

# News Release

November 15, 2022

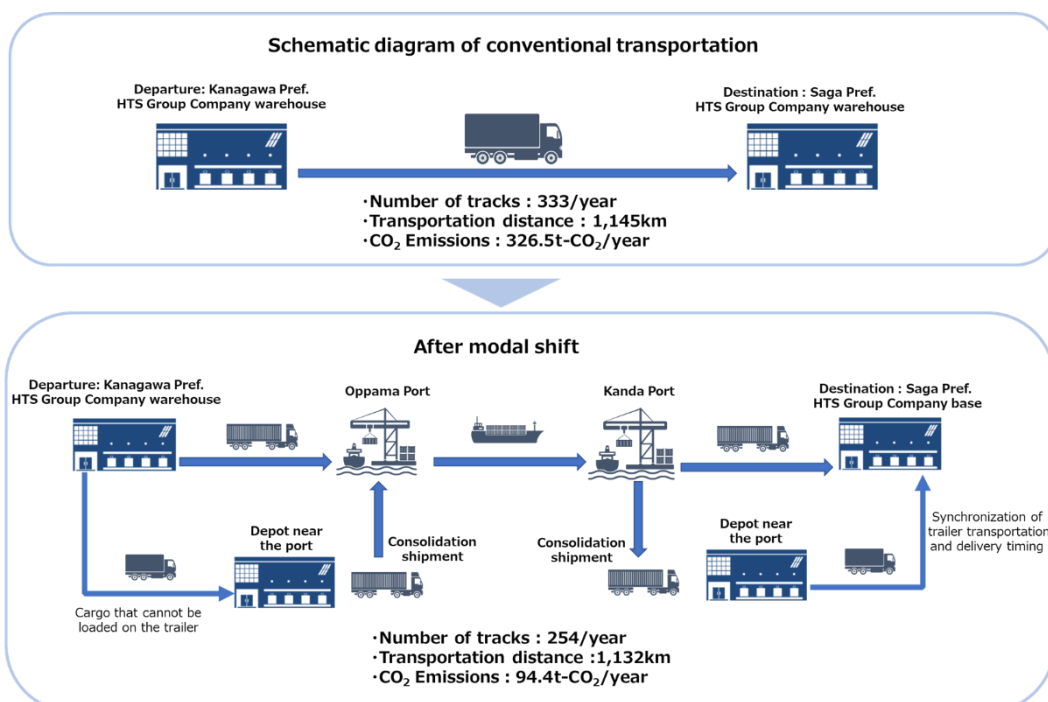
## HTS Received the Award of Modal Shift Initiative Excellent Business Operator (new development category) in 2022

Hitachi Transport System, Ltd. (HTS) has been awarded Modal Shift Initiative Excellent Business Operator (new development category) in 2022, sponsored by the Japan Association for Logistics and Transport. The purpose of this award is to recognize companies in the logistics industry that are making exemplary efforts to reduce environmental impact and improve labor productivity, and to introduce their efforts to society at large in order to further promote a modal shift. At this time, we received the award at new development category for “Realization of modal shift that flexibly deal with daily increases and decreases in volume —Securing resilient and sustainable transportation that contributes to reducing environmental impact, reducing driver shortages and improving the working environment.—”

### [Summary of the Initiative]

Our client, a cosmetics manufacturer, has been using long-distance truck transportation for products transportation between Kanto and Kyushu, and it has been facing issues such as a large environmental impact and a shortage of truck drivers. Then, we made a modal shift to trailers and coastal shipping, using the return trips of automobile parts transported by HTS Group Company, VANTEC CORPORATION. The vehicle size was changed from a truck to a trailer, and cargo that could not be loaded was brought to depot near the port and combined with other cargo. This has made it possible to respond flexibly to the volume of cargo on a daily basis, realizing a modal shift for all cargo.

### [Image of Initiative]



**[Effect]**

- CO<sub>2</sub> emissions reduced by 232.1 tons (from 326.5 tons to 94.4 tons), down by 71.1% from truck transportation.
- Reduced the number of 10t trucks from 333 trucks to 254 trucks, thereby addressing driver and vehicle shortages.
- The driving time per service was reduced from 23 hours to 4 hours, thereby reducing the burden on the drivers.

The HTS Group has established medium-to-long-term environmental targets aiming for a 50% reduction in CO<sub>2</sub> 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.

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