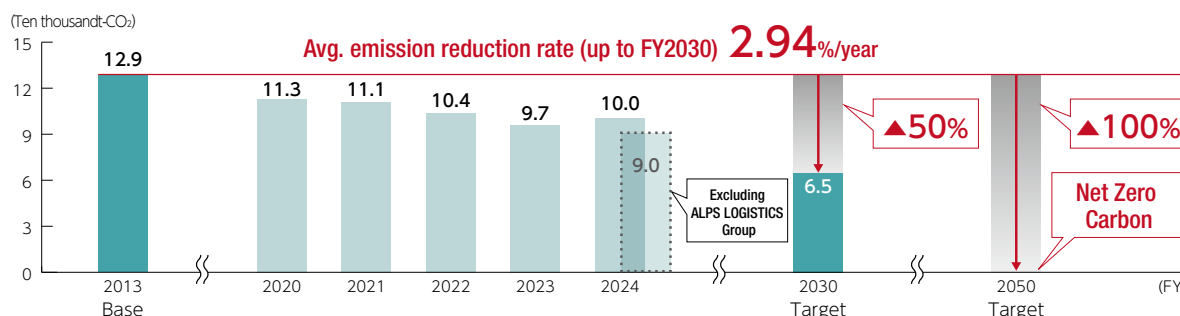# Medium-to-Long-term Environmental Targets 2030/2050

The LOGISTEED Group developed the medium-to-long-term environmental targets 2030/2050 in FY2020 to contribute to the realization of sustainable society, and is striving to reduce CO_2 emissions. Amid the accelerating global efforts to achieve a decarbonized society, the LOGISTEED Group revised the medium-to-long-term environmental targets 2030/2050, which were set in FY2020, to more ambitious goals starting in FY2021.

Medium-to-Long-term Environmental Targets
Reduction of CO_2 emissions (Scope 1 and 2 in Japan[*1])

FY2030 target Reduce by 50% compared to base year (FY2013)	FY2050 target Net Zero Carbon[*2]

[*1] Definition of scope
Scope 1: Direct emissions from in-house energy (fuel, etc.) use (e.g. CO_2 released by company vehicles)
Scope 2: Indirect emissions from the use of energy supplied by other companies (e.g. CO_2 released by a third-party power plant due to electricity use in the company's facility)
Scope 3: Indirect emissions by supply chain other than Scope 1 and 2 (total of 15 categories including transportation outsourcing and business trip of employees)
[*2] Net Zero Carbon: To balance emissions of CO_2, one of greenhouse gases, and its absorption/removal

Trend of LOGISTEED Group CO_2 emissions*

* Total of Scope 1 and 2
Scope: LOGISTEED, domestic group companies

(Ten thousandt-CO_2)

Avg. emission reduction rate (up to FY2030) **2.94**%/year

2013 Base: 12.9 | 2020: 11.3 | 2021: 11.1 | 2022: 10.4 | 2023: 9.7 | 2024: 10.0 (9.0 Excluding ALPS LOGISTICS Group) | 2030 Target: 6.5 ▲50% | 2050 Target: Net Zero Carbon ▲100% (FY)

● Submission of a commitment letter concerning the acquisition of SBT certification

In line with our commitment to reducing greenhouse gas emissions to levels consistent with the Paris Agreement, we submitted a commitment letter to the Science Based Targets initiative (SBTi) in March 2025 with the goal of obtaining SBT certification.

● Examples of CO_2 Emission Reduction initiatives

The LOGISTEED Group has launched a decarbonization promotion project to achieve the medium-to-long-term environmental targets and is working proactively on initiatives in five areas.

* Compared to FY2013

		2024	2030	2040	2050
Scope 1 and 2 emission reduction rate*		▲26%	▲50%		Net Zero Carbon
Five areas	(1) Energy saving	● Introduction of energy-saving equipment (LED lighting, energy-saving air conditioning, lithium-ion battery forklift, etc.) ● Improvement of vehicle fuel efficiency (promotion of eco-driving, introduction of fuel-efficient tires, expansion of SSCV introduction, etc.) ● Expansion of efficient logistics operations (modal shift, sharing, etc.) ● Introduction of CO_2 emissions visualizing solution			
	(2) Electrification	● Shift to electric vehicles/fuel cell vehicles			
	(3) Procurement of renewable energy	● Increase in procurement of electricity from renewable energy sources ● Purchase of environmental value certifications (non-fossil fuel energy certificates/green power certificates, etc.)			
	(4) Energy creation	● Introduction of solar power generation equipment, and research/examination of new technologie (hydrogen/wind power/fuel cells, etc.)			
	(5) Emissions trading	● Research/examination and implementation of emissions trading and carbon offsetting			

● CO_2 emissions throughout the supply chain

We started to calculate "Scope 3" from FY2017 to identify and reduce CO_2 emissions from the entire supply chain.

(Ten thousand t-CO_2) ■ Scope 1 ■ Scope 2 □ Scope 3

2021	2022	2023	2024	(FY)
62.4	69.5	60.9	65.1	
51.3	59.1	51.2	56.1	
7.0	6.3	5.6	4.6	

Overseas Scope 1 and 2 emissions
FY2024 results
(10,000 tons-CO_2)
Scope 1: 21.0
Scope 2: 2.3
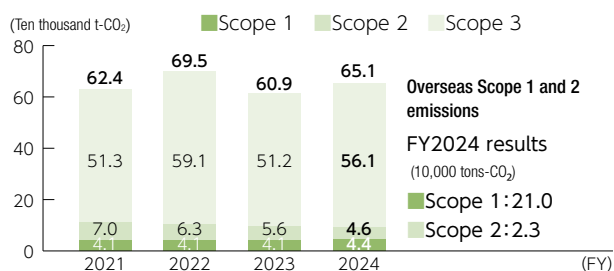
Scope: LOGISTEED, domestic group companies (excluding ALPS LOGISTICS Group)

● Third-party certification on CO_2 emissions data

For greenhouse gas (GHG) emissions in FY2023, the LOGISTEED Group expanded the scope of emissions tracked to Scope 3 in FY2024, and acquired a third-party certification based on ISO14064-3: 2019 through an assessment by a certification body LRQA Limited. Going forward, we remain committed to obtain third-party assurance on an ongoing basis to ensure the reliability of our reported data.

For details about environmental information, please visit our website.
https://www.logisteed.com/en/csr/environment/

Please visit our website for details about CO_2 emissions data in Scope 3.
https://www.logisteed.com/en/csr/environment/activity/

Climate Change Initiatives
- Response to the TCFD* Recommendations -

*TCFD: Task Force on Climate-related Financial Disclosures

As the LOGISTEED Group's corporate philosophy is "to deliver high-quality services that will help make the world a better place for people and nature for generations to come," we position climate change response as one of our highest priority management themes and identifies "Contribute to decarbonized society" as one of the material issues. We also defined "Contribute to decarbonized/recycling-oriented society" as one of the Focus Areas to promote initiatives to address climate-related risks and opportunities and reduce CO_2 emissions. In addition, we announced our endorsement of the TCFD recommendations in September 2021, and in FY2024, we have continued to refine our scenario analysis and have worked to partially quantify the potential financial impact.

Basic Policy on Climate Change

● Governance

The Board of Directors provides guidance and supervises climate change initiatives included in the highest priority items of the LOGISTEED Group's management such as management strategies and business plans (e.g. target setting and determination of specific climate change responses such as energy-saving investments and budget allocation for greenhouse gas (CO_2) emission reduction) through Executive Chairman, President and CEO who is responsible for climate change initiatives. The executive officer in charge reports to the Board of Directors the progress of the climate change initiatives annually or as needed. The Sustainability Promotion Department within the Corporate Strategy Office oversees all aspects of environmental management under the supervision of the Executive Officer responsible for sustainability strategy. The Environmental Promotion Conference comprised of the LOGISTEED Group's environment officers including Chief Sustainability Officer is held semiannually to confirm the achievement level of climate

change responses including reduction of energy consumption and CO_2 emissions, as well as determine necessary corrective measures and discuss measures to be taken in the future. Based on the decisions at the Environmental Promotion Conference with the Chief Sustainability Officer's approval, the progress of climate change initiatives and the proposed strategy in the future are reported to the Executive Committee semiannually or as needed.

Meeting Bodies/ Departments	Roles
Board of Directors	• Provides guidance and supervises initiatives to address management issues related to climate change • Approves reduction targets/ measures/budgets
Executive Officer	• Understands the progress of initiatives to address management issues related to climate change, and reports to the Board of Directors
Sustainability Promotion Department	• Oversees overall environmental management work, holds Environmental Promotion Conference, and reports/proposes to the Executive Committee based on decisions at the Committee
Environmental Promotion Conference	• Confirms the achievement level of measures related to climate change, determines corrective measures, and discusses proposed measures

▶P57 Environmental management structure

● Risk Management

In consideration of all management risks identified, Sustainability Promotion Department, Corporate Strategy Office has selected risks and opportunities related to "Contribute to decarbonized society," one of the material issues, and has identified items having large financial

impacts as material risks and opportunities. Sustainability Promotion Department is responsible for developing and executing plans to address them with approval of the Executive Committee and supervision by the Board of Directors.

● Metrics and Targets

Medium-to-long-term environmental targets 2030/2050
For the purpose of addressing climate change risks and opportunities, the LOGSITEED Group has set the medium-to long-term targets for reduction of greenhouse gas (CO_2)

emissions and is actively promoting initiatives in the decarbonization projects in five areas (energy saving, electrification, procurement of renewable energy, energy creation, and emissions trading).

▶P58 Trend of LOGISTEED Group CO_2 emissions

● Strategy

The LOGISTEED Group uses a scenario analysis to identify and assess climate-related risks and opportunities that are expected to affect our medium-to-long-term business activities and also assess resilience and examine response measures.
(1) Scenario analysis process
The LOGISTEED Group conducts scenario analyses following the procedures outlined below. Under the

scenario that assumes the goal of the Paris Agreement is achieved (1.5℃/2℃ scenario) and the one that assumes that no new policies are implemented but each country's announced policies are achieved (4℃ scenario), we have assessed financial impacts of identified climate-related risks and opportunities based on the information such as the trend of key parameters.

Step1
Identified material climate-related risks and opportunities

Step2
Set climate-related scenarios (1.5°C/2°C scenario/4°C scenario) *

Step3
Assessed the financial impacts under each scenario

Step4
Assessed strategic resilience for climaterelated risks and opportunities and examined additional response measures

* Reference scenario: 1.5℃ scenario: IEA Net Zero Emissions by 2050 Scenario 2℃ scenario: IEA Sustainable Development Scenario/IPCC RCP2.6
  4℃ scenario: IPCC RCP8.5

(2) Assessment of climate-related risks and opportunities and financial impacts

In FY2024, we continued our comprehensive review of material climate-related risks and opportunities to the LOGISTEED Group. Through a detailed assessment of scenario analysis drivers, we identified a total of 11 distinct risk and opportunity categories, including the addition of new market-related opportunities. In addition, we calculated the level of financial impact posed by each risk and opportunity. As the LOGISTEED Group is examining and implementing response measures to reduce risks and seize opportunities that may have significant financial impacts, we have confirmed that we have established a sufficient degree of resilience at present.

❶ Transition Risks (1.5℃ Scenario/2℃ Scenario)

Types	Timeline*	Risks	Impact* (Financial Impact)	Measures
Policy and Legal	Mid- to Long-term	Increased carbon costs due to tightening climate regulations and growing demand for carbon offsets	Large (up to 5.6 billion yen)	Develop and implement environment strategies toward carbon neutrality 1 Implement renewable energy 2 Implement EVs/FCVs 3 Establish and implement an internal carbon pricing (ICP) mechanism
	Short- to Mid-term	Increased compliance costs resulting from insufficient adaptation to new disclosure obligations	Medium	1 Promote emissions data collection and control structures 2 Expand the scope of emissions verification conducted by external parties
Technology	Mid-term	Increased cost of introducing low-carbon vehicles and equipment	Large	Facilitate decarbonization investment and new technology deployment through the development and operation of an internal carbon pricing (ICP) mechanism
	Mid-term	Reduced operational efficiency due to changes in business model and operations associated with the introduction of new technologies	Large (up to 0.8 billion yen)	Roll out company-wide in phases based on the pilot site trial results
Market	Mid-term	Missed business opportunities or the loss of customers due to insufficient or delayed response to decarbonization efforts	Large	Promote decarbonization measures alongside strengthened disclosure practices 1 Execute energy conservation efforts in a proactive manner supported by the decarbonization investment scheme 2 Disclose information on an ongoing basis via the company website, Integrated Reports, and related publications 3 Strengthen sustainable marketing communications
Reputation	Short- to Mid-term	Lower investor and customer confidence driven by perceived gaps in climate change response or inadequate disclosure	Large	

❷ Physical Risks (4℃ Scenario)

Types	Timeline*	Risks	Impact* (Financial Impact)	Measures
Physical - Acute	Short to Long-term	Amplified risk of business interruption and revenue loss linked to the increased severity of extreme weather events causing supplier and customer shutdowns, as well as damage to our own facilities and infrastructure	Large	Strengthen BCP measures against hazard risks 1 Diversify sites 2 Install solar power generation/storage battery facilities 3 Relocate to regions posing lower risk 4 Adjust transportation plans 5 Secure a diverse base of business partners 6 Implement returnable packaging materials
Physical Chronic	Mid-term	Increase in cost of work environment measures due to rising temperatures	Medium	Promote worker-friendly logistics operation 1 Provide a comfortable workplace environment 2 Promote automation/labor-saving/unmanned operations

❸ Opportunities

Types	Timeline*	Opportunities	Impact* (Financial Impact)	Measures
Resource Efficiency	Mid-term	Opportunity to reduce energy consumption by vehicles and CO_2 emissions with advanced decarbonization	Medium	Reduce energy cost by promoting decarbonization measures 1 Promote energy-saving measures 2 Introduce and expand renewable energy 3 Introduce and expand non-fossil fuel vehicles (EVs/FCVs, etc.) 4 Promote modal shift and collaborative logistics
	Short- to Mid-term	Cost reduction by introducing efficient logistics operations such as Smart Logistics and collaborative logistics	Large	
	Mid- to Long-term	Establishing and strengthening our brand reputation as an environmentally responsible company by advancing 3R initiatives in packaging and waste reduction	Large (up to 8.0 billion yen)	1 Establish a 99% resource recovery target and consistently meet the target 2 Promote the 3Rs in packaging and packing materials
Energy	Mid-term	Mitigation of procurement risk through the use of renewable and low-carbon energy	Medium	Explore efficient and stable implementation schemes for renewable and low-carbon energy
	Short- to Mid-term	Improvement of operational performance by leveraging AI, IoT, and big data for energy usage visualization and optimization	Medium	1 Expand internal deployment of the EcoLogiPortal service for visualizing CO_2 emissions during transportation 2 Investigate and consider the adoption of EV energy management technologies
Products and Services	Short to Long-term	Market expansion through focused research and development into decarbonization logistics technology and delivery of low-carbon services	Large (up to 5.5 billion yen)	Provide low-carbon services using the Company's unique Smart Logistics 1 Smart Warehouses 2 EcoLogiPortal 3 SSCV-Safety
Market	Short to Mid-term	Creation of revenue streams in climate change-focused markets via CO_2 emissions visualization solutions and energy infrastructure	Medium	Expand external sales of EcoLogiPortal and accumulate heavy machinery know-how
Resilience	Long-term	Securing and maintaining of customer trust by promoting BCP	Large	Provide resilient operations that enable logistics services "that never stop"

* Definition of impacts: Large: It has a significant business and financial impact   Medium: It has some business and financial impac   Small: It has a small business and financial impact
* Timeline definitions: Short-term: Up to one year; Mid-term: Two to five years; Long-term: Six years or more

(3) Transition Plan to Achieve 1.5℃ target

The LOGISTEED Group has incorporated the five initiatives toward the realization of the medium-to-long-term environmental targets (energy saving, electrification, procurement of renewable energy, energy creation, and emissions trading) in the Mid-term Management Plan "LOGISTEED2027" and will promote CO_2 emission reduction measures to limit the temperature increase to 1.5℃ above pre-industrial levels.

Initiatives on Biodiversity/Natural-related Issues
-Respond to the TFND* Recommendations-

*TNFD: Taskforce on Nature-related Financial Disclosures

The LOGISTEED Group recognizes the growing global expectations for corporations to address not only climate-related challenges but also issues related to biodiversity and nature. We view these as one of the most critical management themes and have identified them as a material issue under the principle of "Contribute to a recycling-oriented society." We are working to reduce our environmental footprint through initiatives such as improving our resource recycling rate and implementing measures that minimize environmental pollution. In line with our environmental policy, which outlines an intent to "Promote Symbiosis with Nature and Environmental Communications," we are advancing initiatives to preserve biodiversity and protect ecosystems. Moving forward, we will integrate nature-related risks and opportunities into our business strategy and execution, in line with the evolving TNFD framework.

● FY2024 Initiatives

During FY2024, we revised the categories of environmental impact and reclassified nature-related risks and opportunities stemming from our dependencies and impacts on natural ecosystems, as initially identified with the ENCORE*[1] tool in FY2023. Impacts were updated based on the analysis results and actual conditions identified using the SBTs for Nature*[2] tools, while the associated risks and opportunities were clarified in terms of their materiality and expected timeframes for manifestation. In addition, we analyzed newly identified regions where nature-related issues are present. Analysis using Global Forest Watch*[3] revealed that certain high water-usage domestic sites are situated adjacent to critical biodiversity areas, designated as 'watchlist' or 'priority' regions.

*1 ENCORE (Exploring Natural Capital Opportunities, Risk and Exposure) is a tool jointly developed with the United Nations Environment Programme World Conservation Monitoring Centre (UNEP-WCMC) and the International Financial Industry Association (NCFA), among others. It evaluates the "dependence" and "impact" of a company's business on the natural environment based on global industry classification.
*2 SBTs for Nature is a framework that enables companies to set science-based targets focused on nature, including biodiversity. For part of the impact category updates in this disclosure, we applied the Materiality Screening Tool used in the environmental impact screening stage of the SBTs for Nature framework.
*3 Global Forest Watch is an online platform founded and managed by the World Resources Institute (WRI) under the Forest Frontiers Initiative, providing high-resolution satellite-based monitoring of forests worldwide.

Dependence and Impact (Heatmap)

Legend: VH Very High | H High | M Medium | L Low | VL Very Low

Business	Value chain	Operation Processes	Dependence on nature									Impact on nature							
			Surface water	Groundwater	Water source cultivation function	Water quality	Filtration	Mitigation of sensory impacts	Climate regulation	Flood and storm suppression	Terrain stabilization and erosion control	Use of marine ecosystems	Air pollution	Soil contamination	Water pollution	Solid waste	Water resource usage	GHG emissions	(Noise and other) disturbances
Warehouse	Procurement	Procurement of warehouses and ancillary facilities	VL	VL			L									M			
		Procurement of logistics equipment and facilities (material handling equipment, etc.)	M	M	M	L	VL	M	VL	M	VL		M	H	H	H	H	H	M
	Operation	Warehouse operations	VL	VL			L									M	L	VL	VL
Transport	Procurement	Procurement of large trucks	M	M	M	L	VL	M	VL	M	VL		M	H	H	H	H	H	M
	Operation	Truck transportation	M	M	M	L	VL	M	VL	M	VL		M	H	H	H	H	H	M
		Rail transportation	M	M					M	M	H		H	L	L			H	H
		Sea transportation	M	M		M			VH	H		H		H	H			H	H
		Air transportation							H	M	M	M	H	L	L			H	H

Risks and opportunities

Category		Items associated with heatmap	Description	Risks and opportunities *1	Timeline *2		Measures
					Mid-term	Long-term	
Risks	Physical	[Dependency] Climate regulation Flood and storm suppression Terrain stabilization and erosion control [Impact] GHG emissions	・Suspension of logistics operations and revenue loss caused by extreme weather and increased natural disasters ・Increase energy costs due to rising temperatures, and costs associated with fitting out the workplace environment	Medium	●	●	・Strengthen BCP measures against hazard risks, including wind and flood damage, by decentralizing business sites and enhancing solar power generation systems to establish an early recovery framework ・Promote energy savings through the introduction of high-efficiency equipment ・Promote automation/labor-saving/unmanned operations
	Transition	[Dependency] Groundwater/Surface water/Water quality [Impact] Pollution/GHG emissions Noise and other disturbances	・Increase costs directed at curtailing emissions due to stricter regulations on greenhouse gas emissions and pollutants related to transportation ・Decrease in reputation due to inadequate response to pollutants, etc. ・Decrease corporate evaluation and reputation due to a lack of consideration for ecosystems in warehouse facilities and equipment, and noise and vibration, etc.	Medium	●	●	・Utilize vehicles with low emissions, such as non-fossil fuel vehicles, and reduce emissions through operational efficiency improvements ・Promote environmental mitigation measures, such as emission reduction, ecological considerations in facility development, and controls on noise and vibration, accompanied by enhanced stakeholder communication and disclosure
Opportunities	Resource Efficiency	[Impact] GHG emissions	・Reduce energy costs through the adoption of low-carbon technologies	Large	●	●	・Advance decarbonization initiatives (renewable energy, introduce non-fossil fuel vehicles, promote of modal shift)
	Reputation	[Dependency] Groundwater/Surface water/Water quality [Impact] General (excluding use of marine ecosystems)	・Ensure reliability through the execution of proactive measures addressing pollution and GHG emissions	Large		●	・Ensure the effective implementation of measures through appropriate governance and risk management processes
	Products and Services	[Dependency] Flood and storm suppression Terrain stabilization and erosion control	・Strengthen resilience by promoting BCP	Medium	●	●	・Diversify transportation routes ・Plan transportation dynamically based on real-time weather data

*1 Risks and opportunities listed primarily focus on items deemed to have a medium to large impact
*2 Mid-term: 2 to 5 years, Long-term: 6 years or more

● Status of measures implemented addressing core disclosure items

LOGISTEED has adopted the TNFD framework as the basis for its nature-related risk and opportunity disclosures. In alignment with the TNFD's 14 recommended disclosures across four pillars, we currently satisfy several items, particularly within three of the pillars, namely Strategy, Risk and Impact Management, and Metrics and Targets as illustrated below.

TNFD nature-related disclosure recommendations (Blue text: Addressed items *Includes partially addressed items)					
Governance	A	Oversight by the Board of Directors on nature-related dependencies, impacts, risks, and opportunities (hereafter, nature-related issues)	Risk and impact management	A(i)	Process for identifying, assessing, and prioritizing nature-related issues in its direct operations
Governance	B	Role of management in nature-related issue assessment and controls	Risk and impact management	A(ii)	Process for identifying, assessing, and prioritizing nature-related issues in its upstream and downstream value chain Process for managing nature-related issues
Governance	C	Human Rights Policy and engagement with respect to stakeholders in the assessment and response to nature-related issues	Risk and impact management	B	Implementation of the abovementioned process in risk management company-wide
Strategy	A	Identification and duration of nature-related issues (short-term, mid-term, long-term)	Measurement metrics and targets	C	Measurement metrics for evaluating and managing nature-related risks and opportunities
Strategy	B	Analysis of the impact of nature-related issues on business operations, value chain, strategy, and business planning	Measurement metrics and targets	A	Metrics for assessing and managing nature-related risks and opportunities
Strategy	C	Scenario-based evaluation of strategic resilience to nature-related issues	Measurement metrics and targets	B	Measurement metrics for evaluating and managing nature-related dependencies and impacts*
Strategy	D	Designation of priority areas in direct operations and the value chain	Measurement metrics and targets	C	Targets for managing nature-related issues, and progress and results related to such*

* Select risk and opportunity metrics are published in the sections on ESG Data and Environmental Action Plan on the LOGISTEED website

● Future response policy

Moving forward, we will continue to analyze nature-related issues using the LEAP approach, while progressively addressing the two outstanding items currently not addressed or disclosed.

(1) Governance, Risk Management Process: Integration of TNFD initiatives into existing frameworks, including TCFD and company-wide risk management

(2) Strategy, Measurement metrics and targets: Detailed analysis to clarify the impact of nature-related issues on LOGISTEED, along with ongoing monitoring

In FY2024, in addition to our domestic sites, we expanded our efforts to identify priority areas to include overseas sites and truck transportation. Our long-term goal is to provide comprehensive disclosures encompassing targeted actions, performance indicators, and objectives specifically tailored to identified priority regions.

Protection of Biodiversity

We aim to promote symbiosis with nature and environmental communications under our environmental policy and are working to preserve biodiversity and ecosystems.

◆ Biodiversity-conscious Procurement

We continue to promote green purchasing of office supplies and purchase of products with environment certificates and work to reduce deforestation mainly through reduction of printing papers used by digitizing documents and ensuring double-sided copying.

◆ Initiatives for Ecosystem Preservation

We regularly conduct cleanup and beautification activities in areas surrounding our offices and light-down campaign in our sites in domestic and overseas. We have also designated June as the "Group Environment Month" and promote environmental beautification activities, environmental awareness activities in the workplace, and social contribution activities. We have established the "LOGISTEED Group Magokoro (Sincere Heart) Fund," a matching gift system where funds donated by our group employees and officers are matched by the Company to meet the cost for the activity, and use the fund to support environmental preservation activities. In FY2024, we made we made donations in support of the "Mt. Fuji Reforestation Project" by the Organization for Industrial, Spiritual and Cultural Advancement (OISCA) (public interest incorporated foundation), among others.

◆ Overseas activities

In August 2024, our group company LOGISTEED Malaysia Sdn. Bhd. conducted a cleanup activity, with around 80 volunteers, most of whom were employees, taking part. This activity was conducted as part of a national initiative organized by government agencies responsible for energy and water management. Its objectives extended beyond river pollution prevention and sustainability, seeking also to encourage multi-stakeholder responsibility and enhance community environmental consciousness. Approximately 250 kilograms of waste were collected and properly disposed of along a riverside area located near the company's headquarters. LOGISTEED Malaysia Sdn. Bhd. remains committed to ongoing ecosystem conservation efforts, working in partnership with governmental bodies and local stakeholders.

Contribute to Decarbonized/Recycling-oriented Society

Material Issues
Contribute to decarbonized society

Work to reduce greenhouse gas (CO_2) emissions including those from supply chains, improve energy efficiency, and create business opportunities to address climate change and realize a decarbonized society.

The LOGISTEED Group recognizes that reduction of CO_2 emissions in the logistics domain will have an impact on the realization of carbon neutrality, and therefore it is important to work to reduce CO_2 emissions and environmental load not only in the LOGISTEED Group but also in the supply chains of our customers. Based on this idea, to "provide logistics/services with less environmental load" as set forth in our environmental policy, we are striving to reduce the environmental load and provide new environmental value through our business activities, e.g., development of services that contribute to the reduction of CO_2 emissions including Scope 3 emissions from our customers, in addition to ongoing initiatives such as modal shift and collaborative logistics.

Initiatives to Reduce CO_2 Emissions

To contribute to the realization of a sustainable society, the LOGISTEED Group is advancing initiatives to reduce CO_2 emissions.

CO_2 emissions (Scope 1 and 2 in Japan)

FY2024 target Compared to FY2013	**-26**%	FY2024 result Compared to FY2013*	**-31**%

* Excluding the impact of consolidating ALPS LOGISTICS within the Group

● Energy Saving

To improve energy efficiency, we are implementing energy saving initiatives such as introducing LED lighting in logistics centers and offices, introducing lithium-ion batteries in forklifts, and using motion sensor light, and also promoting modal shift and joint delivery, etc.

● Electrification

In order to reduce environmental load of transport, we are introducing electric vehicles and fuel cell vehicles closely monitoring market trends. In FY2024, we replaced 9 commercial vehicles with passenger electric vehicles.

● Procurement of Renewable Energy

Renewable Energy
During FY2024, we completed the transition to renewable energy at nine additional business sites, bringing the total number of sites using renewable energy to 97. Of these, 28 sites achieved zero CO_2 emissions through the implementation of 100% renewable energy plans. Additionally, 14.3% of Scope 2 emissions by domestic LOGISTEED Group companies was offset by non-fossil fuel energy certificates. Specifically, a number of sites, including our headquarters, have achieved effective net-zero CO_2 emissions by offsetting with non-fossil fuel energy certificates.

● Energy Creation

We are installing solar panels on the roofs of our logistics centers. In FY2024, we installed new solar panels on the roofs of logistics centers in Kyoto, Osaka, Hiroshima, and elsewhere. We are also actively pursuing initiatives to install solar panels under the PPA* scheme.
*PPA: Power Purchase Agreement

● Initiatives to Set CO_2 Emission Reduction Targets throughout the Supply Chain

To set CO_2 emission (including Scope 3) reduction targets throughout the supply chain, we have been building a system to calculate and visualize emissions with higher accuracy. In FY2024, we began implementing monthly tracking of Scope 1 and Scope 2 CO_2 emissions at overseas sites, in line with our domestic practices. The development of a system that would enable tracking of Scope 3 emissions at overseas sites is also under review.

Contribution to Decarbonization in Customers' Supply Chain

● Support Customers' Decarbonization through the Provision of EcoLogiPortal

As part of "SCDOS," our DX service to support optimization of customers' supply chain, we offer CO_2 emission visualization function "EcoLogiPortal" from FY2021. This service enables customers to accurately measure and visualize CO_2 emissions and reduction in the supply chain by centrally managing and monitoring their various data, which has received conformity assessment by a third-party organization. To strengthen customer engagement in FY2024, we published a service case study compendium and delivered a broad range of tailored proposals. These efforts were made to support both domestic and international clients in visualizing and reducing CO_2 emissions within their logistics operations.

"EcoLogiPortal®" Collaborates with ASUENE ~ Supporting Corporate Decarbonization Management with CO_2 Emission Visualization Solutions ~ For details, please visit our website.
https://www.logisteed.com/en/news/news-release/202411261533/

● Internal Carbon Pricing(ICP)

In FY2024, building on the internal carbon price of ¥10,000 per t-CO_2 set in FY2022, we explored further decarbonization initiatives by evaluating additional measures, including the potential implementation of internal carbon pricing (Internal Fee) for emissions reduction.

Material Issues
Contribute to Recycling Oriented Society

Work to reduce/avoid resource use, prevent environmental pollution, and create business opportunities to contribute to a recycling-oriented society

By setting "reduction of environmental load" as one of its environmental action plans, the LOGISTEED Group aims to contribute to recycling oriented society by promoting initiatives for resource recycling and waste control with an awareness of symbiosis with nature as well as preservation of biodiversity and ecosystem.

Waste Control and Effective Use of Resources

● Setting and achievement of recycling targets

To ensure that waste generated in our business activities is recycled as much as possible, we are actively promoting measures to control waste emissions and reduce the amount of landfill disposal throughout the LOGISTEED Group with an aim to maintain and improve the recycling rate.

Recycling rate (Japan: FY2024)

Target **99**%   Result **99**%

Scope: LOGISTEED, domestic group companies

● Overseas waste control initiatives

Mars Logistics Group Inc. (hereafter, Mars), a group company, acquired the "Zero Waste Certificate." This is a certificate issued by the Ministry of the Environment in Turkey to organizations that have actively implemented waste reduction initiatives, disclosed results, and undergone third-party audits to verify their efforts. This certificate was acquired for four sites operated by Mars in

FY2024, with plans to acquire certification at a further eight sites in FY2025.

● Reduce Resource Use in Packaging Design

We are working to improve packaging technology and reduce environmental load in packaging design including reduction of packaging-related materials and wastes while meeting customer needs. In FY2024, at the Japan Packaging Contest hosted by the Japan Packaging Institute, our "recyclable hybrid pallets with a load capacity of 1 ton" received the Logistics Award, while the "decks for stacking cargo with detachable stanchions" and the "wooden boxes with ramps for small electron microscopes" received Transport Packaging Awards. In the case of the "decks for stacking cargo with detachable stanchions," adopting a simple structural design helped reduce costs, and reduce the number of vehicles by 40% and CO_2 emissions by 45%.

Award-winning Case/Award Titles	Main Effect
Recyclable hybrid pallets with a load capacity of 1 ton/ Logistics Award	• Reduced cost and weight compared to steel pallets (9kg) • Easy separation for greater recyclability, etc.
Decks for stacking cargo with detachable stanchions/ Transport Packaging Award	• No. of vehicles: down 40% • CO_2 emissions: down 45%, etc.
Wooden boxes with ramps for small electron microscopes/Transport Packaging Award	• Streamlines unloading by eliminating the need for handling equipment • Improved safety

For details on the three awards received at the 2024 Japan Packaging Contest, please visit our website.

**https://www.logisteed.com/en/news/news-release/202408291221/**

Circular Economy Initiatives

● Recycling scheme for plastic waste pallets

PALENET CO., LTD., a group company specializing in the sale and rental of plastic pallets, promotes circular resource use by providing damaged, unusable returned pallets, rather than disposing of them, to a plastic pallet manufacturer in which the company holds an equity stake. The provided plastic pallets undergo cleaning and crushing processes before being recycled as raw material for new pallets. These regenerated pallets are then reintroduced into PALENET CO., LTD.'s rental pallet operations. Through this initiative, over 20,000 used plastic pallets are recycled annually, reducing the use of new plastic

materials. This helps reduce our environmental impact and facilitates the continued provision of sustainable logistics services.
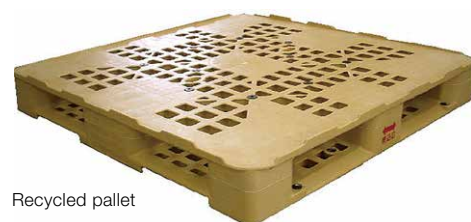
Recycled pallet

Focus Area 2 Build and Evolve Resilient, Sustainable Logistics Services

Material Issues
Build and Evolve Resilient, Sustainable Logistics Services

Implement measures to enhance transport business to address social issues including aging of managers, business slump of small- and medium-sized transportation companies, driver shortage, and recruitment challenges as well as build/evolve sustainable logistics services with a high level of safety/quality/productivity, aiming to create business opportunities and fulfill our role as social infrastructure

The LOGISTEED Group is working to sophisticate its supply chain optimization services and enhance its warehousing and transport businesses with an aim to build and evolve resilient and sustainable logistics services with a high level of safety/quality/productivity that contribute to solving social issues.

Installation of Automated/Labor-saving Equipment

To respond to social issues such as labor shortages at logistics sites and realize a safe, secure, and comfortable working environment, we are promoting the installation of automation and labor-saving technologies and installation of equipment. This helps reduce the burden on workers while improving operational efficiency. In FY2024, we introduced the proprietary developed AMR (Autonomous Mobile Robot) "AutonMate" into logistics centers, in addition to rotary racks[1] and other GTP[2] equipment. AMRs are considered the next generation of AGVs (Automated Guided Vehicle). Unlike conventional AGVs, they navigate without fixed guides and can autonomously detect and avoid people and obstacles.

Through the proactive adoption of automation and labor-saving technologies, we achieved annual labor savings equivalent to 100 FTE[3] compared to FY2023.

Compared to FY2023

Labor savings of **100**FTE

[1] Rotary rack: An automated warehouse solution that stores and retrieves items through horizontal rotation
[2] GTP (Goods To Person) equipment: Equipment used to transport cargo to the worker using robots, etc.
[3] FTE (Full-Time Equivalent): The full-time equivalent amount. Unit measuring workload productivity produced by a full-time employee in an organization

Contribution to Safe and Efficient Transport Through "SSCV"

To realize "zero-accident society," we have developed a transport digital platform "SSCV," contributing to the improvement of operational efficiency and legal compliance of transport operators, as well as ensuring driver safety, etc. One such solution, "SSCV-Safety," uses AI to analyze biometric data collected before, during, and after driving, alongside driving behavior and dashcam data, to visualize driver fatigue and stress levels that are often difficult to detect independently. This helps prevent accidents caused by inattentive driving and reinforces efforts to enhance

driver safety and well-being.
In FY2024, "SSCV-Safety" was certified by the Ministry of Land, Infrastructure, Transport and Tourism as an approved device under the "Devices contributing to the prevention of overwork driving in FY2024" scheme. In addition, the system's in-house deployment and its measurable impact on enhancing driver safety were highly acclaimed, culminating in the receipt of the prestigious Minister of Land, Infrastructure, Transport and Tourism Award.

GDP-Compliant Storage/Shipping –Enhancement of Quality Control and Operational Capabilities at Medical DCs–

We have enhanced medical DCs across the country providing storage and shipping services specialized in pharmaceutical logistics. To enhance operational capabilities of GDP, we are working to strengthen the quality assurance system in the pharmaceutical logistics by setting up an organization dedicated to promoting GDP to establish a quality management system. In FY2024, to meet the stringent temperature control requirements mandated under GDP compliance, we conducted

warehouse temperature mapping and transport testing to verify the appropriateness of temperature monitoring points and confirm the reliability of temperature control during transportation. In addition, we expanded our GDP video-based training program, developed to enhance quality control and operational capabilities at Gemba sites, by incorporating more advanced educational content and delivering enhanced instruction to employees.

Improve the Resilience of Transport Business (including addressing the transport capacity shortage in the 2024 issue)

Addressing the transport capacity shortage across society, including the 2024 issue in logistics*, requires urgent measures such as shortening total working hours of drivers and strengthening transportation capacity to compensate for the shortage of drivers. The LOGISTEED Group is pursuing inter-company relay transport, modal shift in collaboration with collaborative innovation partners, and the deployment of double-trailer trucks, enabling reduced labor dependency, increased cargo capacity, and

optimized transport distances. In addition, we have implemented our proprietary truck loading dock booking management system at approximately 200 sites, contributing to shorter truck waiting times and more streamlined cargo handling operations. As a result of these initiatives, the number of violations of labor standards by the LOGISTEED Group's truck drivers was zero in FY2024.

* The 2024 issue in logistics: Various problems arising from the limitations on drivers' overtime work imposed by the Work Style Reform Act, which has been applicable startingin 2024

Focus Area 3 Create New Values Through Collaborative Innovation

Material Issues
Secure diverse human resources to support growth

By securing diverse human resources including highly skilled personnel and those from different industries, etc. and increasing employee motivation through various initiatives, we aim to create new business opportunities and enhance competitiveness.

Toward the "LOGISTEED2030," we strive to actively secure diverse human resources who can contribute to our business with skills for global business and DX and other expertise, and promote initiatives to support their early participation.

Training for Autonomous Career Development

● Develop human resources with DX skills

To secure human resources with DX skills responsible for creating new business opportunities through IT, we are enhancing our DX education in addition to our traditional training systems. Based on the results of skill surveys (IT literacy x IT business application), we are implementing educational measures tailored to the individual levels of our employees. Specifically, we offer e-learning courses such as the "DX Mindset Training" to learn the basics of DX, as well as specialized training such as the "DX Mindset

Cultivation Program," which promotes transformation, and the "Intensive Training for DX Technical Skills," aimed at strengthening DX practical skills.

DX Mindset Training (FY2024)

14,408 attendees

Scope: LOGISTEED, domestic group companies

DX mindset cultivation program (Cumulative total through to FY2024)

4,152 participants

Scope: LOGISTEED, domestic group companies

● Expand global human resources and reform organizational culture

We promote the development of "global human resources" capable of understanding diverse values across countries and regions and leading business on a global scale. To develop global leadership capabilities, we offer targeted, role-specific programs encompassing cross-cultural competence, global mindset development, strategic policy planning and implementation, people management, and risk oversight. We also provide subsidies for English proficiency exams and offer voluntary programs designed

to cultivate comprehensive English communication skills (reading, listening, writing, and speaking), encouraging proactive employee engagement.

Investment in training aimed at developing global human resources (FY2024)

12,888 hours

Scope: LOGISTEED, domestic group companies

Material Issues
Establish business models through collaborative innovation

Build innovative services and business models that strengthen and enhance the resilience of our value chain through collaborative innovation with business partners

The LOGISTEED Group engages in collaborative innovation with various business partners to address customer supply chain challenges, drive sustainable corporate value growth, and contribute meaningfully to addressing societal challenges.

Develop new labor-saving solutions through collaborative innovation

Group company, LOGISTEED Solutions, Ltd., successfully developed the autonomous mobile collaborative robot "AutonMate" through collaborative innovation with partner companies. The solution was made possible by collaborative development with Sony Semiconductor Solutions Corporation, which provided the control software technology "Robotics Package," facilitating efficient development, implementation, and operational management.

AutonMate is an autonomous mobile collaborative robot that utilizes a pre-loaded digital map and integrated sensors to estimate its own location, calculating the

optimal route to its destination when autonomously transporting products. Designed to automate material handling traditionally performed by personnel at logistics centers, this robot delivers labor and effort savings, and serves as an effective solution to the significant challenge of workforce shortages in the logistics centers.

Going forward, we remain committed to engaging in collaborative innovation with business partners from a wide range of industries and fields to develop new services and business models, contributing to the resolution of social challenges.

Supportive Foundation for the Focus Areas

We define matters related to our business base, such as safety, enhancement of disaster prevention/mitigation, and respect for human rights, as "Supportive Foundation for the Focus Areas," and take various measures to accelerate initiatives for three Focus Areas.

Material Issues
Realize safe, healthy, and rewarding workplace

We are realizing a framework to ensure the safety and health of our employees by promoting occupational health and safety awareness and implementing risk assessments to prevent and mitigate labor-related issues.

To enable employees to work in good health, with peace of mind, and a sense of purpose, we are promoting "work style reform" through various initiatives. By empowering each individual to perform at their best, we aim to enhance overall organizational productivity and increase corporate value.

Initiatives Toward Ensuring Health and Safety of Employees

● Promoting the taking of paid leave

The LOGISTEED Group strictly complies with local laws and regulations regarding paid leave in all countries and regions where we conduct business activities. To foster a workplace culture that encourages the use of paid leave, in FY2024 we implemented a range of initiatives, including the rollout of e-learning programs for all group employees in Japan using a learning platform (event management system), and the continued sharing of paid leave utilization status with administrative departments at each business site on a regular basis.

Rate of paid leave taken (FY2024)

Scope: LOGISTEED, domestic group companies

68.3%

Material Issues
Prevent accidents during operation

Strive for safe operation by promoting initiatives to prevent accidents at the Company and its suppliers

Under the policy that "Safety is our first priority" and the safety slogan based on the policy, the LOGISTEED Group ensures that each employee carries on the safety cultures and strives to provide safe and high quality services during operations.

Safety Priority Policy

The LOGISTEED Group works on activities based on the policy and the safety slogan.

Safety Slogan
"Safety First"

Safety Promotion Structure

LOGISTEED assigns an Operating Officer in charge of safety under the confirmation by the Board of Directors, who promotes top-down safety activities. Executive officers deliberate and report on safety activities and accident occurrence, etc. at the monthly Executive Committee, and the Audit & Supervisory Committee also receives reports on the progress of safety activities and accident occurrence, etc. every year. Under the structure which enables the supervision by the Board of Directors, we ensure to promote and manage safety activities.

Initiatives for Accident Prevention

● SSCV-Safety
(safety operation management solution) –Introduction to the LOGISTEED Group's own vehicles–

In order to protect drivers as an organization and not to become either the victim or assailant, the LOGISTEED Group is promoting the installation of "SSCV-Safety," a solution to prevent accidents due to absent-minded driving. In Japan, we completed the installation of SSCV-Safety in all approximately 2,400 commercial trucks and private vehicles owned by the LOGISTEED Group, and started its operation. The installation of "SSCV-Safety" has allowed us to provide drivers with guidance based on the daily review, reducing the number of average incidents in FY2024 by 33% year on year.

Number of incidents during vehicle operation* (FY2024)

0.010 (-33% YoY)

* Per vehicle in operation per month (Scope: LOGISTEED, domestic group companies)

For details, please visit our website. ↗   Occupation health and safety/health management   **https://www.logisteed.com/en/csr/social/safety/**

Respect for human rights   **https://www.logisteed.com/en/csr/social/humanrights/**

Material Issues
Enhance disaster prevention/mitigation
> Implement disaster prevention measures to prepare for natural disasters and prevent fires as well as strengthen systems for speedy recovery in the event of a disaster

The LOGISTEED Group works to strengthen disaster prevention/mitigation measures in order to protect people's lives through the logistics business, which is social infrastructure, even in the event of a natural disaster or infectious disease.

Toward the Realization of the Future Vision of Logistics Center

As part of our efforts to enhance our warehouse business, we are working to visualize safety- and quality-related incidents and hazardous work that may occur in our logistics centers. Starting in FY2022, to realize the automated center concept which visualizes and centrally controls safety/quality/productivity/fire prevention/crime prevention, we have introduced a video management system with advanced analysis functions in seven sites centers in Japan. We are currently operating a cloud-based remote monitoring and centralized control system at the "Centralized Safety and Quality Control Center" established in the head office. From FY2025, we aim to promote the expansion of such functions as issuing alerts using AI and increase the number of sites subject to monitoring, and look to establish safe, secure, and resilient logistics sites.

Visualization of Self-Defense Firefighting Operations

● Development and utilization of firefighting visualization system

We have developed our own firefighting visualization system to strengthen our self-defense firefighting system by ensuring compliance with the Fire Service Act and other relevant laws and regulations. This system has now been introduced at approximately 500 sites. Introducing this system has enabled us to manage inspection deadlines through real-time checks of the inspection status of firefighting equipment, which leads to prevention of cases where firefighting equipment remains unrepaired by an oversight and reduction of human and material damage, etc. due to defective firefighting equipment.

Disaster Prevention Measures

● Enhancement of initial response at disasters

We are working to enhance initiatives focusing on disaster prevention with regard to an initial response necessary to take before BCP is activated when a disaster occurs. In FY2024, we conducted simulation training for 13 domestic group companies, based on a scenario of a large-scale earthquake occurring at night or on a holiday. The training simulated initial response actions from the moment the earthquake occurs through the day of the event.

Material Issues
Establish a responsible supply chain in which human rights are respected
> Promote a sustainable supply chain by taking measures to improve quality/productivity, conduct environmental/social assessments, ensure compliance with laws and regulations by suppliers, and avoid/prevent/mitigate human rights issues of relevant stakeholders

Recognizing that human rights of all people affected in our business activities must be respected, the LOGISTEED Group has implemented initiatives to build a responsible supply chain that respects human rights.

Toward Developing Business Platform That Respects Human Rights

● Reducing the risk of human rights infringements worldwide

The LOGISTEED Group conducts human rights impact assessments through third-party organizations to identify risks and issues and develop our business foundation with respect for human rights. In FY2022, with the support of NGOs knowledgeable about human rights, we organized global human rights issues that are important to all industries and specifically the logistics industry. In addition, we conduct risk assessments for group companies in Japan and overseas from five perspectives (geography, products, industry, employment type, and regulatory compliance), and implement measures tailored to the specific risks and challenges faced by each entity. In FY2024, we worked to ensure compliance with human rights-related laws and regulations in countries outside Japan as part of our response to human rights issues identified in prior years. In Japan, we conducted surveys on the state of management of foreign technical trainees, and verified that said trainees were being managed in an appropriate manner.

Corporate Data

Corporate name	LOGISTEED, Ltd.	
Head office	2-9-2 Kyobashi, Chuo-ku, Tokyo, Japan	
Founded	February 1950	
Paid-in capital	¥100 million (as of March 31, 2025)	
Total personnel	56,227 (as of March 31, 2025)	

Main businesses:

- 3PL Business [integrated logistics services for corporate customers](Logistics System Building, Information Control, Inventory Control, Orders Control, Processing for Distribution, Logistics Center Operation, Factory Logistics, Transportation, Customs Clearance, International Nonstop Delivery Through Land/Ocean/Air Transportation)
- Transportation, Installation and Setting of General Cargo, Heavy Machineries, and Artworks
- Factory and Office Moving
- Warehousing and Trunk Room Services
- Collection and Transportation of Industrial Waste
- Logistics Consulting, etc.

Major Group Companies   As of July 1, 2025

Domestic logistics companies

LOGISTEED North Japan, Ltd.

LOGISTEED East Japan, Ltd.

LOGISTEED Central Japan, Ltd.

LOGISTEED West Japan, Ltd.

LOGISTEED Kyusyu, Ltd.

LOGISTEED Chemical, Ltd.

ALPS LOGISTICS CO., LTD.

Ryutsu Service Co., Ltd.

VANTEC CORPORATION

VANTEC EAST LOGISTICS CORPORATION

VANTEC CENTRAL LOGISTICS CORPORATION

VANTEC KYUSHU LOGISTICS CORPORATION

TOKIWA KAIUN COMPANY LIMITED

PALENET CO., LTD.

LOGISTEED East Japan Distribution Services, Ltd.

LOGISTEED Express, Ltd.

KWE LOGISTEED, Ltd.

Logistics-related companies

LOGISTEED Solutions, Ltd.

LOGISTEED Auto Service, Ltd.

LOGISTEED Solutions America, Ltd.

LOGISTEED Solutions (China), Ltd.

LOGISTEED Solutions Asia-Pacific Sdn. Bhd.

Overseas logistics companies

North America

LOGISTEED America, Inc.

J.P. Holding Company, Inc.

ALPS LOGISTICS (USA), INC.

LOGISTEED Mexico, S.A. DE. C.V.

ALPS LOGISTICS MEXICO, S.A. DE C.V.

VANTEC LOGISTICS MEXICO S.A. DE C.V.

Europe

LOGISTEED Europe B.V.

ESA s.r.o.

Mars Logistics Group Inc.

Cyber Freight International Holding B.V.

Van den Bos & van Daalen Materieel B.V.

ALPS LOGISTICS EUROPE GmbH
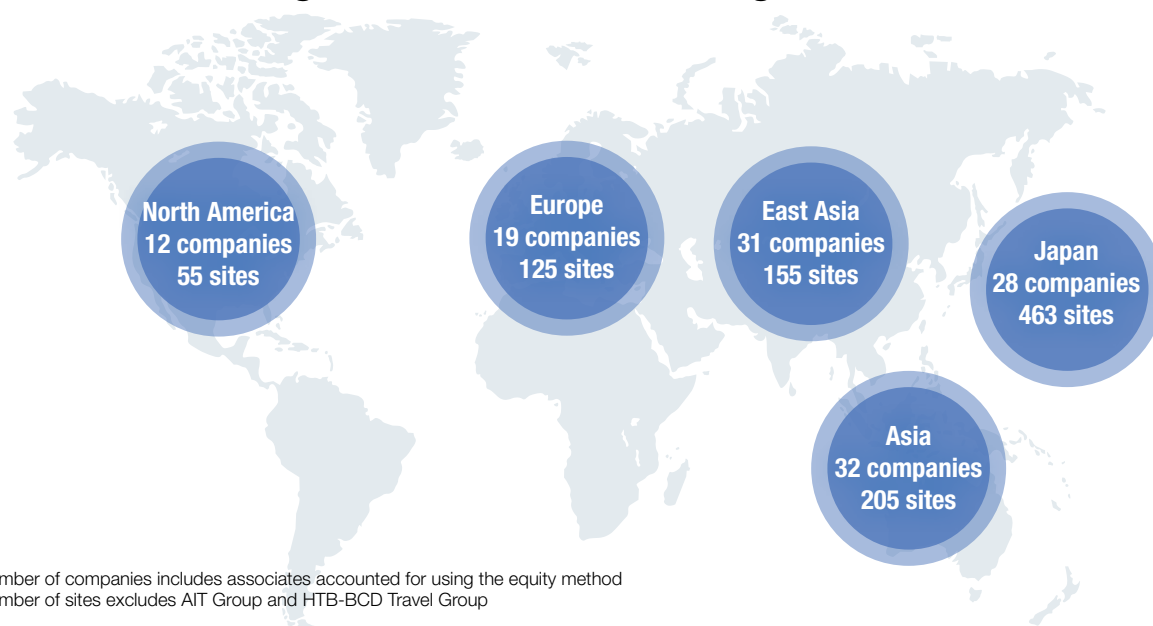
VANTEC EUROPE LIMITED

East Asia

LOGISTEED Hong Kong, Ltd.

ALPS LOGISTICS HONG KONG LTD.

LOGISTEED China, Ltd.

LOGISTEED Shanghai Pudong, Ltd.

Fine Chemical Logistics China Company Limited

ALPS LOGISTICS (SHANGHAI) CO., LTD.

DALIAN ALPS TEDA LOGISTICS CO., LTD.

TIANJIN ALPS TEDA LOGISTICS CO., LTD.

VANTEC SUMISO LOGISTICS (WUHAN) CO., LTD.

LOGISTEED Taiwan, Ltd.

ALPS LOGISTICS TAIWAN CO., LTD.

LOGISTEED Korea, Ltd.

ALPS LOGISTICS KOREA CO., LTD.

Asia

LOGISTEED Asia-Pacific Pte. Ltd.

ALPS LOGISTICS (S) PTE. LTD.

Flyjac Logistics Pvt. Ltd.

ALPS LOGISTICS INDIA PRIVATE LIMITED

VANTEC LOGISTICS INDIA PRIVATE LIMITED

LOGISTEED Malaysia Sdn. Bhd.

ALPS NAIGAI LOGISTICS (MALAYSIA) SDN. BHD.

LOGISTEED (Thailand), Ltd.

Eternity Grand Logistics Public Co., Ltd.

ALPS LOGISTICS (THAILAND) CO., LTD.

Manila International Freight Forwarders, Inc.

ALPS LOGISTICS PHILIPPINES, INC.

PT Berdiri Matahari Logistik

PT LOGISTEED Indonesia

PT ALPS LOGISTICS INDONESIA

PT VANTEC INDOMOBIL LOGISTICS

LOGISTEED Vietnam Co., Ltd.

ALPS LOGISTICS VIETNAM CO., LTD.

LOGISTEED Australia Pty. Ltd.

Network Extending to 30 Countries and Regions   As of March 31, 2025

North America
12 companies
55 sites

Europe
19 companies
125 sites

East Asia
31 companies
155 sites

Japan
28 companies
463 sites

Asia
32 companies
205 sites

* Number of companies includes associates accounted for using the equity method
* Number of sites excludes AIT Group and HTB-BCD Travel Group

Glossary of Terms

Asset-light	A management strategy focused on minimizing asset holdings to streamline finances. This approach offers advantages such as enabling focused investment in core businesses and responding with more flexibility to market dynamics.
AMR	Stands for Autonomous Mobile Robot. These are autonomous mobile collaborative robots used for transporting goods within warehouses. Unlike fixed-route systems, they navigate independently by using sensors and map data to recognize their surroundings. They contribute to improved operational efficiency and help address labor shortages.
CLO	Stands for Chief Logistics Officer. The person ultimately responsible for a company's logistics strategy. This position requires measures aimed at streamlining logistics operations while coordinating operations across the company's entire supply chain.
J-Credit	A government-certified system that issues credits for reducing CO_2 and other emissions through measures such as the introduction of energy saving equipment and the use of renewable energy, as well as for the absorption of CO_2 through proper forest management.
VC activities	Stands for Value Change & Creation. Daily activities implemented to make improvements toward carrying out the LOGISTEED WAY. Employees actively exchange ideas on a variety of themes, with outstanding examples receiving formal recognition, paving the way to embed an improvement-oriented culture through the "visualization of improvement initiatives" and the "fostering of a culture of appreciation."
WCS	Stands for Warehouse Control System. A system designed to centrally manage and control automated warehouse equipment and transport machinery, enabling efficient logistics operations.
WES	Stands for Warehouse Execution System. A system designed to generally manage and control personnel, tools, and equipment, enabling efficient logistics operations.
EcoLogiPortal	A solution used to centrally manage and visualize CO_2 emissions across the supply chain, including Scope 1, 2, 3 emissions, to aid in resolving issues and formulating strategies.

LOGISTEED, Ltd.