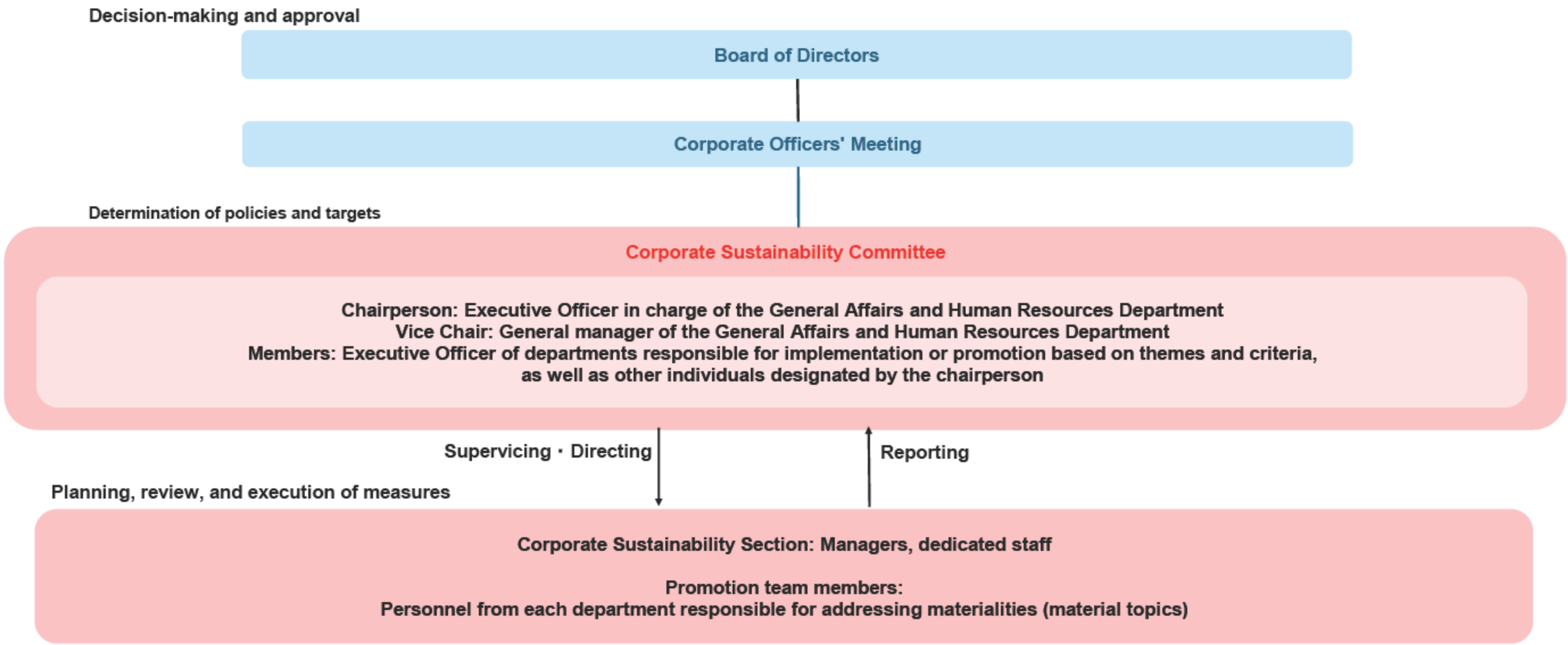
Information Disclosures
Based on the TCFD Recommendations

"K" LINE LOGISTICS, LTD.
July 1, 2026

In an aspiration to evolve into a comprehensive logistics company that gives consideration to the environment, we are aware that responding to climate change is one of our material management issues. We will work to enrich information disclosures based on the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations and operate a sustainable business by analyzing and assessing climate-related risks and opportunities and incorporating analysis and assessment results into management strategies.

<Structure Diagram>



(1) Governance

We established the Corporate Sustainability Committee (hereinafter "the Committee") and the Corporate Sustainability Section (hereinafter "the Section") in the General Affairs and Human Resources Department in October 2024. The Committee is chaired by the executive officer in charge of the General Affairs and Human Resources Department and consists of executive officers in charge of organizations and heads of departments and sections related to the materiality to push ahead with the sustainability initiatives of the "K" LINE LOGISTICS Group. The Section identifies sustainability-related issues, including climate change, plans and drafts measures and monitors and analyzes the statuses of initiatives. The Committee holds meetings regularly, in which the Section reports the progress of materiality measures. The details will be reported to the Corporate Officers' Meeting that deliberates our material matters every time. When a decision made by the Committee requires authorization from the Board of Directors pursuant to the Internal Decision Standards, the Board of Directors grants the authorization. The Board also supervises the status of addressing the materiality and the level of achievement against the targets and gives instructions and advice as appropriate. The Group thus aims to achieve sustainable growth and fulfillment of social responsibility under the Basic Policy on Sustainability. The whole Group works as one to meet the expectations of stakeholders.

(2) Strategies

Overview of scenario analysis

We employ a 1.5°C scenario and a 4.0°C scenario concerning future climate change to identify possible risks and opportunities for separate stakeholders in the value chain (i.e. suppliers, the Company and customers) and to study them from the perspectives of transition risks and physical risks.

Major scenarios used are as follows.

· Transition risks:
From the World Energy Outlook (WEO) published by the International Energy Agency (IEA), the sustainable development scenario (SDS), according to which the average temperature rise is limited to well below 2.0°C set by the Paris Agreement and efforts are made to limit it to 1.5°C, and the net zero emissions by 2050 (NZE2050) scenario are employed.

· Physical risks:
The representative concentration pathway (RCP) 8.5 scenario by the Intergovernmental Panel on Climate Change (IPCC) is employed.

(3) Risk Management

Viewpoints for identifying risks and opportunities

We assessed and graded the risks and opportunities identified by two points of view. One is the expected size of their impact on business and on finance, and the other is the expected time span of the impact.

Expected size of impact on business and on finance

Grade	Size of impact
Large	Grave companywide impact
Medium	Companywide impact
Small	Impact that is not on a companywide scale

Expected time span

Grade	Time span
Short	One to two years or less
Medium	Three years or less
Long	Four years or longer

(4) Metrics and Targets

The Group has determined the metrics and the targets shown below.

Item	Target	Results in 2024
Scope 1	Reduce by 46% from the 2016 level by 2030	Reduced by 61% from the 2016 level
Scope 2		Reduced by 39% from the 2016 level

* <Year of measurement for calculation>
January 1, 2024 to December 31, 2024

Climate-related risk and opportunities, their impact and mitigation strategies
Analysis of risks and opportunities by scenario

Type of climate change risks	Division	Scenario	Expected events		Impact	Time span of impact	Level of impact on business and on finance	Mitigation strategies
Transition risks	Policies, laws and regulations	1.5°C scenario (premised on implementation of environmental measures)	Introduction of carbon taxes in different countries	Risk	Increase in cost burdens after introduction of carbon taxes	Long	Small	Monitoring of greenhouse gas (GHG) emissions and acceleration of emissions reduction
	Technology		Introduction of environmentally friendly devices, equipment and vehicles and introduction of a system that visualizes CO_2 emissions in transportation	Risk	Increase in costs of introduction and operation of environmentally friendly devices and the CO_2 visualization system	Short to Medium	Small	Acceleration of the introduction of LED lighting equipment and introduction of environmentally friendly vehicles for energy conservation
				Opportunity	Cost reduction following introduction of environmentally-friendly devices and reduction in power consumption	Short to Medium	Small	
	Markets		Revision to modes of transportation aimed at reducing the environmental impact	Risk	Decrease in sales after a shift from air transportation with a high environmental impact to other transportation with a low environmental impact	Short to Medium	Small	Proposals for transportation services with environmental value using sustainable fuels (sustainable aviation fuel (SAF) and sustainable maritime fuel (SMF)) and for a modal shift
				Opportunity	Increase in handling of transportation services oriented to lower environmental impact	Short to Medium	Small	
	Reputation		Customers' evaluation due to delays in environmental response	Risk	Decline in stakeholders' evaluation due to a poor environmental response and insufficient information disclosures	Short to Medium	Large	Strengthening of environmental initiatives and enrichment of information disclosures
				Opportunity	Improvement in trust and increase in business opportunities based on recognition as an entity positively conducting environmental measures	Short to Medium	Medium	
Physical risks	Acute	4°C scenario (premised on implementation of no environmental measures)	Intensification of natural disasters	Risk	Increase in costs of business continuity measures after intensification of natural disasters	Short	Small	Regular reviews of the business continuity plan (BCP) ready for natural disasters and drills
	Chronic		Changes in business environment due to a rise in atmospheric temperature	Risk	Increase in fire insurance premiums and increase in cost of power consumed	Long	Small	Consideration of revision to fire insurance premiums and implementation of energy conservation