

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 Headquarters, and holds meetings regularly. Important agenda discussed in the meetings are submitted to the Executive Committee.



* The structure below the Executive Committee is established at LOGISTEED, the core company.

FY2025 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.

EcoVadis* Sustainability Ratings

In December 2025, LOGISTEED awarded a Bronze Medal sustainability rating from EcoVadis, an international sustainability rating provider. We will continue to strive for continuous improvement in our rating and aim to enhance our corporate value through the strengthening and advancement of our ESG-related initiatives.

* EcoVadis is an international organization that comprehensively evaluates corporate performance in four themes: "Environment," "Labor and Human Rights," "Ethics," and "Sustainable Procurement." It conducts sustainability ratings for over 150,000 companies across more than 185 countries and regions worldwide.
* The medal was awarded based on the evaluation of LOGISTEED, Ltd. and does not represent an evaluation of LOGISTEED Holdings.

Please refer here for details regarding the score : <https://recognition.ecovadis.com/vb2FBrLAeEyQE-VdtoWH7g>



Message from the officer in charge



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

Isao Takaoka

In the LOGISTEED Group's Mid-term Management Plan "LOGISTEED2027," we have positioned "Implement industry-leading ESG management initiatives" as a priority measure, and we are engaging in the integrated promotion of sustainability and business growth. In FY2026, in addition to enhancing our ESG-related initiatives, we are emphasizing the objective visualization and evaluation of their results, and are strengthening our response to external evaluations, including EcoVadis. In addition, we are steadily advancing initiatives toward obtaining SBT certification, an international framework for reducing greenhouse gas emissions, and are working to improve the effectiveness of our decarbonization management. Through these initiatives, we will connect the creation of environmental, social, and economic value to the sustainable enhancement of our corporate value. We will continue to place sustainability management at the core of our growth strategy and contribute to the realization of a sustainable society.

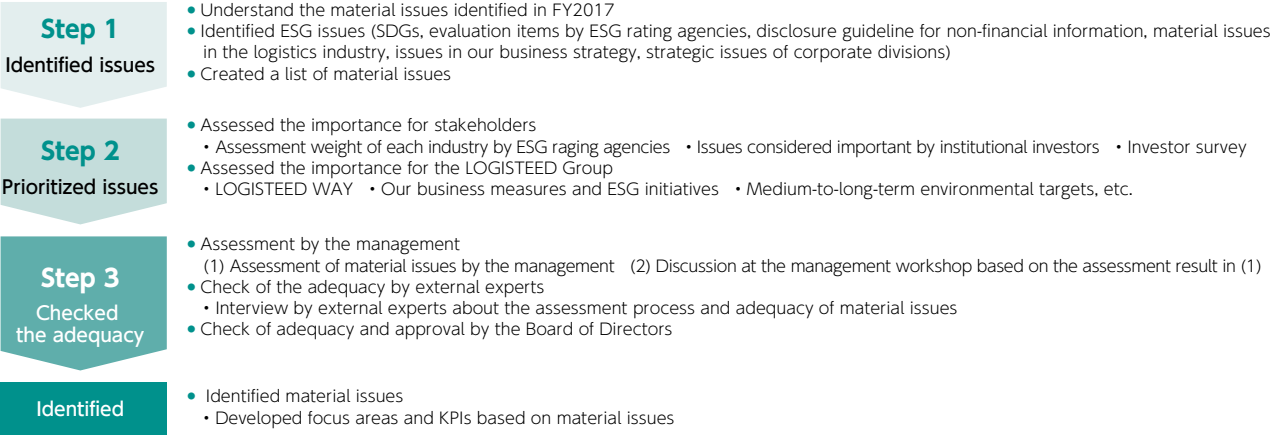
For details, please visit our website [LOGISTEED Group Sustainability](https://logisteed-holdings.com/en/csr/sustainability/) [Material Issues](https://logisteed-holdings.com/en/csr/materiality/)

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.

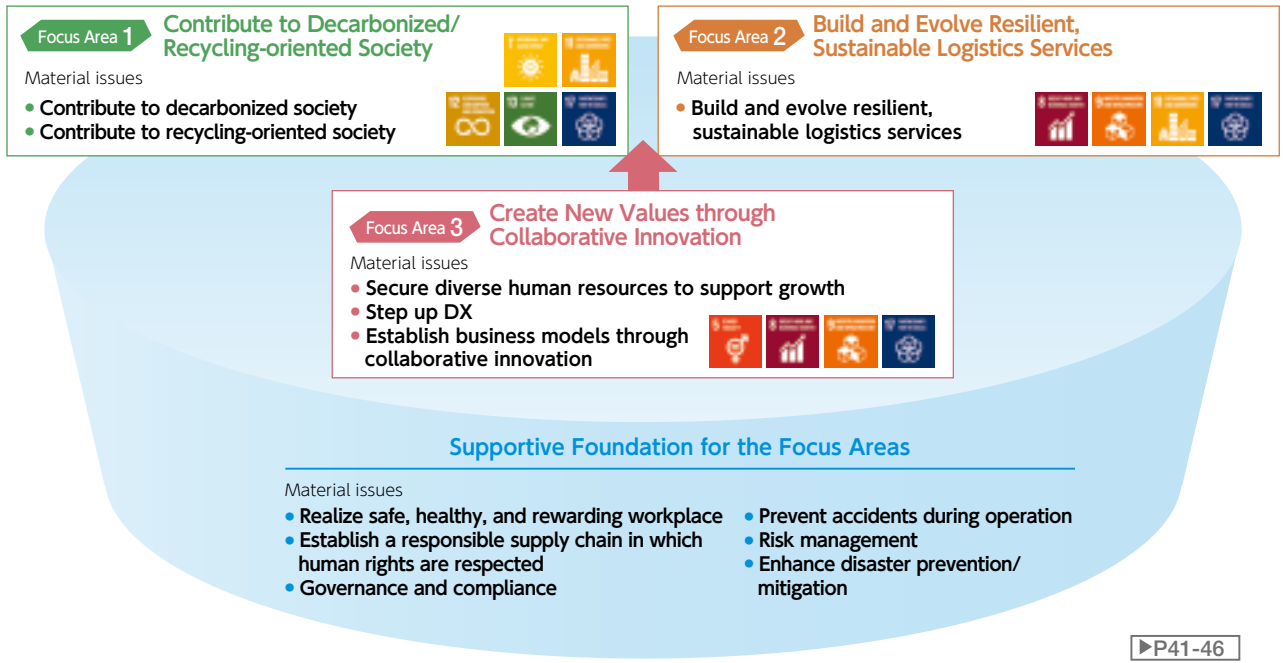
* Creating Shared Value (CSV): Refers to practices that balance activities to create economic benefits with solutions to social issues, or management strategies to achieve them

Process to identify material issues



Developed Focus Areas

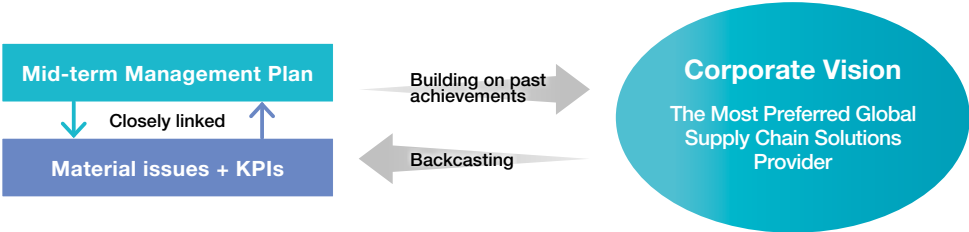
Of the identified 12 material issues, we classified those relating to value creation into three Focus Areas and those relating to the business base, such as compliance and risk management, into "Supportive foundation for the Focus Areas" in order to take actions for issues to be addressed with priority.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



Material Issues and KPIs of the LOGISTEED Group

For details, please visit our website [Material Issues https://logisteed-holdings.com/en/csr/materiality/](https://logisteed-holdings.com/en/csr/materiality/)

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	LOGISTEED	Japan	Over seas	FY2025 achievements	Targets Unless otherwise stated, the figures represent targets for FY2027	Related SDGs	References
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	●	●		Down by 4% from FY2013 * Down by 21% from FY2013 when excluding the impact of consolidating ALPS LOGISTICS within the Group	FY2030: Down by 50% from FY2013		P53-59
		Support customers' decarbonization by providing SCDOS "Decarbonization Monitoring Service"	●	●	●	Proposed the SCDOS EcoLogiPortal (CO ₂ emission visualization solution) to numerous customers both Japan and overseas, and supported the visualization and reduction of CO ₂ emissions generated in their logistics areas	Achieve annual targets for the number of companies we approach		P31-32,59
		Promote initiatives to set CO ₂ emission reduction targets including supply chains	●	●	●	Japan: Continued aggregation and operation of Scope 1-3 data Overseas: Continued aggregation and operation of Scope 1-2 data and completed the construction of a Scope 3 calculation system and scheme	Establish a framework and scheme for calculating supply chain emissions, including international operations	 	P54
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* ²	●	●	●	Japan: 99% Overseas: Constructed a recycling rate collection scheme	Maintain 99% every fiscal year	 	P53,59
		Promote initiatives to build a circular economy business model	●	●		Participated in a demonstration project aimed at building a resource circulation system for used EV batteries	Keep track of the achievements		—

Focus Area 2 Build and Evolve Resilient, Sustainable Logistics Services

Material issues	Risks and opportunities	KPIs	LOGISTEED	Japan	Over seas	FY2025 achievements	Targets Unless otherwise stated, the figures represent targets for FY2027	Related SDGs	References
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* ³ with SCDOS	●	●	●	Proposed solutions to numerous customers both in Japan and overseas, and supported the improvement of their SCM	Achieve annual support targets		P31-32
		Realize a comfortable workplace by installing automated/labor-saving equipment at logistics centers	●	●	●	Installed automated/labor-saving equipment for cargo handling and delivery at multiple logistics centers in Japan and overseas, saving 100 FTE* ⁴ per year compared to FY2024	Mechanize cargo handling work (100 FTE per year)		P28,38,60
		Contribute to safe and more efficient transport by expanding user network of each "SSCV" function	●	●		Expanded the LOGISTEED Group's ecosystem through the installation of "SSCV" (1) Smart: Installed at a total of 1,072 partner companies (2) Safety: Installed in a total of 4,629 vehicles (of which, 1,403 are vehicles operated by partner companies) (3) Vehicle: Installed in a total of 4,374 vehicles	Achieve the targets to install: (1) Smart: partner companies (2) Safety: vehicles of group & partner companies (3) Vehicle: the LOGISTEED Group's vehicles* ⁵	 	P31-32, 60,62
		Enhance transport business to realize sustainable logistics	●	●		Number of violations of labor standards regarding drivers: 0	Number of violations of labor standards regarding drivers: 0		P60
		Expand GDP(▶P68)-compliant equipment at medical DCs	●	●		- Implemented an education program aimed at strengthening GDP quality control and operational capabilities for all employees engaged in GDP operations - Conducted comprehension tests for GDP operations managers at each site - Added a standard system with document and record management functions at the same level as the manufacturing sector to 5 sites in Japan (7 sites in total)	Complete installations in target sites		P60

Timeline definitions: Short-term: Up to 1 year; Medium-term: 2 to 5 years; Long-term: 6 years or more
*1 Total of Scope 1 and 2
*2 Recycling Rate for Packaging Materials
*3 Supply chain management
*4 Full-Time Equivalent: A unit of the full-time work amount in an organization
*5 Trucks, commercial vehicles, forklifts

Material Issues and KPIs of the LOGISTEED Group

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Focus Area 3 Create New Values through Collaborative Innovation

Material issues	Risks and opportunities	KPIs	LOGI STEED	Japan	Over seas	FY2025 achievements	Targets Unless otherwise stated, the figures represent targets for FY2027	Related SDGs	References
Secure diverse human resources to support growth	Risks 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 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	Implement education to develop human resources with DX skills	●	●		- Conducted basic DX training aimed at fostering a mindset for business application (2,589 participants) - Implemented an education program to develop human resources with DX skills - Intensive training for human resources to promote DX business: 687 attendees in total (cumulative) - Intensive training for DX technical skills: 729 attendees in total (cumulative) - DX mindset cultivation program: 5,291 attendees in total (cumulative)*1	All eligible employees complete training according to their skill levels		P61
		Number of key management positions for which succession plans are prepared	●	●	●	Number of key management positions for which succession plans are completed: 10	Gradually increase the number of target positions from FY2025 to FY2027		P33-34,61
		Improve operational efficiency through the introduction of digital tools such as generative AI and low-code tools	●	●	●	Digital fit rate: 1.21% year-on-year improvement	FY2025: 1.1% year-on-year improvement in digital fit rate		P35-36
		Improve the score of sustainable engagement in the employee engagement survey	●	●	●	Benchmark score clear rate by country*2: 58%	Benchmark score clear rate by country: 100%		P34-36
		Ratio of female managers	●			7.9%	FY2025: 8%	 	—
									P61
Step up DX	Risks 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 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 Opportunities 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	Construct and deploy a company-wide optimization management foundation driven by KPIs and data	●	●	●	Completed the renewal of ERP systems for group companies in Europe and North America as planned, and promoted the unification of code systems and integration of data models globally	Complete the renewal of ERP systems at overseas group companies and build an integrated data infrastructure to support the realization of data-driven management		P61
		Implementation of Resource Control System (▶ P32)	●	●	●	Installed in 88 warehouse projects	Achieve the target number of installations		P31-32,61
		Number and percentage of DX related patent applications included in the total patent applications (publication)	●	●	●	Number of DX-related patent applications: 8 Share of DX-related patent applications: 80%	Keep track of the achievements		P37-38
Establish business models through collaborative innovation	Risks 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	Develop new services and business models through collaborative innovation	●	●	●	Conducted demonstration project in collaboration with partner companies aimed at optimizing power usage and improving operational efficiency in EV truck operations	Keep track of the achievements		—

Timeline definitions Short-term: Up to 1 year; Medium-term: 2 to 5 years; Long-term: 6 years or more
*1 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
*2 Proportion of companies implementing engagement surveys exceeding the country-specific benchmark scores provided by Willis Towers Watson

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Supportive Foundation for the Focus Areas

Material issues	Risks and opportunities	KPIs	LOGISTEED	Japan	Overseas	FY2025 achievements	Targets Unless otherwise stated, the figures represent targets for FY2027	References
Realize safe, healthy, and rewarding workplace	Risks Short to Long-term Impact on operations and loss of social trust due to workplace accidents	Workplace accident frequency rate/severity rate	●	●		Frequency rate: 0.80 Severity rate: 0.167	Keep track of the achievements	P62
	Short to Long-term Loss of employee motivation, decline in labor productivity, and loss of human resources due to long working hours	Number of serious accidents (fatal workplace accidents)	●	●	●	Japan: 1, Overseas: 1	0	P62
	Opportunities Short to Long-term Improve employee motivation and labor productivity by creating a comfortable workplace that takes health and safety into consideration	Rate of paid leave taken	●	●		59.9%	Keep track of the achievements	—
	Short to Long-term Enable stable operations by ensuring occupational health and safety	Rate of sick leave days*1 -Promote health and productivity management-	●	●		1.00%	Keep track of the achievements	—
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	Promote initiatives to develop a business platform that respects human rights	●	●	●	Continued risk mitigation activities such as compliance with the Australian Modern Slavery Act and support for foreign technical intern trainees	Keep track of the achievements	P62
	Short to Long-term Decrease in competitiveness due to deterioration of quality and productivity in the supply chain	Human rights education	●	●	●	- Conducted human rights education for employees in Japan and overseas (44,341 participants, 96.7% participation rate) - Conducted human rights training for all executives of Japan and overseas group companies (160 participants, 94.6% participation rate)	Keep track of the achievements	P62
	Opportunities Short to Long-term Enable stable business operations by building long-term relationships with suppliers that give consideration to human rights	Strengthen implementation of compliance screening for business partners	●	●	●	Continued to conduct annual screening of customs clearance contractors and performed compliance checks on major overseas business partners	Keep track of the achievements	P49
Governance and compliance	Short to Long-term Loss of social trust due to violation of various laws and regulations and deviation from social norms	Attendance rate for LOGISTEED Group Code of Conduct education (e-learning)*2	●	●	●	96.0% (75,056 participants in total)	Every fiscal year: 100%	P49
	Short to Long-term Business disruption, loss of social trust, and unexpected losses due to dysfunctional governance and internal control	Ratio of female, non-Japanese nationals, and mid-career hires among executive officers*3	●			31% (as of March 31, 2026)	Over 25%	P33-34
	Opportunities Short to Long-term Earn social trust by demonstrating a commitment to legal compliance	Reflect evaluation of sustainability initiatives, etc., in executive compensation	●			In FY2025, we incorporated the achievement status of CO ₂ emission reduction and engagement survey results into the evaluation for annual bonuses for executive officers and operating officers, and also considered expanding the items subject to evaluation	Maintain and continue evaluation items	—
	Short to Long-term Earn trust of stakeholders by realizing highly effective corporate governance and making ongoing improvement							
Prevent accidents during operation	Risks Short to Long-term Impact on operations and loss of human resources and social trust due to accidents	Reduce the "four major accidents" *4 to zero in Japan and overseas and cut loss costs	●	●	●	Number of the four major accidents in Japan and overseas: 13 (year-on-year: -13) Loss cost: 20% reduction year-on-year	Keep track of the achievements	P62
	Opportunities Short to Long-term Enable stable operations by securing safety in operation/transportation	Implement measures to strengthen prevention	●	●	●	- Conducted safety education (Group training: 12; Off-site/online training: 51/Number of participants: 4,828 in total) - Conducted education through experiential sessions using VR (Implemented at 109 Japan and overseas sites/3,306 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: 36 companies, 52 persons in total)	Keep track of the achievements	P62
	Short to Long-term Earn social trust by demonstrating a commitment to preventing accidents during operation/transportation	Reduce incidents during vehicle operation by utilizing "SSCV-Safety"	●	●		Number of incidents*6: 0.008 (Down by 20% YoY) The rate of serious accidents involving the LOGISTEED Group's vehicles was approximately 80% lower than the national average as of FY2023*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	P62
Risk management	Risks Short to Long-term Business suspension/discontinuation due to inadequate/dysfunctional risk management	Conduct company-wide disaster prevention training and overseas BCP caravans*8	●	●	●	- Conducted "company-wide BCP trainings by disaster response HQ" in September - Conducted training programs, such as simulation exercises for six companies*9 in the Asia, China and Europe area as part of the overseas BCP caravan	Keep track of the achievements	P50-52
	Opportunities Short to Long-term Enable to recover business quickly and restore corporate reputation by enhancing risk management initiatives	Number of information security incidents	●	●	●	0	Every fiscal year: 0	P49
		Attendance rate for information security training course and rate of targeted threat emails for simulation trainings opened	●	●	●	- Attendance rate for information security training course: 100% (35,374 attendees) - Rate of targeted threat emails for simulation trainings*10 opened: 7.4%	Every fiscal year: 100% attendance/Open rate: 10%	P49
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	Enhance functions of the Centralized Safety and Quality Control Center	●	●		Installed advanced video management systems and other technologies at eight distribution centers in Japan (cumulative total), expanding remote monitoring of unsafe behaviors and hazardous events	Keep track of the achievements	P30
	Short to Long-term Damage to related parties, compensation to victims, and lawsuits by victims	Introduce firefighting visualization systems at new sites	●	●	●	Moved forward with the introduction of systems at ALPS LOGISTICS Group sites in Japan, etc., and completed introduction at approximately 680 buildings (cumulative)	Keep track of the achievements	P50-52
	Opportunities Short to Long-term Avoid opportunity loss through rapid business continuity and recovery	Conduct trainings for initial response at disasters	●	●		Conducted initial response training group-wide assuming natural disasters such as earthquakes: 14 companies (218 participants)	Keep track of the achievements	P50-52
	Short to Long-term Earn social trust by demonstrating a commitment to enhancing resilience							

Timeline definitions: Short-term: Up to 1 year; Medium-term: 2 to 5 years; Long-term: 6 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 FY2025 include conflicts of interest, laws and regulations on importing and exporting, money laundering, insider trading, political contributions and lobbying, integrity of records and reports, respect for human rights, antitrust law, and bribery
*3 Percentage for executive officers and operating officers
*4 Serious at-fault vehicle accidents, on-site work accidents, fire accidents, and heavy machinery 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
*7 Calculated based on the "Data on Traffic Accidents Involving Commercial Vehicles (2023)" published by the Institute for Traffic Accident Research and Data Analysis. While the national average driving distance per accident stands at 46.5 thousand kilometers, for the LOGISTEED Group this figure is 236 thousand kilometers.
*8 Activities to build and improve risk management systems in overseas sites by sending instructors from Japan
*9 LOGISTEED China, LOGISTEED Indonesia Forwarding, LOGISTEED Indonesia, VANTEC INDOMOBIL LOGISTICS, LOGISTEED INDIA, Mars Logistics Group
*10 The scope includes LOGISTEED and Japan group companies, with some exceptions for overseas group companies

Corporate Governance

Basic Principle

At the LOGISTEED Group, we consider the foundation of corporate governance to be enhancing management transparency and efficiency, conducting business with compliance and sound corporate ethics, and thereby increasing medium- to long-term corporate value and achieving sustainable growth.

LOGISTEED Holdings' 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 10 directors, including eight Non-Executive 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 holds meetings once a month in principle, is composed of three directors, including Non-Executive 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 Non-Executive Directors to remotely attend important internal meetings, such as those of Executive Committee.

Primary roles of the Board of Directors, etc. (as of the end of June 2026)

Board of Directors

Determines basic management policies, etc. and supervises the execution of duties by directors and executive officers

In addition to matters to be resolved stipulated by laws and regulations, the Articles of Incorporation, and the Board of Directors regulations, also passes resolutions by focusing on specific discussions on the Mid-term Management Plan and fiscal budget.

Audit & Supervisory Committee

Performs audits of directors' execution of their duties 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.

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.



Primary roles of the Executive Committee (as of the end of June 2026)

Executive Committee

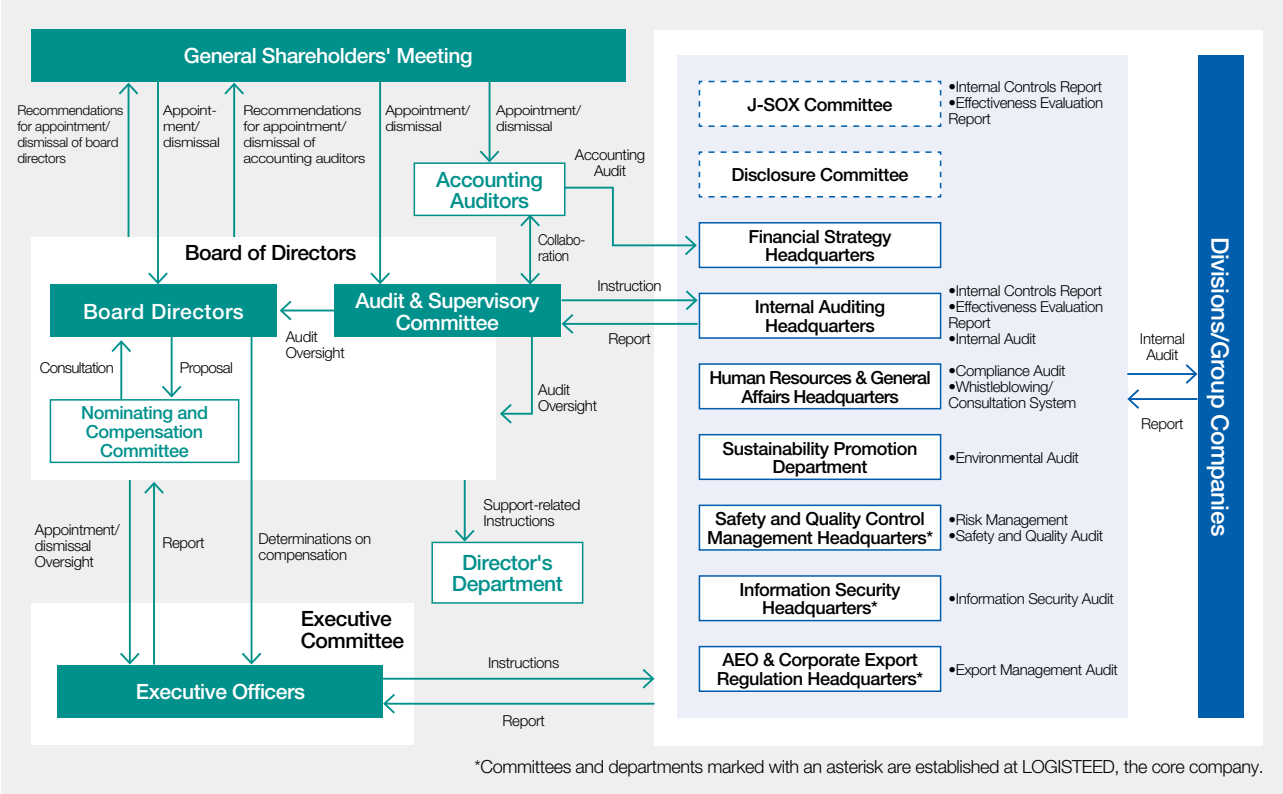
Deliberates on important issues related to business implementation

Composed of executive officers and persons specifically nominated by the President and CEO, and is structured to deliberate and report on fundamental policies related to business management, financial results, and business plans, etc.



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 Headquarters, 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," the LOGISTEED Group's internal reporting system. The results of internal audits and the status of reports under the compliance internal whistleblowing system are regularly reported to the Audit & Supervisory Committee.

Risk management system

For compliance, information security, the environment, disasters, quality control, export control, and the prevention of transactions with antisocial forces, etc., each responsible department has established rules, including the "Rules on Prevention of Bribery," "Basic Policy on Information Security," and "Quality Assurance Control Rules." The Company, together with its subsidiaries, has 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, the environment, disasters, quality control, export control, and the prevention of transactions with antisocial forces, 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. We also send directors and Statutory Auditors 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 have established basic policies such as the "LOGISTEED Group Code of Conduct" and share corporate social responsibility with group companies.

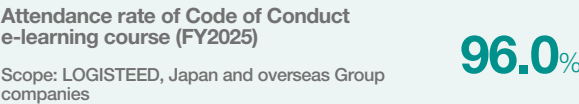
Compliance/Information Security

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.

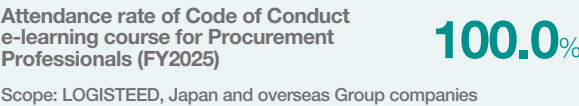
Compliance education

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 in Japan.



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 Japan and overseas group 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 Japan 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

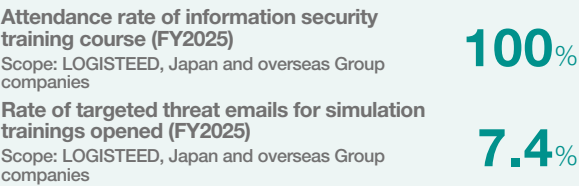
employees and other stakeholders to report without hesitation, and ensures thorough protection of whistleblowers.

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.

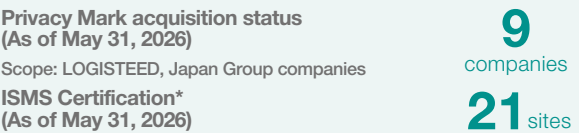
Education and training for personal information protection/information security

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 Japan group companies but also our overseas group companies. This training utilizes a simulation system we have independently developed.



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.



* Scope of registration: Sales, design, and development operations within the 3PL business, and logistics center operation

For the LOGISTEED Group Code of Conduct, please refer to our website. https://www.logisteed-holdings.com/en/csr/pdf/logisteed_group_code_of_conduct.pdf
For Compliance information, please refer to our website. <https://logisteed-holdings.com/en/csr/governance/compliance/>
For Information security, please refer to our website. <https://logisteed-holdings.com/en/csr/governance/riskmanagement/>

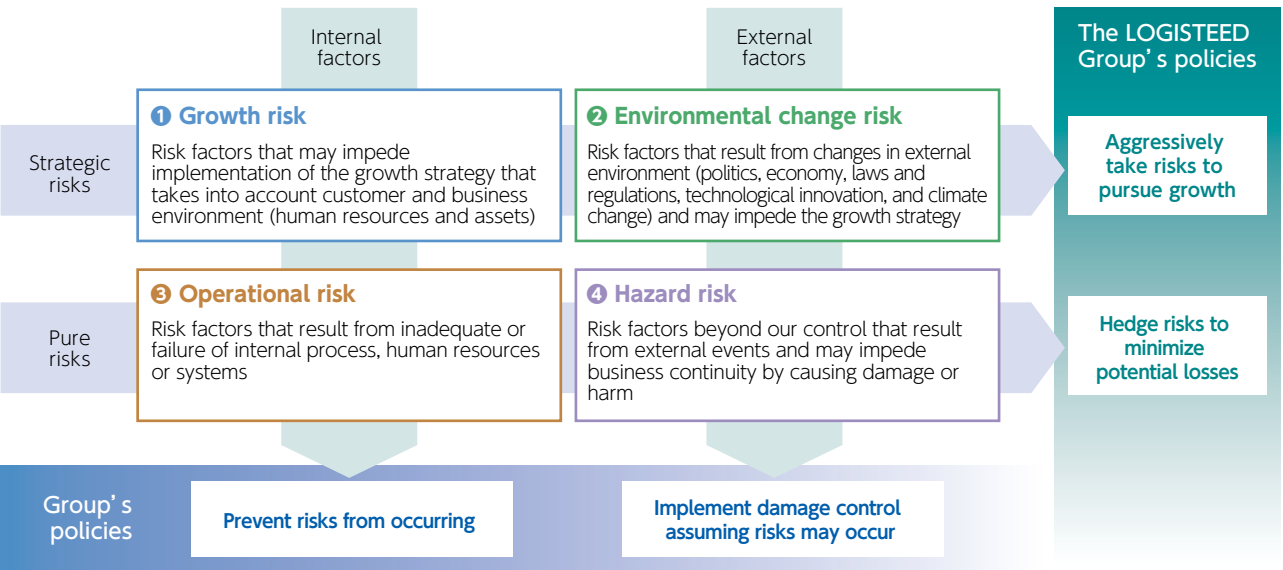
Risk Management

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.

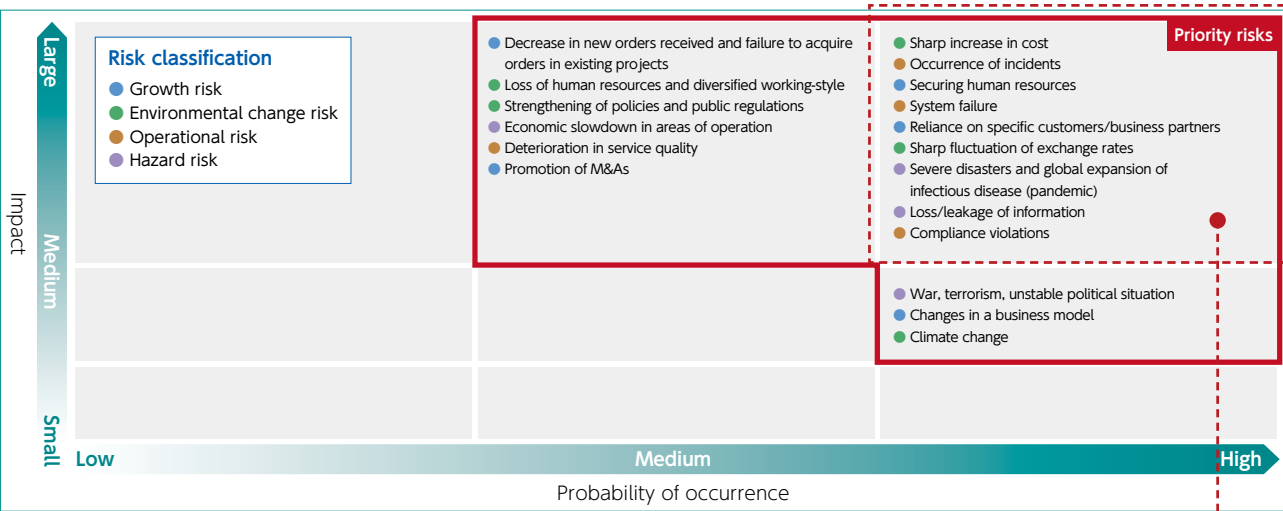
Definition and classification of risks

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.



Heatmap by risk factor (in descending order of priority)



The status of initiatives 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://logisteed-holdings.com/en/csr/governance/riskmanagement/>

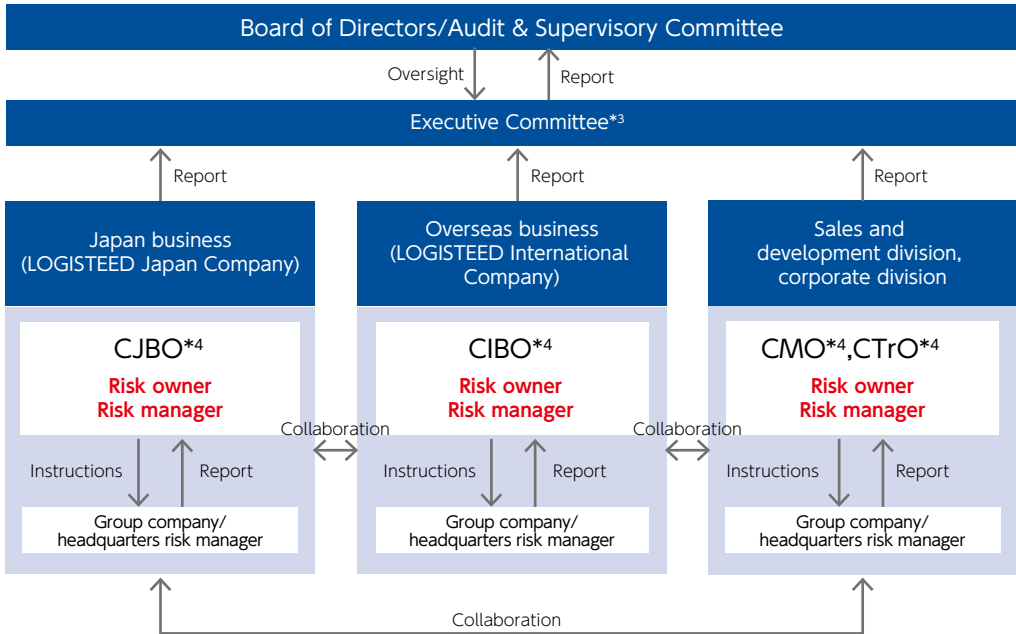
Risk Management

For details, please refer to our website. Risk management <https://logisteed-holdings.com/en/csr/governance/riskmanagement/>

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 (Japan 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: Person responsible for discussing responses to risks and implementing, monitoring, and overseeing response measures
*2 Risk manager: Person responsible for responding to risks in cooperation with the Risk owner and promptly implementing responses
*3 LOGISTEED Executive Committee
*4 For officer abbreviations, please refer to P15.

Risk factors and the status of the LOGISTEED Group's initiatives (highest-priority risks)

1 Growth risk

Risk factors	Details of risks and opportunities	LOGISTEED Group initiatives
Securing human resources	Risk - 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 Opportunity - Acquisition of new expertise and creation of new businesses	[Domestic/Overseas common] - Expand network of partner companies and secure workforce by enhancing recruitment of in-house drivers (increase personal vehicles) including reviewing drivers' benefit - 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 [Domestic] - Promote recruiting of foreign drivers through the utilization of the Specified Skilled Worker System - Monitor the bankruptcy risk of partner transport companies, and negotiate with partner companies to appropriately pass on labor costs in pricing [Overseas] - Development of overseas management talent from a medium- to long-term perspective
	Risk - 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 Opportunity - Efficient business expansion and able to take advantage of scale - Strengthening industry-specific expertise	[Domestic/Overseas common] - Account management through enhanced collaboration among group companies and divisions - Monitor business condition of business partners and customers - 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 DX solution and engineering capabilities

2 Environmental change risk

Risk factors	Details of risks and opportunities	LOGISTEED Group initiatives
Sharp increase in cost	Risk - Impact on profits due to increase in procurement costs (fuel, car allocation expenses, labor costs, warehouse rent, and utility costs, etc.) Opportunity - Decrease in procurement costs - Improvement in profitability through customer pricing negotiations	[Domestic/Overseas common] - 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 - 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 [Domestic] - Reduce impact on business continuity by monitoring management of major partner companies [Overseas] - Improvement of operational efficiency through consolidation of offices and warehouses of overseas Group companies, and cost reduction through integration of back-office functions
Sharp fluctuation of exchange rates	Risk - Exchange loss - Negative impact of translation of business results of overseas subsidiaries into Japanese yen Opportunity - Exchange gain - Positive impact of translation of business results of overseas subsidiaries into Japanese yen	[Domestic/Overseas common] - 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

3 Operational risk

Risk factors	Details of risks and opportunities	LOGISTEED Group initiatives
Occurrence of incidents	Risk Occurrence of industrial accident, vehicle or product accidents, and fire	[Domestic/Overseas common] - 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 - Establish an initial response and reporting system in case of an accident, and conduct drills - Verification of the effectiveness of accident prevention measures and prevention of recurrence through the sharing of good examples - Conducting 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 safety workplaces through the proactive use of technology (such as the Centralized Safety and Quality control Center, SSCV, and security robots) [Domestic] - 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 - Develop and implement a facility maintenance plan - Establish and regularly review the LDSK (LOGISTEED Work Standards) - Development of safety team leaders and promotion of site-driven safety activities
System failure	Risk - Significant delay in work or suspension of operations due to power outage or system / equipment failure caused by natural disasters - Significant delay in work or suspension of operations due to cyberattacks or system failures at external service providers - Delay in operations due to deterioration of system / equipment response - Occurrence of failures caused by system aging	[Domestic/Overseas common] - Introduce redundant system - Prepare alternative means in case of failure - Strengthen backup measures for system recovery and conduct onsite training - Implement measures for each service used and BCP - Enhance risk management with cybersecurity insurance - Regular system updates and upgrades [Domestic] - Measures to address system issues arising during customer system renewals (address the 2025 digital cliff issue (After 2025, aging systems will hinder corporate DX (Digital Transformation) and obstruct efficient business operations.))
Compliance violations (violation of the labor law, bribery, infringement on human rights, etc.)	Risk - Violation of overtime regulations, etc. - Disagreement with the authority on the interpretation of equal pay for equal work - Violations of laws and regulations such as bribery and competition law - Information leakage - Infringement on human rights including harassments, child labor, and low wage labor - Infringement on intellectual property rights	[Domestic/Overseas common] - Establish the LOGISTEED Group Code of Conduct and educate all employees - Conduct regular internal audits - Introduce a whistleblowing system - Conduct investigation and education by legal divisions in each region - Establish a structure to manage an attendance management system - Clarify wage calculation method - Implement due diligence on human rights [Domestic] - Establish a specialized IP division and educate all employees

4 Hazard risk

Risk factors	Details of risks and opportunities	LOGISTEED Group initiatives
Severe disasters and global expansion of infectious disease (pandemic)	Risk - Damage to employees - Disruption of logistics network - Damage to the Group's assets (e.g. buildings and facilities) and customers' products	[Domestic/Overseas common] - 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
Loss/leakage of information	Risk Loss or leakage of data such as customer information due to an information security incident, cyberattack or large-scale system failure	[Domestic/Overseas common] - Strengthen the information asset management through internal audit and in-house trainings, etc. - Establish and disseminate information security rules - Build a system to deal with cyberattacks and regularly update the technology - Increase frequency of monitoring including audit - Risk hedging through liability insurance (cyber insurance)

Environmental Management

For details, please visit our website <https://logisteed-holdings.com/en/csr/environment/management/>

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

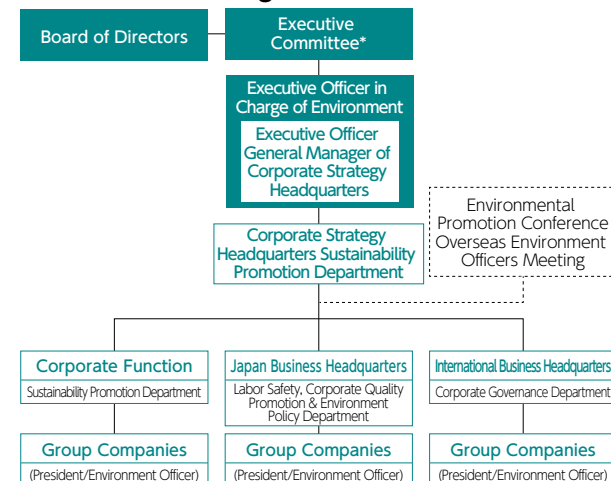
Environmental Policy

- 1 Decrease environmental load generated by all our business activities**
Reduce consumption of fuel, electricity, water, consumables and supplies, etc., curb emissions of air pollutants, and promote recycling of waste, etc.
- 2 Provide logistics/services with less environmental burden**
Contribute to customers through the provision of low-CO₂ logistics services and the reduction of waste generated from packaging materials, etc.
- 3 Improve Eco-Mind Level and Enhance Eco-Management System**
Increase global environmental awareness. Comply with related environmental laws and company regulations
- 4 Promote ecosystem conservation and environmental communications**
Consider ecosystem impacts in procurement and consumption. Promote environmental co-creation with customers and local communities

Environmental Management Structure

Since establishing a dedicated environmental department 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 Headquarters chaired by Executive Officer in charge of environmental issues, is responsible for overall environmental management work and oversees the entire group.

Environmental Management Structure



*The structure below the Executive Committee is established at LOGISTEED, the core company.

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 (FY2025)
Japan: Environmental Promotion Conference **2**
Overseas: Environment Officers Meeting **2**

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 : FY2025)
Scope: LOGISTEED, Japan group companies **114** sites

Improving Environmental Awareness

We conduct environmental e-learning for Japan and overseas employees on topics such as decarbonization activities, resource recycling, and ecosystem preservation. In FY2025, we conducted training based on the theme of climate change and decarbonization. In addition, we publish newsletters for both Japan and overseas employees, featuring basic knowledge on decarbonization and case studies of our own initiatives. In FY2025, in addition to CO₂ emission reduction initiatives, we provided an easy-to-understand explanation of the importance of responding to climate change risks. In addition, we conducted environmental management training aimed at improving the input accuracy of management systems in Japan.

Attendance rate of environmental e-learning courses (FY2025)
Scope: LOGISTEED, Japan and overseas group companies **91.6%**

Environmental management training (FY2025)
Scope: LOGISTEED, Japan group companies **607** attendees

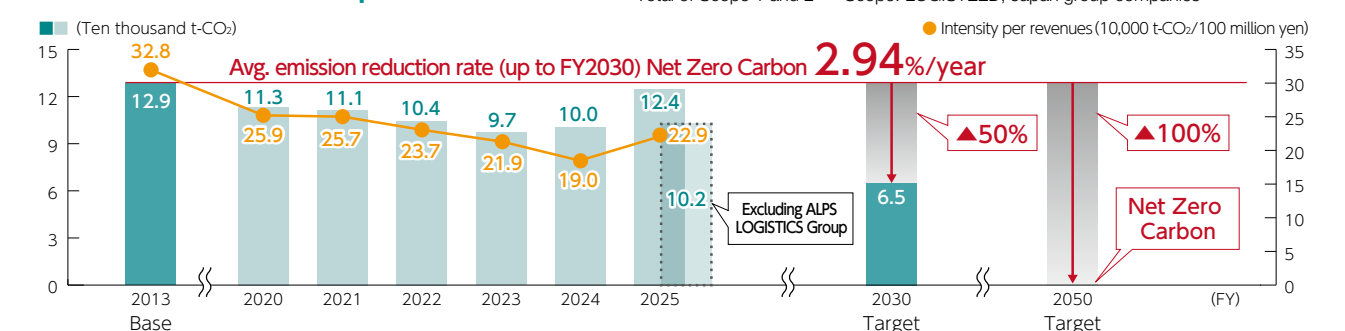
No. of articles featured in newsletters (FY2025) **17**

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 CO₂ 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.



Trend of LOGISTEED Group CO₂ emissions*



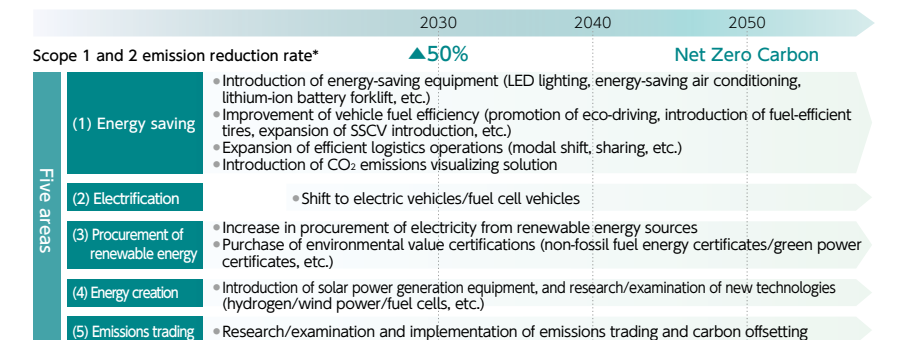
Submission of a commitment letter concerning the acquisition of SBT certification

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 CO₂ Emission Reduction initiatives

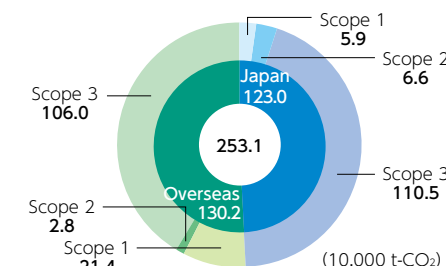
The LOGISTEED Group has launched a decarbonization promotion project to achieve the medium-to-long-term environmental targets and is working proactively on initiatives in five areas.

* Compared to FY2013



CO₂ emissions throughout the supply chain

We began calculating overseas Scope 3 emissions from FY2025 to identify CO₂ emissions across our entire supply chain and work toward future reductions.



* Due to rounding to the nearest whole number, totals and breakdown totals may not match
Scope: LOGISTEED, Japan and overseas group companies

Third-party certification on CO₂ emissions data

In FY2025, we obtained third-party assurance for our FY2024 greenhouse gas (GHG) emissions, covering Scope 1, 2, and 3 in Japan, and Scope 1 and 2 overseas, based on ISO14064-3:2019 through an audit by the assurance provider LRQA Limited. We will continue working to ensure the reliability of our calculated values by receiving third-party assurance on an ongoing basis.

For more details on environmental information, please visit our website.
<https://logisteed-holdings.com/en/csr/environment/>

For more details on our initiatives to reduce CO₂ emissions, please visit our website.
<https://logisteed-holdings.com/en/csr/environment/climate-change/>

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 have designated "Contribute to decarbonized society" as one of our material issues. We have 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 CO₂ emissions. In addition, we expressed our support for the TCFD recommendations in September 2021, and based on those recommendations, we are promoting initiatives and information disclosure regarding climate change.

Basic Policy on Climate Change

Governance

The LOGISTEED Group reports to the Board of Directors on an annual basis regarding climate change initiatives (actual greenhouse gas (CO₂) emissions and reduction targets, and climate-related risks and opportunities). In FY2025, regarding climate change initiatives included in management strategies and business plans, the Board of Directors provided guidance and supervision through the Chairman and CEO, who is the officer responsible for climate change initiatives, including consistency with management strategies and the Mid-term Management Plan, key performance indicators (KPIs), and final decisions on large-scale capital investments. The Sustainability Promotion Department within the Corporate Strategy Headquarters oversees all aspects of environmental management under the supervision of the Executive Officer serving as the Chief Strategy Officer. The Environmental Promotion Conference and the Overseas Environmental Officer Meeting, comprised of the environment officers of each group company including the Chief Strategy Officer, are held semiannually to confirm the achievement level of energy consumption and CO₂ emissions targets, manage the progress

of climate change measures, determine necessary corrective measures, and discuss future measures. Based on the decisions at the Environmental Promotion Conference and the Overseas Environmental Officer Meeting, and with the approval of the Chief Strategy Officer, the status of climate change initiatives and proposed future strategies are reported or proposed 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*	Assesses 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 the Environmental Promotion Conference and Overseas Environmental Officer Meeting, and reports and makes proposals to the Executive Committee based on decisions at these conferences
Environmental Promotion Conference and Overseas Environmental Officer Meeting*	Confirms the achievement level of measures related to climate change, determines corrective measures, and discusses proposed measures

* Established at LOGISTEED. ▶P53 Environmental management structure

Risk Management

The LOGISTEED Group has selected "climate change" as a priority risk, as it is a significant risk related to "contribution to a decarbonized society," which is one of our materialities. Led by the Sustainability Promotion Department of the Corporate Strategy Headquarters, we conduct evaluations in line with

the TCFD recommendations annually or as needed, and manage them qualitatively and quantitatively alongside other management risks on a heat map for each company-wide risk factor to ensure consistency with our management strategy.

Metrics and Targets

Medium-to-long-term environmental targets 2030/2050

For the purpose of addressing climate change risks and opportunities, the LOGISTEED Group has set the medium-to-long-term targets for reduction of greenhouse gas (CO₂) 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).

▶P54 Trend of LOGISTEED Group CO₂ 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°C /2°C scenario) and the one that assumes that no new policies are implemented but each country's announced policies are achieved (4°C scenario), we have assessed financial impacts of identified climate-related risks and opportunities based on the information such as the trend of key parameters.



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

For details, please visit our website. ▶ Climate Change and TCFD-Aligned Reporting <https://logisteed-holdings.com/en/csr/environment/climate-change/>

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

For the 11 items identified as important climate-related risks and opportunities for the LOGISTEED Group, we used scenario analysis to quantitatively estimate the potential financial impact, and for items that could not be calculated, we organized them qualitatively. In addition, we re-evaluated the

priority based on the timeline and the degree of impact. Furthermore, we examined the resilience of our current response measures and future initiatives. We are examining and implementing response measures to reduce risks and seize opportunities that have a particularly large financial impact, and we have confirmed that we possess sufficient resilience at this time.

1 Transition Risks (1.5°C Scenario/2°C Scenario)

Types	Timeline*	Risks	Impact* (Financial Impact)	Priority	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)	Medium	Develop and implement environment strategies toward carbon neutrality ①Implement renewable energy ②Implement EVs/FCVs ③Establish and implement an internal carbon pricing (ICP) mechanism
	Short- to Mid-term	Increased compliance costs resulting from insufficient adaptation to new disclosure obligations	Medium	Medium	①Promote emissions data collection and control structures ②Expand the scope of emissions verification conducted by external parties
Technology	Mid-term	Increased cost of introducing low-carbon vehicles and equipment	Large	Medium	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)	Medium	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	Medium	Promote decarbonization measures alongside strengthened disclosure practices ①Execute energy conservation efforts in a proactive manner supported by the decarbonization investment scheme
Reputation	Short- to Mid-term	Lower investor and customer confidence driven by perceived gaps in climate change response or inadequate disclosure	Large	High	②Disclose information on an ongoing basis via the company website, Integrated Reports, and related publications ③Strengthen sustainable marketing communications

2 Physical Risks (4°C Scenario)

Types	Timeline*	Risks	Impact* (Financial Impact)	Priority	Measures
Physical-Acute	Short- to Mid-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	High	Strengthen BCP measures against hazard risks ①Diversify sites ②Install solar power generation/storage battery facilities ③Relocate to regions posing lower risk ④Adjust transportation plans ⑤Secure a diverse base of business partners ⑥Implement returnable packaging materials
Physical-Chronic	Mid-term	Increase in cost of work environment measures due to rising temperatures	Medium	Low	Promote worker-friendly logistics operation ①Provide a comfortable workplace environment ②Promote automation/labor-saving/unmanned operations

3 Opportunities

Types	Timeline*	Risks	Impact* (Financial Impact)	Priority	Measures
Resource Efficiency	Mid-term	Opportunity to reduce energy consumption by vehicles and CO ₂ emissions with advanced decarbonization	Medium	Low	Reduce energy cost by promoting decarbonization measures ①Promote energy-saving measures
	Short- to Mid-term	Cost reduction by introducing efficient logistics operations such as Smart Logistics and collaborative logistics	Large	High	②Introduce and expand renewable energy ③Introduce and expand non-fossil fuel vehicles (EVs/FCVs, etc.) ④Promote modal shift and collaborative logistics
	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)	Medium	①Establish a 99% resource recovery target and consistently meet the target ②Promote the 3Rs in packaging and packing materials
Energy	Mid-term	Explore efficient and stable implementation schemes for renewable and low-carbon energy	Medium	Low	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	Medium	①Expand internal deployment of the EcoLogiPortal service for visualizing CO ₂ emissions during transportation ②Investigate 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 0.8 billion yen)	High	Provide low-carbon services using the Company's unique Smart Logistics ①Smart Warehouses ②EcoLogiPortal ③SSCV-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	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	Low	Provide resilient operations that enable logistics services "that never stop"

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

(3) Transition Plan to Achieve 1.5°C 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 CO₂ emission reduction measures to limit the temperature increase to 1.5°C above pre-industrial levels.

▶P54 Examples of CO₂ Emission Reduction initiatives

Initiatives on Biodiversity/Nature-related Issues -Respond to the TNFD* 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 ecosystem conservation 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.

FY2025 Initiatives

In FY2025, following the organization of heat maps using ENCORE,*1 we used the LEAP approach*2 to evaluate and identify our dependence and impact on nature in our business activities. In the scoping phase, to prioritize the sites for analysis, we evaluated overseas sites based on two axes: "size of exclusive area" and "amount of CO2 emissions," and selected 15 sites in Japan and 9 overseas sites based on criteria such as the top 10% of rankings. For the selected sites, in the "Locate" phase, we identified points of contact with nature (priority areas), and in the "Evaluate" phase, we

conducted a survey to identify and evaluate our dependence on and impact on nature, and organized them as a diagram of dependence and impact pathways.

* 1 ENCORE (Exploring Natural Capital Opportunities, Risks, and Exposure) is a tool jointly developed by the United Nations Environment Programme World Conservation Monitoring Centre (UNEP-WCMC), Natural Capital Finance Alliance (NCFA), and others to assess a company's "dependence on" and "impact on" the natural environment based on the Global Industry Classification Standard (GICS).
* 2 The LEAP approach consists of four components: "Locate," "Evaluate" (evaluation of dependence on/impact on nature), "Assess" (evaluation of nature-related risks and opportunities), and "Prepare" (consideration, planning, and preparation for disclosure).

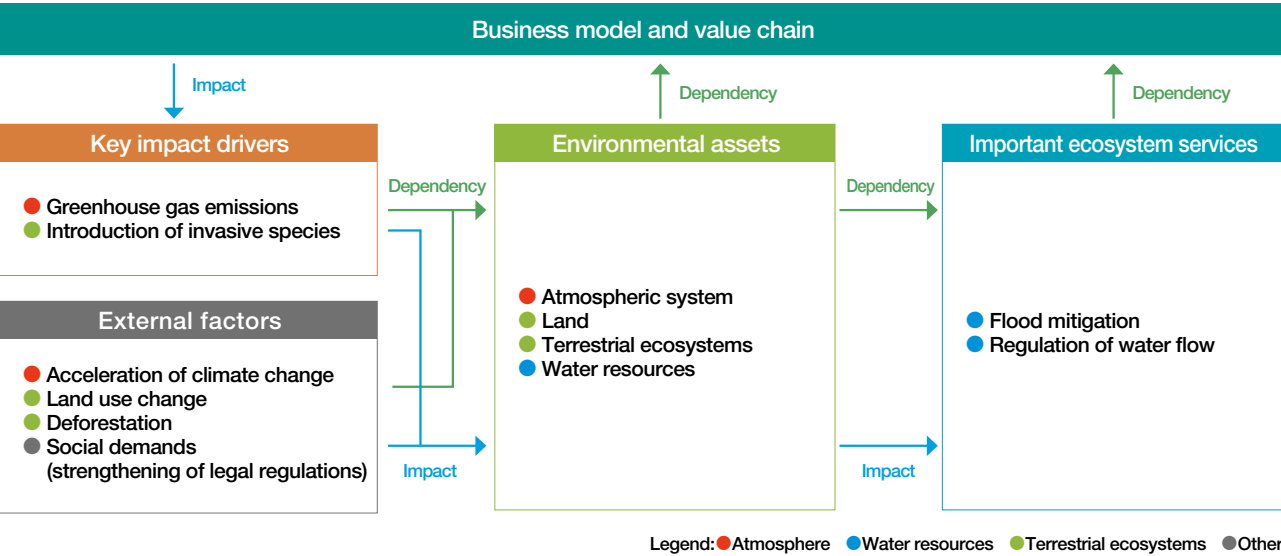
Dependence and Impact (Heatmap)

Business	Value chain	Operation Processes	Dependence on nature										Impact on nature								
			Surface water	Ground water	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	

"Locate" phase: Evaluation results by type of area susceptible to impact at priority sites

Japan Overseas	Priority sites	①Areas important for biodiversity	②Areas with high ecosystem integrity	③Areas with low ecosystem integrity	④Areas with high physical water risk	⑤Areas of importance to indigenous peoples and local communities
Japan	15	13 (86.7%)	0	13 (86.7%)	7 (46.7%)	0
Overseas	9	5 (55.6%)	0	8 (88.9%)	5 (55.6%)	0

"Evaluate" phase: Identification diagram of dependence and impact pathways



Risks and opportunities

Category	Items associated with heatmap	Description	Risks and opportunities*1	Timeline*2	Measures	
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	Mid- to Long-term	• 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	Mid- to Long-term	• 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	Mid- to Long-term	• 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	Long-term	• 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	Mid- to Long-term	• 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

Future response policy

Moving forward, we will continue to address the following unaddressed or undisclosed items regarding the analysis of nature-related issues using the LEAP approach.
(1) Quantification in the "Evaluate" phase: Consideration and implementation of the measurement and disclosure of TNFD

recommended global core disclosure metrics through the quantification of dependencies and impacts
(2) Transition to the "Assess" phase: Consideration and implementation of the prioritization of nature-related risks and opportunities arising from identified dependencies and impacts

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 Japan 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 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

Three group companies in Malaysia* jointly held a cleanup event in August 2025, with approximately 100 volunteers, primarily employees, participating. This event was co-sponsored by the Department of Irrigation and Drainage of Hulu Langat District, Selangor. On the day, the volunteers collected approximately 250 kilograms of waste, mainly along the river, and disposed of it appropriately. Moving forward, our group will continue to promote activities that contribute to ecosystem conservation together with local communities.

* LOGISTEED Malaysia
LOGISTEED Forwarding Malaysia
LOGISTEED Solutions Asia-Pacific



Focus Area 1 Contribute to Decarbonized/Recycling-oriented Society

Material Issues Contribute to Decarbonized Society

Work to reduce greenhouse gas (CO₂) 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 CO₂ emissions in the logistics domain will have an impact on the realization of carbon neutrality, and therefore it is important to work to reduce CO₂ 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 burden" as set forth in our environmental policy, we are striving to reduce the environmental burden and provide new environmental value through our business activities, e.g., development of services that contribute to the reduction of CO₂ emissions including Scope 3 emissions from our customers, in addition to ongoing initiatives such as modal shift and collaborative logistics.

Contribution to Decarbonization of Customers' Supply Chains

Intermodal Initiatives

Our Turkish group company, Mars Logistics Group focuses on intermodal transport, which combines different transport modes such as rail, trailer trucks, and ships. Between 2012 and 2025, the company carried out approximately 200,000 rail shipments on designated routes to and from Turkey, and

these shipments reduced CO₂ emissions by approximately 310,000 tons compared to truck transport. We will continue to accelerate supply chain decarbonization and promote the provision of sustainable transport modes.

Supporting Customers' Decarbonization through the Provision of EcoLogiPortal (▶ P68)

As part of "SCDOS," our DX service to support optimization of customers' supply chains, we began offering the "EcoLogiPortal" CO₂ emission visualization function from FY2021. This service enables customers to accurately measure and visualize CO₂ emissions and reduction in the supply chain by centrally managing and monitoring their various data, and has received conformity assessment by a third-party organization.

In FY2025, the service was introduced to multiple customers, including major manufacturers and logistics companies in Japan, and its deployment progressed steadily as its scope of application expanded. We are also expanding our overseas operations and will contribute to the realization of a decarbonized society by supporting the visualization and reduction of CO₂ emissions in the global logistics sector.

Material Issues Contribute to Recycling Oriented Society

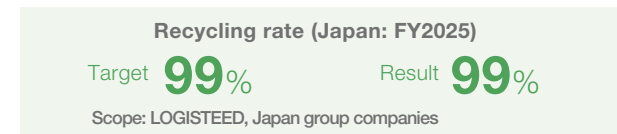
Work to reduce/avoid resource use, prevent environmental pollution, and create business opportunities to contribute to a recycling-oriented society

By setting "reduction of environmental burden" 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.



Circular Economy Initiatives

Recycling scheme for plastic waste pallets

PALENET 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'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.

Promotion of Automation and Labor-saving Equipment Installation

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. Through this, we are striving to both reduce the burden on workers and improve productivity. In FY2025, in addition to GTP equipment,*¹ such as rotary racks,*² we introduced approximately 450 units of automation and labor-saving equipment, including "AutonMate," our proprietary AMR (Autonomous Mobile Robot) positioned as a next-generation AGV (Automated Guided Vehicle). Through the proactive adoption of these automation and labor-saving technologies, we achieved annual labor savings equivalent to 100 FTE*³ compared to FY2024.



Compared to FY2024 Labor savings of **100** FTE

*1 GTP (Goods To Person) equipment: Equipment used to transport cargo to the worker using robots, etc.
*2 Rotary rack: An automated warehouse solution that stores and retrieve items through horizontal rotation
*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 a "zero-accident society," we have developed "SSCV," a transport digital platform, 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 FY2025, we received the "Best Logistics Improvement Award" at the "All Japan Logistics Improvement Case Study Competition 2025" (Logistics Management Division) hosted by the Japan Institute of Logistics Systems (JILS), in recognition of our contribution to improving driver safety.

GDP (▶ P68)-Compliant Storage and Shipping of Pharmaceuticals -Enhancement of Quality Control and Operational Capabilities at Medical DCs-

We have enhanced medical distribution centers across the country providing storage and shipping services specialized in pharmaceutical logistics. To enhance GDP operational capabilities, we are working to strengthen our quality assurance system in the field of pharmaceutical logistics by setting up an organization dedicated to promoting GDP to establish a quality management system. In FY2025, we conducted temperature mapping in our

warehouses to strengthen temperature control, which is a mandatory requirement of GDP. This has made it possible to provide appropriate temperature management in accordance with GDP guidelines. Furthermore, to strengthen on-site quality control and operational capabilities, we implemented advanced comprehension tests for managers, including video-based training.

Strengthening Our Transportation Business to Realize Sustainable Logistics

Addressing the transport capacity shortage across society, including the revised Logistics Act,* 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 shifts in collaboration with collaborative innovation partners, and the deployment of double-trailer trucks, enabling reduced labor dependency, increased cargo capacity, and shorter transport distances. In addition, we have introduced our proprietary truck loading

dock booking management system at approximately 200 sites, aiming to reduce truck waiting times and streamline 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 FY2025.

* The revision of logistics-related laws enacted in 2024, against the backdrop of driver shortages, has strengthened obligations for both shippers and logistics operators regarding the efficiency of transportation and the securing of fair transactions, with the aim of improving logistics efficiency and productivity.

Focus Area 3 Create New Values Through Collaborative Innovation

Material Issues

Secure diverse human resources to support growth

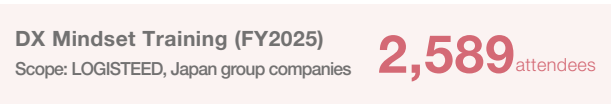
By securing diverse human resources including highly skilled personnel and those from different industries, etc. and increasing employee motivation through various initiatives, we aim to create new business opportunities and enhance competitiveness

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.

Develop human resources with DX skills

To secure human resources with DX skills who will be responsible for creating new business opportunities utilizing IT, we are enhancing our DX education in addition to our existing training initiatives. Based on the results of a skill survey of employees (covering IT literacy and degree of IT utilization in work), we are providing "DX Mindset Training" via e-learning, which teaches employees basic knowledge about DX and internal use cases tailored to their individual levels. In addition, for those targeted for improving their level

of IT level in their work, we are also providing specialized education such as the "DX Mind Cultivation Program" and "DX Technical Skill Enhancement Training" aimed at strengthening practical DX skills.



Development of global management talent and succession plans

The LOGISTEED Group formulates and makes use of succession plans for important positions, including presidents of overseas group companies, to promote the sustainable growth of our overseas businesses as well as strengthen their governance. Specifically, after clarifying the roles and requirements demanded for the target positions, we proceed with the selection of successor candidates and the formulation of development plans. In FY2025, the identification of successor candidates for the

president positions of major overseas group companies was completed. We will continue to work on sustainably enhancing corporate value through the development of management talent capable of playing an active role globally.



Material Issues

Step up DX

Creating business opportunities by promoting digitalization and labor-saving measures to address various social issues

The LOGISTEED Group is promoting DX by accelerating the digitization, visualization, and standardization of various information to create new value and innovation aimed at solving social issues such as labor shortages and the SDGs.

Building a value creation foundation supported by AI

In our customers' business operations, the role of logistics is changing dramatically, from a traditional "cost center" to a "starting point for value creation." As symbolized by the mandatory appointment of a Chief Logistics Officer (CLO) (▶ P68), the trend of viewing the supply chain as the core of management strategy is accelerating. The LOGISTEED Group systematically organizes all data into forms that can be utilized by AI, and we are promoting the

enhancement of decision-making and business processes, from the back office to logistics sites and all the way to our customers. Furthermore, through the utilization of our accumulated on-site operational knowledge and logistics data, we provide value through both consulting and solutions. We aim to remain a partner that supports our customers' decision-making processes every step of the way, from strategy formulation to execution and improvement.

Transformation of warehouse operations through DX

The LOGISTEED Group is working on improving overall warehouse operational efficiency through the utilization of the RCS (▶ P32). Through our facility management system (RCS-Automation), we achieve efficient operations by linking multiple facilities in a manufacturer-independent manner and centrally controlling work. In addition, with our personnel management system (RCS-Workforce), we visualize work progress and operational status, perform flexible personnel allocation based on that, and promote the digitalization of

operations, thereby eliminating reliance on specific individuals, promoting paperless operations, and reducing the burden of administrative work. Furthermore, through our optimization simulation system (RCS-Simulation), we utilize logistics data to reproduce the movements of people and equipment digitally, creating an environment where more efficient operational methods can be verified in advance. In FY2025, we introduced these DX solutions to 88 projects and promoted the overall optimization of warehouse operations.

Supportive Foundation for the Focus Areas

Material Issues

Prevent accidents during operation

Strive for safe operation by promoting initiatives to prevent accidents at the LOGISTEED Group 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. Operating officers deliberate and report on safety activities and accident occurrence, etc. at the monthly Executive Committee, and

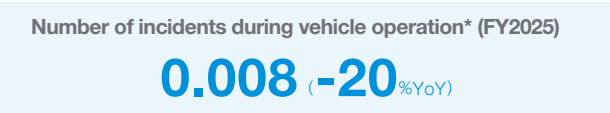
the Audit & Supervisory Committee also receives reports on the progress of safety activities and accident occurrence, etc. every year. Under the structure which enables the supervision by the Board of Directors, we ensure to promote and manage safety activities.

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 FY2025 by 20% year on year.



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

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 a Business Platform That Respects Human Rights

Promoting human rights impact assessments and addressing issues

The LOGISTEED Group conducts human rights impact assessments through third-party organizations to identify risks and issues and strengthen our business foundation with respect for human rights. In addition, with the support of NGOs and other organizations knowledgeable about human rights, we are organizing global human rights issues that are important to all industries and specifically the logistics industry. In FY2025, as part of our response to human rights issues, we worked to ensure compliance with human rights-related laws and regulations both in and outside Japan. In Japan, we conducted surveys on the management status of foreign

technical trainees at different business sites than in the previous fiscal year and confirmed that they were being managed appropriately. Regarding foreign technical trainees, we will continue to work with supervisory organizations to maintain and improve appropriate training and work environments. Moving forward, we will continue to work on initiatives to build a framework for promoting human rights due diligence and to strengthen the foundation for building a responsible supply chain that respects human rights.