



News Release

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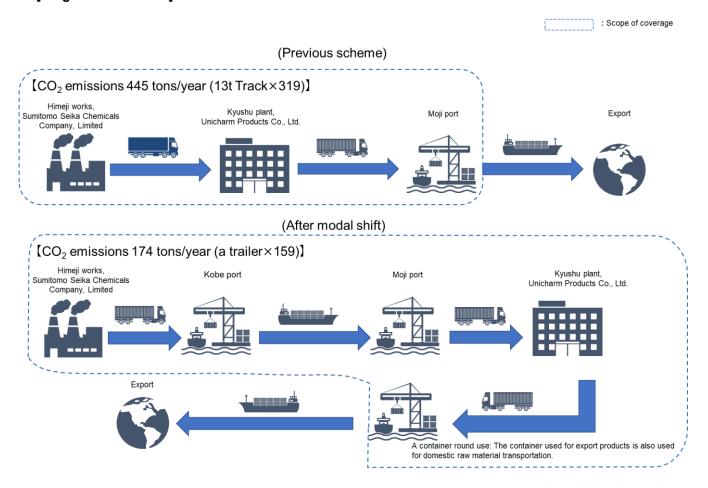
HTS Receives Advanced Technology Award at the 23rd Logistics Environment Awards

Hitachi Transport Sysytem (HTS) is pleased to announce that it has received the Advanced Technology Award for "Contributing to the reduction of environmental impacts by diversion of marine containers that to be used for exporting products to domestic transportation of materials" at the 23rd Logistics Environment Awards sponsored by the Japan Association for Logistics and Transport. This award was taken jointly by HTS and our client companies, Sumitomo Seika Chemicals Company, Limited, the Kyushu Plant of Unicharm Products Co., Ltd., Imoto Lines, Ltd., and our group company, VANTEC CORPORATION. This is the 3rd award following the "Eco-Ship Modal Shift Excellent Business Awards (Shipping Modal Shift Award) 2021," and the "Green Logistics Excellent Business Award (Logistics DX/Standardization Award) 2021."

[Summary of the initiative]

Raw materials were previously transported from Himeji Works, the Sumitomo Seika Chemicals to Kyushu Factory, the Unicharm Products entirely by truck. It was necessary to stably secure truck drivers and reduce environmental impact for the future. In this context, we realized to eliminate long-distance transportation by truck through a modal shift to the use of coastal vessels for transport between Kobe and Moji Ports, thereby ensuring stable transport, reducing the load on truck drivers, and reducing CO2 emissions. In addition, we increased the capacity of transportation vehicles by using export marine containers in domestic transportation, which reduced the number of shipments, and improved transportation efficiency. Besides, we installed automatic vanning machines for loading export products to reduce work hours.

[Image of the initiative]



Toward New Dimensions

LOGISTEED

[Effect]

- •Annual CO2 emissions reduced by 271 tons (from 445 tons to 174 tons), a 61% reduction compared to truck transportation.
- ·Loading capacity per shipment doubled by use of marine containers that can hold 26 tons instead of 13-ton trucks.
- •Use of marine containers in domestic transportation allowing the same containers to carry raw materials within Japan and to transport export products from Japan (container round use).
- •Reduced drivers' annual driving time by 2,077 hours (from 3,508 hours to 1,431 hours).
- •Work hours shortened by 875 hours by installing automatic vanning machines for loading export products (from 954 hours to 80 hours).

The HTS Group has established medium-to-long-term environmental targets aiming for a 50% reduction in CO2 emissions by FY2030 (compared to FY2013) and carbon net zero by FY2050. In this way, the Group will contribute to the realization of a sustainable society.

End

