

Respect for Human Rights Activity Report for FY2025

I. Basic Concept

The Kintetsu World Express Group (“KWE Group”) has a KWE Group Human Rights Policy based on the UN Guiding Principles on Business and Human Rights. Our human rights policy was established by the Kintetsu World Express Board of Directors in January 2025. As a participant in the UN Global Compact, our initiatives on respecting human rights refer to the UN Guiding Principles on Business and Human Rights (UNGPs), the International Bill of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises.

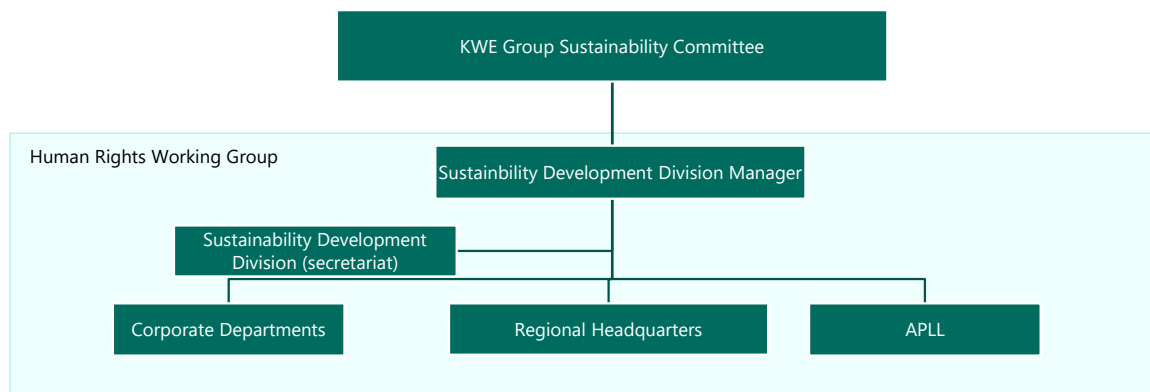
Our human rights policy applies to all KWE Group directors and employees. We also seek the understanding and support of business partners and suppliers involved in KWE Group business activity and services for this human rights policy.

[KWE Group Human Rights Policy](#)

II. Organizational Framework

The KWE Group has established a Human Rights Working Group under the KWE Group Sustainability Committee. The Sustainability Development Division, Corporate Planning & Administration, acts as the working group secretariat for action on human rights and reports regularly to executive management, under the supervision of the President & CEO. We seek advice from third-party organizations with specialized knowledge and strive to ensure objectivity and validity in our initiatives.

Organizational Framework



III. Respect for Human Rights Initiatives

1. Human Rights Education and Training

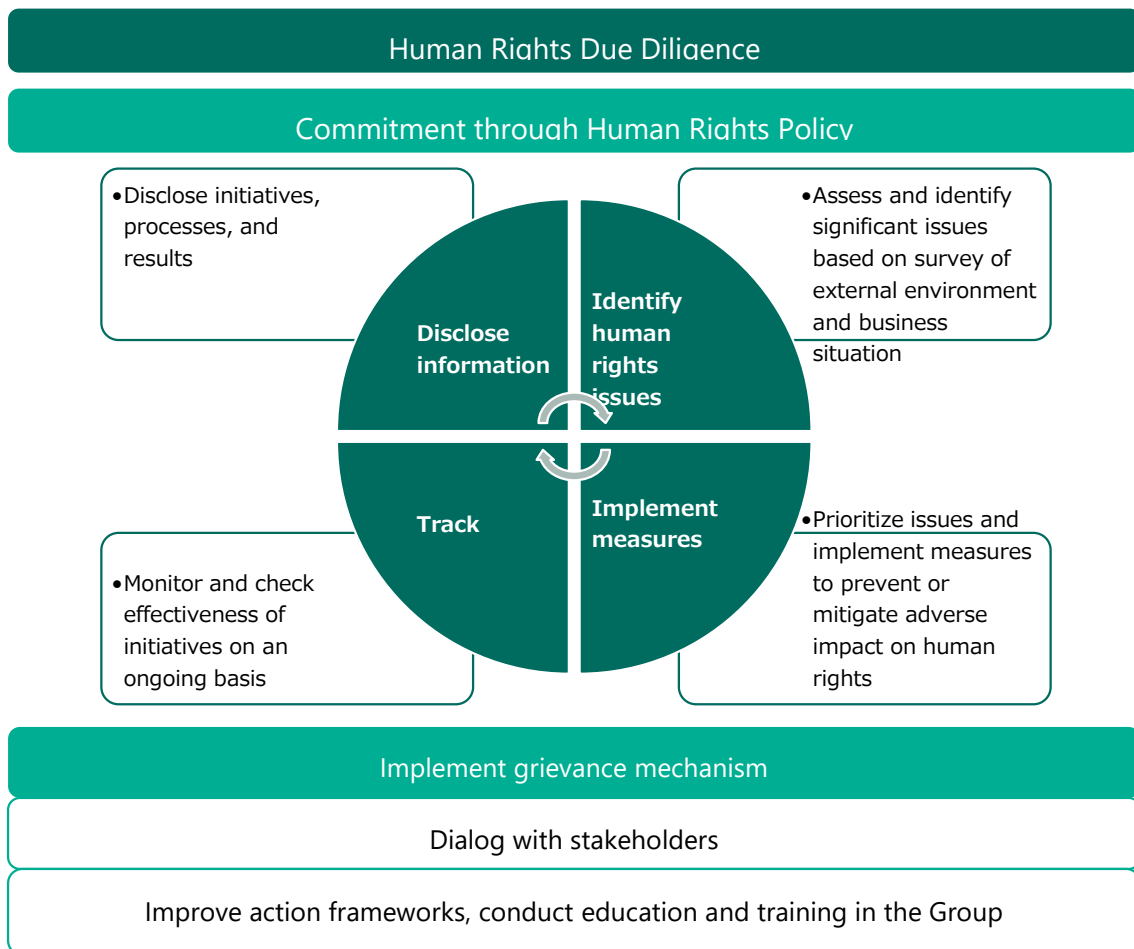
The KWE Group regularly provides education and training on business and human rights to our directors and employees. We provide quarterly elearning on specified themes to employees of our group companies world-wide. The themes for 2025 were ethics and the corporate code of conduct, antitrust and competition law, workplace harassment, and anti-bribery and corruption.

2. Human Rights Due Diligence

2.1 Basic Concept

Through a due diligence process in line with UNGPs methodology, the KWE Group is moving ahead on initiatives including an external perspective. Specifically, this ongoing process includes identifying potential adverse impacts on human rights involving the KWE Group, taking action to prevent or mitigate those impacts after ascertaining the facts, following up on the status and results of action taken, disclosing our progress and results externally, and endeavoring to improve the effectiveness of our initiatives.

Human Rights Due Diligence Flow



Last year, we gathered and analyzed information from external and internal perspectives, identified human rights risks on the value chain, and prioritized three themes: working environment for service providers and foreign workers at warehouses in Japan, working environment for workers at warehouses outside Japan, and working conditions of employees of transport companies (drivers). We then conducted an impact assessment of the working environment for service providers and foreign workers at warehouses in Japan through onsite visits and interviews.

In the current year, we continued following up on the issues identified in our assessment last year and also conducted a new risk assessment on the status of human rights risks at all KWE Group companies world-wide. With review by our third-party expert (MS&AD InterRisk Research & Consulting), we are identifying the most important areas we should focus on from a more rational and objective viewpoint.

2.2 Human Rights Risk Assessment

In 2025, the KWE Group took the following steps to improve human rights due diligence.

2.2.1 Gap Analysis Based on International Standards

The KWE Group conducted systematic gap analysis of its human rights initiatives based on international standards including the UNGPs and the OECD Guidelines for Multinational Enterprises.

We reviewed internal regulations and existing disclosure information and conducted interviews with the departments concerned regarding our human rights policy and code of conduct, grievance mechanisms, supplier relations, and the human rights due diligence process. We then evaluated consistency with the requirements of international standards for management commitment, human rights due diligence, grievance mechanisms, monitoring and disclosure, and other processes.

While we found that the policy approved by the Board of Directors, the grievance mechanism, and the basic framework to identify human rights risks were generally in place, there were operational and governance areas that needed improvement such as prioritization of risks, monitoring of countermeasure status, and rules for addressing the occurrence of a serious human rights incident.

2.2.2 Global Human Rights Risk Assessment

Based on our gap analysis, last year's risk assessment, information on human rights risks in the transport and logistics sector provided by other companies in the same industry and by

international agencies, and interviews in regard to KWE Group business, in December 2025, we conducted a risk assessment surveying all our KWE Group companies.

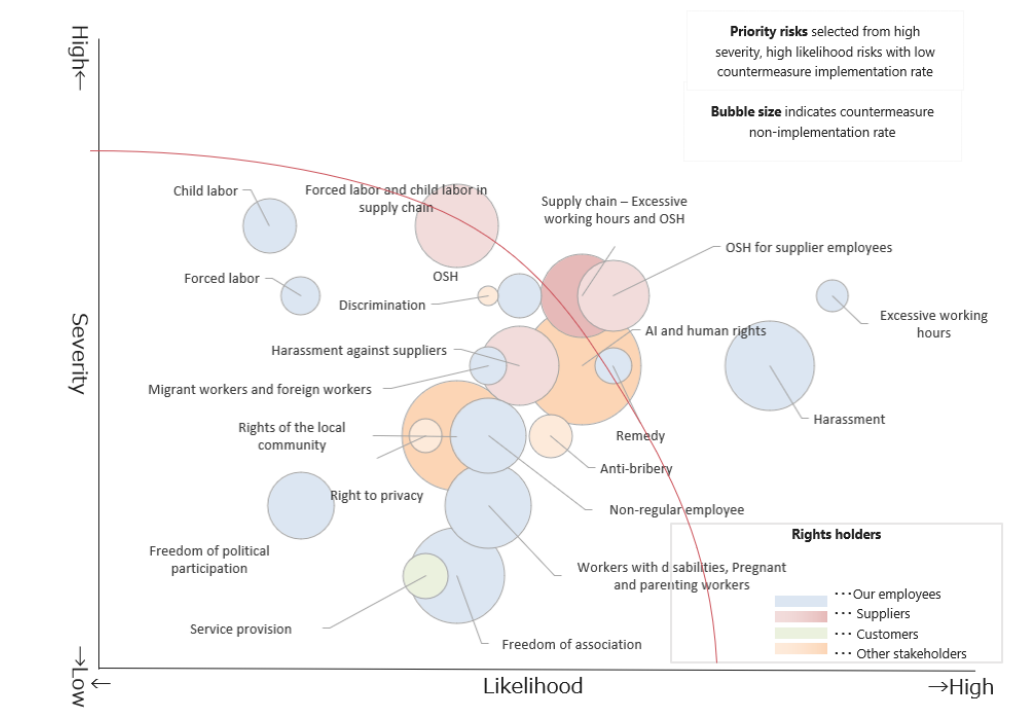
Each company rated the severity and likelihood of human rights problems affecting rights holders including their employees, supply chain, customers, and local community and provided information on their preventative and countermeasures. This information was reviewed by a third-party specialist, and severity and likelihood assessed based on the perspectives required by international standards of scale, scope, and difficulty of remediation. We calculated a risk score for each issue individually and prioritized the risks, also taking into account the status of preventive and countermeasures. These risks were then visualized as a risk map, and we selected those with high severity and likelihood with inadequate countermeasures as the highest priority.

2.2.3 Risk Assessment and Priority Risk Selection

The selection of the highest priority risks for our human rights initiatives was based on our gap analysis and risk assessment, after excluding areas such as long working hours and harassment at our own companies that we are managing within our existing framework.

Through our recent survey, we identified three high priority risks: forced labor and child labor in the supply chain, OSH for supplier employees working at the company’s facilities, and remedy. These are the core themes for our medium-term management plan and PDCA.

Human Rights Risk Map



2.3 Onsite Surveys

The KWE Group is conducting onsite surveys at our sites world-wide to address the priority human rights themes identified last year. In these onsite surveys, third-party investigators visit the sites in person and speak directly with rights holders such as workers to verify existing or potential negative impacts on human rights, to understand the actual situation on the ground, which may not be possible through desktop surveys or written questionnaires alone. Specifically, we select the target site based on prior risk analysis and conduct onsite inspections, anonymous individual and group interviews, and management interviews to check working conditions, employment practices, and grievance mechanisms. Countermeasures are then planned and implemented for any problems or issues that are identified.

In fiscal year 2025, we selected a KWE warehouse in Penang, Malaysia, based on human rights risks and business scale and conducted an onsite survey to address the priority theme of working environment for workers at warehouses outside Japan by having a specialist third-party organization interview local employees and managers. We identified strengths and areas for improvement, and we are using this information to guide our follow-up efforts.

Identifying and Addressing Issues

- ▶ **Status of Issues Identified This Year**

KWE Malaysia - Penang Airport FTZ Warehouse

Appointments were made ahead of time for the onsite survey conducted in February 2026, within fiscal year 2025, and the investigators looked for human rights risks in the working environment and employment practices by checking operations, inspecting the workplace, and interviewing employees and managers. Anonymous voluntary interviews were held with regular employees, contract employees, and agency workers, with a balance of gender and ethnicity.

The investigators did not find any serious human rights violations such as forced labor, child labor, collection of hiring fees, confiscation of identification cards, or restrictions on resignation, and the labor and workplace environment was assessed as generally stable. However, it was noted that some improvements could be made in worker safety and health and in the grievance mechanism.

We will work on these improvements going forward.

Points raised by employees	Status of issues
<ul style="list-style-type: none"> • Workplace Culture and Management Friendly and respectful workplace culture, easy to consult with supervisor and department head • Career and Stability Some career mobility with inter-department transfers, no salary cuts or layoffs even during the Covid-19 pandemic, stable workplace suited to long term employment • Safety and Compliance Positive reception by employees of safety training and certifications 	<ol style="list-style-type: none"> 1. Working during Medical Leave and Working Long Hours Some cases of coming to work voluntarily even while on medical leave The company will reiterate our policy of taking time off when ill, and consider reviewing staffing and backup frameworks 2. Grievance Mechanism Effectiveness and Reliability While the existing mechanism is well-known, actual use is low The company will reiterate explanations of anonymity, prohibition of retaliation, and the response process

► **Status of Issues Identified Last Year**

<p>KWE Japan - Baraki Terminal Foreign Workers (2024)</p> <p>As part of KWE Group human rights due diligence in 2024, we positioned the working environment for foreign workers at warehouses in Japan as a high priority theme and performed an impact assessment of foreign staffing agency workers at the Baraki No.2 and No. 4 Terminals, under the Tokyo Logistics Sales Office.</p> <p>Onsite visits and interviews by a third-party organization did not find any major problems in wages or employment frameworks nor any serious human rights violations. However, it was noted that improvements could be made in making employment contracts, salary statements, and safety postings available in multiple languages, and increasing awareness of the third-party grievance channel.</p> <p>We are following up on these issues in collaboration with our service providers.</p>
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Follow-Up at Baraki Terminals after Impact Assessment

We conducted a follow-up survey at the Baraki Terminals in February 2026, within fiscal year 2025. As a due diligence tracking process, we checked the status of the findings made at the impact assessment and considered whether additional improvements or support was needed.

We met with department, team, and facility managers, conducted onsite observation, and confirmed the following.

- **Warning and Safety Postings Available in Multiple Languages**
New warning signs using pictograms and English text have been posted at warehouse entrances and other locations, and all employees are being informed.
- **Hazard Maps and Other Disaster Information Available in Multiple Languages**
English versions of hazard maps created by local governments are displayed alongside the Japanese versions, ensuring that foreign workers can also understand evacuation routes and designated evacuation sites.
- **Improvement in Other Guidance**
Pictograms, simplified Japanese, and employee native languages are being used for waste sorting, hygiene, security, and other signage to make it easier for foreign workers to understand.

Some safety-related notices still use Japanese (primarily kanji), and we will continue to work on improving this in the future. Staff in charge at the warehouse reported that they initially considered full-scale signage, but cost considerations led them to simply start with laminated printed notices instead. They also stated that foreign workers had not made any complaints or additional requests since then.

The KWE Group will continue follow-up at the Baraki Terminals, and apply the knowledge gained to maintain a safe and easy-to-understand workplace environment at other locations for all employees, including foreign workers.

2.4 Next Steps

The KWE Group has identified areas for improvement in human rights governance and PDCA operations through our gap analysis and global human rights risk assessment in 2025, and determined the medium to long-term direction and priority issues.

We will continue to conduct annual human rights risk assessments, considering international trends, regulations in the countries in which we do business, and changes in our own business environment, to monitor for the presence or signs of serious human rights issues. In addition, we will closely monitor key risks identified through reporting channels including our hotline and onsite surveys and follow-up, implementing any countermeasures needed.

We will implement human rights due diligence processes and disclose the results, improving dialog with rights holders and stakeholders and strengthening our efforts to respect human rights.

3. Grievance Mechanism

The KWE Group has established the following grievance mechanism.

[KWE Global Hotline](#)

Our global hotline was established in May 2023 to enable all KWE Group employees and suppliers worldwide to report known or potential infringement of laws or group policies. The hotline accepts anonymous reports in a number of languages, making it easier to share concerns and encouraging early detection and addressing of potential problems.