

## Material Topics

### Data Security



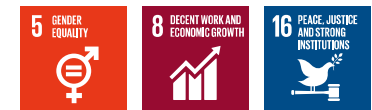
Objectives	Progresses in FY2022	FY2023 Onward
<ul style="list-style-type: none"> <li>Improve information security architecture</li> <li>Increase employee awareness of information security</li> </ul>	<ul style="list-style-type: none"> <li>Implemented cyber-security measures</li> <li>Periodic security assessments by a third-party</li> <li>Reduced data center, server, and network risks</li> <li>Educated and trained employees (phishing email drills and security training, each three times a year)</li> </ul>	<ul style="list-style-type: none"> <li>Implementing cyber-security measures</li> <li>Periodic security assessments by a third-party</li> <li>Reducing data center, server, and network risks</li> <li>Educating and training employees (phishing email drills and security training, each four times a year)</li> </ul>

### Diversity and Equal Opportunity



Objectives	Progresses in FY2022	FY2023 Onward
<ul style="list-style-type: none"> <li>Promote equal opportunity in promotion to management</li> <li>Promote hiring from minority groups</li> <li>Promote educating employees about human rights and equal opportunity</li> </ul>	<ul style="list-style-type: none"> <li>Women in management positions across the Group: 34.3%</li> <li>Educated employees about human rights and equal opportunity through e-learning</li> </ul>	<ul style="list-style-type: none"> <li>Establishing KWE Group Diversity and Equal Opportunity Policy</li> <li>Moving ahead on activity in line with local characteristics</li> </ul>

### Social Impacts in the Supply Chain



Objectives	Progresses in FY2022	FY2023 Onward
<ul style="list-style-type: none"> <li>Fulfill supply chain ethical, social, and environmental responsibilities</li> </ul>	<ul style="list-style-type: none"> <li>Assessed procurement and identified priority areas (occupational safety and health, labor, vendor management, and environmental compliance)</li> <li>Occupational safety and health checklist (37 items in 7 areas)</li> </ul>	<ul style="list-style-type: none"> <li>Providing checklist to suppliers and do survey</li> <li>Supplier management framework</li> </ul>

# Diversity and Equal Opportunity

## Concept & Policy

We respect the individuality of our employees, do not tolerate discrimination in any form, and provide equal opportunities for everyone to play an active role. The KWE Group Code of Conduct explicitly provides for equal employment opportunity, and the KWE Global HR Guidelines (established in 2020) for diversity and equal opportunity. In FY2023 we established the KWE Group Diversity and Equal Opportunity Policy as a concrete basis for moving ahead on this important material topic.

### KWE Group Code of Conduct 8. Equal Employment Opportunity

The Company has always been, and continues to be, committed to providing equal employment opportunity to all its employees and applicants for employment.

As a result, it is the policy of the Company to hire, train, promote, compensate, and to administer all of its personnel policies without regard to race, color, national origin, citizenship, religion, sex, age, disability, marital status, veteran status, sexual orientation, genetic information or any other characteristics protected by applicable laws.

All employees are responsible for complying with this policy. As a condition of employment, every employee is to treat all other employees equally and fairly.

### KWE Group Diversity and Equal Opportunity Policy (excerpt)

#### 1. Purpose

The KWE Group strongly believes that the values of diversity, equity, and inclusion are essential for our corporate sustainability. Collaboration among employees from various backgrounds is a significant factor in our corporate culture, reputation, and achievement. It is a part of the KWE Group DNA, which has driven the growth of our business globally from the beginning.

As in the past and so into the future, our people are the most valuable asset we have. We firmly believe that this policy will increase the power of our diverse employee base worldwide. As KWE Group business continues to grow, our commitment to equal opportunity will enable our companies to contribute to local and global society as a good corporate citizen.

#### 2. Scope

This policy applies to all employees of KWE Group companies, to the workplace and to work-related events organized or sponsored by the company.

#### 3. Basic Policy

(A) Diversity - respect for diverse individuality (B) Equity - equity and equal opportunity (C) Inclusion - an inclusive work environment

#### 4. Employee Responsibility

For more information about diversity initiatives, see:  
<https://www.kwe.com/about/sustainability/worker/>

## Action Plans and KPI

We are focusing on the following actions:

- Support, develop, and engage a pipeline of talented women in order to encourage equality in promotion to managerial positions
- Promote the recruitment and retention of employees from minority, marginalized, and underrepresented groups
- Educate employees about human rights and equal opportunity

The following are our diversity and equal opportunity KPIs:

### Support, develop, and engage a pipeline of talented women in order to encourage equality in promotion to managerial positions

- Establish KWE Group Diversity and Equal Opportunity Policy

### Create an environment of diversity and mutual respect

- Create a workplace environment with no discrimination or harassment

- Implement human resources measures that respects diversity and individuality so that every employee can demonstrate superior competency in their role

### Improve training on preventing harassment and on diversity and inclusion

- Participation in harassment prevention training: 94.66% (October - December 2022)

- Participation in diversity and inclusion training: 95.57% (October - December 2022)

Percent of childcare leave of absence taken by male employees (Kintetsu World Express (non-consolidated))

**36.4%**

**QUOTE**

**I gained a lot from childcare leave.**

The birth of my second child was going to drastically increase the amount of time needed for child care and housework at home. So I believed I needed some time to devote to my wife and my family. The new law in Japan promoting paternity leave in October 2022 created support from society and public opinion. I felt that taking paternity leave was a “must do” and didn’t hesitate. I talked with my supervisor about 6 months beforehand about when and how long I would be gone on leave, and about 2 months beforehand I spent time preparing people to cover my job. I’m grateful to everyone who covered for me and allowed me to spend valuable time with my family. During the month I was on leave, I experienced how much work child care is, and now that I am back in the office I can arrange my schedule to work more efficiently and better balance my responsibilities on the job and at home. I feel that I gained a lot from taking childcare leave as I continue to work in the future.



Keihin Export Sales Office  
Assistant Manager  
**Ryuto Komatsu**

**Promoting Diversity and Inclusion, and Preventing Harassment**

Between October and December 2022, we conducted e-learning for all KWE Group employees on diversity and inclusion and preventing harassment. Training was also held for Kintetsu World Express employees in FY2022 on understanding and preventing power harassment. We are aiming for everyone in both management and employee roles to take individual action to build a workplace that is welcoming to all persons.

**Talent Acquisition in Line with Diverse Local Demographics and Cultures Around the World**

The KWE Group is committed to promoting diversity in talent acquisition in line with local demographics and cultures to promote business growth and secure human resources.

For example, there is a large aging population in Japan, so we introduced the KWE Life Shift Support Regulatory Guidelines in FY2021 to support employment of older employees. In the U.S., APPL offices are actively hiring members of diverse groups through an internship program.

**Formal Learning and Career Development as Investment in Human Resources**

Through investments in our human resources, KWE has promoted formal learning. Programs consist of customized training and development courses that use facilitated programs and learning events to help grow employees into top contributors and to build on their experiences and expectations. For example, we encourage the use of LinkedIn Learning for reskilling (when the technical requirements required for a job have significantly changed) and for upskilling (to upgrade performance at one’s current job).

In April 2022 we started a new career development program for employees who have been at Kintetsu World Express (non-consolidated) for a minimum of 3 years. The program’s purpose is to effectively leverage our human resources and grow both the individual and the organization. The program has no prerequisites for enrollment, and the goal is to encourage our employees to think about their own career and provides a place where individual aspirations are respected.



Training image