

FUJITRANS CORPORATION  
SUSTAINABILITY REPORT  
2024

FUJITRANS CORPORATION

Issued in July 2024

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FUJITRANS CORPORATION  
SUSTAINABILITY  
REPORT

2024





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## Editorial Policy

The FUJITRANS CORPORATION SUSTAINABILITY REPORT is a document that summarizes the FUJITRANS Group's approach and initiatives for sustainability. It covers content directly related to the Group's business as well as content related to the SDGs and CSR.



Website - FUJITRANS CORPORATION SDGs <https://www.fujitrans.co.jp/csr/>

Coverage Period	Fiscal 2023 (from April 1, 2023 to March 31, 2024) Including some activities that are contiguous with those in fiscal 2022
Reporting Cycle	Issued annually as an annual report
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Scope of Report	Initiatives by FUJITRANS CORPORATION and its Group companies
Contact Information	Corporate Sustainability Dept., FUJITRANS CORPORATION 7-41, Irifune, 1-Chome, Minato-ku, Nagoya, AICHI, 455-0032

# Top message

It has been four years since the development of our company group's sustainability policy, "FUJITRANS Sustainability Vision 2050," in 2021. Compared to when it was formulated, we now often hear terms like SDGs and sustainability, and I feel that they have become more ingrained in society than before.

## Aiming for Carbon Neutrality

In the port transport and coastal shipping industries, where we operate our main business, sustainability-driven initiatives are becoming more active. In line with the Japanese government's policy to achieve carbon neutrality by 2050, the Ministry of Land, Infrastructure, Transport and Tourism is promoting the formation of Carbon Neutral Ports (CNP). As of the end of March 2024, port decarbonization councils have been established at 69 ports nationwide.

Our company is also playing a part in the port decarbonization promotion project at Nagoya Port, where our head office is located, and we are currently advancing two plans. The first plan involves building energy-efficient ships. By improving the energy efficiency of new ships that will replace the currently operating coastal RO/RO ships, we aim to reduce fuel consumption. The new "Fugakumaru," which began operation in May 2024, is expected to reduce CO<sub>2</sub> emissions by approximately 30% compared to its predecessor of the same name. Additionally, for the first time on our vessels, it is equipped with an onshore power receiving system, envisioning zero emissions while docked by stopping the onboard generators in the future.

The other plan involves introducing FC conversion-type RTGs (rubber-tired gantry cranes). Initially, these will be driven by a small diesel engine with approximately 20-30% better fuel efficiency than conventional hybrid

RTGs. However, in the future, if hydrogen fuel supply infrastructure is established, the diesel engine can be replaced with a hydrogen fuel cell power unit. Through these plans, we aim to significantly reduce our CO<sub>2</sub> emissions.

Additionally, our strength lies in maritime transport using coastal RO/RO ships, which emit about one-fifth the CO<sub>2</sub> compared to truck-based land transport for the same distance, making it an environmentally friendly transportation method. Our service routes span from Hokkaido in the north to Okinawa in the south, so further promoting a modal shift to maritime transport will contribute to reducing the CO<sub>2</sub> emissions of our customers during their transport.

However, despite these initiatives, there are still numerous technological challenges, and achieving carbon neutrality will require considerable time. There are also many barriers that cannot be overcome by our company alone, such as regulations, laws, and business practices. To resolve as many of these issues as possible and as quickly as possible, we will work together with our business partners and other stakeholders to create a new way of logistics.

## Improving Employee Health and Job Satisfaction

Ensuring the health and stability of employment for employees, and improving labor productivity, are crucial elements for business continuity. The so-called "logistics 2024 problem" mainly refers to a decrease in transport capacity due to a shortage of truck drivers. However, labor shortages are affecting various fields, including port workers and crew members.

Based on this situation, we formulated a DX (Digital Transformation) policy in 2023 with the aim of revamping our business processes and enhancing labor productivity. Each business unit and group company has identified their respective challenges and is leveraging IT technologies to improve operations and resolve these issues.

Furthermore, in March 2024, we obtained certification under the Certified KENKO Investment for Health Outstanding Organizations Recognition Program. Under our company motto, the "Spirit of 'Wa'," we are committed to promoting a vibrant workplace where each employee is healthy both physically and mentally, and finds fulfillment in their work.

For a company to continue providing value to society and to grow, sustainability has become an essential perspective. To help society as a whole move in a better direction, we will continue to work together with all of you in the future.



President  
Mr. Tatsuo Keii



# Corporate Profile

(As of the end of March 2024)

Our company is a creative comprehensive logistics corporation that was established in Minato Ward, Nagoya City in 1952. We are developing all kinds of businesses related to logistics, centering on the port transport business and coastal shipping business, including marine transportation, land transportation, air transportation, storage and inventory control, packing, and customs clearance. A distinctive feature is that our company is a shipping company that also operates ships.

At the time of establishment, our company was a harbor transport company focusing on the cargo handling of wood. We entered the domestic shipping operation by accurately grasping the increase in demand due to motorization in the 1960s, and by launching Japan's first pure car carrier (PCC) RO/RO ship, "Tocho Maru," to enter service in 1962. With the growth in the field of coastal transportation of completed vehicles, we solidified our foundation to its current state. Today, we have about 17 bases in Japan, from Hokkaido to Okinawa, and we are operating the sea and land intermodal

transport of various types of vehicles and general cargoes.

Meanwhile, we are aggressively working on overseas development to expand the scope of our handling of import and export services. Beginning with the launch of a representative office in Singapore in 1977, we expanded our business to include the forwarding business, shipping agency business, warehousing business, packing business, and land transportation. Today, we have established subsidiaries in North America, Europe, China and Southeast Asia to provide logistics services.

By making excellent use of these networks, we are handling a wide variety of cargoes, mainly completed vehicles (such as passenger cars, agricultural machines, construction machinery) and automotive parts, as well as agricultural products, clothing, chemicals, nonferrous metals and wood chips. In addition, we are well versed in the transportation of long-size cargo, and we have abundant experience in the transportation of items such as space-related equipment, aircraft parts and plants.

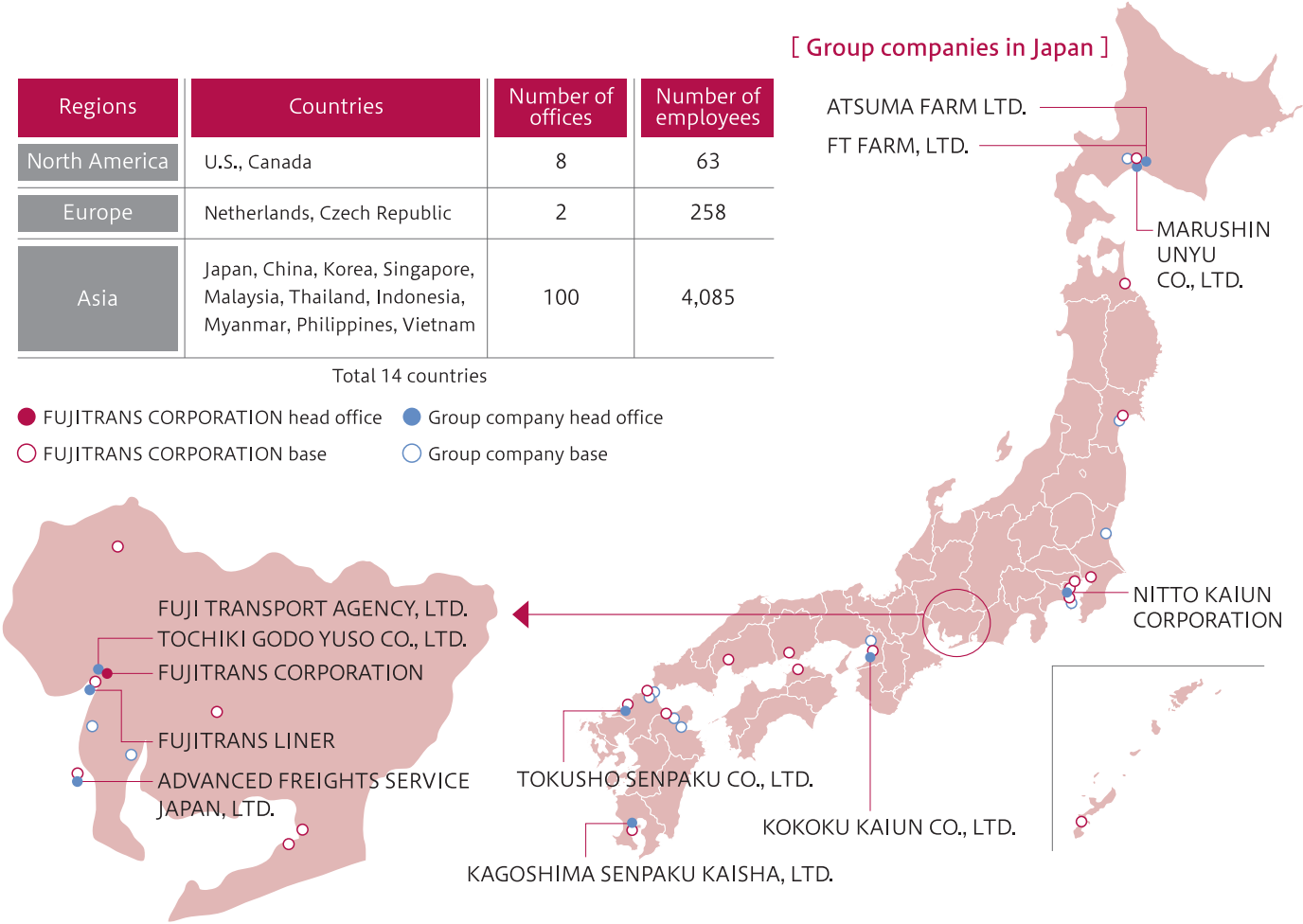
Company Name	FUJITRANS CORPORATION	Main business	Port and harbor transportation, coastal shipping, consigned freight forwarding, air transport agency, customs clearance, warehousing, packing, marine transportation, etc.
Head Office	7-41 Irifune, 1-chome, Minato-ku, Nagoya, AICHI, 455-0032		
Establishment	September 29, 1952		
Capital	200 million yen		
Representative	Tatsuo Keii, President		
		Number of employees	(Non-consolidated) 1,332, (Group) 4,406
		Number of Consolidated Subsidiaries	34 (Fiscal 2023)

## List of Business Offices

Regions	Countries	Number of offices	Number of employees
North America	U.S., Canada	8	63
Europe	Netherlands, Czech Republic	2	258
Asia	Japan, China, Korea, Singapore, Malaysia, Thailand, Indonesia, Myanmar, Philippines, Vietnam	100	4,085

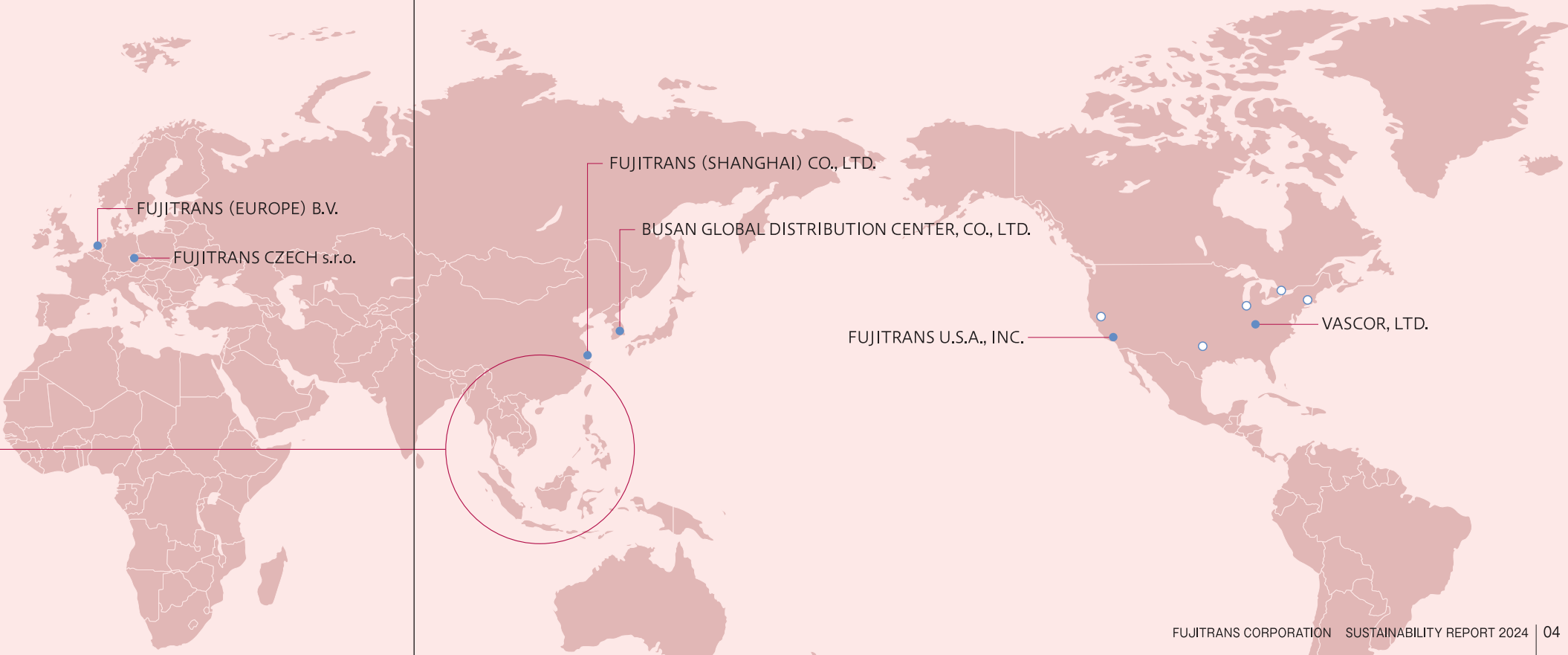
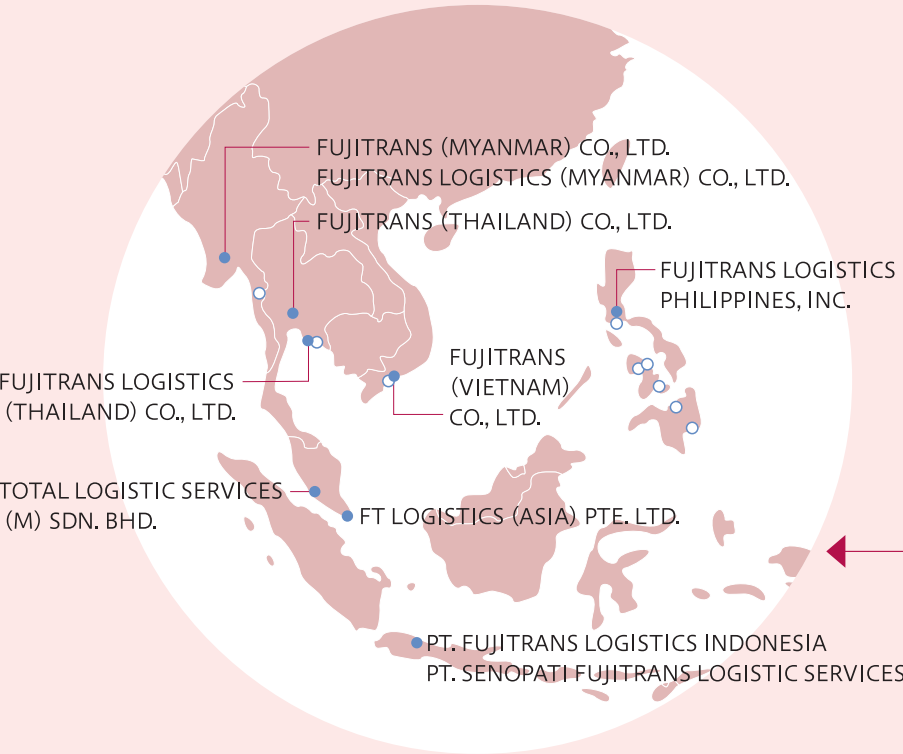
Total 14 countries

- FUJITRANS CORPORATION head office
- Group company head office
- FUJITRANS CORPORATION base
- Group company base



\*Multiple bases that are very close to each other are grouped together in the same type of marks on the map.

### [ Group companies around the world ]



# Corporate Philosophy

In support of the SDGs promoted by the United Nations and in order to contribute to the formation of a sustainable society, we, at the FUJITRANS Group, have narrowed down our focus to four material issues based on our management philosophy. We have compiled these into a long-term policy, FUJITRANS Sustainability Vision 2050, and have set the target year of 2050 for achieving this policy, which is a guideline for the Group to achieve sustainable growth and development together with society and the environment.

## [ Management Philosophy ]

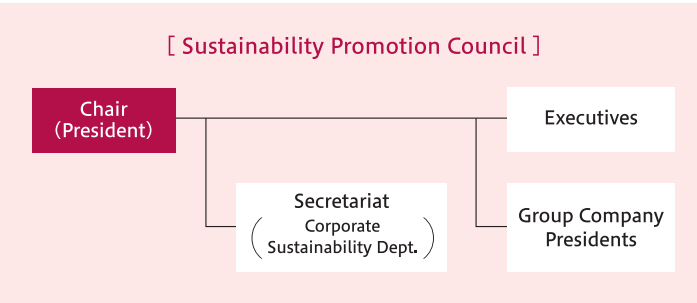
- 1 To be a company that earns society's trust through sincere and fair corporate activities.
- 2 To pursue the development of a safe, high-quality logistics system, so as to offer attractive services to our customers.
- 3 To continue our best efforts toward management innovation, and to challenge various business fields, so as to ensure sustainable development and growth.
- 4 To contribute to society and the local community through environment-friendly activities, in gratitude to the earth.
- 5 To create, on the basis of mutual trust and shared awareness, a corporate culture that provides additional comfort to our employees and their families.

# FUJITRANS Sustainability Vision 2050

Materiality	Achievement of a decarbonized society	Environmental protection and maximization of resource recycling	Promotion of workstyle reform through health and productivity management	Establishment of new SDG-related revenue models
Challenges facing society and our company	<ul style="list-style-type: none"> <li>Understanding and reducing GHG emissions</li> </ul>	<ul style="list-style-type: none"> <li>Conservation of forests and marine environments</li> </ul>	<ul style="list-style-type: none"> <li>Ensuring a workplace with job satisfaction</li> <li>Consideration for diverse workstyles</li> <li>Maintaining stable employment</li> </ul>	<ul style="list-style-type: none"> <li>Addressing societal issues through business</li> </ul>
Key measure	<ul style="list-style-type: none"> <li>Transition to next-generation fuels</li> <li>Active utilization of renewable energy</li> </ul> <div> <div>7 AFFORDABLE AND CLEAN ENERGY</div> <div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> <div>11 SUSTAINABLE CITIES AND COMMUNITIES</div> <div>13 CLIMATE ACTION</div> </div>	<ul style="list-style-type: none"> <li>Conservation of environments including oceans and forests</li> <li>Reduction of waste</li> <li>Active use of recycled products</li> </ul> <div> <div>11 SUSTAINABLE CITIES AND COMMUNITIES</div> <div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div> <div>14 LIFE BELOW WATER</div> <div>15 LIFE ON LAND</div> </div>	<ul style="list-style-type: none"> <li>Acquisition and maintenance of certification under the Certified KENKO Investment for Health Outstanding Organizations Recognition Program</li> <li>Improvement of business efficiency through DX</li> <li>Enhancement of employee engagement</li> </ul> <div> <div>3 GOOD HEALTH AND WELL-BEING</div> <div>8 DECENT WORK AND ECONOMIC GROWTH</div> </div>	<ul style="list-style-type: none"> <li>Creation of new businesses aimed at resolving social issues</li> </ul> <div> <div>8 DECENT WORK AND ECONOMIC GROWTH</div> </div>

# Promotion Structure

In order to view the SDGs, which are attracting greater social attention, as issues common to the Group, and to address them, we regularly convene the Sustainability Promotion Council, which is composed of Group executives. In the Council, we share various information on sustainability and discuss initiatives.



# Business Highlights (From April 1, 2023 to March 31, 2024)

October 2023

Naming and launching of a new ship

FUJITRANS CORPORATION conducted the naming and launching ceremony of the coastal RO/RO ship "Fugakumaru" at Mitsubishi Shipbuilding Co., Ltd. in Shimonoseki City, Yamaguchi Prefecture.

This ship was constructed as an "environmentally friendly vessel" towards carbon neutrality under FUJITRANS Group's long-term policy, "FUJITRANS Sustainability Vision 2050," which was formulated to contribute to the formation of a sustainable society. Despite increasing cargo capacity through larger hull size and structural innovations, it is expected to reduce CO2 emissions by approximately 30% compared to its predecessor of the same name.

Additionally, in the general cargo trailer section within the eight-level hold, the removal of pillars aims to enhance cargo handling efficiency.



January 2024

Completion of new office for Hokkaido Branch

The office of the Hokkaido Branch was rebuilt.

February 2024

Opening of Makati Branch for FUJITRANS LOGISTICS PHILIPPINES, INC.

FUJITRANS LOGISTICS PHILIPPINES, INC. has opened a branch in Makati within the Manila metropolitan area for the purpose of securing human resources and strengthening sales.

February 2024

Formulation of a DX policy

As one of the means to achieve the medium-term management plan "FUJITRANS 2030," we have formulated a policy for the entire group to engage in DX.

March 2024

Recognized under the Certified KENKO Investment for Health Outstanding Organizations Recognition Program

FUJITRANS CORPORATION has been recognized under the SME category of the Certified KENKO Investment for Health Outstanding Organizations Recognition Program.



**Basic Approach** The FUJITRANS Group serves as a social infrastructure through its logistics business.

## Safety and Quality

### Policy

#### Occupational Safety and Health Policy

We recognize that the reliable implementation of occupational safety and health activities is the foundation of corporate management, and we shall promote and practice the assurance of the safety and health of all workers.

We declare that we will implement the following

1. We shall prevent injury and illness among workers and provide a safe and healthy workplace.
  - (1) We shall conduct risk assessments in all workplaces and strive to eliminate or reduce occupational safety and health risks.
  - (2) We shall utilize the results of stress checks to prevent health problems among workers and improve the workplace environment.
  - (3) We shall consult with workers and invite all of them in implementing occupational safety and health activities based on good communication.
2. We shall assess occupational safety and health risks and their impact on occupational safety and health opportunities, and set targets for important items to the extent technically and economically feasible.
3. We shall comply with laws and regulations, internal standards, and other requirements related to occupational safety and health, and strive to further improve the level of occupational safety and health management.
4. We shall implement the occupational safety and health management system in a reliable and appropriate manner, incorporating the accumulated knowledge and skills of our employees to continuously improve the level of safety and health.

#### Quality Policy

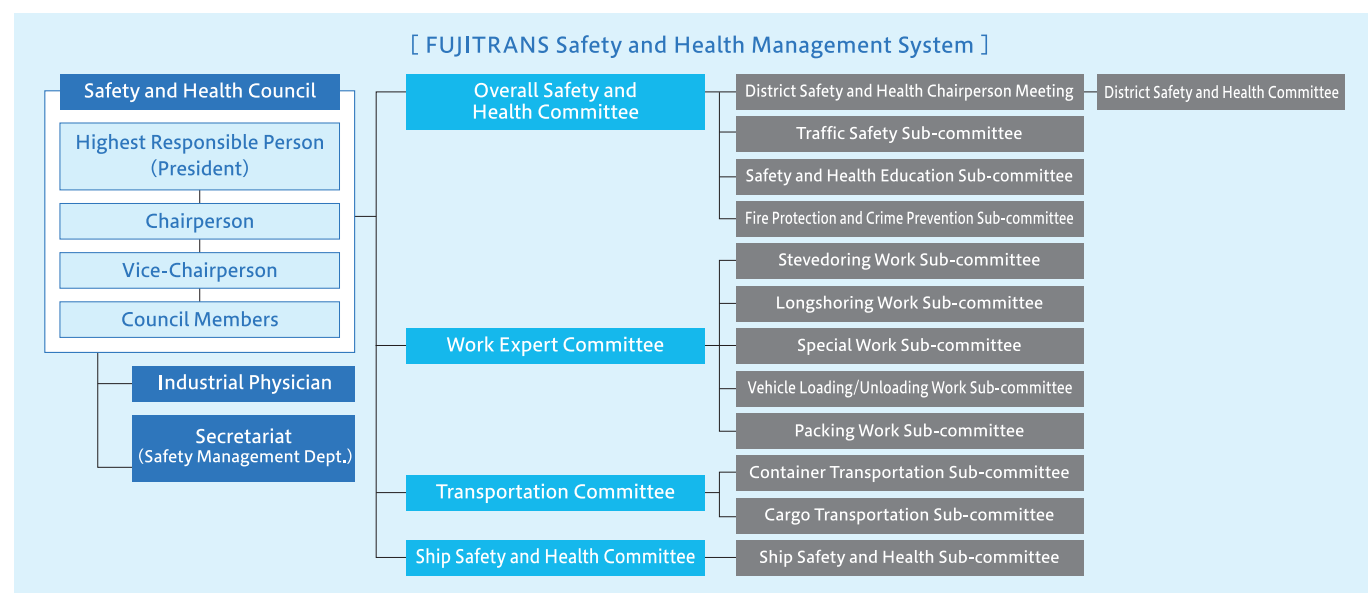
1. Enhance our logistics services to meet customer needs through further IT advancements as a company of professionals providing integrated transportation services (land, sea, and air) for a range of items from critical lightweight cargo to aerospace equipment entrusted by our customers.
2. Conduct our business with integrity and fairness, adhering to ethical business practices in accordance with agreements with our customers, ISO standards, laws, regulations, and other applicable requirements.
3. Formulate a voluntary logistics system improvement plan to effectively drive quality initiatives and ensure the continuity and sustained evolution of the logistics system.
4. Implement appropriate training and education programs to enhance the knowledge and skills of all employees, with a strong focus on quality, safety and environmental considerations as fundamental principles of business conduct.
5. Shape the future of transportation on a global scale by promoting mutual communication in partnership with our customers based on a shared understanding with the FUJITRANS Group and its partners.
6. Priority Items: Make security a top priority, focusing on preventing personal injury, property damage, delivery delays, and erroneous shipments.

#### Safe Vessel Operation Policy

1. Ensure thorough compliance with all applicable laws and regulations for maritime transportation, as well as our own safety management regulations.
2. Ensure the safety first principle based on the joint efforts of the maritime and land transportation sectors, in recognition of our social responsibility as a maritime transportation player.
3. Strive to improve safety in vessel operations by appropriately maintaining and administering the vessel operations safety management system and implementing continuous improvements.
4. Conduct safe navigation education and training programs to promote safety awareness at sea and on land and to support effective crisis management.
5. Actively promote safety activities and reduce environmental impact on a daily basis to provide safe, reliable, and environmentally sound marine transportation services.

### Promotion Structure

Safety is a serious mission to us as an integrated logistics company. Thorough safety leads to the trust of customers, and leads to enhancement of quality for the entire business. We believe that safety and quality are integrated into one. We have constructed a strong management system headed by the Safety and Health Council, and we are working on thorough safety management.



## Initiatives for Safe Work

### Enhanced Safety Transportation Campaign

To prevent accidents and disasters during transportation, the Transportation Committee and the Safety Management Department collaborate to conduct an Enhanced Safety Transportation Campaign. The Transportation Committee consists of two sections, the Container Transportation Sub-committee and the Cargo Transportation Sub-committee, primarily managing safety in land transportation. During the campaign period, participants reviewed basic operations, site-specific traffic lines, trailer safety inspections, and disaster prevention measures. Additionally, executives patrolled each site to ensure thorough implementation of safety transportation practices.



Checking trailer wheel clamps



On-board patrols by the Cargo Transportation Sub-committee

### Heatstroke Prevention Campaign

Every year from May to September, we conduct a Heatstroke Prevention Campaign. This campaign aims to promote understanding of heatstroke symptoms and to instill practices for prevention and preparedness in case of emergencies.

Each business site urges employees to take precautions by displaying awareness posters and educating them with video materials on heatstroke prevention. In addition, heatstroke prevention goods such as oral rehydration solution and instant cooling materials are distributed.

### Zero Accidents Campaign

Hosted by the Safety and Health Council, the Zero Accidents Campaign is held twice a year at offices across Japan. This is an activity in which all employees participate, aiming to raise safety awareness of each employee and create a safe and secure workplace with the goal of "zero accidents." During the fiscal 2023 campaign, management leaders conducted on-site inspections and each section committee conducted patrols.

Furthermore, executives made campaign visits to sites to provide encouragement in hot weather during the first half of the year and encouragement in cold weather during the second half of the year, appreciating the workers' hard work.



Chant of "zero accidents" by safety work supervisors (kickoff ceremony)

Fiscal 2023 Safety Slogan

A Safe and Secure Workplace Built on Mutual Understanding with a Heart that Communicates and a Heart that Listens

Slogan for 1H

Workplace Change Begins with Awareness Change. Let's All Improve Workplace Safety Together.

Slogan for 2H

Close Calls Are Signs of Danger. Improve Immediately for a Zero-Accident Workplace.



Safety patrol (Kyugochi Branch)

### Truck Driver Safety Training

Once a year, FUJITRANS LINER, which handles land transportation, sends its own and its partners' crew members to safety training provided by the Aichi Trucking Association. During the training, crew members review the Road Traffic Act, including its amendments, the characteristics of vehicles, and the range of blind spots, and they are educated based on past accident cases. On the training course, participants drive and receive hands-on instruction from an accompanying instructor. Additionally, they watch footage from drive recorders and exchange views on points of danger, which provides a valuable opportunity to reassess their own safety awareness.



Slalom driving with obstacles set up



## Safe Forklift Driving Reinforcing Campaign

Every year, the Work Expert Committee holds the Safe Forklift Driving Reinforcing Campaign. The purpose is to reaffirm the importance of safe driving for forklift operators. During the campaign period, posters are displayed at each site to promote safe driving.

Additionally, to enhance skills, a forklift skills competition is held for forklift operators. Representatives from each operation field drive a designated course and compete in terms of wearing safety equipment, thoroughness of prior checks, and accuracy of work, and are judged by executives.



Demonstrating skills in a designated course

## Campaign for the Prevention of Oxygen Deficiency

We conduct a campaign to prevent oxygen deficiency, which is a risk on wood chip vessels, in order to thoroughly implement prevention measures. As part of the fiscal 2023 campaign, we confirmed the oxygen concentration measurement records before work, conducted education using video materials, practiced wearing and removing respirators, and inspected life-saving equipment. Additionally, we

conducted rescue drills simulating a scenario where workers engaged in wood chip operations were injured inside the hold. With mannequins set up at the site to represent the injured, participants went through a series of procedures and roles, from finding the victim, rescuing them, transporting them from the vessel to the wharf using lifesaving equipment, performing CPR, and transporting them to an ambulance.

## Health

Employees' physical and mental health is important for the continuation of our business. For this reason, we comply with the Industrial Safety and Health Act and strive to create a safe workplace where employees can work vigorously. In addition, we regularly monitor employees' health conditions and provide them with opportunities to obtain health-related information.

## Policy

### Declaration of Health Management - As an Essential Enterprise in Society

Protecting the health of employees, which forms the foundation of corporate management, is the driving force behind corporate sustainable operations and development.

Based on our company motto, the "Spirit of 'Wa'," we are committed to promoting a vibrant workplace where each employee is healthy both physically and mentally, and finds fulfillment in their work. By providing reassurance to our employees and their families, we aim to contribute to society and the community.

## Specific Initiatives

### Promoting Health Management

To safeguard the health of employees, which forms the foundation of our corporate management, we announced the declaration of health management in April 2023. Additionally, we participated in the Health Declaration Project of the Aichi Federation of the National Federation of Health Insurance Societies and were certified as a Health Declaration Challenge Office.

In March 2024, we were certified under the SME category of the Certified KENKO Investment for Health Outstanding Organizations Recognition Program, jointly selected by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi.



## Health Consultations and Health Seminars

To ensure employees can work healthily and energetically, we provide opportunities for individual health consultations. Employees can consult with a public health nurse based on their health checkup results.

We also hold regular health seminars by health nurses. In fiscal 2023, seminars with themes such as "Cancer and Lifestyle - Prevention and Early Detection," "Health Issues in the Workplace - Understanding Presenteeism," and "Prevention Is Better than Cure - Understanding Your Physical Age through Fitness Testing" were conducted at each business site in the head office district.

Additionally, we organized the first "Health Seminar for Working Women" for female employees, featuring external speakers.

## Stress Check

Once a year, stress checks are conducted on all employees. The stress check is a test to assess the degree of psychological strain and is required by the Industrial Safety and Health Act. The results are tabulated and quantified in the three areas of physical and mental stress reactions, work stress factors, and support from other people, and are returned to the individual test takers with details of trends and advice.

In fiscal 2023, 79.4% of all employees took the test. They used the test results as an opportunity to understand their own condition.

## Contribution to Society

We, at FUJITRANS Group, clearly state "contribute to society and the local community" in our management philosophy and have been working hard to contribute to society in cooperation with our stakeholders since the very early days of our company's establishment. These activities are consistent with the 17 goals of the SDGs.

### Call for Traffic Safety on the Street

The Traffic Safety Sub-committee takes the lead in calling for traffic safety on the street on the zero traffic accident death days (days with 0 in the date). During the morning commute, employees carry banners at intersections near the head office and call on drivers and pedestrians to thoroughly follow traffic rules such as fastening seat belts and stopping at intersections.

Additionally, we supported the "Autumn National Traffic Safety Campaign" held from September 21 to 30, led by the Cabinet Office, National Police Agency, and local governments. On September 26, employees and executives called for traffic safety on the street at three locations: the head office area, Kinjo area, and Kyugochi area.



Employees calling for traffic safety

### Support for Relay for Life

MARUSHIN UNYU CO., LTD. has been supporting the charity event "Relay For Life Japan Tomakomai" held annually in Tomakomai City.

"Relay For Life" is an activity that supports cancer patients and their families and is held in approximately 2,460 locations across 34 countries worldwide. It began in Japan in 2006 and Tomakomai City has become one of the host cities since 2016.

MARUSHIN UNYU CO., LTD. has been a sponsor every year since the event started in Tomakomai. When the event was held on July 22, 2023, the company provided its trailer chassis as a stage within the venue and helped set up lifting equipment.



Trailer set up as a stage

### Support for Child Welfare Facilities

We donate Christmas cakes and other items to six child welfare facilities in Nagoya City every December. In 2023, we provided cakes, puddings, bread, and other items to be used for their Christmas parties.

We later received many thank-you notes from the facility staff and the children.

### Donation of Relief Funds to Disaster Areas

In August 2023, we donated relief funds to aid those affected by the large-scale fire in Maui Island, Hawaii, U.S.A., and to help them rebuild their lives.

Additionally, following the Noto Peninsula earthquake on January 1, 2024, we donated funds, including contributions from our employees and company through the Japanese Red Cross Society to support the affected areas.



# Environment

## Basic Approach

The FUJITRANS Group has formulated an environmental policy as a guideline to implement the environment-friendly activities stipulated in its management philosophy, and is striving to reduce the burden on the local and marine environments in which it operates and to protect biodiversity.

## Policy

### Environmental Policy

1. Collaborate with companies involved in our business activities to prevent pollution through resource conservation, energy optimization and waste minimization.
2. Promote environmental protection by establishing voluntary standards as appropriate, in addition to complying with environmental laws, regulations, agreements, and other relevant obligations.
3. Establish objectives and targets and periodically review the results of our initiatives to maintain and improve our internal environmental systems.
4. Conduct environmental education and public relations activities to familiarize all employees with our environmental policy and to increase environmental awareness.
5. Participate actively in environmental conservation activities in communities, emphasizing the significance of dialogue with the local community.

## Environmental Management System

Based on our environmental policy, we have obtained ISO 14001 environmental certification for some of our offices and ships. Every year, internal audits and external inspections are conducted to ensure that the management system is properly implemented.

[ List of ISO 14001-certified Sites ]

Company	Offices/Ships Owned		
FUJITRANS CORPORATION	<ul style="list-style-type: none"> <li>• Head Office</li> <li>• Kyugochi Branch</li> <li>• Kinjo Operation Center</li> <li>• Sorami Office</li> </ul>	<ul style="list-style-type: none"> <li>• Kinjo Office</li> <li>• Toyohashi Branch</li> <li>• RO/RO Ship "Fujiki"</li> <li>• RO/RO Ship "Fugaku maru"</li> </ul>	<ul style="list-style-type: none"> <li>• RO/RO Ship "Youshou maru"</li> <li>• RO/RO Ship "Seiwa maru"</li> </ul>
KAGOSHIMA SENPAKU KAISHA, LTD.	Nagoya Office		

## Environmental Conservation Practices

### Tidal Flat Cleanup

Corporate Sustainability Dept. members, new employee generalists, and employees participating as volunteers took part in the "Fujimae Tidal Flat Cleanup Operation," a cleanup event held at the Fujimae Tidal Flats in Aichi Prefecture.

The Fujimae Tidal Flats are located at the far end of Ise Bay, spanning between Nagoya City's Minato Ward and Tobishima Village, where many of our offices are located. As one of Japan's best destinations for migratory birds, the tidal flats are registered under the Ramsar Convention(\*) and as a national wildlife protection area. However, due to the large amount of garbage washing up from rivers and the sea, cleanup activities are conducted mainly by citizens' groups.

In the cleaned area, there were plastic bottles and plastic bags that had probably washed ashore, along with discarded sofas, tires, and other bulky waste. Additionally, the ground's surface layer contained a substantial amount of microplastics, making it difficult to remove them all.

\*Ramsar Convention: The official name is the "Convention on Wetlands of International Importance especially as Waterfowl Habitat." It covers a wide range of wetlands, including groundwater systems and shallow waters, and aims to promote conservation and appropriate use.



Employees who participated in the cleanup

### Philippine Coastal Cleanup

Employees of FUJITRANS LOGISTICS PHILIPPINES, INC. participated in the Coastal Cleanup Drive, cleaning the shores of Tanza City in Cavite Province.

This event was held on beaches around the Philippines in conjunction with INTERNATIONAL COASTAL CLEANUP DAY, an international marine environmental protection activity. The coastline of Tanza City, located south of Manila Bay, is a common accumulation site for debris swept in from Manila Bay by typhoons and other weather events. The employees collaborated to collect and remove the trash from the beach.



Many staff members participated to contribute to society.

### Participation in City Tree-Planting Activity

We participated in the environmental activity "Nagoya Green Wave 2023 Citywide Tree Planting," organized by Nagoya City, where our head office is located. This initiative aims to raise awareness of the importance of biodiversity through interaction with forests and trees. Seedlings were provided to participating companies and corporations, which planted them all together on May 22, the International Day for Biological Diversity. We received three hydrangea seedlings and planted them in the flowerbeds on the premises of our head office.



Hydrangea with flower buds

### Green Orientation

The ocean is an important business field for coastal shipping, one of our core businesses. And we believe the forests upstream of the rivers that supply nutrients to the ocean are also an important environment for us. In order to keep such forests healthy and preserve biodiversity, we own 177 hectares of forest in Kyowa Town, Hokkaido.

The Forest of Fujippu, named after our mascot, had areas with few trees at the time of our acquisition. Therefore, aiming to create a carbon sink, we have developed an artificial forest there next to the natural forest. The Forest of Fujippu is being preserved as a sustainable forest in cooperation with local forestry cooperatives, and in recognition of this, in 2022 it was certified under the SGEI international forest certification system.

Furthermore, this forest is utilized as an environmental education site for new employees. With the cooperation of the local promotion bureau, the employees participate in activities such as tree planting and thinning operations, guided by members of the local forestry cooperatives who are asked to provide forest education and management.



Participants after finishing their work

### Using Electricity Derived from Renewable Energy Sources

To reduce CO2 emissions, we have switched to using electricity derived from renewable energy sources at most of our business sites.

According to the GHG Protocol, using electricity generated by other companies results in the user emitting CO2 under Scope 2. The CO2 emission factor varies depending on the method of generation and traditional fossil fuel power generation has a high emission factor.

Therefore, by using electricity from renewable energy sources that do not emit CO2 during generation, we have reduced our Scope 2 emissions.



## ISO Neighborhood Beautification Activities

As part of ISO 14001 (environment) activities for environmental beautification, we clean up the area around our office premises. We invite participants from departments at each location to pick up litter.

During our headquarters' summer activities, we conducted a cleanup the day after the annual "Nagoya Port Festival" held nearby, because more litter than usual tends to be scattered after the festival. Neighboring companies also cleaned up the area in the same manner, so we carried out the cleanup in cooperation with them.



Collected a large amount of trash in about an hour.

## Water Surface Cleanup Using a Tender Boat

We used a boat (tender boat), which is designed for transportation between sites in Nagoya Port, and collected debris floating on the surface of the water.

The cleanup was conducted on September 26, the date the Isewan Typhoon hit Honshu in 1959. At the time, Nagoya Port suffered extensive damage, particularly due to a large amount of lumber that washed ashore from a lumberyard. Our company gained the trust of the community by working tirelessly to remove the lumber, and since then, we have conducted water surface cleanups every year on this day.

Representatives from each division collected floating debris with landing nets from the boat by travelling around the Port of Nagoya GARDEN PIER near the head office, the Q2, BS, BQ, and BQ2 quays of SHIOMI PIER, which is the company's coastal shipping base, and the lower reaches of the Hori River, which flows into the GARDEN PIER.



Collecting trash near our company's wharf.

## Improving Water Quality in a Canal

As part of our environmental preservation activities, we have been working to improve the water quality of a canal located near the head office of FUJITRANS CORPORATION, by using used disposable body warmers.

This activity is a joint research project of our company, Toyofuji Shipping Co., Ltd., and Tokyo University of Marine Science and Technology based on a research paper by Professor Tsuyoshi Sasaki of the same university. The iron ions released from the water purification agents react with hydrogen sulfide, one of the causes of foul odors, forming iron sulfide, which reduces unpleasant smells. In addition, by reacting with iron sulfide, sludge accumulated on the water bottom will decompose, and organisms can be expected to utilize the organic matter, thereby increasing their population.

Disposable body warmers used during the winter season are collected at our company and Toyofuji Shipping and then the contents are solidified into brick-shaped water purification agents, which are installed within the canal. Regular investigations are conducted to assess changes in water quality, bottom sediments, and biodiversity in the canal. In fiscal 2023, previously unseen plants and organisms such as a type of sea lettuce and sea hares became observable.

In November, we participated in a water survey trial conducted by the Nagoya Chamber of Commerce & Industry at Miyanowatashi in Atsuta-ku, Nagoya City, aimed at utilizing waterfront areas. We presented the effectiveness of the method utilizing disposable body warmers in improving waterfront environments and water quality.



Sea hare observed with its body and egg mass.

## Procurement of Carbon Offset Credits

Carbon neutrality is a cooperative effort by the international community and is being promoted in a variety of ways in both the public and private sectors. We, as a company that emits CO<sub>2</sub> through the operation of our own coastal vessels, are no exception to this trend. However, energy conversion, which is expected to be a means of significantly reducing CO<sub>2</sub> emissions, is not an easy

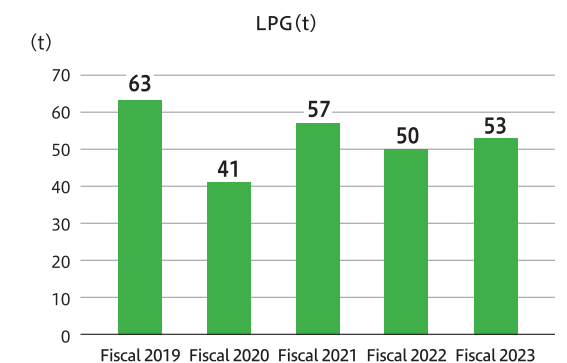
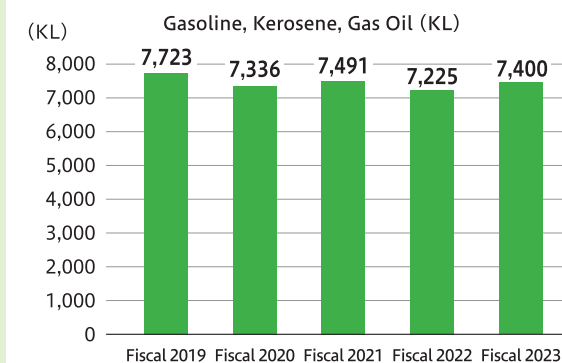
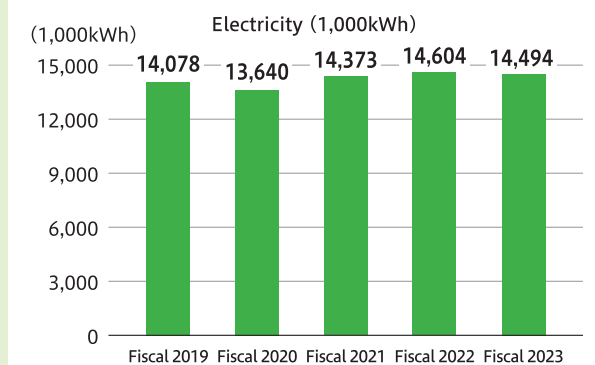
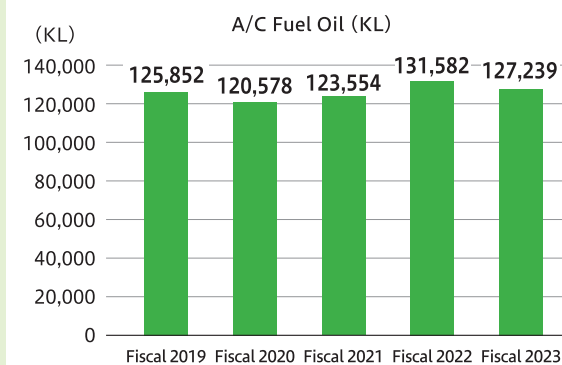
task due to numerous technical challenges.

This is why we procure carbon offset credits to neutralize our CO<sub>2</sub> emissions. The credits we procure are basically forest-derived. By thinning and otherwise properly maintaining the forests that connect to the ocean through rivers, we promote the absorption of CO<sub>2</sub> and at the same time support the forest industry.

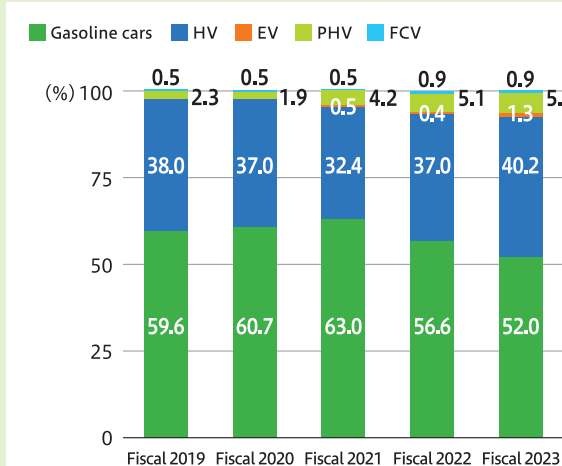
## Environmental Data (As of the end of March 2024)

In implementing various measures based on our environmental policy, we collect and manage environmental impact data in order to understand the current status and progress of measures. We mainly visualize energy usage for the head office as well as our group companies. (Target: 25 companies)

### [ Energy usage ]



### Percentage of company cars by the type of powertrain (FUJITRANS CORPORATION, nonconsolidated)



\*Percentages are rounded to the first decimal place, so the totals may not add up to 100.

### Number of sheets printed (FUJITRANS CORPORATION, non-consolidated) (Ratio based on fiscal 2019 as 100)

