



**TRUSCO**™



## Integrated Report 「解体新書」2025



**GAMBARE!! JAPANESE MONODZUKURI**



TM

**A company  
that enhances  
BCP measures**



**Main BCP measure  
Utilization of various types of  
seismic isolation equipment**



## TRUSCO NAKAYAMA CORPORATION

Tokyo Head Office TRUSCO Fiorito Bldg., 4-28-1, Shimbashi, Minato-ku, Tokyo 105-0004  
Osaka Head Office TRUSCO Central Bldg., 4-2-5, Honmachi, Chuo-ku, Osaka-shi, Osaka 541-0053



Integrated  
Report 2025

Published: June 2025  
Editor and Chief: Mayumi Takata  
General Manager of  
Corporate Planning Division  
Production Partner:  
Dai Nippon Printing Co., Ltd.  
4,197 1,150 issues

**Our Policy**

**“Business must serve  
people and society”**

**TRUSCO NAKAYAMA CORPORATION**



# Planet Aichi, Our Largest “Tool Box in Japan”

Enhancing  
BCP  
measures!

- Number of items that we plan to hold in inventory at Planet Aichi by 2030: 1,000,000 items
- Maximum shipment capacity: Approx. \$649 million per year
- Four high-speed automated packaging and shipping lines (I-Pack®) installed
- “NIAWASE + U-choku”  
Significantly expansion of our “NIAWASE + U-choku” (Order Consolidation + Direct Delivery Service) capabilities

Location: Kitanagoya City, Aichi  
Completion of construction: February 2025  
Scheduled for operation: July 2026

## Cutting edge distribution equipment that support our “NIAWASE +



**Skypod**  
A high-speed picking system capable of travel in three dimensions  
see p.53

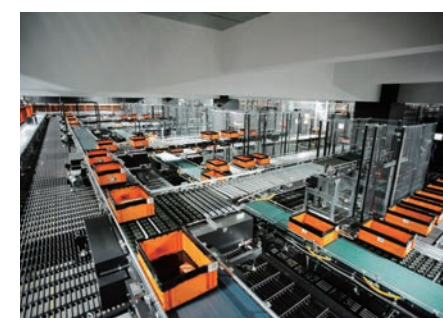


**AutoStore**  
high-precision storage system  
see p.54



**Cross-belt sorter**  
High-speed sorter

## U-choku” (Order Consolidation + Direct Delivery Service) operations



**Shuttle Rack**  
high-speed load assorting equipment



**I-Pack®** (high-speed automated packaging and shipping line)  
see p.55



**Building's seismic isolation structure** allows for shipping even during disasters  
see p.51



## TOP MESSAGE

Flowing from the foundation  
of management

# TRUSCO-ism

These are unique ideas that underlie management, developed over the past 30 years since I became President of the Company in 1994. We will continue to be a company essential to both our customers and society in the future thanks to our creative ideas.



### We must be a company truly useful during an emergency

A company's ability is tested in times of emergency. No matter what kind of disaster we encounter, we must be a company that firmly fulfills our supply responsibilities.

### Let the person make meals who could feed you good food

This is why chefs at our recreational facilities and employee cafeterias are full-time employees too.

### The notion of “Be loved by customers” is wrong

The correct approach is to create a situation where customers feel compelled to buy even if they do not want to

No strategy is needed in order to be loved. An extraordinary strategy is required to make something a must-buy.

### Customers are not interested in management indicators that are meaningless to them

Various management indicators such as ROE, ROA, and PBR are merely company-focused numbers that hold no meaning for the customer. We should set metrics that are useful to our customers and the market.

### A company has a responsibility to provide workplaces where staff members can work with stability and peace of mind Do not use people as cheap resources

It is important to take care of one person's life, not one person's work capabilities. We should not take away the goodness from people's lives.

### The growth of a company makes people grow

It is a misunderstanding that people's growth makes the company's growth.

### Attentiveness may be the greatest capability one should have

Opportunities fall on everyone equally. There is no such thing as luck or misfortune. Train your mind, eyes, and ears to recognize opportunities.

### Conducting Management Not Written On Textbooks

If everything in business went just as described in textbooks, the world would be full of successful people. There are many interesting answers in the world that are not found in textbooks.

### Experience of many hard-ships makes good judgment abilities

If you don't run away from hardships, your judgment abilities and human skills will increase.

### The appropriate actions and direction of our business will be clear if we have ambition

If we have ambition for what we are in business, appropriate actions and direction of our business becomes clear.

### A company should advocate for management that does not pander

Lately, it seems like there is excessive pandering to society, investors, shareholders, customers, employees, and even former staff. The repetition of catchy-sounding buzzwords seems to reflect this.

### Order flow will change from inconvenient company to convenient company

There is no better strategy than providing convenience. Courage, hard work, perseverance, and enthusiasm are important, but they are no longer enough to win.

### Self Awareness is the Highest Education

If you do not feel this way, your education will be a waste.

### Employees are mirrors of the president

A company that is unfriendly, unkind, insincere, and lacks smiles, it reflects the personality of the president.

### If the president is in a battlefield, the employees are in hell

Some company presidents like to tell heroic stories about past hardships or how they recovered from a tough time, but if the president is in a battlefield, employees are in hell. Since hardships are avoidable it is better to not allow battles to be created.

### Shushazentaku

Judgment should not be based on advantages or disadvantages but on whether something is good or bad. The result will be bad if things are only judged by whether they are profitable or not.

### Numerical targets and capability targets

Goals are all about numbers. However, I think it is also important to have capability goals for capabilities that we want the Company to have. Setting capability goals is the key for a successful digital transformation.

### Majority rule is not always right

We must increase our ability to see through the essence of matters and not be misled by majority rule. Majority rule is irresponsible for outcomes.

### Choosing majority solutions results in ordinary results

Do what others do not think of. Do what others do not do. The top requirement for managers is creativity.

### Knowledge is finite, wisdom is infinite

Management requires creativity. We must combine knowledge and wisdom to create ideas that no one can think of.

### The absence of enemies is evidence of the absence of allies

When you have a business strategy where you try to please everyone, although you may not have any enemies, I am sure that you don't have any allies either. Therefore, we should follow management policies without fear of conflict.

### Be an Ultimate Master Wholesale

The theory that wholesalers are unnecessary is wrong. Just because some wholesalers do not satisfy the role does not mean that wholesalers are unnecessary.

### Unconventional decisions became turning points for growth

Complete abolition of bill transactions, large inventory principle, full-time employment system, and fixed-cost based distribution

### Don't spoil yourself as you experience hardships

Companies are not self-driving. Someone is behind the wheel. You should not free ride on people's efforts as you experience no hardships.

### People exaggerate their own hardships

Do not exaggerate your hardships.

### People will not grow up if they do not feel a sense of shame in front of others

No one wants to be ashamed in front of others. Therefore, you should try your best not to be ashamed.

### Investments in own distribution is equivalent to investments in M&A

TRUSCO should be the organic company that grows a business on its own rather than increasing sales through M&A.

### A Company with Assets

We must be able to secure important assets without relying on others. It is not a question of gaining or losing a lease.


### Decisive management strategy

Although business strategy is all about adding things, we also need a decisive business strategy.



Organizational Chart As of May 7, 2025

\* **Board Brain (BB)?**  
At TRUSCO Nakayama, we call outside directors "Board Brains."  
This term alludes to our hope that they will provide advice and support based on their abundant experience and knowledge, and contribute to the Company's development.




Born November 15, 1949  
75 years old; 9 years at Trusco

Career Summary  
1975: Joined McKinsey & Company  
1996: Founded ForeSight & Company President (present)  
2016: Outside Director of the Company (present)  
2017: Founded the Society for Problem Solving Representative Director, Society for Problem Solving (present)

Outside Directors  
Board Brain(BB)\*  
ForeSight & Company, Ltd.  
President

Kenichi Saito




Born August 19, 1953  
71 years old; 9 years at Trusco

Career Summary  
1976: Joined Hagihara Industries Inc.  
1984: President, Hagihara Industries Inc.  
2010: President & CEO of Hagihara Industries Inc. President & Executive Officer Chairman, Hagihara Industries Inc. Outside Director of the Company (present)  
2018: President, Toyo Heisei Polymer, Co., Ltd. (present)  
2020: Outside Director, Wavelock Holdings Co., Ltd. (present)  
2021: Chairman, Toyo Heisei Polymer, Co., Ltd. (present)  
2022: Chairman, Hagihara Industries Inc. Senior Advisor, Toyo Heisei Polymer, Co., Ltd. (present)  
2023: Senior Advisor, Hagihara Industries Inc. (present)

Outside Directors  
Board Brain(BB)\*  
Senior Advisor,  
Hagihara Industries Inc.

Kuniaki Hagihara




Born May 9, 1977  
47 years old; 1 years at Trusco

Career Summary  
2001: Joined Nestle Japan Limited  
2011: Joined Dynamic Tools Corporation Joined Dinex Co., Ltd.  
2021: Representative Director, (present)  
2022: Representative Director, Dynamic Tools Corporation (present)  
2025: Outside Director of the Company (present)

Outside Directors  
Board Brain(BB)\*  
Representative Director,  
Dynamic Tools Corporation  
President

Risa Ota

To be appointed as Outside Director at the 62nd Ordinary General Meeting of Shareholders which is scheduled to be held on March 28, 2025.




Born December 24, 1958  
66 years old; 44 years at Trusco

Career Summary  
1981: Joined the Company  
1984: Director  
1987: Executive Director  
1991: Representative Director and Senior Executive Director  
1994: President (present)

President

Tetsuya Nakayama

General Manager of the Business Management Department, Digital Service Strategy Department, and Orange Book Department



Director, General Manager of the Business Management Department, Digital Service Strategy Department, and Orange Book Department


Atsushi Kazumi

Born September 10, 1970  
54 years old; 32 years at Trusco

Career Summary  
1993: Joined the Company  
2001: Office Manager, Tsuchiura Sales Office  
2002: Office Manager, Kanazawa Sales Office  
2006: Branch Office Manager, Osaka Branch  
2010: Section Manager, Catalog Media Section and Section Manager, DOTKUL Section  
2013: General Manager, e-commerce Sales Division  
2014: General Manager, e-Business Sales Division  
2017: Executive Officer & e-commerce manager, e-Business Sales Division  
Executive Officer & General Manager, Information Systems Dept.  
2019: Executive Officer & General Manager, Information Systems Division

Director & General Manager, Information Systems Division  
2020: Director, General Manager of the Business Management Department and General Manager of the Digital Service Strategy Department & General Manager of the Digital Promotion Division  
2021: Director, General Manager of the Business Management Department and General Manager of the Digital Service Strategy Department  
2024: Director, General Manager of the Business Management Department, Digital Service Strategy Department, and Orange Book Department (present)

General Manager of the Product Department



Director General Manager of the Product Department

Kazuo Nakai


Born July 7, 1969  
55 years old; 32 years at Trusco

Career Summary  
1993: Joined the Company  
2002: Office Manager, HC Niigata Sales Office  
2004: Branch Office Manager, HC Osaka Branch  
2008: Section Manager, Personnel Section  
Section Manager for the Personnel Section and Health Care Section  
2013: General Manager, Corporate Planning Division  
2017: Executive Officer & General Manager, Corporate Planning Division  
2019: Executive Officer & General Manager, Business Management Department  
Director & General Manager, Business Management Department

2020: Director & General Manager, Sales Department  
Executive in charge of TRUSCO NAKAYAMA CORPORATION (THAILAND) LIMITED  
Executive in charge of PT. TRUSCO NAKAYAMA INDONESIA  
2021: Director, General Manager of the Sales Department, General Manager of the Home Center Sales Division, and General Manager of the Distribution Division  
2022: Director, General Manager of the Sales Department  
2024: Director, General Manager of the Product Department  
Executive in charge of TRUSCO NAKAYAMA USA, INC. (present)

Business Management Dept. (95 employees in total)

Corporate Planning Division



General Manager, Corporate Planning Division


Mayumi Takata

Born June 2, 1977  
47 years old; 25 years at Trusco

Career Summary  
2000: Joined the Company  
2014: Branch Office Manager, Neyagawa Branch  
2016: Planet East Kanto Deputy Logistic Center Manager  
2021: Section Manager, Management Planning Section, and Section Manager, IR Section  
2022: Section Manager, Management Planning Section, Section Manager, Secretarial Section, Section Manager, Sustainability Promotion Section  
2024: General Manager, Corporate Planning Division (present)

Management Planning Section  
Secretarial Section  
IR Section  
Sustainability Promotion Section  
(13 employees)

Personnel Division



General Manager, Personnel Division


Masato Otani

Born October 24, 1967  
57 years old; 34 years at Trusco

Career Summary  
1991: Joined the Company  
2008: Office Manager, Kagoshima Sales Office  
2012: Branch Office Manager, Chiba Branch  
2014: Section Manager, Personnel Section, and Section Manager, Healthcare Section  
2018: General Manager, Factory Sales Division (Kinki Area)  
2019: General Manager, Factory Sales Division and Distribution Division (Kinki)  
2021: General Manager, Factory Sales Division and Distribution Division (Chubu, Kinki)  
2022: General Manager, East Japan Distribution Division  
2024: General Manager, Personnel Division (present)

Personnel Section  
HR Support Section  
Recruitment Section  
Human Resources Development Section  
Healthcare Section  
(24 employees)

Administration Division



Executive Officer  
General Manager, Administration Division and Section Manager, Property Section

Mikio Adachi


Born September 20, 1969  
55 years old; 31 years at Trusco

Career Summary  
1994: Joined the Company  
2002: Office Manager, HC Nagoya Sales Office  
2004: Office Manager, HC Niigata Sales Office  
2007: Branch Office Manager, HC Tokyo Branch  
2008: Office Manager, Matsudo Sales Office  
2010: Planet Tokai Deputy Logistic Center Manager  
2011: Planet South Kanto Logistic Center Manager  
2013: Planet North Kanto Logistic Center Manager  
2016: General Manager, Factory Sales Division (Central Japan)  
2018: General Manager, Factory Sales Division (Shinshu, Hokuriku, and Tokai)  
2019: General Manager, Administration Division and Distribution Division  
2021: General Manager, Administration Division and Section Manager, Property Section  
2024: Executive Officer, General Manager, Administration Division, and Section Manager, Property Section (present)

Tokyo Management Section  
Osaka Management Section  
Property Section  
TRUSCO Resort and Spa Hakone  
Kyoto Kagurakka RENGETSUO  
TRUSCO Resort and Spa Karuizawa  
(29 full-time employees; 8 part-time staff)

Trusco Nakayama Health Insurance Association  
Manager  
Akiko Tani  
12 years at Trusco  
(2 employees on loan)

Accounting Division



General Manager, Accounting Division

Atsushi Shimozu


Born December 25, 1978  
46 years old; 23 years at Trusco

Career Summary  
2002: Joined the Company  
2011: Branch Office Manager, Edogawa Branch  
2013: Deputy Manager, Management Planning Section  
2014: Section Manager, General Affairs Section, Osaka Head Office, Section Manager, Legal Affairs Section, and Section Manager, Vehicle Operation Management Section  
2021: Section Manager, Management Planning Section, and Section Manager, IR Section  
General Manager of the Corporate Planning Division, Section Manager, Management Planning Section, and Section Manager, IR Section  
General Manager, Corporate Planning Division Accounting Division (present)

Accounting Section  
Finance Section  
(19 employees)

Digital Service Strategy Dept. (47 employees in total)

Information Systems Division



Executive Officer  
General Manager, Information Systems Division


Takayuki Kimura

Born June 26, 1973  
51 years old; 27 years at Trusco

Career Summary  
1998: Joined the Company  
2011: Branch Office Manager, Yamaguchi Branch  
2012: Branch Office Manager, Ube Branch  
2013: Section Manager, Human Resources Development Section, Section Manager, Secretarial Section, and Section Manager, Environmental Management Section  
2019: General Manager, Information Systems Division  
2024: Executive Officer General Manager, Information Systems Division (present)

IT Planning Section  
System Management Section  
Infrastructure/Network Management Section  
Data Management Section  
(40 employees)

Digital Promotion Division



General Manager, Digital Promotion Division and Section Manager, UX Platform Development Section

Motoki Ikegami


Born November 4, 1987  
37 years old; 15 years at Trusco

Career Summary  
2010: Joined the Company  
2021: Section Manager, UX Platform Development Section  
2024: General Manager, Digital Promotion Division and Section Manager, UX Platform Development Section (present)

Digital Promotion Division  
UX Platform Development Section  
(7 employees)

Orange Book Dept. (25 employees in total)

TRUSCO Orange Book Division



General Manager, TRUSCO Orange Book Division and Section Manager, Product DB Platform Development Section

Ryutaro Shimizu


Born June 27, 1980  
44 years old; 21 years at Trusco

Career Summary  
2004: Joined the Company  
2013: Branch Office Manager, Oita Branch  
2017: Section Manager, Tokyo Management Section  
2024: General Manager, TRUSCO Orange Book Division  
2025: General Manager, TRUSCO Orange Book Division and Section Manager, Product DB Platform Development Section (present)

Orange Book Section  
Orange Book.com Section  
Product DB Platform Development Section  
(25 employees)

Product Dept. (112 employees in total)

Tokyo Product Division



General Manager, Tokyo Product Division


Fumiaki Matsubara

Born July 21, 1980  
44 years old; 21 years at Trusco

Career Summary  
2004: Joined the Company  
2018: Branch Office Manager, Fukui Branch  
2021: Branch Office Manager, South Osaka Branch  
2022: General Manager, Tokyo Product Division (present)

Tokyo NB Product Section  
Tokyo PB Product Section  
PB Product Design Section  
Tokyo Supplier Development Section  
(43 employees)

Osaka Product Division



Executive Officer  
General Manager, Osaka Product Division


Koshiro Aoyama

Born February 23, 1976  
49 years old; 27 years at Trusco

Career Summary  
1998: Joined the Company  
2008: Branch Office Manager, Kumagaya Branch  
2012: Branch Office Manager, Toyama Branch  
2016: Section Manager, Tokyo PB Product Section, and Section Manager, PB Product Design Section  
2021: Deputy General Manager, Osaka Product Division General Manager, Osaka Product Division, and Section Manager, Orange Book Section  
2022: General Manager, Osaka Product Division  
2024: Executive Officer General Manager, Osaka Product Division (present)

Osaka NB Product Section  
Osaka PB Product Section  
PB Quality Control Section  
Stock management Section  
Osaka Supplier Development Section  
Customer Consulting Section  
(48 employees)

Overseas Product Division



General Manager, Overseas Product Division


Takeshi Yashima

Born October 12, 1975  
49 years old; 27 years at Trusco

Career Summary  
1998: Joined the Company  
2007: Branch Office Manager, Niigata-kita Sales Office  
2010: Branch Office Manager, Niigata-kita Branch  
2011: Section Manager, Overseas Sales Section, Section Manager, Multilingual Sales Section  
2014: Section Manager, Indonesia Subsidiary Preparation Section  
2015: Representative Director and Managing Director, PT. TRUSCO NAKAYAMA INDONESIA  
2016: Representative Director and President, PT. TRUSCO NAKAYAMA INDONESIA  
2018: Branch Office Manager, MRO Supply Tokyo Branch  
2022: Branch Office Manager, Okazaki Branch  
2024: General Manager, Overseas Product Division (present)

Overseas Procurement Section  
Germany office Taiwan office  
Thailand office Hong Kong office  
\* Overseas subsidiary service center  
(19 full-time employees; 1 part-time staff)

Sales Planning Division/e-Business Sales Division



General Manger, Sales Planning Division and General Manager, e-Business Sales Division


Ryohei Horita

Born September 7 1987  
37 years old; 15 years at Trusco

Career Summary  
2010: Joined the Company  
2022: Branch Office Manager, Internet Sales Osaka Branch  
2024: General Manager, Sales Planning Division and General Manager, e-Business Sales Division (present)

Sales Planning Section  
Market Price Research Section  
Naajiro Repair Section  
MRO Stocker Promotion Section  
BCP Response Promotion Section  
(15 employees)

Internet Sales Tokyo Branch  
Internet Sales Osaka Branch  
MRO Supply Tokyo Branch  
(63 full-time employees; 9 part-time staff)

\* **Overseas Subsidiaries** Officer in charge at TRUSCO NAKAYAMA CORPORATION: Kazuo Nakai  
TRUSCO NAKAYAMA USA, INC.  
President  


Shunsuke Takenaka

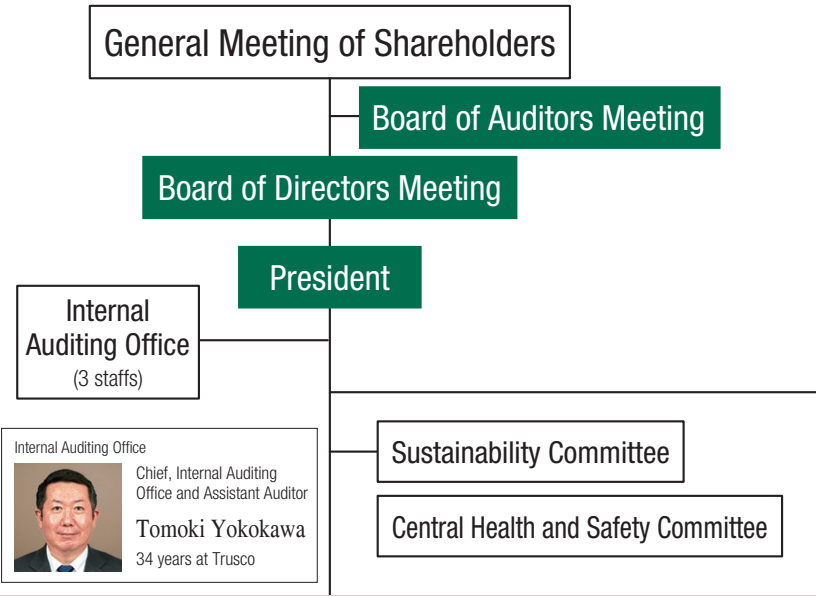
37 years old; 15 years at Trusco  
Employees: 2 (1 employee on loan and 1 local staff)  
Officer in charge: Takeshi Yashima


Figures in parentheses current as of February 1, 2025.  
Includes staff on loan in each figure provided.

5 **TRUSCO** Integrated Report 2025

6








Full-time Auditor

Kiyonori Unto

Born February 9, 1962  
63 years old; 38 years at TRUSCO

Career Summary

1986: Joined the Company  
1996: Office Manager, Fukui Sales Office  
2004: Office Manager, Chiba Sales Office  
2008: Branch Office Manager, Okayama Branch  
2011: General Manager, Factory Sales Division (East Japan)  
2013: General Manager, Overseas Division  
2019: General Manager, Factory Sales Division and East Japan Distribution Division  
2022: General Manager, Factory Sales Division (East Japan)  
2024: Full-time Auditor of the Company (present)




Part-time Auditor

Hiroho Kamakura

Born January 27, 1947  
78 years old; 13 years at Trusco

Career Summary

1971: Joined Tohmatsu Aoki & Co. (Currently Deloitte Touche Tohmatsu LLC)  
1973: Registered as Certified Public Accountant  
2012: Part-time Auditor, TRUSCO NAKAYAMA CORPORATION (present)  
Part-time auditor, Yushin Precision Equipment Co., Ltd. (present)  
2013: Part-time Auditor, Fujio Food System Co., Ltd.  
2018: Part-time Auditor, SymEnergy Inc. (present)




Part-time Auditor

Yoritomo Wada

Born October 23, 1955  
69 years old; 2 year at Trusco

Career Summary

1978: Joined Tohmatsu Aoki & Co. Currently Deloitte Touche Tohmatsu LLC)  
1981: Registered as Certified Public Accountant  
1996: Partner, Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC)  
2019: Part-time Auditor, Nippon Shokubai Co., Ltd.  
2020: Part-time Auditor, Sekisui House, Ltd. (present)  
2023: Part-time Auditor, TRUSCO NAKAYAMA CORPORATION (present)



Part-time Auditor

Ken Hineno

Born August 23, 1979  
45 years old; 2 year at Trusco

Career Summary

2003: Joined Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC)  
2007: Registered as Certified Public Accountant  
Representative Director, Actionlearning Co. Ltd. (present)  
Representative, Hineno Certified Public Accountant Office (present)  
2019: Senior Partner, Hineno Accounting Office (present)  
2023: Part-time Auditor, TRUSCO NAKAYAMA CORPORATION (present)



Senior Executive Officer  
General Manager of the Sales Department

Masashi Yamamoto

Born May 27, 1973  
51 years old; 29 years at Trusco

Career Summary

1996: Joined the Company  
2004: Office Manager, Hamamatsu Sales Office  
2010: Chief, Corporate Auditor's Office  
Section Manager, Administration Section  
2012: Planet North Kanto Deputy Logistic Center Manager  
2014: Planet Tohoku Logistic Center Manager  
2018: General Manager, Tokyo Metropolitan Area Distribution Division  
2019: General Manager, Overseas Division and General Manager, Marketing Division  
2020: General Manager of the e-Business Sales Division  
2022: General Manager, Sales Planning Division and General Manager, e-Business Sales Division  
2024: Executive Officer, General Manager, Sales Planning Division, and General Manager, e-Business Sales Division  
Senior Executive Officer, General Manager of the Sales Department (present)  
Executive in charge of TRUSCO NAKAYAMA CORPORATION (THAILAND) LIMITED. (present)  
Executive in charge of PT. TRUSCO NAKAYAMA INDONESIA (present)



Director  
General Manager of the Distribution Department

Tatsuya Nakayama

Born August 4, 1985  
39 years old; 12 years at Trusco

Career Summary

2013: Joined the Company  
2018: Branch Office Manager, Internet Sales Tokyo Branch Division 1  
2019: General Manager of Corporate Planning Division and Accounting Division  
2021: Senior Executive Officer & General Manager, Product Division  
2023: Director, General Manager of the Product Department  
2024: Director, General Manager of the Distribution Department (present)

Sales Dept.

(941 employees in total)

Factory Sales Division



Executive Officer  
General Manager, Factory Sales Division (East Japan)



General Manager,  
Factory Sales Division  
(Metropolitan Area)



General Manager,  
Factory Sales Division  
(Central Japan)



General Manager,  
Factory Sales Division  
(Kinki Area)



General Manager, Factory Sales Division (West Japan)

Home Center Sales Division



General Manager, Home Center Sales Division

Overseas Division



General Manager,  
Overseas Division

Distribution Department

(1,900 employees in total)

Distribution Planning Division



General Manager,  
Distribution Planning Division

Distribution Division



General Manager, East Japan Distribution Division



General Manager, West Japan Distribution Division

Atsuhiko Yamanaka

Born September 21, 1974  
50 years old; 27 years at Trusco

Career Summary

1998: Joined the Company  
2008: Branch Office Manager, Tsuchiura Branch  
2012: Branch Office Manager, South Osaka Branch  
2018: Section Manager, Sales Planning Section  
2021: General Manager, Digital Promotion Division  
2024: Executive Officer  
General Manager, Factory Sales Division (East Japan) (present)

Sapporo, Hachinohe, Sendai, Akita, Koriyama, Mito  
Utsunomiya, Isesaki, Niigata, Niigata-kita, Okaya, and Ueda  
(148 full-time employees;  
21 part-time staff)

Yoshiaki Kimura

Born September 2, 1980  
44 years old; 22 years at Trusco

Career Summary

2003: Joined the Company  
2012: Branch Office Manager, Kurume Branch  
2015: Branch Office Manager, Tosu Branch  
2016: Section Manager, PR Section, Section Manager, IR Section, and Section Manager, Corporate Design Section  
2017: Section Manager, PR/IR Section  
2019: Branch Office Manager, Osaka Branch  
2022: General Manager, Factory Sales Division (Metropolitan Area) (present)

Kashima, Omiya, Satte, Chiba, Matsudo, Tokyo, Keihin, Atsugi, Shizuoka, and Fuji  
(150 full-time employees;  
32 part-time staff)

Yutaka Yoneda

Born November 6, 1975  
49 years old; 26 years at Trusco

Career Summary

1999: Joined the Company  
2005: Office Manager, Shiga Sales Office  
2010: Section Manager, Recruitment Section  
2013: Section Manager, Management Planning Section and Section Manager, Environmental Management Section  
2014: Section Manager, Management Planning Section, Section Manager, Cost Management Section, and Section Manager, Risk Management Section  
2017: General Manager, Tokyo Product Division (present)  
2022: General Manager, Factory Sales Division (Central Japan) (present)

Toyama, Kanazawa, Fukui, Hamamatsu, Okazaki, Nagoya, Kitanagoya, and Yokkaichi  
(123 full-time employees;  
26 part-time staff)

Toshiharu Sakai

Born August 17, 1976  
48 years old; 26 years at Trusco

Career Summary

1999: Joined the Company  
2008: Office Head, Tottori Office HC  
2010: Office Manager, Yonago Sales Office  
2011: Chief, Auditor's Office  
2012: Section Manager, PR Section, Section Manager, IR Section, and Section Manager, Corporate Design Section  
2016: Branch Office Manager, Tosu Branch  
2020: Branch Office Manager, Nagoya Branch  
2022: General Manager, Factory Sales Division (Kinki Area) (present)

Ryuo, Kyoto, Osaka, East Osaka, South Osaka, Kobe, and Himeji  
(117 full-time employees;  
4 part-time staff)

Masatoshi Fujita

Born March 10, 1981  
44 years old; 22 years at Trusco

Career Summary

2003: Joined the Company  
2016: Branch Office Manager, Miyazaki Branch  
Branch Office Manager, Utsunomiya Branch  
2021: Branch Office Manager, Komaki Branch  
2022: General Manager, Factory Sales Division (West Japan) (present)

Yonago, Okayama, Hiroshima, Fukuyama, Ube, Shunan, Tokushima, Takamatsu, Matsuyama, Fukuoka, Kokura, Tosu, Nagasaki, Kumamoto, Oita, Kagoshima, and Okinawa  
(155 full-time employees;  
33 part-time staff)

Shu Matsui

Born August 17, 1979  
45 years old; 22 years at Trusco

Career Summary

2003: Joined the Company  
2012: Branch Office Manager, Fukui Branch  
2015: Branch Office Manager, HC Tokyo Branch  
2022: General Manager, Home Center Sales Division and Branch Office Manager, HC Tokyo Branch  
2023: General Manager, Home Center Sales Division  
2024: General Manager, Home Center Sales Division and Branch Office Manager, HC Osaka Branch  
2025: General Manager, Home Center Sales Division (present)

HC Tokyo and HC Fukuoka  
HC Osaka, and HC Okinawa  
\* Holds positions at two locations, including the Factory Sales Division.  
(32 employees)

Norihiro Higashi

Born October 16, 1978  
46 years old; 21 years at Trusco

Career Summary

2004: Joined the Company  
2013: Branch Office Manager, Oyama Branch  
2015: Representative Office Manager, Germany  
Representative Office  
2022: General Manager, Overseas Product Division  
2024: General Manager, Overseas Division and Section Manager, Overseas Sales Section  
2025: General Manager, Overseas Division (present)

Overseas Sales Section  
\* Overseas subsidiary service center  
(8 employees)

Overseas Subsidiaries

Officer in charge at TRUSCO NAKAYAMA CORPORATION (THAILAND) LIMITED



President

Kazuaki Harada

44 years old; 22 years at Trusco  
Employees: 24  
(2 employees on loan and 22 local staff)  
Norihiro Higashi, Director

TRUSCO NAKAYAMA CORPORATION: Masashi Yamamoto

PT. TRUSCO NAKAYAMA INDONESIA



President

Yohei Takuno

38 years old; 15 years at Trusco  
Employees: 24  
(3 employees on loan and 21 local staff)  
Norihiro Higashi, Auditor

P (Planet), BUC (Backup Center) and STC (Stock Center) are abbreviations for our distribution centers.

TRUSCO Integrated Report 2025 8



Table of Contents

|  |           |  |           |
|--|-----------|--|-----------|
| <b>Our Policy<br/>(Company Overview)</b>               | <b>01</b> | <b>Be an Ultimate Master Wholesale<br/>(Management Policy)</b> | <b>03</b> |
| Planet Aichi, Our Largest “Tool Box in Japan”          | 02        | Business Flow  | 32        |
| TRUSCO-ism   | 04        | Operating Results Highlights                                   | 34        |
| Organizational Chart                                   | 05        | A Company with Assets (Financial Strategy)                     | 35        |
| Company Overview                                       | 11        | Messages from Directors  | 36        |
| Map of Bases   | 12        | Product Strategy   | 42        |
| Top Message  | 18        | Distribution Strategy  | 50        |
| Becoming the Company We Want to Be                     |           | Catalog Media Strategy   | 56        |
| – Capability Targets –                                 | 20        | Sales Strategy   | 58        |
| Business Progress and Results                          | 22        | Digital Service Strategy                                       | 64        |
|  |           | Human Resources Strategy                                       | 68        |
| <b>To Achieve “Our Ambitions”<br/>(Value Creation)</b> | <b>02</b> | <b>Sustainability</b>  | <b>04</b> |
| A Glance at TRUSCO Through Numbers                     | 24        | Environmental Efforts  | 78        |
| Thinking Outside the Box                               |           | Corporate Governance   | 80        |
| – A History of Value Creation –                        | 25        |  |           |
| Helping People and Society                             |           | <b>The Nakayama Visually Impaired Welfare<br/>Foundation</b>   | <b>82</b> |
| – Value Creation Model –                               | 28        | <b>Corporate Data</b>  | <b>84</b> |
| Material Issues  | 30        |  |           |

Editorial Policy

We are publishing our Integrated Report annually in the hope that our institutional investors, shareholders, and other stakeholders will better understand our business and the process of value creation. **“GAMBARE!! JAPANESE MONODZUKURI”** In the Integrated Report, we emphasize the story behind our vision, which is to be a company that will continue to be of service to the manufacturing industry in Japan that always provides the highest level of convenience. We believe the source of competitiveness for an organization is its **originality**. Therefore, we are building a business model that makes full use of products, distribution, catalog media, sales capabilities, and digital technologies. We hope that this report will give you some insight into our business and our approach to gaining a competitive advantage.

Note: The “Accounting Standard for Revenue Recognition” has been applied from the beginning of the fiscal year ending December 31, 2022. Therefore, unless otherwise stated, figures for the fiscal year ended December 31, 2021 have been retroactively applied.

Period Covered by the Report

This Integrated Report covers TRUSCO's business operations from January 1, 2024 to December 31, 2024.

Cautionary Information Regarding Forward-Looking Statements

This Integrated Report contains forward-looking statements regarding our future plans, strategies, and performance. These statements are based on our assumptions and plans based on current information. It contains risks and uncertainties related to economic trends and market demand. Therefore, please be aware that planned and actual results may differ, and that strategies may change.

Reference Guidelines

- “Guidance for Collaborative Value Creation” (Ministry of Economy, Trade and Industry)
- “International Integrated Reporting Framework” (International Integrated Reporting Council (IFRC))

Company Overview As of December 31, 2024

|                              |   |                   |  |
|------------------------------|---|-------------------|--|
| Company name                 | TRUSCO NAKAYAMA CORPORATION   |                   |  |
| Head store                   | Trusco Fiorito Bldg., 4-28-1, Shimbashi , Minato-ku, Tokyo  |                   |  |
| Head Offices                 | Tokyo Head Office: Trusco Fiorito Bldg., 4-28-1, Shimbashi, Minato-ku, Tokyo 105-0004 (registered as compoany head office)<br>Osaka Head Office: Trusco Central Bldg., 4-2-5, Honmachi, Chuo-ku, Osaka City, Osaka 541-0053   |                   |  |
| Branches                     | Japan: 89 (2 head offices, 59 sales branches, and 28 distribution centers)<br>Overseas: 7 (Names of our overseas subsidiaries: TRUSCO NAKAYAMA CORPORATION (THAILAND) LIMITED, PT.TRUSCO NAKAYAMA INDONESIA, and TRUSCO NAKAYAMA USA, INC.; Supplier business development office locations: Germany, Taiwan, Thailand, and Hong Kong)   |                   |  |
| Capital                      | \$32 million; Listed on the First Section of the Tokyo Stock Exchange (Securities code: 9830)   |                   |  |
| Shareholders' equity ratio   | 64.4%   |                   |  |
| Employees                    | Consolidated: 3,184 (11 officers, 1,709 full-time employees; 1,464 part-time staff)   |                   |  |
| Founded                      | May 15, 1959  |                   |  |
| Established                  | March 2, 1964   |                   |  |
| Closing date for fiscal year | December 31   |                   |  |
| Sales                        | Consolidated: \$1,915 million (for Fiscal Year Ending December 31, 2024)/<br>Sales of \$2,061 million planned for Fiscal Year Ending December 31, 2025  |                   |  |
| Ordinary Income              | Consolidated: \$130 million (for Fiscal Year Ending December 31, 2024)/<br>Ordinary Income of \$137 million planned for Fiscal Year Ending December 31, 2025  |                   |  |
| Bank                         | Mizuho Bank, Resona Bank, Bank of Tokyo-Mitsubishi UFJ, Sumitomo Mitsui Banking, Sumitomo Trust & Banking   |                   |  |
| Accounting Auditor           | Deloitte Touche Tohmatsu LLC  |                   |  |
| Rating                       | Single A (Rating and Investment Information, Inc.)  |                   |  |
| Suppliers                    | 3,637 (3,284 suppliers in Japan, 353 overseas suppliers)  |                   |  |
| Customers                    | Dealers of machine tools, construction materials, electrical materials, tubing materials, online shops, and home centers etc.; about 5,652 customers  |                   |  |
| Business Areas               | Wholesale of subsidiary equipment used at factories (PRO TOOL) including work tools, measuring tools, and cutting tools needed at production sites. Approximately 150,000 copies of “TRUSCO Orange Book.Com,” conducting our business activities with our mission of a comprehensive PRO TOOL catalog, are published annually, and approximately 4.55 million items are published on PRO TOOL search site “TRUSCO Orange Book.Com,” conducting our business activities with our mission of improving the convenience of equipment procurement at manufacturing sites. |                   |  |
| Officers                     | As of April 1, 2025   |                   |  |
| President                    | Tetsuya Nakayama  | Outside Directors | Kenichi Saito<br>( ForeSight & Company, Ltd. )<br>President      |
| Director                     | Kazuo Nakai<br>(General Manager of the Product Department)  | Outside Directors | Kuniaki Hagihara<br>(Senior Advisor, Hagihara Industries Inc.)   |
| Director                     | Atsushi Kazumi<br>(General Manager of the Business Management Department, Digital Service Strategy Department, and Orange Book Department)  | Outside Directors | Risa Ota<br>(Representative Director, Dynamic Tools Corporation) |
| Director                     | Tatsuya Nakayama<br>(General Manager of the Distribution Department)  | Full-time Auditor | Kiyonori Unto  |
|                              |   | Part-time Auditor | Hiroho Kamakura  |
|                              |   | Part-time Auditor | Yoritomo Wada  |
|                              |   | Part-time Auditor | Ken Hineno   |
| Senior Executive Officer     | Masashi Yamamoto<br>(General Manager of the Sales Department)   |                   |  |

Origin of the Corporate Name TRUSCO

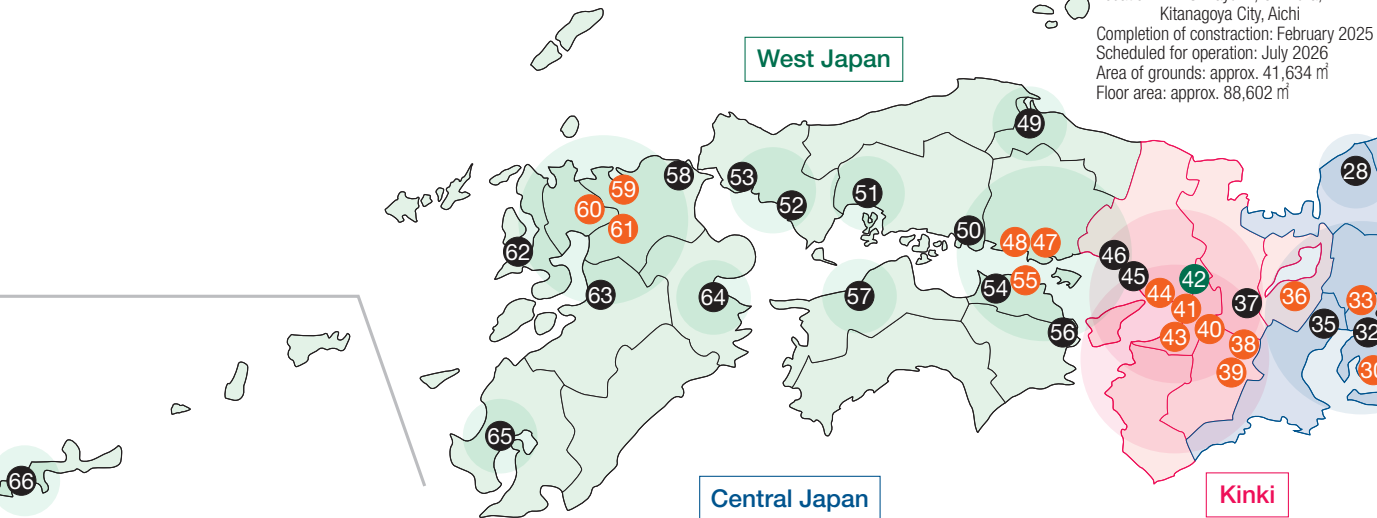
TRUSCO was coined from the words “Trust” and “Company” to convey our commitment to building a company that earns trust. This name demonstrates our corporate approach to earn the trust of everyone we associate with in order to become a company that continues to grow in the future.

TRUST + COMPANY  
= TRUSCO™  
Company Earning Your Trust



Map of Bases As of April 1, 2025 ★ indicates a company-owned property.

|    |                                    |   |
|----|------------------------------------|---|
| 52 | Shunan Branch                      | 2-5-3 Kumechuo, Shunan City, Yamaguchi  |
| 53 | Ube Branch                         | 395-5 Oaza Nakano Gaisaku, Ube City, Yamaguchi                                  |
| 54 | Takamatsu Branch                   | 4001-77 Yoshida, Utazu-cho, Ayauta-gun, Kagawa★                                 |
| 55 | Takamatsu Stock Center             | 2-3-1 Asahimachi, Takamatsu City, Kagawa★                                       |
| 56 | Tokushima Branch                   | 23 Nakahara, Ojin-cho Nakahara, Tokushima City, Tokushima                       |
| 57 | Matsuyama Branch                   | 1068-4 Kumanodai, Matsuyama City, Ehime★  |
| 58 | Kokura Branch                      | 7-1 Kifunemachi, Kokurakita-ku, Kitakyushu City, Fukuoka★                       |
| 59 | Hakata Stock Center Fukuoka Branch | 2-4-14 Takeshita, Hakata-ku, Fukuoka City, Fukuoka★                             |
| 60 | Planet Kyushu Tosu Branch          | 1651 Himekata-machi, Tosu City, Saga★   |
| 61 | HC Kyushu Distribution Center      | 1956-1 Kitanomachinaka, Kurume City, Fukuoka★                                   |
| 62 | Nagasaki Branch                    | 23-4 Ohashi-machi, Nagasaki City, Nagasaki                                      |
| 63 | Kumamoto Branch                    | 5F Kumamoto Central Bldg. 66-7 Yamasaki-machi, Chuo-ku, Kumamoto City, Kumamoto |
| 64 | Oita Branch                        | 1-3-28 Mukaibara-Higashi, Oita City, Oita★                                      |
| 65 | Kagoshima Branch                   | 3-68 Tokai-cho, Kagoshima City, Kagoshima★                                      |
| 66 | Okinawa Branch                     | 5F Okinawaken Kensetsu Kaikan 5-6-8 Makiminato, Urasoe City, Okinawa            |



Overseas Subsidiaries

Number of Bases 3

Supplier business development office (Overseas Product Division) 4

- Overseas Subsidiaries
- Supplier business development office (Overseas Product Division)



|                             |                   |  |
|-----------------------------|-------------------|--|
| Osaka Head Office           |                   |  |
| Osaka Branch                |                   |  |
| 42                          | East Osaka Branch | TRUSCO Central Bldg. 4-2-5, Honmachi, Chuo-ku, Osaka City, Osaka★        |
| HC Osaka Branch             |                   |  |
| Internet Sales Osaka Branch |                   |  |
| 43                          | Planet Osaka      | 81-1 Ishizu Kitamachi, Sakai-ku, Sakai City, Osaka★                      |
| 44                          | Planet Kobe       | 1-3-5 Nakamachi, Minatojima, Chuo-ku, Kobe City, Hyogo★                  |
| 45                          | Kobe Branch       | 5F Nakayama Memorial Hall, 2-1-9 Mizuki-dori, Hyogo-ku, Kobe City, Hyogo |
| 46                          | Himeji Branch     | 448-26 Hojo, Himeji City, Hyogo★   |

West Japan

|    |                             |   |
|----|-----------------------------|---|
| 47 | Planet Sanyo Okayama Branch | 4-15 Amase, Kita-ku, Okayama City, Okayama★                 |
| 48 | Okayama Stock Center        | 2-16-35 Fukunari, Minami-ku, Okayama City, Okayama★         |
| 49 | Yonago Branch               | 8-15-14 Yonehara, Yonago City, Tottori★                     |
| 50 | Fukuyama Branch             | 2-4-13 Akebono-cho, Fukuyama City, Hiroshima                |
| 51 | Hiroshima Branch            | 1-20-1 Naka-Hiromachi, Nishi-ku, Hiroshima City, Hiroshima★ |

Central Japan

|    |                             |   |
|----|-----------------------------|---|
| 26 | Toyama Branch               | 1-1-34 Tanaka-machi, Toyama City, Toyama★           |
| 27 | Kanazawa Branch             | 6-15-1 Eki Nishi-Honmachi, Kanazawa City, Ishikawa★ |
| 28 | Fukui Branch                | 1-52 Toiya-cho, Fukui City, Fukui★                  |
| 29 | Hamamatsu Branch            | 209-1 Sode-cho, Chuo-ku, Hamamatsu City, Shizuoka   |
| 30 | Planet Tokai Okazaki Branch | 18 Minami-Kubo, Oka-cho, Okazaki City, Aichi★       |
| 31 | Okazaki Stock Center        | 1 Shimoike, Akashibu-cho, Okazaki City, Aichi★      |
| 32 | Nagoya Branch               | 12-26 Ukushima-cho, Mizuho-ku, Nagoya City, Aichi★  |
| 33 | Planet Nagoya Komaki Branch | 10-1 Kawahigashi, Wada-cho, Konan City, Aichi★      |
| 34 | Toyohashi Stock Center      | 33-16 Akemicho, Toyohashi City, Aichi★              |
| 35 | Yokkaichi Branch            | 5-4-13 Shinsho, Yokkaichi City, Mie★                |

Note: We plan to rename the 33 Komaki Branch "Kitanagoya Branch" in May 2025 and move it to the following location: 1-1 Shirayumi, Okimura, Kitanagoya City, Aichi



Kinki

|    |                                   |   |
|----|-----------------------------------|---|
| 36 | Planet Shiga Ryuo Branch          | 1140-3 Oguchi, Ryuo-cho, Gamou-gun, Shiga★  |
| 37 | Kyoto Branch                      | 3F Trusco Crystal Bldg. 593 Higashi-Shiokoji-cho, Shimogyo-ku, Kyoto City, Kyoto★ |
| 38 | HC West Japan Distribution Center | 755-6 Kamifukawa-cho, Nara City, Nara★  |
| 39 | Nara Stock Center                 | 758-6 Kamifukawa-cho, Nara City, Nara★  |
| 40 | East Osaka Stock Center           | 4-12 Shinjo-nishi, Higashi-Osaka City, Osaka★                                     |
| 41 | Sakai Stock Center                | 1-5-45 Hamadera Ishizuchohigashi, Nishi-ku, Sakai City, Osaka★                    |

Planet Niigata will become our 30th distribution center in Japan  
Location: 431-2 Matsuhashishita Tei, Fukujimashinden Aza, Sanjo City, Niigata  
Construction: To be completed by February 2026  
Start of operations: 2026  
Home center route: August  
Factory route: October  
Area of grounds: approx. 26,300 m²  
Floor area: approx. 48,338 m² (planned)

Central Japan

Metropolitan

|                             |                                  |  |
|-----------------------------|----------------------------------|--|
| 13                          | Kashima Branch                   | 3-3-24 Horiwari, Kamisu City, Ibaraki★                     |
| 14                          | Utsunomiya Stock Center          | 2-40-3 Shirasagi, Kaminokawamachi, Kawachi-gun, Tochigi★   |
| 15                          | Oyama Stock Center               | 1-6-33 Awanomiya, Oyama City, Tochigi★                     |
| 16                          | Planet Saitama Satte Branch      | 988-7 Akagi, Shinmeiuchi, Satte City, Saitama★             |
| 17                          | Omiya Branch Omiya Stock Center  | 2039 Nishi-Asuma, Nishi-ku, Saitama City, Saitama★         |
| 18                          | Planet East Kanto Matsudo Branch | 241-1 Kamihongo, Matsudo City, Chiba★                      |
| 19                          | Chiba Branch                     | 1969-17 Yawatakaigan-dori, Ichihara City, Chiba★           |
| Tokyo Head Office           |                                  |  |
| Tokyo Branch                |                                  |  |
| 20                          | HC Tokyo Branch                  | TRUSCO Fiorito Bldg., 4-28-1, Shimbashi, Minato-ku, Tokyo★ |
| Internet Sales Tokyo Branch |                                  |  |
| MRO Supply Tokyo Branch     |                                  |  |
| 21                          | Keihin Branch                    | 2-14-23 Kugahara, Ota-ku, Tokyo★                           |
| 22                          | Tokyo Backup Center              | 3-10-6 Tamachi, Kawasaki-ku, Kawasaki City, Kanagawa★      |
| 23                          | Planet South Kanto Atsugi Branch | 1567-1 Takamori, Isehara City, Kanagawa★                   |
| 24                          | Fuji Branch                      | 251-1 Jubee, Fuji City, Shizuoka★                          |
| 25                          | Shizuoka Branch                  | 1-20 Midorigaoka-cho, Suruga-ku, Shizuoka City, Shizuoka★  |

East Japan

East Japan

|    |  |  |
|----|--|--|
| 1  | Planet Hokkaido Sapporo Branch                   | 3-4-51 Higashi-Naeba 5-jo, Higashi-ku, Sapporo City, Hokkaido★ |
| 2  | Hachinohe Branch                                 | 1-2-9 Numadate, Hachinohe City, Aomori★                        |
| 3  | Planet Tohoku Sendai Branch                      | 2-1-23 Ogimachi, Miyagino-ku, Sendai City, Miyagi★             |
| 4  | Akita Branch                                     | 2-41 Sanno-Rinkaimachi, Akita City, Akita★                     |
| 5  | Koriyama Branch                                  | 1-23-7 Motomachi, Koriyama City, Fukushima★                    |
| 6  | Mito Branch                                      | 1567 Sugaya, Naka City Ibaraki★                                |
| 7  | Utsunomiya Branch                                | 46-11 Hiraide Kogyo Danchi, Utsunomiya City, Tochigi★          |
| 8  | Planet North Kanto Isesaki Branch                | 2739-1 Sanwa-cho, Isesaki City, Gunma★                         |
| 9  | HC East Japan Distribution Center Niigata Branch | 280 Oaza Shinbo, Sanjo City, Niigata★                          |
| 10 | Niigata City Branch                              | 2-6-50 Yutaka, Higashi-ku, Niigata City, Niigata★              |
| 11 | Okaya Branch                                     | 2-1-33 Shinmei-cho, Okaya City, Nagano★                        |
| 12 | Ueda Branch                                      | 2F Unno-Machi-Kan Ito Bldg. 2-8-11 Chuo, Ueda City, Nagano     |

Bases in Japan

96

- Head Offices
- Japan Sales Branches
- Distribution Centers in Japan

2 59 28  
(Branches with inventory: 29) (includes 11 Stock Centers)

Overseas Branches

7

TRUSCO NAKAYAMA CORPORATION (THAILAND) LIMITED  
PT. TRUSCO NAKAYAMA INDONESIA  
TRUSCO NAKAYAMA USA, INC.  
Supplier business development office locations:  
Germany, Taiwan, Thailand, and Hong Kong



Main Business Locations All company-owned properties

Only some are corporate-owned properties (as of December 31, 2024)

- ① Area of Grounds ② Floor Area ③ Start of Operations (Current Building) ④ Number of Employees  
⑤ Number of items in inventory ⑥ Total number of items in inventory ⑦ Inventory Value

Distribution Center

**Planet Aichi** Kitagaya City, Aichi




Operation scheduled for 2026

Automated bucket warehouse | AutoStore | Automated pallet warehouse | Shuttle racks | I-Pack® | Just fit BOX  
AMR | Automated long pallet warehouse | Cross-belt sorter | Automated pallet warehouse for hazardous materials | Skypod

① approx. 41,636 m② approx. 88,601 m③ July 2026 (planned) ④ Photovoltaic Power Generation (1867.8 kW) ⑤ Seismic Isolation Structure

**Planet Niigata** Sanjo City, Niigata




(Conceptual Image)

Operation scheduled for 2026

Automated pallet warehouse | Just Fit Box | t-Sort | DAS | Photovoltaic Power Generation (768 kW) ⑤ Seismic Isolation Structure

① approx. 26,300 m② approx. 48,337 m③ 2026: Home center route: August Factory route: October (plan)

**Planet Saitama** Satte City, Saitama




Tentwarehouse

Automated bucket warehouse | AutoStore | Automated pallet warehouse | Butler® | Electric moving pallet racks  
AGV | SAS | GAS | I-Pack® | Just fit BOX | Palletizing Robots | AMR

① approx. 47,262 m② approx. 45,557 m③ 2018 ④ 232 ⑤ 519,000 different products ⑥ 6,441,000 items ⑦ \$54.0 million

**Planet East Kanto** Matsudo City, Chiba



Automated bucket warehouse | Automated pallet warehouse | Electric moving pallet racks | Shuttle racks  
GAS | I-Pack® | Just fit BOX | Photovoltaic Power Generation (159.1 kW)


① approx. 14,680 m② approx. 29,705 m③ 2006 ④ 184 ⑤ 323,000 different products ⑥ 4,035,000 items ⑦ \$28.1 million

**Planet Hokkaido** Higashi-ku, Sapporo City, Hokkaido



① approx. 7,368 m② approx. 5,507 m③ 2004 ④ 29 ⑤ 48,000 different products ⑥ 876,000 items ⑦ \$5.0 million


**Planet Tohoku** Miyagino-ku, Sendai City, Miyagi



Automated bucket warehouse | AutoStore | SAS | GAS  
Butler® | I-Pack® | Just fit BOX | Photovoltaic Power Generation (250 kW)

① approx. 12,909 m② approx. 28,400 m③ 2010 ④ 94 ⑤ 239,000 different products ⑥ 4,198,000 items ⑦ \$28.1 million


**Planet North Kanto** Isesaki City, Gunma



Automated pallet warehouse | AutoStore | Just fit BOX  
Photovoltaic Power Generation (431 kW)

① approx. 33,057 m② approx. 25,438 m③ 2007 ④ 101 ⑤ 209,000 different products ⑥ 2,772,000 items ⑦ \$16.9 million

**Planet South Kanto** Isehara City, Kanagawa



Automated bucket warehouse | AutoStore | Electric moving pallet racks | DAS  
Shuttle racks | Photovoltaic Power Generation (300 kW) ⑤ Seismic Isolation Structure

① approx. 12,105 m② approx. 26,062 m③ 2020 ④ 142 ⑤ 176,000 different products ⑥ 3,035,000 items ⑦ \$18.0 million

**Planet Tokai** Okazaki City, Aichi



Automated bucket warehouse | Electric moving pallet racks | SAS  
GAS | I-Pack® | Just fit BOX | Photovoltaic Power Generation (4 kW)

① approx. 14,125 m② approx. 24,003 m③ 2008 ④ 174 ⑤ 347,000 different products ⑥ 4,673,000 items ⑦ \$34.6 million

**HC West Japan Distribution Center** Nara City



Automated bucket warehouse | Electric moving pallet racks | SAS  
GAS | Just fit BOX | Photovoltaic Power Generation (18 kW)

① approx. 9,900 m② approx. 10,016 m③ 1992 ④ 89 ⑤ 31,000 different products ⑥ 3,142,000 items ⑦ \$16.4 million


**Planet Sanyo** Kita-ku, Okayama City



Electric moving pallet racks | Photovoltaic Power Generation (30 kW)


① approx. 2,704 m② approx. 10,694 m③ 2013 ④ 71 ⑤ 111,000 different products ⑥ 1,654,000 items ⑦ \$10.1 million

**Oyama Stock Center** Oyama City, Tochigi




① approx. 4,690 m② approx. 3,166 m③ 2019 ⑤ 2,000 different products ⑥ 46,000 items ⑦ \$0.7 million

**Nara Stock Center** Nara City



① approx. 9,798 m② approx. 2,866 m③ 2017

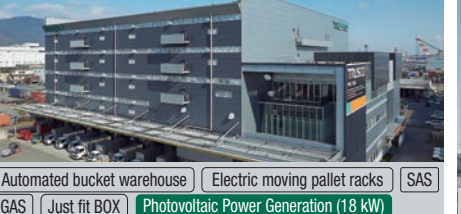
**Planet Shiga** Ryuo-cho Gamou-gun, Shiga



Automated bucket warehouse | Electric moving pallet racks  
Photovoltaic Power Generation (20 kW)

① approx. 11,576 m② approx. 19,593 m③ 2008 ④ 94 ⑤ 225,000 different products ⑥ 2,693,000 items ⑦ \$15.1 million


**Planet Kobe** Chuo-ku, Kobe City, Hyogo



Automated bucket warehouse | Electric moving pallet racks | SAS  
GAS | Just fit BOX | Photovoltaic Power Generation (18 kW)

① approx. 8,287 m② approx. 16,687 m③ 2005 ④ 150 ⑤ 178,000 different products ⑥ 2,906,000 items ⑦ \$15.7 million


**Planet Nagoya** Konan City, Aichi



Photovoltaic Power Generation (3 kW)

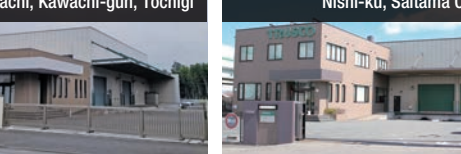
① approx. 5,626 m② approx. 8,122 m③ 1998 ④ 45 ⑤ 64,000 different products ⑥ 1,171,000 items ⑦ \$5.7 million

**Tokyo Backup Center** Kawasaki-ku, Kawasaki City, Kanagawa




① approx. 2,509 m② approx. 5,004 m③ 2009 ④ 16 ⑤ 72,000 different products ⑥ 1,823,000 items ⑦ \$16.5 million

**Utsunomiya Stock Center** Kaminokawamachi, Kawachi-gun, Tochigi



① approx. 1,877 m② approx. 872 m③ 2019 ⑤ 35 different products ⑥ 42,000 items ⑦ \$0.3 million

**Okayama Stock Center** Minami-ku, Okayama City



① approx. 1,685 m② approx. 2,274 m③ 2017 ⑤ 820 different products ⑥ 219,000 items ⑦ \$0.9 million


**Planet Osaka** Sakai-ku, Sakai City, Osaka



Automated bucket warehouse | SAS | GAS | I-Pack® | BOS-Line | Just fit BOX  
Photovoltaic Power Generation (300 kW) ⑤ Seismic Isolation Structure

① approx. 10,373 m② approx. 20,479 m③ 2015 ④ 207 ⑤ 357,000 different products ⑥ 3,936,000 items ⑦ \$27.9 million

**Planet Kyushu** Tosu City, Saga



Photovoltaic Power Generation (300 kW)

① approx. 11,328 m② approx. 22,690 m③ 2015 ④ 88 ⑤ 238,000 different products ⑥ 3,116,000 items ⑦ \$20.6 million

**HC East Japan Distribution Center** Sanjo City, Niigata




① approx. 8,618 m② approx. 9,771 m③ 1994 ④ 104 ⑤ 28,000 different products ⑥ 1,858,000 items ⑦ \$8.7 million

**East Osaka Stock Center** Higashi-Osaka City, Osaka



① approx. 1,319 m② approx. 8,023 m③ 2008/2016/2017

**Sakai Stock Center** Nishi-ku, Sakai City, Osaka



① approx. 3,302 m② approx. 4,641 m③ May 2023 ⑤ 3,000 different products ⑥ 373,000 items ⑦ \$4.6 million

**Toyohashi Stock Center** Toyohashi City, Aichi



① approx. 9,900 m② approx. 6,856 m③ 2019 ⑤ 1,000 different products ⑥ 1,934,000 items ⑦ \$7.0 million



Head Office

**Tokyo Head Office (TRUSCO Fiorito Bldg.)**  
Minato-ku, Tokyo



Photovoltaic Power Generation (11.9 kW)  
Seismic Isolation Structure  
1 approx. 714 m<sup>2</sup> 2 approx. 5,818 m<sup>2</sup> 3 2014 4 273


**Osaka Head Office (TRUSCO Central Bldg.)**  
Chuo-ku, Osaka City, Osaka



1 approx. 1,051 m<sup>2</sup> 2 approx. 10,915 m<sup>2</sup>  
3 2024 Relocated 4 203


Employee Dormitory

**TRUSCO'S Kugahara**  
Ota-ku, Tokyo




(Third and Fourth Floors of the Keihin Branch building)  
1 approx. 1,338 m<sup>2</sup> 2 approx. 2,667 m<sup>2</sup> (24 rooms)  
3 2004 4 9

**TRUSCO'S Shimbashi**  
Minato-ku, Tokyo



1 approx. 165 m<sup>2</sup> 2 approx. 1,401 m<sup>2</sup> (30 rooms)  
3 2014 4 16

**TRUSCO'S Osaka**  
Higashi-Osaka City, Osaka



1 approx. 376 m<sup>2</sup> 2 approx. 1,973 m<sup>2</sup> (36 rooms)  
3 2002 4 20

**TRUSCO'S Ayase**  
Adachi-ku, Tokyo




1 approx. 148 m<sup>2</sup> 2 approx. 723 m<sup>2</sup> (21 rooms)  
3 2021 4 12

**TRUSCO'S Aichi (tentative name)** Kitanagoya City, Aichi



(Conceptual Image) Building A  
1 approx. 680 m<sup>2</sup> 2 approx. 925 m<sup>2</sup> (17 rooms)  
3 March 2026 (planned)



(Conceptual Image) Building B  
1 approx. 519 m<sup>2</sup> 2 approx. 687 m<sup>2</sup> (15 rooms)  
3 March 2026 (planned)

**TRUSCO'S Saitama (tentative name)** Satte City, Saitama

1 approx. 707 m<sup>2</sup> 3 March 2027 (planned)


Branch

**Hachinohe Branch** Hachinohe City, Aomori




1 approx. 1,983 m<sup>2</sup> 2 approx. 1,001 m<sup>2</sup> 3 2000 4 15  
5 9,000 different products 6 169,000 items 7 \$0.8 million

**Akita Branch** Akita City



1 approx. 5,692 m<sup>2</sup> 2 approx. 2,191 m<sup>2</sup> 3 2007 4 10  
5 7,000 different products 6 166,000 items 7 \$0.9 million

**Koriyama Branch** Koriyama City, Fukushima




1 approx. 3,626 m<sup>2</sup> 2 approx. 2,730 m<sup>2</sup> 3 2016 4 17  
5 8,000 different products 6 243,000 items 7 \$1.0 million

**Kashima Branch** Kamisu City, Ibaraki



1 approx. 2,000 m<sup>2</sup> 2 approx. 2,290 m<sup>2</sup> 3 2016 4 10  
5 21,000 different products 6 181,000 items 7 \$1.6 million

**Utsunomiya Branch** Utsunomiya City, Tochigi




1 approx. 3,312 m<sup>2</sup> 2 approx. 1,474 m<sup>2</sup> 3 2009 4 12  
5 9,000 different products 6 227,000 items 7 \$0.7 million

**Chiba Branch** Ichihara City, Chiba




Photovoltaic Power Generation (9.2 kW)  
1 approx. 2,254 m<sup>2</sup> 2 approx. 2,717 m<sup>2</sup> 3 2011 4 22  
5 21,000 different products 6 260,000 items 7 \$1.6 million

**Niigata City Branch** Higashi-ku, Niigata City




1 approx. 1,890 m<sup>2</sup> 2 approx. 1,057 m<sup>2</sup> 3 2009 4 10  
5 11,000 different products 6 195,000 items 7 \$0.9 million

**Toyama Branch** Toyama City



1 approx. 1,633 m<sup>2</sup> 2 approx. 2,000 m<sup>2</sup> 3 1991 4 16  
5 16,000 different products 6 200,000 items 7 \$1.1 million

**Kanazawa Branch** Kanazawa City, Ishikawa



1 approx. 2,429 m<sup>2</sup> 2 approx. 2,469 m<sup>2</sup> 3 2004 4 19  
5 28,000 different products 6 444,000 items 7 \$1.8 million

**Keihin Branch** Ota-ku, Tokyo




1 approx. 1,338 m<sup>2</sup> 2 approx. 2,667 m<sup>2</sup> 3 2004 4 30

**Shizuoka Branch** Suruga-ku, Shizuoka City



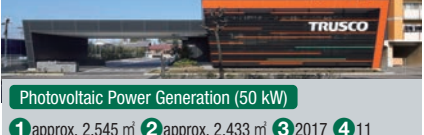
1 approx. 2,085 m<sup>2</sup> 2 approx. 1,795 m<sup>2</sup> 3 2012 4 15  
5 16,000 different products 6 116,000 items 7 \$0.5 million

**Hiroshima Branch** Nishi-ku, Hiroshima City



Photovoltaic Power Generation (10 kW)  
1 approx. 2,578 m<sup>2</sup> 2 approx. 4,373 m<sup>2</sup> 3 2012 4 19  
5 23,000 different products 6 857,000 items 7 \$1.8 million

**Oita Branch** Oita City




Photovoltaic Power Generation (50 kW)  
1 approx. 2,545 m<sup>2</sup> 2 approx. 2,433 m<sup>2</sup> 3 2017 4 11  
5 17,000 different products 6 136,000 items 7 \$0.9 million

**Kyoto Branch** Shimogyo-ku, Kyoto City




1 approx. 360 m<sup>2</sup> 2 approx. 2,707 m<sup>2</sup>  
3 2009 4 10

**Fukui Branch** Fukui City



1 approx. 2,119 m<sup>2</sup> 2 approx. 1,996 m<sup>2</sup> 3 2007 4 10  
5 17,000 different products 6 162,000 items 7 \$0.9 million

**Himeji Branch** Himeji City, Hyogo



Photovoltaic Power Generation (10 kW)  
1 approx. 2,638 m<sup>2</sup> 2 approx. 2,406 m<sup>2</sup> 3 2011 4 14  
5 19,000 different products 6 212,000 items 7 \$1.0 million

**Matsuyama Branch** Matsuyama City, Ehime



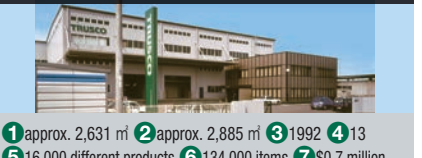
1 approx. 1,692 m<sup>2</sup> 2 approx. 998 m<sup>2</sup> 3 2000 4 15  
5 12,000 different products 6 90,000 items 7 \$0.5 million

**Nagoya Branch** Mizuho-ku, Nagoya City, Aichi




1 approx. 1,824 m<sup>2</sup> 2 approx. 3,123 m<sup>2</sup> 3 1998 4 27

**Takamatsu Branch** Utazu Town, Ayauta-gun, Kagawa




1 approx. 2,631 m<sup>2</sup> 2 approx. 2,885 m<sup>2</sup> 3 1992 4 13  
5 16,000 different products 6 134,000 items 7 \$0.7 million

**Fuji Branch** Fuji City, Shizuoka




Photovoltaic Power Generation (50 kW)  
1 approx. 3,249 m<sup>2</sup> 2 approx. 1,828 m<sup>2</sup> 3 2017 4 13  
5 17,000 different products 6 138,000 items 7 \$0.7 million

**Fukuyama Branch** Fukuyama City, Hiroshima



1 approx. 2,604 m<sup>2</sup> 2 approx. 2,386 m<sup>2</sup> 3 2009 4 12  
5 17,000 different products 6 194,000 items 7 \$0.9 million

**Kokura Branch** Kokurakita-ku, Kitakyushu City, Fukuoka



1 approx. 2,201 m<sup>2</sup> 2 approx. 2,036 m<sup>2</sup> 3 2004 4 21  
5 16,000 different products 6 230,000 items 7 \$1.0 million

**Yokkaichi Branch** Yokkaichi City, Mie



1 approx. 1,292 m<sup>2</sup> 2 approx. 2,323 m<sup>2</sup> 3 1990 4 19  
5 14,000 different products 6 136,000 items 7 \$0.7 million

**Kagoshima Branch** Kagoshima City



1 approx. 991 m<sup>2</sup> 2 approx. 1,120 m<sup>2</sup> 3 1989 4 10  
5 7,000 different products 6 51,000 items 7 \$0.3 million

Company-owned Recreation/Training Facility

**TRUSCO Resort and Spa Hakone**  
Hakone Town, Ashigarashimo-gun, Kanagawa



1 approx. 9,084 m<sup>2</sup> 2 approx. 2,307 m<sup>2</sup> 3 2011 4 4

**TRUSCO Resort and Spa Karuizawa**  
Karuizawa town, Kitasaku-gun, Nagano




1 approx. 10,621 m<sup>2</sup> 2 approx. 1,983 m<sup>2</sup> 3 2021 4 4

**Kyoto Kaguraoka Rengetsuso**  
Sakyo-ku, Kyoto City



1 approx. 1,758 m<sup>2</sup> 2 approx. 1,603 m<sup>2</sup> 3 2018 4 3

**Rengetsu-so Hanare**



1 approx. 191 m<sup>2</sup> 2 approx. 171 m<sup>2</sup> 3 2023



## Top Message

Last year marked 30 years since I was appointed President of the Company in 1994 when I was 35 years old. Although we are one of the last wholesalers of machine tools in the industry, we have been working on various measures on a daily basis to become a company that offers the highest level of convenience to our customers. The machine tool wholesale business is not an industry that attracts public attention or the lime-light, but we believe that by identifying the essence of our business and working hard at everything we do, we will surely find the door to growth.

Although business conditions were not favorable in the fiscal year ended December 31, 2024, we continued to expand our inventory of products, strengthen our logistics functions, and enhance our digital framework to steadily improve convenience for our customers. As a result, in addition to increasing our share of sales for each customer, consolidated net sales reached \$1,915 million (+10.0% year on year) and ordinary income reached \$130 million (+7.4% year on year), both reaching record highs again in this term as well.

## Conducting Management Not Taught Through Textbooks

When I was a student, I was taught that “Inventory should be as low as possible” and “Distribution costs should be considered as variable costs.” However, when I entered the real world of business and thought about various things on my own, I came up with answers that were not in the textbooks, such as “For customers, there is nothing better than for a wholesaler to have both a large product lineup and inventory” and “By making delivery costs a fixed costs, distribution costs will not change even if sales increase. The amount that exceeds the break-even point will become a profit.”



In addition, although TRUSCO is a wholesale business, we have strengthened our logistics functions over the last 30 years since we opened Planet Kyushu, our first distribution center, in 1994, based on the idea “Whoever controls distribution controls commercial distribution channels.” As we believe that the principle of our business is to “Deliver the products our customers need the quickest and most reliable in any suppliers,” we now have 610,000 items in stock at 28 distribution centers throughout Japan, building a system that enables us to immediately deliver products to customers.

## Further Enhancing Services That Competitors Are Unable to Offer

In order for our Company to experience further future growth, we believe the key lies in how many services we can create that others cannot provide. Although courage, effort, enthusiasm, and perseverance are important, I believe that there is no better strategy than improving convenience since we are entering an era in which convenience cannot be outweighed by those factors alone. Moving forward, we aim to contribute to our customers' businesses by providing an unparalleled level of convenience through innovative services that our competitors are unable to offer, centered around our five strategic areas: Products, distribution, catalog media, sales, and digital capabilities.

In addition, in order to provide greater convenience, we believe that it is important not only to achieve numerical targets such as sales and profits, but also to achieve capability targets which tell us the types of capabilities that we should possess as a company. As part of this, we have established 11 goals as our vision, alongside numerical goals, in order to “Become the Company We Want to Be.” By setting these goals, we strive to focus not on short-term profits but on addressing what businesses should do, ultimately enhancing convenience for our customers.

## A Company That Enhances BCP Measures

Committed to fulfilling our supply responsibilities to customers even during disasters, we either have or are equipping five of our distribution centers (Planet Osaka, Planet Saitama, Planet South Kanto, and the under-construction Planet Aichi and Planet Niigata)

with seismic isolation systems, making it possible to promptly delivering goods even in emergency situations. Additionally, we have independently designated over 200 items as disaster recovery support supplies and are striving to maintain higher inventory levels than usual at distribution centers throughout Japan. Additionally, we have entered into disaster recovery agreements with six municipalities: Satte City, Kawasaki City, Konan City, Ryuo (town), Okayama City, and Tosu City. Under the slogan of being a “company that enhances BCP measures,” we are significantly expanding BCP-related items and increasing inventory. By advancing disaster recovery agreements with municipalities and major clients, we aim to build a company that serves society effectively.

## “NIAWASE + U-choku” (Order Consolidation + Direct Delivery Service), a Very Popular Service

This year, we will continue to enhance our very popular service “NIAWASE + U-choku” (Order Consolidation + Direct Delivery Service). “NIAWASE” involves packing as many items as possible into a single box for shipment, while “U-choku” allows our Company as a wholesaler to directly deliver products to end users specified by our customers. In FY2024, 6.25 million packages were shipped directly to users. Although it is not common practice for wholesalers like us to deliver products directly to end users for retailers, who serve as our direct clients, this service has made it possible to reduce delivery times, shipping costs, labor, packaging materials amounts, and the environmental burden by half. Since this is beneficial for our clients, end users, and the environment, “NIAWASE + U-choku” is becoming a highly regarded service that leads to improved operational efficiency. This service is only possible because of our inventory of 610,000 items, state-of-the-art distribution equipment, large distribution centers, and advanced digital technologies. We will continue to focus on this service to establish it as a standard service in the machine tools industry.

Furthermore, we have been promoting other services to enhance the convenience of our clients and end users, utilizing our inventory, logistics, and digital infrastructure. These include MRO Stocker, which is like “Okigusuri,” a business model that has been around for many years in Japan, but for tools, which was fully launched in 2020, and “U-kuru” (product pick-up service for users), which we enhanced last year.

## Progress of Capital Investment

With an investment of approximately \$129 million, Planet Saitama, which began operations in 2018, is a distribution center equipped with advanced logistics machinery. It features systems like AutoStore (high-precision robot-based storage system) and I-Pack® (high-speed automated packaging and shipping lines). These technologies support high-density storage and efficient shipping, enabling services such as maintaining an inventory of 610,000 items and processing 6.25 million “NIAWASE + U-choku” shipments annually. I believe that we would not have been able to achieve our current business performance or move forward with our growth strategy without Planet Saitama. Planet Aichi, which will become our largest distribution center, is scheduled to begin operations in Kitanagoya City, Aichi in July 2026 followed by Planet Niigata in Sanjo City, Niigata, in August of the same year. Planet Aichi will be twice the size of Planet Saitama, which is currently our current largest distribution center. It will feature systems such as Skypod, a high-speed picking system capable of moving in three dimensions, which we have adopted for the first time at the Company, as well as one of Japan's largest AutoStore (high-precision robot-based storage) systems. We also plan to install four I-Pack® high-speed automated packaging and shipping lines. With an inventory of one million items, Planet Aichi will strengthen distribution from Tokai to western Japan, and enhance “NIAWASE + U-choku” service functions, further improving the convenience of MRO product procurement. With the determination to take on challenges that other companies avoid, we are moving forward with confidence.

In the future, we will thoroughly strengthen our functions and become a wholesaler so that we can put our policy “Business must serve people and society” into practice. While merely repeating tasks cannot lead to the future, constant efforts to improve every day will pave the way for tomorrow. That is why we will continue to work so that our creativity serves as our source of growth, think ten times more than others, continue to generate ideas, and lead to improved convenience for our customers.





Becoming the Company We Want to Be – Capability Targets –

We believe that in order to constantly provide the highest level of convenience as a unique company, our priority should be capability targets, which tell us the types of capabilities that we should possess as a company, rather than to numerical targets such as sales and profit figures. In order to become a company that is needed by our customers and society during any era, we have set the following goals and will continue to work on achieving them.

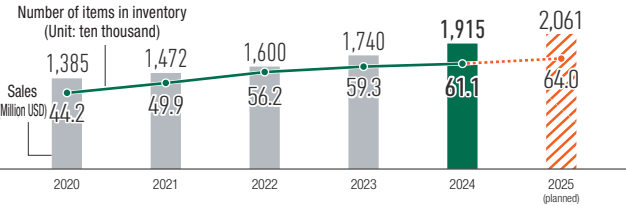
Performance results at the end of December 2024

01 To become a company that will be able to store one million items in inventory by 2030

Products Distribution Catalog Media Digital

In order to improve customer convenience, we have expanded the range of products we handle, expanded inventory items, and strengthened our logistics system. As of the end of December 2024, our quantity of stock exceeded 610,000. In February 2024, the product database “Sterra” was improved, making it possible to retain data for more than 10 million items. Planet Aichi, which is capable of holding up to one million items in stock, will commence operations in July 2026. We will establish a system to actually achieve that stock level by 2030 (see p.53).

Sales and Quantity of Stock



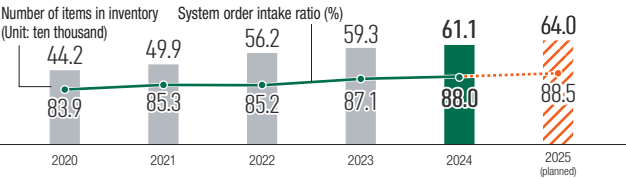
Planet Aichi Distribution Center (operations are scheduled to begin in July 2026)

02 To become a company capable of receiving orders 24 hours a day and shipping products 365 days a year

Distribution Digital

With an eye on improving convenience for our customers and increasing the number of product shipments in the future, we will establish a system that enables us to receive orders 24 hours a day and ship products 365 days a year. In 2019, TRUSCO Orange Book.Com started accepting orders 24 hours a day, and currently about 90% of orders are received through the website. The system also supports shipments, except on Sundays.

Quantity of Stock and System Order Intake Ratio



03 To become a company where products are always in stock and that never experiences order or shipping based errors

Distribution Digital

We think that the number one reason for delivery delays is that an item is out of stock. While expanding our quantity of stock, we are implementing inventory management using ZAICON 3, our inventory management system which calculates the required number of products in stock based on actual sales results. As of the end of 2024, the stock hit rate was 92.6% (+0.5 pts. year on year). Digitalization of distribution and an improvement in the system order intake ratio of 88.0% (+0.9 pts. year on year) have reduced order-based errors, and the introduction of distribution equipment such as GAS (Gate Assorting System), has reduced shipping errors to a misdelivery rate of 0.023% (approximately one package per 4,300).

04 To become a company that never has to take inventory

Distribution Digital

Taking inventory of 610,000 items is a time-consuming and labor-intensive process. In 2018, 12 locations, including Planet Saitama and Planet Osaka, where we introduced a non-fixed location (free address) inventory management system, have implemented a linked counting function that performs inventory at the same time as incoming and outgoing work, reducing the inventory workload. In addition, by simplifying inventory work, we carry out shipping and receiving operations even on dates when fiscal year-end inventory counts are conducted.

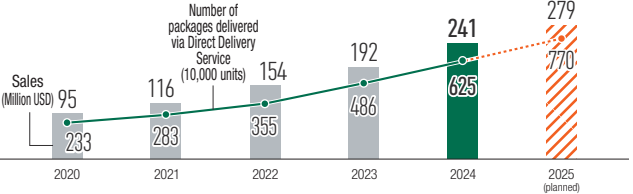
05 To become a company that can realize Direct Delivery Service as a wholesaler with no stress

Distribution Sales

“U-choku” net sales: \$241 million

In general, it is common practice in the industry to deliver products that wholesalers receive orders for from customers to users via those customers. Since products are shipped directly to users, our “U-choku” Direct Delivery Service (see p.52 and p.60) has made it possible to reduce delivery times, shipping costs, packaging materials amounts, and the environmental burden by half. We have introduced seven I-Pack® (high-speed automated packaging and shipping lines at five locations, capable of handling 6.25 million direct shipments per year.

Number of Packages Shipped via “U-choku” and Sales



06 To become a company capable of quickly providing estimates

Products Digital

Automated estimate ratio 30.1%

In January 2020, we introduced an AI-based quotation system in order to instantly respond to each of the 35,000 quotation requests received from our customers each day. We achieved an overwhelming fast minimum automatic reply time of 5 seconds, and the automated estimate ratio at the end of December 2024 was 30.1%. We are working to improve our services by improving our systems and expanding cooperation with our suppliers.

07 To become a company capable of realizing the “fastest,” “shortest,” and “best” deliveries in the industry

Distribution Sales Digital

Number of companies that have introduced MRO Stocker: 1,414

We believe that “immediate delivery is the greatest service” and have been working to strengthen our distribution system. Since 2018, we have been introducing MRO Stocker (see p.59), a tool storage solution allowing users to obtain products immediately, enabling TRUSCO to respond to the needs of manufacturing sites that need certain products immediately. In addition, we offer optimal and diverse delivery methods, such as “U-choku” Direct Delivery Service (see p.60) and “U-kuru” (product pick-up service for users) (see p.61).



08 To become a company with a minimal environmental burden

Products Distribution Catalog Media Sales Digital

By establishing an efficient procurement environment with 28 distribution centers throughout Japan serving as the core, we are reducing the consumption of energy and resources related to procurement (see p.78 and p.79). In addition to a fixed-cost logistics system, we will expand our “U-choku” Direct Delivery Service, which reduces shipping and labor by half and is also environmentally friendly, and MRO Stocker, a tool storage system that realizes zero delivery time. By solving the issue of wastefulness hidden in distribution activities, we aim to become a company with a small environmental burden. Additionally, starting with the 2025 version of the TRUSCO Orange Book, we will support environmental activities at manufacturing sites by indicating the amount of CO<sub>2</sub> emitted during the manufacture of some products.

Amount of CO<sub>2</sub> Reduced by Service

|                               | Items to be reduced    |                  |                 |                          | Reduced emissions amount (t-CO <sub>2</sub> ) |
|-------------------------------|------------------------|------------------|-----------------|--------------------------|---|
|                               | Vehicle transportation | Use of packaging | Packaging waste | Purchase of new products |   |
| Proper inventory              | ●                      |                  |                 |                          | 1,590   |
| Fixed-Cost Based Distribution | ●                      | ●                | ●               |                          | 5,130   |
| Direct Delivery Service       | ●                      | ●                | ●               |                          | 3,285   |
| MRO Stocker                   | ●                      |                  |                 |                          | 5,661   |
| Naojiro Repair Workshops      |                        |                  |                 | ●                        | 1,235   |
| Total                         |                        |                  |                 |                          | 16,901 t-CO <sub>2</sub>                      |

09 To become a company that is also actively involved in the recycling, reuse, and return of tools and equipment


Products Distribution Sales

Naojiro Repair Workshops Sales \$14 million

Our Naojiro Repair Workshops, which have been in operation since 1998, provide the unique service where customers’ tools needing repair are collected during daily deliveries. We aim to contribute to the reduction of the environmental burden by using familiar tools for a long time (see p.62). We are also developing Private Brand products that have a low environmental impact, such as return cushions, which can be used repeatedly when delivering products to customers and when receiving products from suppliers.

The Eight Services Available through Naojiro

|             |                               |
|-------------|-------------------------------|
| Repair      | Re-grinding                   |
| Calibration | Reuse                         |
| Machining   | Maintenance                   |
| Assembly    | Construction and Installation |



Reusable delivery container with return cushion

10 To become a “platform holder” that supports manufacturing in Japan

Products Distribution Catalog Media Sales Digital

We aim to improve the convenience of the entire supply chain by making full use of services indicated in 01 to 09 in order to solve the problems of suppliers, customers, and users. In February 2025, the purchase site for users was improved and “TRUSCO Orange Book.Com Cross” was launched into operation. We aim to improve the efficiency of the supply chain by utilizing our inventory and logistics, such as the ability to easily understand prices, inventory, and delivery dates from PCs and smartphones, and the ability to select delivery methods according to needs.



11 To become a company capable of rewriting the accepted practices, customs, accepted opinions, and conventions of the industry

Products Distribution Catalog Media Sales Digital

As a latecomer to the industry, we have developed our business by thinking outside the box (see p.25 to 27). The starting point that continues to generate corporate vitality and growth is the idea that choosing majority solutions results in ordinary results, and that we come up with ideas and take on challenges others cannot. We will continue to solve various problems using unconventional ideas, capable of rewriting the accepted practices, customs, accepted opinions, and conventions of the industry.



Business Progress and Results

| Key Indicators  |   | 61st term (FY2023)<br>Previous Period |                      | 62nd term (FY2024)<br>Current Period |                       | 63rd term (FY2025)<br>Plan |                    |
|-----------------|---|---------------------------------------|----------------------|--------------------------------------|-----------------------|----------------------------|--------------------|
| Products        | (1) Number of items in inventory  | 593,554                               | items (+31,528)      | 611,708                              | items (+18,154)       | 640,000                    | items (+28,292)    |
|                 | (2) Inventory Value   | \$330                                 | million (+36)        | \$359                                | million (+29)         | \$414                      | million (+54)      |
|                 | (3) Total number of suppliers   | 3,509                                 | companies (+237)     | 3,637                                | companies (+128)      | 3,760                      | companies (+123)   |
|                 | (4) Number of overseas suppliers  | 337                                   | companies (+8)       | 353                                  | companies (+16)       | 373                        | companies (+20)    |
|                 | (5) PB Product Sales  | \$313                                 | million (+15)        | \$327                                | million (+14)         | \$350                      | million (+22)      |
|                 | (6) PB Product Sales Constitution Ratio   | 18.0                                  | % (-0.4)             | 17.1                                 | % (-0.9)              | 17.0                       | % (-0.1)           |
| Distribution    | (7) Stock hit rate  | 92.1                                  | % (+0.4)             | 92.6                                 | % (+0.5)              | 93.1                       | % (+0.5)           |
|                 | (8) Number of packages delivered via Direct Delivery Service  | 4,868,032                             | units (+1,311,644)   | 6,257,178                            | units (+1,389,146)    | 7,700,000                  | units (+1,442,822) |
|                 | (9) Direct Delivery Service Sales   | \$193                                 | million (+38)        | \$241                                | million (+48)         | \$279                      | million (+37)      |
|                 | (10) Number of Third-party Delivery Runs  | 153                                   | vehicles (-9)        | 146                                  | vehicles (-7)         | 131                        | vehicles (-15)     |
|                 | (11) Number of TRUSCO delivery routes   | 123                                   | vehicles (+7)        | 132                                  | vehicles (+9)         | 149                        | vehicles (+17)     |
|                 | (12) Percentage of TRUSCO delivery runs   | 44.6                                  | % (+2.9)             | 47.5                                 | % (+2.9)              | 53.2                       | % (+5.7)           |
|                 | (13) Labor cost to ship one order   | \$0.98                                | (+0.022)             | \$1.01                               | (+0.027)              | \$1.01                     | (-0.004)           |
| Catalog Media   | (14) TRUSCO Orange Book Number of items   | 369,000                               | items (-5,000)       | 422,000                              | items (+53,000)       | 464,000                    | items (+42,000)    |
|                 | (15) TRUSCO Orange Book.Com items   | 4,108,818                             | items (+941,630)     | 4,552,330                            | items (+443,512)      | 5,000,000                  | items (+447,670)   |
| Sales           | (16) Number of Customer Companies   | 5,632                                 | companies (+57)      | 5,652                                | companies (+20)       | 5,682                      | companies (+30)    |
|                 | (17) Number of companies that have introduced MRO Stocker   | 1,203                                 | locations (+428)     | 1,414                                | locations (+211)      | 1,615                      | locations (+201)   |
|                 | (18) Number of companies connected to Orange Commerce   | 2,447                                 | companies (+214)     | 2,631                                | companies (+184)      | 2,830                      | companies (+199)   |
| Digital         | (19) System order intake ratio  | 87.1                                  | % (+1.9)             | 88.0                                 | % (+0.9)              | 88.5                       | % (+0.5)           |
|                 | (20) Automated estimate ratio   | 27.6                                  | % (+5.0)             | 30.1                                 | % (+2.5)              | 31.5                       | % (+1.4)           |
|                 | (21) Ratio of Web-based estimate requests   | 47.3                                  | % (+1.3)             | 49.2                                 | % (+1.9)              | 50.5                       | % (+1.3)           |
| Human Resources | (22) Total number of employees (including officers and part-time staff)   | 3,043                                 | persons (+89)        | 3,184                                | persons (+141)        | —                          | —                  |
|                 | (23) Number of part-time employees  | 1,370                                 | persons (+65)        | 1,464                                | persons (+94)         | —                          | —                  |
|                 | (24) Average age (full-time staff)  | 39.9                                  | years (+0.1)         | 39.7                                 | years (-0.2)          | —                          | —                  |
|                 | (25) Average number of overtime hours per month per employee  | 17.9                                  | hrs. (-0.2)          | 20.9                                 | hrs. (+3.0)           | —                          | —                  |
|                 | (26) Average salary (full-time staff)   | \$42.9 <\$45.3>                       | thousand USD (+0.06) | \$46.7 <\$49.0>                      | thousand USD (+3.76)  | —                          | —                  |
|                 | (27) Careers (regular positions)  | \$50.3 <\$53.4>                       | thousand USD (+0.25) | \$54.5 <\$57.5>                      | thousand USD (+4.22)  | —                          | —                  |
|                 | (28) Area (regular positions)   | \$40.7 <\$43.0>                       | thousand USD (-0.38) | \$44.6 <\$46.9>                      | thousand USD (+3.89)  | —                          | —                  |
|                 | (29) Logistics (distribution positions)   | \$34.1 <\$35.4>                       | thousand USD (+2.07) | \$36.4 <\$37.7>                      | thousand USD (+2.33)  | —                          | —                  |
|                 | (30) Managers Department general managers and division general managers (does not include officers)   | \$90.1 <\$96.9>                       | thousand USD (-5.19) | \$102.5 <\$109.0>                    | thousand USD (+12.40) | —                          | —                  |
|                 | (30) Managers Managers including branch managers, distribution center managers, deputy distribution center managers, Head Office section managers, etc. | \$73.3 <\$78.5>                       | thousand USD (-0.58) | \$80.4 <\$85.3>                      | thousand USD (+7.07)  | —                          | —                  |
|                 | (31) Turnover rate  | 5.4                                   | % (+0.7)             | 5.1                                  | % (-0.3)              | —                          | —                  |
|                 | (32) Employee Rate of Persons with Disabilities   | 2.8                                   | % (+0.1)             | 3.2                                  | % (+0.4)              | —                          | —                  |
| Environ-ment    | (33) Solar power generation (per hour)  | 2,793                                 | (kWh) (±0)           | 2,793                                | (kWh) (±0)            | —                          | —                  |

Notes: 1. The year-on-year increase/decrease is shown in the parentheses.

2. Average salary (full-time staff) includes executive officers.

3. Figures in angle brackets are average salaries including financial bonds. Trusco Nakayama does not pay severance as a lump sum upon retirement, but as an annual payment known as a "financial bond."

4. The total number of employees includes directors, part-time staff, staff on loan, and local employees of subsidiaries.

5. "(25) Average number of overtime hours per month per employee" includes overtime hours within legal working hours.

6. "(31) Turnover rate" does not include employees that have retired due to reaching the retirement age.

Conversion rate: 1 USD = 154 JPY

02

To Achieve  
“Our Ambitions”  
(Value Creation)



Founded as a latecomer to the industry, thinking outside the box has been our core approach from the start.

We have provided a variety of services to meet the needs of our customers and the manufacturing industry of the times.

In the future, we will continue to aim to be a company that always provides the highest level of convenience in order to continue to be of service to the manufacturing industry in Japan, based on our belief “Business must serve people and society.”

A Glance at TRUSCO Through Numbers ..... 24

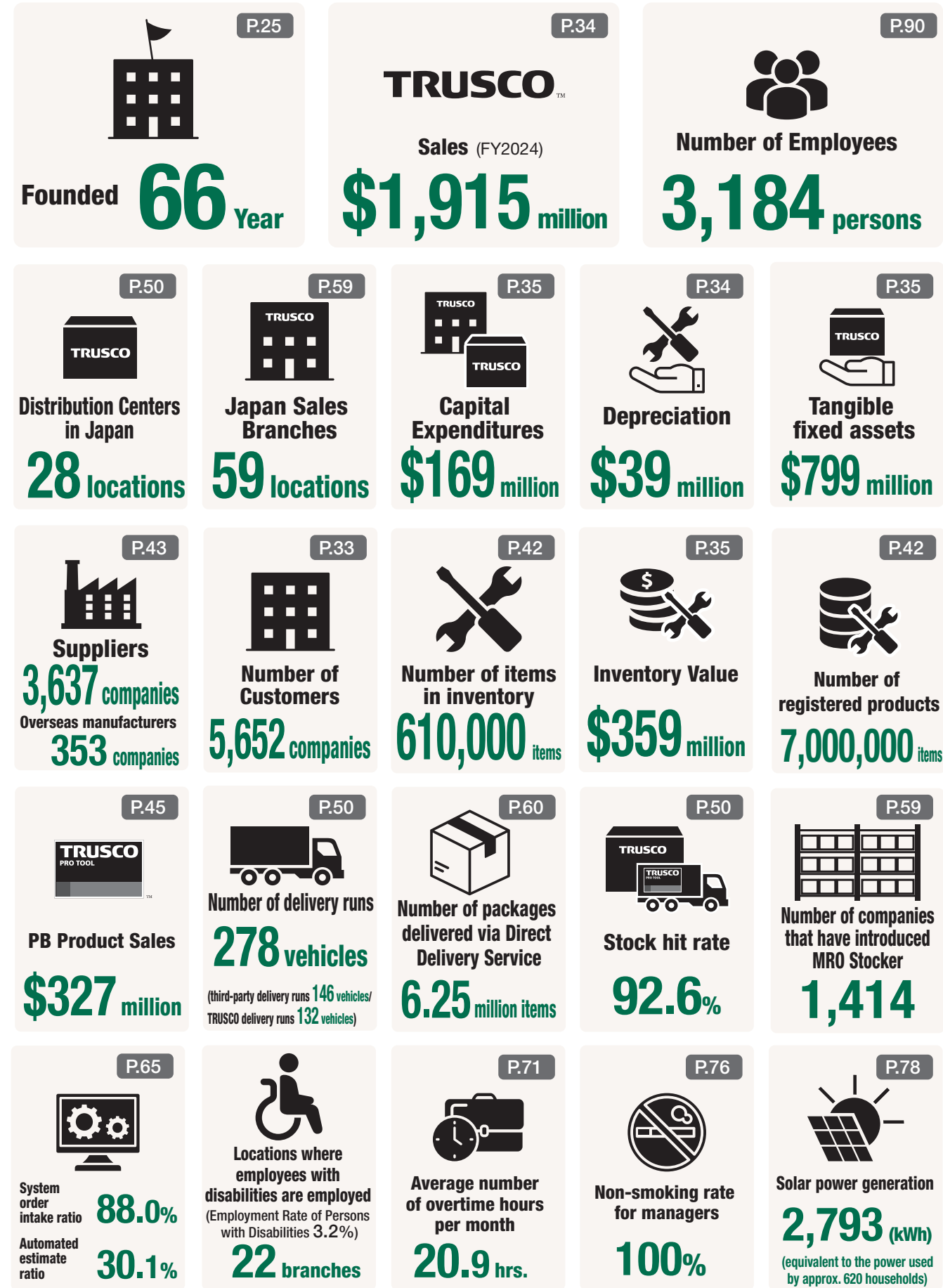
Thinking Outside the Box  
– A History of Value Creation – ..... 25

Helping People and Society  
– Value Creation Model – ..... 28

Material Issues ..... 30



## A Glance at TRUSCO Through Numbers



As of December 31, 2024

## Thinking Outside the Box – A History of Value Creation –





1994

Strengthening distribution capabilities and going public

Tetsuya Nakayama was appointed as President. In the same year, the company's first distribution center, Planet Kyushu, was launched into operation to strengthen distribution capabilities in earnest. We also changed our company name, established a corporate philosophy, and created a better working environment which led to our listing on the first sections of the Tokyo Stock Exchange and Osaka Securities Exchange.



Tetsuya Nakayama assumes position of President (1994)

2003

The theme Shushazentaku is presented as part of a top message

President Nakayama's suggestion that decisions should not be made on the basis of profit or loss but rather by asking oneself whether something is good or bad, and then always choosing the "right thing." The importance of having criteria for choosing the "right thing" is the foundation of our Company.



Handwritten message from President Nakayama (2003)

2005

Total abolition of all draft exchanges

It took about four years starting in 2001 to complete the elimination of draft transactions for the first time in the industry. By completely eliminating draft transactions, which has long been a business practice in the industry, we were able to improve the efficiency of our operations and increase the customer trust.

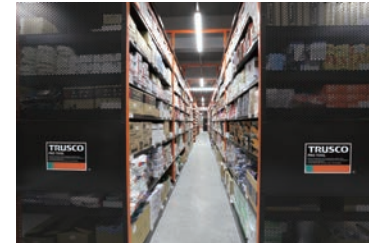


Top photo: Final note payable (August 2003)  
Bottom photo: Final note receivable (December 2005)

2006

Strengthened inventory expansion

Based on our "20 Billion Items in Inventory Value & Stocking Strategy", we constructed large-scale distribution centers nationwide with the aim of a system that allows us to "always immediately deliver inventory items listed in Orange Book." The number of items in stock and the inventory shipment rate were key indicators, and we accelerated the expansion.



Expanded inventories at distribution centers nationwide (2006)

2018

Planet Saitama starts operations

Against the backdrop of social changes such as the expansion of the Internet business and chronic labor shortage, the Planet Saitama Distribution Center equipped with cutting-edge logistics equipment is launched into operation. At that time, we had raised our target inventory of 300,000 items to 500,000, further enhancing our logistics capabilities.



Planet Saitama Distribution Center (2018)

2020

"DX Grand Prix" recipient

Awarded the "DX Grand Prix" as a leading company in the digital age. Based on the idea that "digital technology is a means, not a purpose," the Company was highly evaluated for its efforts in digital transformation, inventory, and logistics for "Becoming the Company We Want to Be".



DXグランプリ2020 Digital Transformation  
Selected as a DX Stocks 2020 and awarded the "DX Grand Prix" (2020)

2001

- Activities for eliminating draft transactions started (completed in 2005)
- Relief health care system started
- Started Half-day full-time employee system (formerly "Relaxed work hour reduction program")
- Promotion OJS system started (OJS: Open Judging System)

2002

- Goods receipt abolition
- Two head office system started with the Tokyo Head Office in Minato-ku, Tokyo established
- Internet order receiving system "Web TRUSCO" launched into operation
- Started digital broadcast of the Ordinary General Meeting of Shareholders held in Osaka and Tokyo

2003

- Personnel evaluation OJS system started
- Financial bond (annual payment for severance) introduction
- Private Brand (PB) names unified under the name of TRUSCO
- Moved away from home appliances and lifestyle products to specialize in PRO TOOL

2004

- Internal company salesman "Orange Doctor" qualification exam started
- Osaka Head Office moved from Higashiosaka, Osaka to Nishi-ku, Osaka

2005

- ISO14001 acquired for all Japanese domestic business sites
- Started a desired relocation/Lovebirds Transfer Program
- Total abolition of all draft exchanges (initiative started in 2001 and took four years to complete)

2006

- Product search site "Orange Book.Com" launched into operation
- Core system "Paradise" operation
- Boss challenge course (responsible person appointment system) started

2007

- Ordinary General Meeting of Shareholders held at 2 venues in Osaka and Tokyo simultaneously
- Electronic purchasing system "Orange Commerce" operation

2008

- Acquired the "KURUMIN" certification mark for next-generation training
- Inventory management system "ZAICON" operation

2009

- "TRUSCO RESETPLAN" implementation to deal with the economic downturn precipitated by the Lehman Brothers bankruptcy

2010

- Grouping of logistic centers and setting up of core centers
- Subsidiary TRUSCO NAKAYAMA CORPORATION (THAILAND) LIMITED is established [Formerly "Protool Nakayama (Thailand)"]

2012

- New logistics system "TRULOGIS" launched into operation
- Officer, executive officer, director OJS system started

2013

- Sales activity support system: "Self.I" launched into operation
- e-commerce Sales Division and Overseas Division are established

2014

- Welcome back system started
- Established e-Business Sales Division (formerly "e-commerce Sales Division")
- Started President OJS at General Meeting of Shareholders
- Fiscal year changed to end in December rather than March
- Relocation of Tokyo Head Office (Shimbashi, Minato-ku, Tokyo) Tokyo Head Office registered as company head office
- Subsidiary PT.TRUSCO NAKAYAMA INDONESIA establishment

2015

- Part-timer OJS system started
- Asunaro subsidy system started
- Established Germany Representative Office (Düsseldorf)

2016

- Rating upgraded to "A" with issue size through the Rating and Investment (R&I) Information Co., Ltd.
- TRUSCO new social work grant system started

2017

- "Best IR Award for Encouragement" recipient
- "TRUSCO Shirarezaru Gulliver" broadcast started
- Distribution Department new establishment
- Product database: "Sterra" is launched into operation
- Health management superior corporation 2017 certified Recognized as a White 500 Certified Health and Productivity Management Organization

2018

- 2018 Received Porter Prize
- Redesign of TRUSCO Orange Book.Com Renewal
- Planet Saitama starts operations

2019

- Consolidated accounting started
- Established Trusco Nakayama Health Insurance Association
- Established Information Systems Department

2020

- AI-based Immediate Automated Estimate System launched
- Introduction of MRO Stocker started
- Core system: "Paradise 3" launched into operation
- The Digital Service Strategy Department (formerly the Information Systems Dept.) is established
- Selected as a DX Stocks 2020 "DX Grand Prix" company
- Shareholder special benefit plan is abolished
- President Tetsuya Nakayama awarded Medal with Blue Ribbon
- PRO TOOL Restrictions Removed
- FY2020 Received the Information Technology Award "IT Grand Prize"

2021

- Selected as a DX Stocks 2021 company
- Announced industry-academia collaboration and capital and business alliances at a press conference (started TRUSCO HACOBUNE Project)
- FY2021 Received the Information Technology Award

2022

- Established Taiwan office, Thailand office
- Vacation Bank Program started
- Company holidays changed to calendar holidays
- Selected as a "DX Stocks 2022" company

2023

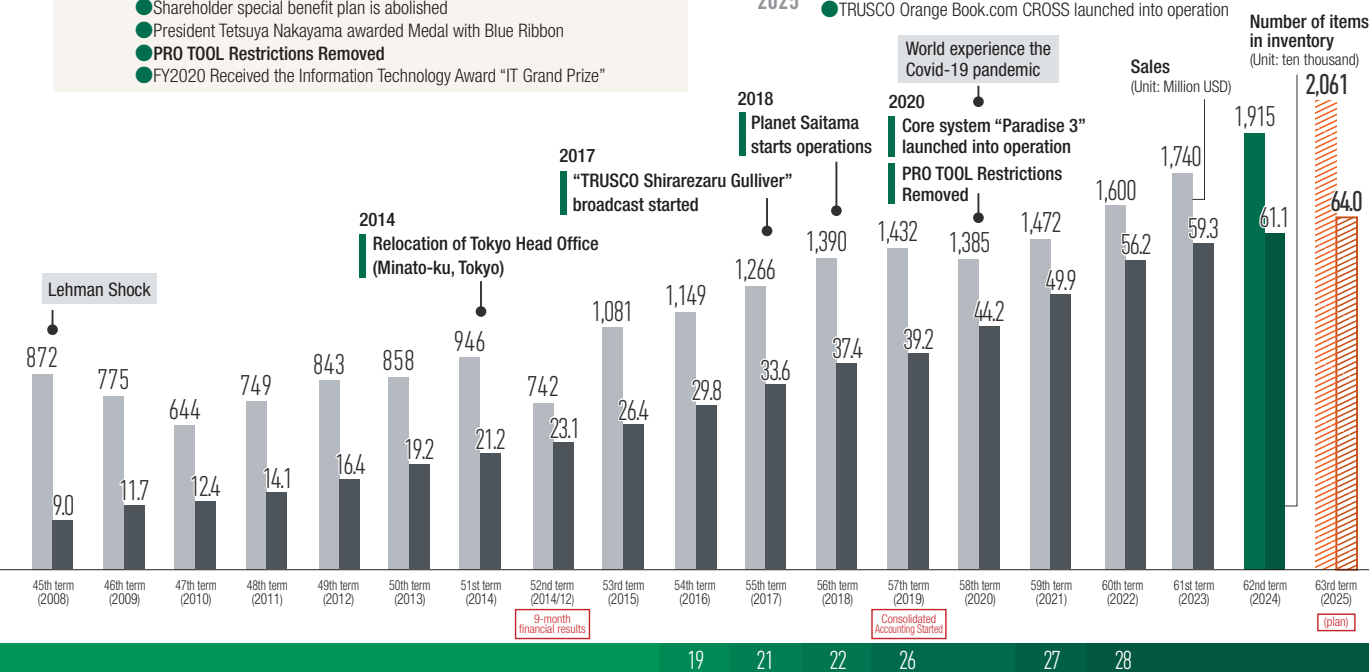
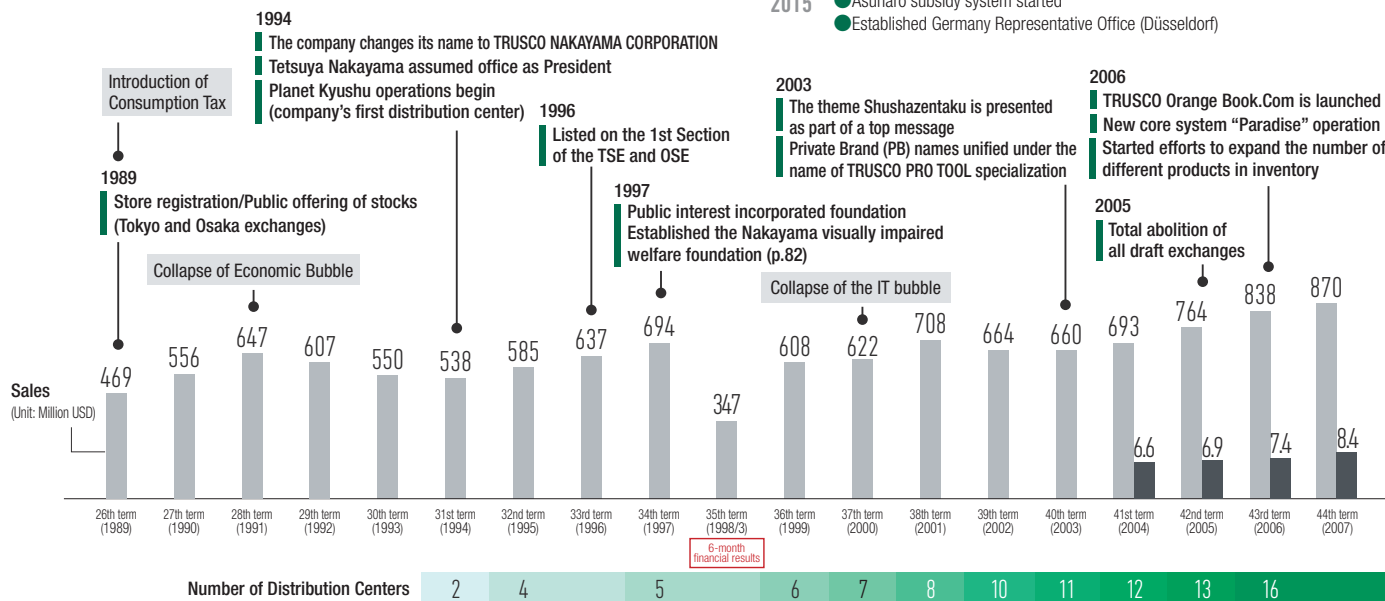
- Good Career Award Grand Prize
- Started "Trusco Zentaku Dividend" payments
- Selected as a "DX Platinum 2023-2025" company
- FY2023 "IT Grand Prize" Recipient

2024

- Orange Book Department newly established
- Osaka Head Office moved to Chuo-ku, Osaka City
- Acquired "Platinum KURUMIN Plus" certification
- Established TRUSCO NAKAYAMA USA, INC.
- Started Hinadori Transfer Program (allows an employee to work at a location close to where their non-spouse romantic partner resides)
- Started four-day workweek system (in addition to Sunday, employees can select two other days off per week)

2025

- Hong Kong office opened
- TRUSCO Orange Book.com CROSS launched into operation





Helping People and Society – Value Creation Model –

We have learned that common sense might change given the environment surrounding us, and what was common sense until yesterday can become illogical today. However, in the business world, we believe that our principles should remain unchanged. In such an environment, we have created a unique business model for PRO TOOL distribution based on the concept of “Be an

Ultimate Master Wholesale” by utilizing products, distribution, catalog media, and digital technologies. This is designed to contribute to the expansion of our customers’ businesses. We aim to be a company that continues to be of service to Japanese manufacturing in every era. The cycle created through this business will lead to TRUSCO becoming the company we want to be.



Common sense  
might change but  
our principles  
remain unchanged

Although common sense sometimes changes,  
our business principles remain unchanged.

|  |                           |                                 |                                |
|--|---------------------------|---------------------------------|--------------------------------|
| Principles<br>(Unchanging demands of the market) | High-level of convenience | Rapid, reliable delivery        | Abundant line-up and inventory |
|  | Reasonable prices         | Courteous, Polite, and Reliable | Digital Capabilities           |

Management resources (INPUT)

Bringing together a full line-up of PRO TOOL

Number of items in inventory 610,000 items  
Inventory Value \$359 million (consolidated)  
Total number of items in inventory 60,200,000 items  
Total Number of suppliers 3,637 companies  
(Overseas: 353 companies)  
TRUSCO Orange Book  
Approx. 150,000  
(2025 edition, total number published)  
TRUSCO Orange Book.Com  
Number of items listed 4,550,000 items

Immediate delivery is the greatest service

Distribution Centers in Japan 28 locations  
Branches with inventory 29 locations  
Number of total delivery runs 278 vehicles  
(TRUSCO delivery runs included in above: 132 vehicles 47.5%)

Unparalleled level of convenience

Digital Expenditures (most recent three periods) \$36 million  
Number of systems 60  
Number of Product Data 7,000,000 items  
Number of system connected companies 13,334 companies

A corporate culture free of ill feelings

Number of Employees (consolidated) 3,184  
(Officers: 11 / Full-time staff: 1,709  
Part-time staff: 1,464)  
Number of Customer Companies 5,652 companies

Be an Ultimate Master Wholesale

Business Model P.32

Plugging into TRUSCO will easily allow customers to utilize our business resources, which will contribute to the expansion of their businesses.



- Product Strategy P.42
- Distribution Strategy P.50
- Catalog/Media Strategy P.56
- Sales Strategy P.58
- Digital Service Strategy P.64
- Human Resources Strategy P.68

Aim for sustainable

growth through a cycle

Society/  
Local Environment

Becoming the Company We Want to Be P.20

- To become a company that will be able to store one million items in inventory by 2030
- To become a company capable of receiving orders 24 hours a day and shipping products 365 days a year
- To become a company where products are always in stock and that never experiences order or shipping based errors
- To become a company that never has to take inventory
- To become a company that can realize Direct Delivery Service as a wholesaler with no stress
- To become a company capable of quickly providing estimates
- To become a company capable of realizing the “fastest,” “shortest,” and “best” deliveries in the industry
- To become a company with a minimal environmental burden
- To become a company that is also actively involved in the recycling, reuse, and return of tools and equipment
- To become a “platform holder” that supports manufacturing in Japan
- To become a company capable of rewriting the accepted practices, customs, accepted opinions, and conventions of the industry

We want to be of service to the manufacturing industry in Japan regardless of the times.

Economic value/Social value (OUTPUT • OUTCOME)

Sales (consolidated) \$1,915 million  
Ordinary income (consolidated) \$130 million  
Dividends \$0.35  
Stock hit rate 92.6%  
System order intake ratio 88.0%  
Automated estimate ratio 30.1%  
Delivery lead time 18 hrs. 31 min. 45 sec.  
Turnover rate 5.1%  
Percentage of female employees among full-time employees 36.6%  
Renewable energy power self-sufficiency rate 15.5%  
Naojiro Repair Workshops Sales \$14 million  
Number of Companies Appearing on Shirarezaru Gulliver (TV program) 341 companies

As of December 31, 2024



Material Issues

We have identified material issues related to sustainability based on our core belief “Business must serve people and society”. TRUSCO will address these issues through its business with a view towards the establishment of a sustainable society.

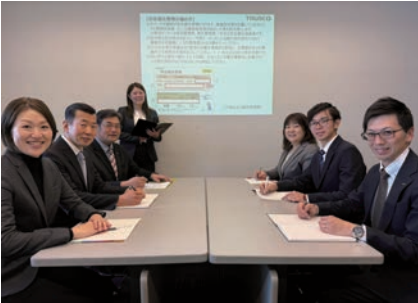


| Material Issue  | Description  | Themes  | Related Measures   |
|---|--|---|--|
| 1<br>Optimization of the entire supply chain  | Become a platform holder supporting manufacturing and optimize the supply chain to establish sustainable PRO TOOL distribution that is both human-friendly and environmentally friendly.   | <ul style="list-style-type: none"><li>One-stop MRO distribution for improving convenience and reducing the environmental burden</li><li>Dramatic efficiency in product selection and industry standardization of product data</li><li>Realization of proposals and deliveries by anticipating customer needs</li><li>Creating synergy effects through the power of people and digital technology to contribute to the expansion of business performance of partner companies</li><li>Realization of the ability to accept orders 24 hours a day and ship products 365 days a year (stable supply of products)</li></ul> | Product Strategy (p.42)<br>Distribution Strategy (p.50)<br>Catalog Media Strategy (p.56)<br>Sales Strategy (p.58)<br>Digital Service Strategy (p.64) |
| 2<br>Planning and development of products that respond to diversifying needs                                  | Develop and provide PB products with original value to suit diversifying needs and trends at manufacturing sites to help rationalize manufacturing operations, increase productivity, and strengthen competitiveness.  | <ul style="list-style-type: none"><li>Improvement of major TRUSCO Private Brand products</li><li>Improving the safety and quality of PB Products</li><li>Responsible procurement</li></ul>  | Product Strategy (p.42)  |
| 3<br>Development of environments and human resources to enable them to fully display their personal abilities | We will be able to grow as a company by creating an environment where employees are always motivated and each can sufficiently demonstrate their abilities.  | <ul style="list-style-type: none"><li>Creation of a work environment where our employees can continue to work with peace of mind for many years</li><li>Expansion of opportunities for career advancement for each employee with a broad selection of choices available</li><li>Creation of an environment where the work and results of employees can be fairly assessed</li><li>Promotion of diversity</li><li>Strengthening of health management as well as occupational safety and health</li></ul>   | Human Resources Strategy (p.68)  |
| 4<br>Environmental actions through business activities  | We contribute to reducing the environmental impact of our business activities and PB products, not only for ourselves but also for the users of the products that we carry, and contribute to the environmental activities of the Japanese manufacturing industry. | <ul style="list-style-type: none"><li>Realization of a supply chain with a small environmental burden</li><li>Reduction of the environmental burden reduces the business activities</li><li>Planning and development of environmentally-friendly PB Products</li><li>Realization of the active recycling, reuse, and return of tools and equipment</li></ul>  | Environmental Efforts (p.78)   |
| 5<br>Contribution to stakeholders and local communities   | Cherish the relationships with stakeholders through support for people with disabilities and communication with local communities and society through sponsorships and advertising.  | <ul style="list-style-type: none"><li>“Giving Back to Society” through the Nakayama visually impaired welfare foundation</li><li>Strengthening of various sponsorships and advertising activities</li><li>Implementation of contingency donation activities</li></ul>   | Public interest incorporated foundation<br>The Nakayama visually impaired welfare foundation (p.82)  |
| 6<br>Governance based on a stance of Shushazentaku (choosing the proper action)                               | Improve the fairness and transparency of management and implement swift and appropriate decision-making to conduct business activities that conform to laws and social norms.  | <ul style="list-style-type: none"><li>Realization of corporate governance effective for self-cleaning</li><li>Strengthening of compliance</li><li>Strengthening of risk management</li><li>Realization of highly-transparent information disclosure</li></ul>   | Corporate Governance (p.80)  |

Material Issue Identification Process

In addition to identifying material issues in the four-step process, meetings were held at each business sites in Japan to discuss those material issues identified. Interviews with employees were also used to create content.

|       |   |
|-------|---|
| STEP1 | <b>Identification of Social Issues</b><br>We identified social issues based on the GRI Standards*1 and SDGs.  |
| STEP2 | <b>Evaluation of the level of importance of identified social issues</b><br>While realizing the company we want to be in response to the social issues identified in Step 1, we evaluated the level of importance of identified social issues from the standpoint of both (1) social issues that we contribute to through our business and (2) social issues that should be taken into consideration. |
| STEP3 | <b>Creation of a plan designed to address the material issues</b><br>A plan designed to address the material issues was created based on level of importance evaluated in Step 2.   |
| STEP4 | <b>Executive-level deliberation and approval</b>  |



Utsunomiya Branch employees participating in a meeting  
This is a monthly safety and health meeting. We share various safety-related information among employees to ensure that our business activities can be conducted safely.

\*1 GRI Standards: An international framework for reporting on the economic, environmental, and social impacts of companies and providing information on their positive or negative contributions to sustainable development.

03

Be an Ultimate Master Wholesale  
(Management Policy)



We believe that the source of competitiveness for an organization is its originality and we are placing it at the root of our management strategy. TRUSCO continues to promote the improvement of convenience for our customers and enhancement of the environment and systems that allow our employees to work with peace of mind over the long term. We will continue to aim to be a company that always meets the demands of the manufacturing sites.

Business Flow ..... 32

Operating Results Highlights ..... 34

A Company with Assets (Financial Strategy) ..... 35

Messages from Directors ..... 36

Product Strategy ..... 42

Distribution Strategy ..... 50

Catalog Media Strategy ..... 56

Sales Strategy ..... 58

Digital Service Strategy ..... 64

Human Resources Strategy ..... 68



Business Flow

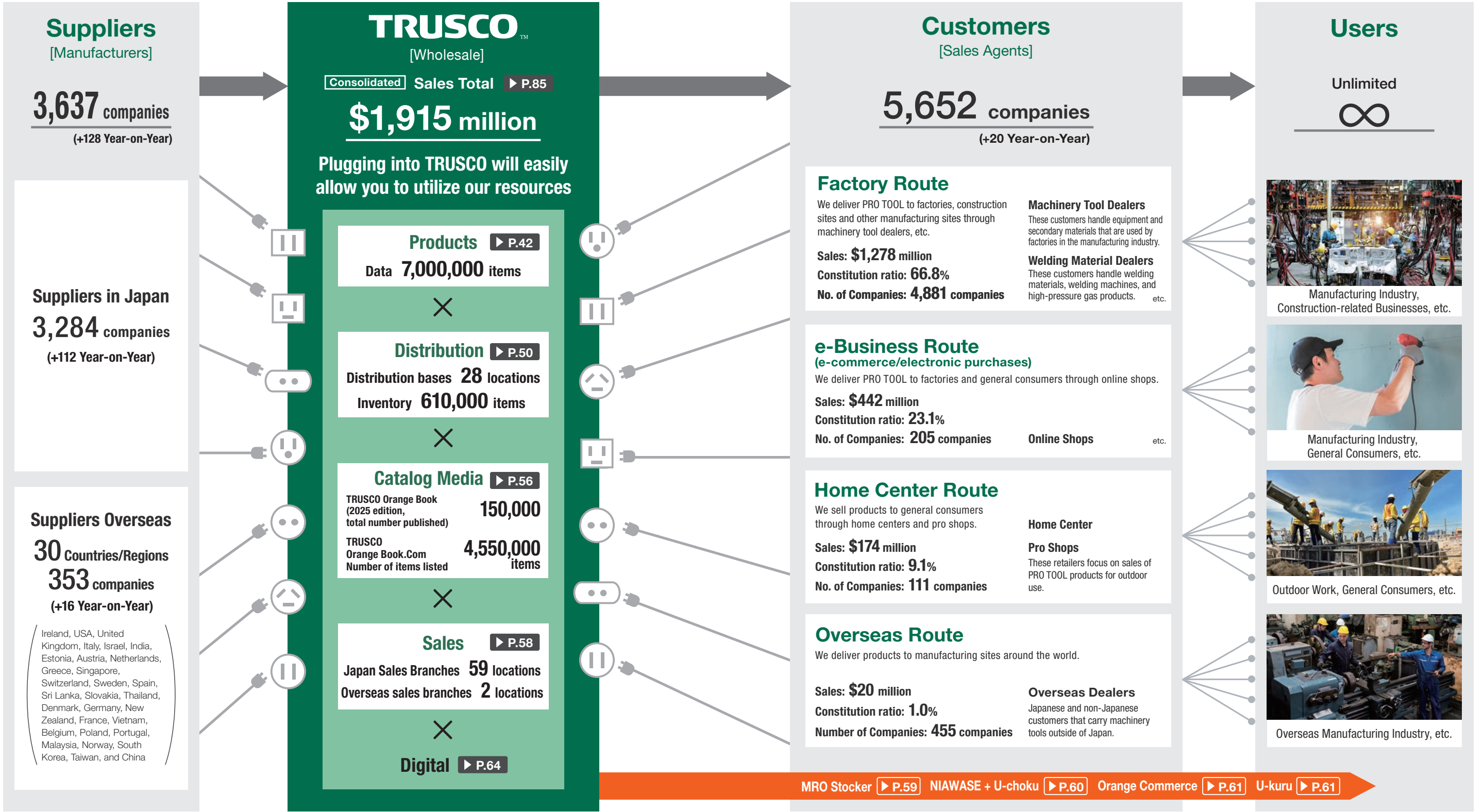
TRUSCO NAKAYAMA is a wholesaler that procures PRO TOOL from suppliers and sells them to machinery tool dealers, online shops, home centers, and other customers. We ensure prompt, smooth and reliable delivery to

manufacturing sites all over Japan. As a wholesaler, we have developed a unique business model to improve the convenience of our customers, suppliers, and users.

Plugging into TRUSCO to start doing business with us

Customers and suppliers can easily access our management resources and use them for their businesses in a way that suits their characteristics and business type. In addition to the ability to sell their products to 5,652 customers, suppliers can also receive a wide range of sales support services such as product data linkage, inventory holding, and catalog

listing services. Customers can centrally procure products from 3,637 suppliers and can also utilize functions such as same-day delivery and user-direct delivery services to expand their own businesses. We will continue to pursue further convenience for our customers and suppliers by optimizing the distribution of PRO TOOL.



As of December 31, 2024



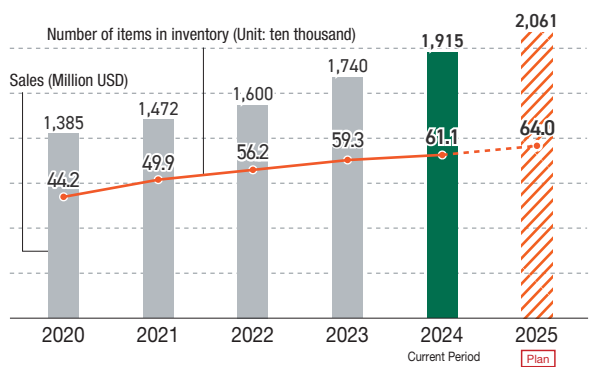
Operating Results Highlights

62nd Term (FY2024) Consolidated Business Performance

|  |                 |           |
|--|-----------------|-----------|
| Sales  | \$1,915 million | (+10.0%)  |
| Gross profit margin                                | 20.9%           | (-0.6pt)  |
| Selling, general and administrative expenses       | \$270 million   | (+6.9%)   |
| Depreciation                                       | \$39 million    | (-2.6%)   |
| Operating income                                   | \$129 million   | (+7.9%)   |
| Ordinary Income                                    | \$130 million   | (+7.4%)   |
| Attributable to shareholders                       |                 |           |
| Net Income   | \$104 million   | (+31.2%)  |
| per share  |                 |           |
| Annual dividend                                    | \$0.35          | (+\$0.04) |
| Market capitalization<br>(as of December 31, 2024) | \$1,005 million |           |
| Shareholders' equity ratio                         | 64.4%           |           |
| R&I Rating   | A               |           |

In the 62nd term, net sales and income increased due to expanded sales resulting from providing unique services, including our “NIAWASE + U-choku” (Order Consolidation + Direct Delivery Service) (see p.60), which utilizes inventory and logistics equipment resulting from proactive logistics investment, and increased demand for procurement efficiency stemming from logistics challenges. With the Planet Saitama Distribution Center, which began operations in 2018, it became possible to hold an inventory of 610,000 items and directly deliver 6.25 million packages to users annually. Aiming to further enhance convenience through continuous inventory expansion and logistics investments, Planet Aichi and Planet Niigata are planned to go into operation in 2026.

Changes in Sales and Number of Items in Inventory



A financial statement that everyone can understand

62nd Term (FY2024) (consolidated)

| Income Item                                  | Expense Item             | The year-on-year comparison is shown in the parentheses. |
|--|--------------------------|--|
| Sales  | \$1,915 million (+10.0%) | ⊖  |
| Cost of Goods Sold                           | \$1,515 million (+10.8%) | ⊖  |
| Gross profit margin (gross margin)           | \$400 million (+7.2%)    | ⊖  |
| Selling, general and administrative expenses | \$270 million (+6.9%)    | ⊖  |
| Operating income                             | \$129 million (+7.9%)    | ⊕  |
| Non-operating income                         | \$3 million (+11.3%)     | ⊖  |
| Non-operating costs                          | \$2 million (+39.3%)     | ⊖  |
| Ordinary Income                              | \$130 million (+7.4%)    | ⊖  |
| Net income before tax                        | \$147 million (+26.5%)   | ⊖  |
| Corporate tax                                | \$43 million (+6.8%)     | ⊖  |
| Net Income                                   | \$104 million (+31.2%)   | ⊖  |

Consolidated Sales by Segment

The year-on-year comparison is shown in the parentheses.

|                   |                         |
|-------------------|-------------------------|
| Factory Route     | \$1,278 million (+8.1%) |
| e-Business Route  | \$442 million (+15.3%)  |
| Home Center Route | \$174 million (+10.6%)  |
| Overseas Route    | \$20 million (+19.7%)   |

Main breakdown of selling, general and administrative expenses

Salaries, bonuses, benefits, welfare costs, etc. \$115 million (+6.8%)

- Employee salaries and bonuses \$79 million (non-consolidated parent) (+10.9%)
- Part-time salaries and bonuses \$21 million (non-consolidated parent) (+14.8%) etc.

Shipping expenses and packing costs \$58 million (+10.0%)

- Shipping expenses \$49 million (+12.5%)
- Third-party delivery company fees \$9 million (-1.4%) etc.

Depreciation \$39 million (-2.6%)

- Factors for decrease
- Decrease due to expiration of software depreciation period -\$2 million etc.

Other products \$56 million (+11.5%)

A Company with Assets (Financial Strategy)

We must be able to secure important assets without relying on others

We believe that owning our own distribution centers, branch offices, data centers, and vehicles, which serve as the main arteries of corporate management, will bring the greatest benefits. This is why we are placing importance on the idea of TRUSCO being “Having assets on our own”. Instead of aiming for short-term profits, we take the perspective of long-term corporate value enhancement and promote the strategic strengthening of financial foundation, which leads to greater convenience for our customers. Since 2016, we have maintained a rating of “Single A” by Rating and Investment Information, Inc., and by raising funds with an eye to the future and continuing to proactively make capital investments, we are providing our customers with higher value-added services.

Products | Bringing Together a Full Line-up of PRO TOOL (p.42)

Of our \$895 million in liquid assets, \$359 million was invested in merchandise (products). Expanding quantity of stock allows us to achieve “immediate delivery,” providing customers with the reassurance and value of knowing that “Trusco has it.”

Distribution | Immediate delivery is the greatest service (p.50)

Our distribution facilities and distribution equipment account for about 68.1% of the \$799 million in tangible fixed assets. Owning our own buildings allows us to stably supply products without being impacted by external conditions and accumulate related know-how. Together with the digital transformation of distribution, we are working to streamline warehouse operations and accelerate delivery speed through services such as “NIAWASE + U-choku” (Order Consolidation + Direct Delivery Service) and “U-kuru” (product pick-up service for users).

Digital Service | Working to improve the convenience of the entire supply chain (p.64)

To achieve “Our Ambitions” (Value Creation), we have introduced various systems to improve convenience with the aim of automating all tasks that can be automated in the supply chain.

Investments in distribution is our equivalent to M&A

In general, there is a tendency to actively conduct mergers and acquisitions to increase the size of a company. For us, however, investments in distribution is our equivalent to M&A. We believe that active investment in distribution, such as the construction of distribution centers and the introduction of distribution equipment enhances our capabilities as a wholesaler and improves the level of service offered to customers, leading to increased sales. Through investments in distribution that expanded our quantity of stock, over the past 20 years, inventory merchandise (products) increased by approximately \$277 million, while tangible fixed assets grew by around \$685 million. As a result, the stock hit rate (rate that shows what percent of the total orders were fulfilled from stock) was 92.6%. By expanding our quantity of stock and shipping capacity, we have increased our presence, enabling immediate delivery and stable supply of PRO TOOL to manufacturing sites. By having an abundant inventory and actively investing in distribution, we believe that we are achieving the same effect as M&A would have increasing added value over the long term.

|  |  |
|--|--|
| Liquid Assets<br>\$895 million               | Current Liabilities<br>\$314 million                 |
| Cash and deposits<br>\$268 million           | Accounts Payable \$143 million                       |
| Accounts Receivable<br>\$243 million         | Short-term Debt \$64 million                         |
| Merchandise (products)<br>\$359 million etc. | Long-term loans due within one year \$9 million etc. |
| Fixed assets<br>\$859 million                | Fixed Liabilities<br>\$310 million                   |
| Tangible fixed assets<br>\$799 million       | Long-term Debt \$292 million etc.                    |
| Intangible fixed assets<br>\$33 million etc. | Net Worth<br>\$1,129 million                         |
| Total assets<br>\$1,755 million              | Capital \$32 million                                 |
|  | Retained Earnings \$1,059 million etc.               |
|  | Liabilities/Net assets<br>\$1,755 million            |

62nd term (FY2024) Consolidated Balance Sheet (Shareholders' equity ratio: 64.4%)

Thoughts on share buybacks

A share buyback is the act of buying back shares issued by a company with its own funds, and it is one of the measures to return profits to shareholders along with dividends. Although it is expected that a share buyback will temporarily increase the stock price, it will not lead to an increase in corporate value. In the case of our Company, treasury stock is 0.1% of the total number of shares issued, and other shares are owned by domestic and foreign companies, institutional investors, and individual investors (see p.91 for details). We intend to continue to devote our funds and efforts to the growth of the company by focusing on the essence of issues.

Changes in Total Assets

| 41st term (FY2004) | (Unit: Million USD)  | 62nd term (FY2024) | (Unit: Million USD)   |
|--------------------|----------------------|--------------------|-----------------------|
| Liquid Assets      | Total Liabilities 96 | Liquid Assets      | Total Liabilities 624 |
| 329                | 81                   | 895                | 359                   |
| Fixed assets       | Net Worth 364        | Fixed assets       | Net Worth 1,129       |
| 131                | 114                  | 859                | 799                   |
| Total assets 461   | 1                    | Total assets 1,754 | 33                    |
|                    | 14                   |                    | 25                    |
|                    |                      |                    |                       |



## Business Management Department

### We will pursue the essence of our business to build a solid foundation for growth

Director  
General Manager of the Business Management Department,  
Digital Service Strategy Department, and Orange Book Department

Atsushi  
Kazumi

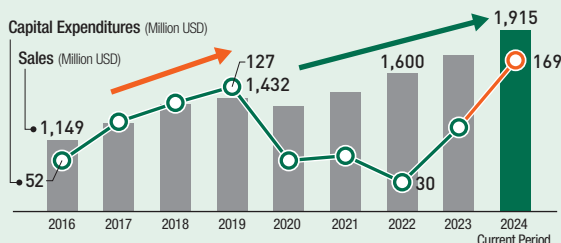


We will build a solid foundation for growth for the next stage with the aim of surpassing sales of \$1,948 million. In order to continue to strongly support manufacturing and distribution in Japan, we will always pursue the essentials and appropriately allocate management resources to distribution, systems, and products from a customer perspective. At the same time, we will create an environment in which each and every employee can fully demonstrate their potential, which will serve as the foundation for corporate growth. We aim to co-create with our stakeholders by enhancing the capabilities of the company and expanding profits over the long term.

## Initiatives and Results for the 62nd Term

### Creating a solid foundation to support growth

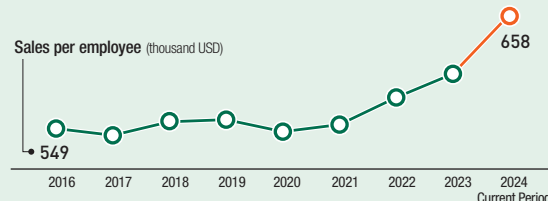
In order to achieve various capability targets (see p.20), we invested \$169 million to enhance logistics functions and systems. In the midst of a period of transformation in distribution, we actively allocated funds to strengthen the capabilities of our business in order to quickly create original services. At the same time, the shareholders' equity ratio at the end of the 62nd term was 64.4%, enabling flexible allocation of resources.



Continuing to raise the level of corporate capabilities through flexible capital expenditures

### Maximizing the potential of each employee

By promoting the integration of digital technology and systems, and investing in human resources, we have improved convenience for customers, improved operational efficiency, and improved productivity while maximizing the capabilities of each and every employee. Sales per employee (sales/number of employees) reached \$0.6 million. We are building a foundation for sustainable growth while responding to the changing environment.



Continuing to improve productivity per employee

## Mission for the 63rd term

### Create new customer experiences centered around our large distribution centers

In anticipation of a population decline and changes in purchasing behavior, we will allocate management resources to strengthen our distribution capabilities and product lineup with Planet Aichi and Planet Niigata, which will go into operation in 2026, at the core. We will also make full use of digital technology to expand services that only we can offer, improve the customer experience, and popularize unique services such as "NIAWASE + U-choku" (Order Consolidation + Direct Delivery Service).



Planet Aichi (floor area: approx. 88,601 m<sup>2</sup>) scheduled to start operations in 2026

### People grow as a company grows

I believe that the essence of human resources is the willingness to grow and the willingness to work positively and sincerely on the job at hand. As the Company grows, new challenges and challenging opportunities will inevitably arise. By tackling these issues, individuals will improve their abilities and grow as human resources. In the 63rd term, we will continue to build a strong foundation for the company's growth, and create opportunities for self-aware employees to proactively take on challenges and grow.



Company entrance ceremony in 2025 (129 new employees in 2025)

## Product Department

### We pursue purchasing from the customer's point of view, who are focused on keeping Japanese manufacturing going

Director  
General Manager of the Product Department  
Executive in charge of TRUSCO NAKAYAMA USA, INC.

Kazuo Nakai



We aim to deliver a diverse range of products that meet our customers' needs swiftly and reliably. To achieve this, we are committed to creating an environment where everything necessary for manufacturing sites can be readily available. By thoroughly analyzing the market, we will adopt and develop products that are needed. As a trusted supplier of PRO TOOL, we will maximize the capabilities of our sales, logistics, and digital operations to enhance convenience for our customers.

## Initiatives and Results for the 62nd Term

### Review of product adoption standards

In order to deliver products faster, we reviewed our inventory recruitment standards and focused on expanding our product lineup. We increased the number of inventory items to 611,000 items (+18,000 year-on-year). In particular, we increased our product lineup and inventory quantity of disaster preparedness supplies to meet emergency demand in the event of an emergency at distribution centers throughout Japan.



Examples of disaster preparedness supplies held in stock at Planet Kobe (distribution center)

### Improving the TRUSCO brand image

Aiming to become the "standard" for manufacturing sites, we have promoted the revision of our PB Products lineup. We focused on improving products such as our Kartio Resin Platform Truck and portable air conditioners. As a result, Kartio achieved sales of \$3.7 million (+\$0.9 million year on year), and portable air conditioner sales reached \$4.3 million (+\$1.2 million year on year).



TRUSCO, our improved main Private Brand

## Mission for the 63rd term

### We aim to address and solve customer issues by maximizing our product lineups

We will prevent shortages by enriching our product lineup with abundant inventory quantities and equivalent products to create an environment where customers can get the products that they want right away.



- (1) Daily tasks such as ordering, inquiries, incoming and outgoing work, and payments are done using a one-stop approach, reducing work load to deal with labor shortage
- (2) Even if the supply chain is disrupted due to unforeseen circumstances, we provide a stable supply of products from inventory, supporting customer business continuity



We have a lineup of 12,000 safety and work shoes in various sizes



We have a full stock of cutting tools indispensable for manufacturing with 110,000 items from 16 manufacturers

### Market-oriented product adoption and development

We will actively promote the adoption of products from the customer's perspective by grasping market trends. Furthermore, we will strive to identify products that resonate in the market and develop them with pricing and specifications tailored to meet market needs.



Portable power supplies that are useful not only during disasters but also in a wide range of situations such as work sites and leisure activities.



Fully enclosed factory fan with aluminum blades equipped with DC motor for energy savings



Distribution Department

In line with the concept “TRUSCO has it,” we will thoroughly enhance convenience, and build a distribution system for sustainable growth

Director  
General Manager of the Distribution Department

Tatsuya Nakayama

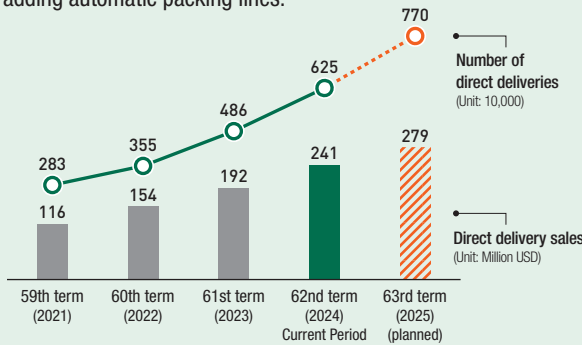
What customers expect most from us is that TRUSCO always has what they need for manufacturing when they need it and that it will be delivered quickly. Everything we do, including capital investment and expanding quality of stock, is designed to realize those expectations. We will continue to strengthen the fundamental aspects of convenience. Additionally, it is expected that there will be a future labor shortage that differs from that of today. Therefore, we will build a sustainable distribution system by automating processes and improving productivity.



Initiatives and Results for the 62nd Term

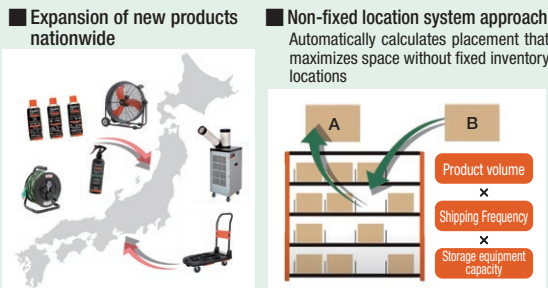
Enhancement of our “NIAWASE + U-choku” service

The demand for “NIAWASE + U-choku” (Order Consolidation + Direct Delivery Service) continued to grow, resulting in 6.25 million directly shipped packages and \$241 million in sales. To respond to the rapidly increasing number of shipments, we have strengthened shipping capacity by adding automatic packing lines.



Expanding product lineups in inventory and storage capacity

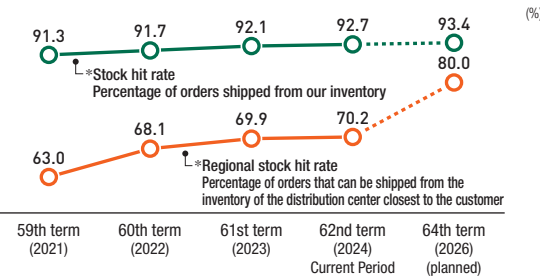
By adopting approximately 38,000 new inventory items, the total number of inventory items has expanded to 611,000 (+18,000 year-on-year), and the total quantity of inventory has grown to 60.2 million (+3.26 million year-on-year). In addition to renovating the ZAIICON 3 inventory management system for optimal inventory management, the Company promoted initiatives such as the use of a non-fixed location system to maximize inventory holding capacity.



Mission for the 63rd term

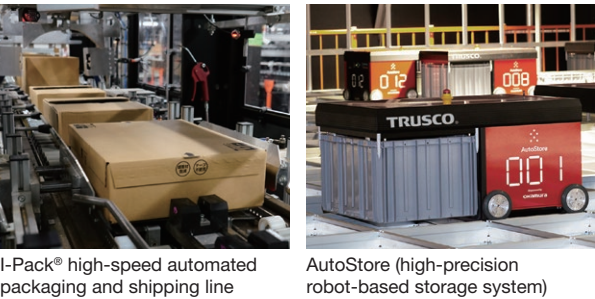
We aim to become a “company, TRUSCO, without product shortages”

Our lineup of more than 610,000 items in stock is the source of our competitiveness. However, what is truly essential is ensuring that these items are always available when needed and at the distribution center closest to the customer. Striving to become a “company without product shortages,” we aim to improve the “regional stock hit rate\*” at each logistics center from the current rate of 70.2% to 80.0% by the end of 2026.



Logistics for sustainable growth

While the working-age population is decreasing, distribution that relies on manpower is difficult to sustain. This means that the introduction of automation equipment is indispensable. On the other hand, if cost control is not commensurate with capital expenditures, continuous capacity enhancement will not be possible. In addition to promoting automation, we will thoroughly improve productivity by improving business processes and build a sustainable distribution system.



Orange Book Department

We will continue to respond to the needs of our customers through paper and web-based catalogs

Director  
General Manager of the Business Management Department,  
Digital Service Strategy Department, and Orange Book Department

Atsushi  
Kazumi

TRUSCO Orange Book is published annually as a comprehensive PRO TOOL catalog for construction and work sites. The number of products listed in the 2025 edition is about 420,000. The value of the Orange Book lies in the fact that approximately 90.5% of the listed products are stocked at our distributions centers. It is not merely a product catalog but rather has been recognized and supported by customers as a catalog that can be used to have products delivered promptly. Additionally, the product database developed through the creation of the Orange Book is also lent to retailers, contributing to their business expansion and operational efficiency.



Initiatives and Results for the 62nd term

We reaffirmed the importance of paper catalogs

TRUSCO Orange Book 2025 edition

Basic Orange Book Policy

“If we handle a product, we must keep it in stock” + “If we keep it in stock, it must be listed in the Orange Book.”



The total number of TRUSCO Orange Book sets published is about 150,000! It serves as a standard catalog for manufacturing sites.

TRUSCO Orange Book - “Encyclopedia for Monodzukuri”

Key points

- Number of items listed: Approx. 422,000 items (+ approx. 210,000 items)
- Approximately 90.5% of listed products are in stock
- The features of and differences between products are expressed in an easy-to-understand

Importance of paper catalogs

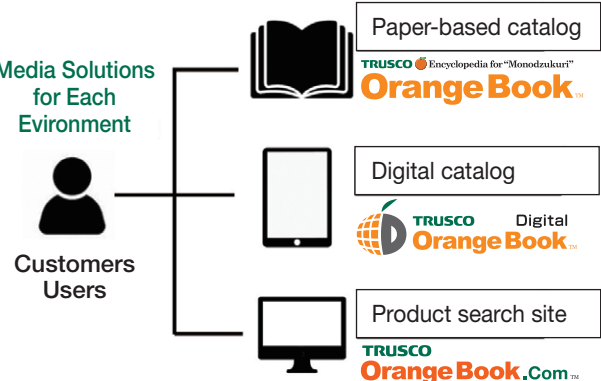
At manufacturing sites, there is as strong a need as ever for paper catalogs even though product searches are generally done using the website.

|                     | Features   | Usage environments  |
|---------------------|--|---|
| Paper-based Catalog | <ul style="list-style-type: none"><li>• Easy to grasp product lineups from a bird's-eye view</li><li>• Easy to compare and examine products because they are listed together with similar products</li></ul> | <ul style="list-style-type: none"><li>• Manufacturing sites where electronic devices such as smartphones are not allowed</li><li>• Sites without Internet</li></ul> |
| Website             | <ul style="list-style-type: none"><li>• Products can be found quickly by keyword search</li><li>• Makes it easy for users to keep up to date with the latest information</li></ul>                           | <ul style="list-style-type: none"><li>• Offices with a well-equipped Internet environment, etc.</li><li>• On-the-go on a variety of devices</li></ul>               |

Mission for the 63rd term

To create an optimal environment for product selection

We deliver the optimal medium in the optimal environment tailored to the usage scenarios and conditions of users selecting products.



Renewal of TRUSCO Orange Book Junior and TRUSCO Construction Tools Book

With a carefully selected lineup, these catalogs will evolve into catalogs that are easy to read, search, and use.

**TRUSCO Orange Book Junior**

- A catalog that covers all the categories of the Orange Book in a single volume
- Features lineups of top-selling products in each category

**TRUSCO Construction Tools BOOK**

- Comprehensively covers essential items for construction-related users
- While maintaining a selection of standard items, we also offer a wide lineup of attractive new products



Sales Department

We aim to enhance our functionality by accurately grasping the issues and values of our customers that change on a daily basis

Senior Executive Officer  
General Manager of the Sales Department

Masashi Yamamoto

In a rapidly changing business environment, customers face a wide range of challenges. Since customer values evolve even if the same approaches and services are used as in the past, we, as sales representatives, must carefully listen to their voices and accurately understand their challenges and needs. We will continue to be useful to our customers by further refining our original services from a customer perspective, not from our company's perspective, and by solving problems and creating new value.



Initiatives and Results for the 62nd Term

Working to solve customers' problems through our unique services

Factory Route \$1,278 million (+8.1% year on year)

- We focused on addressing the challenges faced by customers and users by proposing tailored solutions through our unique services including MRO Stocker, "NIAWASE + U-choku" (Order Consolidation + Direct Delivery Service), and Naojiro Repair Workshops.
- By utilizing our logistics system and sales network to contribute to improving the operational efficiency of our suppliers, we were able to acquire new customers and expand our market share.

e-Business Route \$442 million (+15.3% year on year)

- We differentiated ourselves from other companies by providing services tailored to the needs of each customer, such as realizing a variety of delivery methods utilizing the latest distribution equipment and unique distributions services, improving delivery accuracy by strengthening system linkage, and enriching product databases.

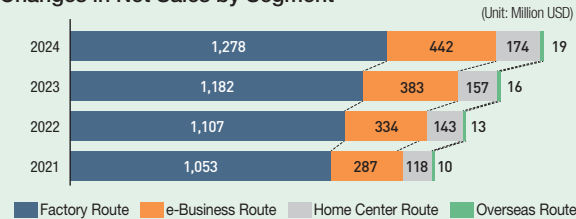
Home Center Route \$174 million (+10.6% year on year)

- By utilizing our quantity of stock and distribution system, we worked to strengthen the product lineup of our customers' stores and enhance our e-commerce site. As a result, we have increased opportunities for customers to choose TRUSCO.

Overseas Route \$20 million (+19.7% year on year)

- Local subsidiaries accelerated new customer development and local procurement of products that match the market. In the export business, we made effective use of preferential tariffs to improve price competitiveness and meet local needs.

Changes in Net Sales by Segment



Mission for the 63rd term

Responding to the changing business environment

Although procurement and supply methods have diversified due to changes in the business environment, we leverage our inventory capabilities and logistics strength to achieve high efficiency across the entire supply chain. Additionally, we respond to customer demands with flexible services that break away from traditional delivery methods, such as "NIAWASE + U-choku" (Order Consolidation + Direct Delivery Service), which cuts delivery time by half, and "U-kuru" (product pick-up service for users), which allows easy ordering via smartphone and enables users to have products in their hands in as little as 15 minutes.



With "U-kuru," customers can come to one of our locations to pick up large items, and lock boxes are available for 24-hour product pickup

Pursuit of convenience through ultimate immediate delivery

We regularly review the product lineup provided through MRO Stocker (over 1,600 locations planned) to incorporate new products and items that contribute to operational improvements. This helps us provide an optimal procurement environment while enhancing productivity and promoting business efficiency. In addition, we will improve our services so that customers other than those in the manufacturing industry, such as medical industry customers, can use them.



A user using MRO Stocker

Digital Service Strategy Department

We will pursue operational efficiency not only within the Company but also throughout the supply chain

Director  
General Manager of the Business Management Department,  
Digital Service Strategy Department, and Orange Book Department

Atsushi  
Kazumi

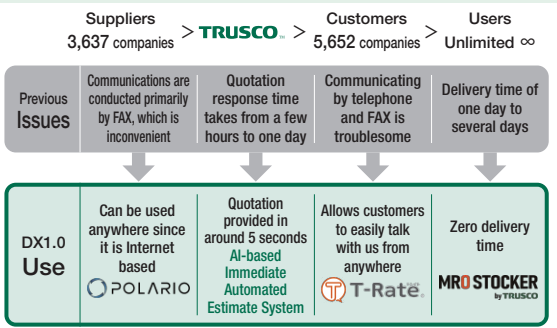
In the supply chain that supports manufacturing in Japan, there is an enormous amount of time and effort involved in receiving orders, providing quotations, and responding to various inquiries in the commercial flow involving suppliers, wholesalers, customers, and users. We are focused on building a seamless digital supply chain platform that connects users with suppliers effortlessly when users place an order, eliminating hassle and stress.



Initiatives and Results for the 62nd Term

Creating a simple digital platform

- Since 2020, we have been promoting the creation of a digital supply chain platform under the slogan of "business automation."
- We are working to promote digital transformation (DX), utilize data, and improve productivity by reviewing business processes as a starting point.



DX for unparalleled speed and convenience

Creating a digital organization that understands business at the frontlines

- Before talking about digital human resources, we place importance on entering each work site and understanding the essence of the work being performed.
- In addition to improving individual skills, we value teamwork between specialists, generalists, and business departments.



Members of the Digital Service Strategy Department, Osaka Head Office

Mission for the 63rd term

Pursuing the role of a wholesaler digitally

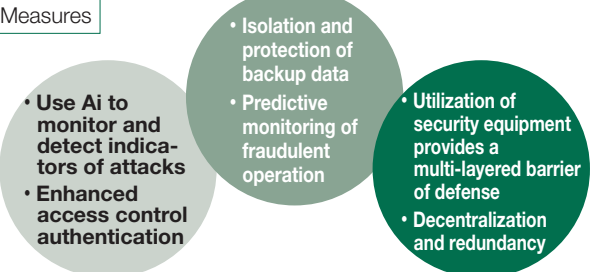
- In February, we launched Trusco Orange Book.Com Cross, an e-commerce site that seamlessly connects users with suppliers effortlessly when users place an order.
- We aim to reduce the hassle of analog tasks such as order placement, fulfillment, and quotations, thereby improving the efficiency of the entire supply chain.

No quotations. Provides prices immediately allowing orders to be placed immediately  
Digital purchasing via retailers



Security measures

- In addition to promoting DX, we regard security measures as important, and are working to strengthen the management of increasingly sophisticated cyberattacks and information leakage risks.
- We establish a digital governance structure, conduct cybersecurity monitoring, provide cyberattack-related training and education, thoroughly enforce rules and increase knowledge to improve the level of management throughout the Company.





# Product Strategy

## Bringing Together a Full Line-up of PRO TOOL

PRO TOOL in general refer to subsidiary materials required by professionals at manufacturing sites such as factories and construction sites. We try to carry as many PRO TOOL products as possible. We offer an abundant product lineup to help customers expand their businesses.

### Product Strategy Key Points

01

3,637 domestic and overseas suppliers and an abundant product lineup of over seven million items

02

Through five overseas subsidiaries, we source attractive professional tools from various countries

03

“TRUSCO” is the industry's first Private Brand (PB) developed from a unique perspective

Products

NB products in Japan + NB products overseas

Sales \$1,588 million

TRUSCO PB

Sales \$327 million

→

Inventory

610,000 Items

×

Number of registered products

7 million Items

→

TRUSCO Orange Book

Number of items listed

422,000 Items

TRUSCO Orange Book.Com

Number of items listed

4,552,000 Items

## Sales Constitution Ratio of Available Products

|                                 | Sales                  | Constitution ratio |   |
|---------------------------------|------------------------|--------------------|---|
| 1 Cutting Tools                 | \$58 million (+7.7%)   | 3.1%               | Cutting Tools<br>Drilling tools<br>Threading cutting tools  |
| 2 Production Processing Tools   | \$141 million (+10.5%) | 7.4%               | Measurement equipment<br>Mechatronics<br>Tools for machine tool, etc.                                 |
| 3 Construction Supplies         | \$222 million (+10.1%) | 11.6%              | Pneumatic tools<br>Welding equipment<br>Civil engineering equipment, etc.                             |
| 4 Work Supplies                 | \$355 million (+6.7%)  | 18.7%              | Cutting goods<br>Grinding and polishing goods<br>Chemical products, etc.                              |
| 5 Hand Tools                    | \$320 million (+9.7%)  | 16.8%              | Electric power tool accessories<br>Pneumatic tool accessories<br>Hand Tools, etc.                     |
| 6 Environmental Safety Supplies | \$364 million (+16.6%) | 19.1%              | Protective equipment, Safety goods<br>Environmental improvement goods<br>Air conditioning goods, etc. |
| 7 Logistics/Storage Supplies    | \$187 million (+3.7%)  | 9.8%               | Loading goods<br>Transportation goods<br>Containers and vessels                                       |
| 8 Laboratory Supplies           | \$73 million (+5.7%)   | 3.8%               | Tool wagons<br>Storage and management goods<br>Work benches, etc.                                     |
| 9 Office Supplies/Storages      | \$170 million (+13.7%) | 8.9%               | Cleaning utensils<br>Office miscellaneous goods<br>OA business machinery, etc.                        |
| 10 Other products               | \$14 million (+5.3%)   | 0.8%               |   |

## National Brand (NB) Products

### Providing a Broad Selection of PRO TOOL in Japan

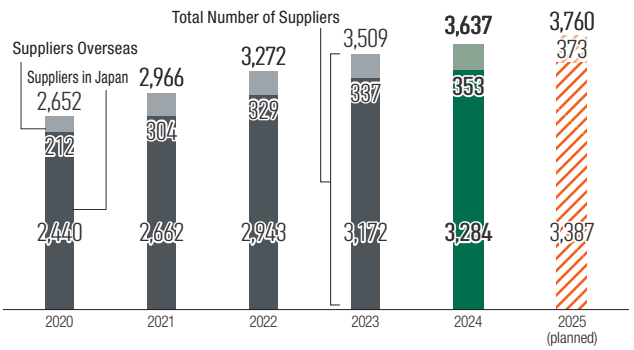
We provide a broad selection of products from suppliers in Japan to everyone involved with manufacturing. In 2020, we removed PRO TOOL restrictions and began stocking products from existing suppliers for which there is demand. We have also introduced a system that automatically adopts products with a track record of sales to inventory items, accelerating the expansion of items.



### Enhancing the expansion of suppliers in Japan

Many PRO TOOL are required at manufacturing sites, and there are still many suppliers in Japan. We have established a system that enables us to deliver products to more manufacturing sites by expanding the number of suppliers that we do business with, focusing on suppliers with a proven track record at manufacturing sites, and stocking products.

Change in Number of Suppliers



### Yattemasen List/Product Request Advertisements

We have a list of suppliers that we have rejected because they do not do what we are looking for and conduct supplier business development. Additionally, we publish advertisements to recruit new suppliers in the form of Product Request Advertisements in newspapers and on our website, similar to employee recruitment advertisements but for products.

Yattemasen List/Product Request Advertisements

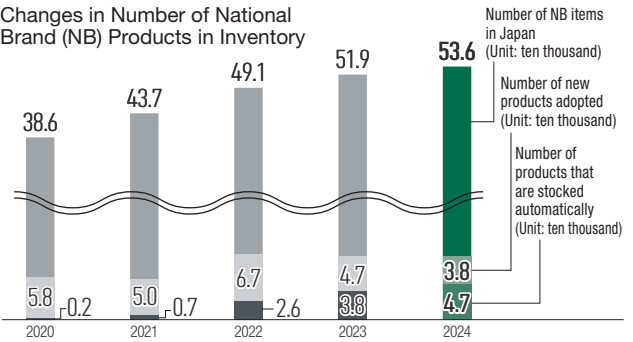
求品広告

We recruit for new suppliers through our website and advertisements



### Accelerating the expansion of our inventory by utilizing digital technology

We are also actively promoting the stocking of new products from domestic suppliers. In addition, we introduced the Automatic Product Stocking System, a system for stocking products based on sales performance data. In the past, products were adopted relying on the experience of the people involved in that task. DX is also incorporated in product adoption. As a result, product adoption-related work that used to take up to one year has been shortened to three months.



### 3M and TRUSCO original product demonstration truck

In order to promote awareness of products made by combining the various technologies of 3M Japan Ltd., we created a mobile product demonstration truck. We aim to solve customers' problems by providing demonstrations of specific products, such as abrasive materials and harnesses which customers can wear and hang in.



The mobile product demonstration truck visits manufacturing sites and customers throughout Japan to conduct PR activities



## Overseas National Brand Products

### Launching the World's PRO TOOL in Japan

Since opening the Germany office (Düsseldorf) in 2015, TRUSCO sequentially opened procurement bases overseas, including the Taiwan office and the Thailand office. TRUSCO NAKAYAMA USA, INC., a local subsidiary, was established in a suburban area near Chicago in September 2024, and our Hong Kong office was opened in February 2025. By establishing these locations, we aim to import attractive PRO TOOL from around the world to contribute to the revitalization of Japan's manufacturing industry.

| Countries/<br>Regions | Suppliers<br>Overseas | Sales of Products<br>Procured Overseas |
|-----------------------|-----------------------|--|
| <b>30</b>             | <b>353</b>            | <b>\$52 million</b>                    |

### Overseas Subsidiaries

#### Germany office

The Germany office is engaged in procuring high-quality brand tools created through Europe's long history while also pioneering innovative products developed with a focus on the future.

**Number of suppliers in Europe: 136 companies**

#### Taiwan office/Hong Kong office

The Taiwan and Hong Kong offices focus on developing the TRUSCO Private Brand in the global manufacturing hubs of China and Taiwan while also procuring NB Products across Asia.

**Number of suppliers in East Asia: 125 companies**

#### Thailand office

The Thailand office is involved in developing the highly competitive TRUSCO Private Brand and procuring NB Products by taking advantage of the abundant supply of raw materials in South-east Asia, a region undergoing economic development.

**Number of suppliers in Southeast Asia: 15 companies**



### TRUSCO NAKAYAMA USA, INC.

TRUSCO NAKAYAMA USA discovers and procures high value-added products with excellent durability that have supported the automotive industry for many years, especially in the USA, as well as ingenious products created through American DIY culture.

**Number of suppliers in the USA: 52 companies**



### Providing Information PRO TOOL of overseas

In order to convey the attractive qualities of overseas brands, we promote overseas products through our website "Sekai no PRO TOOL" and the radio program "Kogu Daisuki." We disseminate information on overseas brands that are useful for manufacturing sites from our own unique perspective.



We post articles that tell the history and stories of various brands around the world in an easy-to-understand manner.



Once a month, employees from TRUSCO take part in the radio program "Kogu Daisuki" to introduce attractive products from overseas.



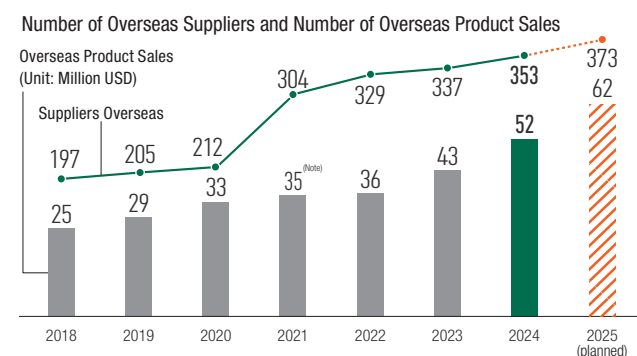
SELECTED  
PROTOOLS  
FROM OVERSEAS



Kogu Daisuki

### TRUSCO also carries products that are difficult to obtain in Japan

As with national products, products procured overseas are stocked at distribution centers throughout Japan. With a wide-ranging lineup of overseas PRO TOOL not readily available in Japan, we offer PRO TOOL users increased convenience and options.



## TRUSCO Private Brand Products

### Aiming to be the PRO TOOL standard

Our Private Brand products were first launched as the industry's first Private Brand (PB) in 1964. Since then, we unified the private brand (PB) product brands under the TRUSCO brand, aiming to make it a standard brand for working professionals, and have developed all the PRO TOOL required at manufacturing sites from a unique perspective.

| TRUSCO<br>PRO TOOL | PB Goods Sales       | Number of<br>PB items |
|--------------------|----------------------|-----------------------|
|                    | <b>\$327 million</b> | <b>92,242 items</b>   |



### Improving the development process and brand image

In order to become the PRO TOOL standard, we make improvements from the product development process to the design stage. Products are being unified in a lean, functional design with a black and orange color theme, and packaging materials are being gradually switched to environmentally-friendly monochrome packaging that uses as little plastic as possible.



Lean, functional designs with black and orange color themes

### New product review meeting for original product development

Our company holds a new product review meeting once a month, attended by members including the president and other executives. In particular, highly original products are commercialized through this review meeting. Meeting participants examine not only functionality and cost but also how original the product is from a variety of perspectives.



Participants discuss various topics during a new product review meeting

### Products based on ideas from employees

The PB Request Box is a system for employees to propose ideas for new products. Approximately 25 new ideas are presented each month, some which lead to the creation of various unique PB products.



Use case



Product info



Stackable Aluminum Cart for  
Oricon 50 L container  
Stock Number: TSALD-50

### Received multiple Good Design Awards

The Japan Institute of Design Promotion presents awards to products and services with superior design every year. TRUSCO has received Good Design Awards 26 times for many of its products including carts, air dusters, and hip roof tool boxes.



**GOOD  
DESIGN**  
(2024 Good Design  
Award winner)



Product info



Use case

Rainproof and Dustproof Light Up  
Drum Reel (30 m cable)  
Stock Number: TRHDL-30M

### We also deeply focus on quality control

We established the PB Quality Assurance Section for managing the quality of TRUSCO Private Brand products. We are striving to enhance quality with outsourcees of manufacturing through measures that include the plans to prevent recurrence when a deficiency occurs as well as product improvements.



Quality Assurance Acting Senior Supervisor Hisashi Nakauchi and Supervisor Nahoko Yoshikawa



3,637 manufacturers

Only some manufacturers are listed.

| A-E                                   |  |   |
|---------------------------------------|--|---|
| A&D Company, Limited                  |  | [Balances/Scales]   |
| ABC Trading Co., Ltd.                 |  | [Construction Materials (urethane foam, etc.)]                            |
| ACHILLES CORPORATION                  |  | [Films (Anti-Static, Flame-Retardant, Insect-Resistant, etc.)/Partitions] |
| ALINCO INCORPORATED                   |  | [Ladders/Transceivers/Aluminum Extrusions]                                |
| AM PRODUCTS, Inc.                     |  | [Absorbent Materials/Cleaning Supplies]                                   |
| Amano Corporation                     |  | [Time Recorders/Floor Scrubbers]  |
| ANEST IWATA Corporation               |  | [Compressors/Paint Sprayers]  |
| ANEXTOOL Co., Ltd.                    |  | [Screwdrivers/Screwdriver Bits]   |
| Anker Japan Co., Ltd.                 |  | [Portable Power Stations]   |
| AQUASYSTEM Co., Ltd.                  |  | [Pumps/Blowers/Flow Meters]   |
| AS ONE CORPORATION                    |  | [Research Equipment/Work Gloves/Clean Room Supplies]                      |
| ASADA CORPORATION                     |  | [Tube Cutters/Threading Machines/Band Saws]                               |
| ASAHI KASEI ADVANCE CORPORATION       |  | [Cloths/Protective Clothing]  |
| Asahi Metal Industry Co., Ltd.        |  | [Spanners/Sockets/Wrenches]   |
| ASAHI SANGYO                          |  | [Welding Sheets/Tents]  |
| Asahipen Corp.                        |  | [Paint/Paint Supplies]  |
| ASICS Corporation                     |  | [Safety Shoes/Work Shoes]   |
| ASOH Co., Ltd.                        |  | [Piping Fittings/Tubing/Valves]   |
| ATOM CORPORATION                      |  | [Gloves/Rubber Boots]   |
| Bell Star Abrasive Mfg. Co., Ltd.     |  | [Abrasives/Grinding Wheels]   |
| BIG DAISHOWA CO., LTD.                |  | [Tooling/Chamfering Tools]  |
| BLASTON Co. Ltd.                      |  | [Clean Room Supplies/Gloves]  |
| Bosch Corporation                     |  | [Electric Power Tools (Compact Cutters, etc.)/Drilling Tools]             |
| BURRTEC Co., Ltd.                     |  | [Sanitation Cleaning Products/Cup Brushes]                                |
| BURTLE CO., LTD                       |  | [Air-Conditioned Clothing/Work Clothing]                                  |
| Car-boy Co., Ltd.                     |  | [Safety Cushions/Mats]  |
| CEMEDINE CO., LTD.                    |  | [Adhesives/Repair Agents/Sealing Agents]                                  |
| Chiyoda Tsusho Co., Ltd.              |  | [Air Tubes/Piping Fittings]   |
| CHUHATSU HANBAI Co., Ltd.             |  | [Barrier Reels/Air Hose Reels]  |
| CHUKOH CHEMICAL INDUSTRIES, LTD.      |  | [Tapes/Tubes and Hoses/Conveyor Belts]                                    |
| CKD Corporation                       |  | [Air Valves/Air Units/Solenoid Valves]                                    |
| Cosmo Beauty Co., Ltd.                |  | [Cleaning Agents/Hand Soap]   |
| CUSTOM corporation                    |  | [Environmental Measurement Equipment/Anti-Static Products]                |
| DAIDOHANT CO., LTD.                   |  | [Joint Fittings/Shackles/Wire]  |
| DAIHEN Corporation                    |  | [Welding Machines/Plasma Cutters]   |
| DAIKEN Co., Ltd.                      |  | [Sliding Door Roller Hangers/Roller Hanger Rails]                         |
| DAILITE CO., LTD.                     |  | [Tanks/Square-Shaped Tanks]   |
| Dainichi Co., Ltd.                    |  | [Heating Equipment/Humidifiers]   |
| DIATEX CO., LTD.                      |  | [Tapes/Masking Tapes]   |
| DIC Plastics,Inc.                     |  | [Helmets/Containers]  |
| DJI JAPAN                             |  | [Drones/Wearable Cameras]   |
| DUNLOP HOME PRODUCTS, LTD.            |  | [Gloves]  |
| DUPont Toray Specialty Materials K.K. |  | [Greases/Pastes/Lubricants]   |
| Earth Corporation                     |  | [Disinfectants/Insecticides]  |
| EBS CO., LTD.                         |  | [Cloths/Paper Towels]   |
| EcoFlow Technology Japan              |  | [Portable Power Stations]   |
| ELECOM Co., Ltd.                      |  | [Office Automation Products]  |
| ELEPHANT CHAIN BLOCK CO., LTD.        |  | [Chain Hoists/Hoists/Trolleys]  |
| ENDO KOGYO CO. LTD.                   |  | [Balancers/Hoists/Spring-Loaded Motors]                                   |
| ENGINEER INC.                         |  | [Diagonal Pliers/Pliers/Soldering Irons/Anti-Static Products]             |
| ERECTA International Corporation      |  | [Wire Shelves/Plastic Shelves]  |
| EXEN CORP.                            |  | [Vibration Motors/Concrete Saws]  |
| F-J                                   |  |   |
| FUJI GLOVE Co., Ltd.                  |  | [Gloves/Protective Equipment for Welding]                                 |
| FUJI INDUSTRIAL TECHNIQUE CO., LTD.   |  | [Pneumatic Grinders and other Pneumatic Tools]                            |
| FUJII DENKO CO., LTD.                 |  | [Safety Belts]  |
| FUJIIMPULSE Co., Ltd.                 |  | [Sealers]   |
| FUJISAWA KOUGYO Co., Ltd.             |  | [Office Furniture]  |
| FUJIYA Co., Ltd.                      |  | [Diagonal Pliers/Pliers/Allen Wrenches]                                   |
| FUSO SEIKI Co., Ltd.                  |  | [Cooling Systems, Automatic Spray Guns]                                   |
| GENTOS Co., Ltd.                      |  | [Flashlights/Headlamps/Lanterns]  |
| Gifu Plastic Industry Co., Ltd.       |  | [Containers/Pallets]  |
| H.H.H. MANUFACTURING CO.              |  | [Pulleys/Winchs/Sling Clamps]   |
| Hagihara Industries Inc.              |  | [Sheets/Sandbags]   |
| HAKKO Corporation                     |  | [Soldering Products/Static Electricity-Related Products]                  |
| HAKKO ELECTRIC CO., LTD.              |  | [Heaters/Thermal Processing Machines]                                     |
| HAKKO HANBAI Co., Ltd.                |  | [Hoses/Specialty Tubing]  |
| HAMMER CASTER CO., LTD.               |  | [Casters]   |
| Hasegawa Kogyo Co., Ltd.              |  | [Ladders/Aerial Work Platforms]   |
| Hashimoto Cloth Corporation           |  | [Industrial Filters/Cloths]   |
| HATAYA LIMITED                        |  | [Outlet-Equipped Retractable Extension Cords/Work Lamps/Floodlights]      |
| HENKEL JAPAN LTD.                     |  | [Adhesives/Repair Agents/ Separating Agents]                              |

| HIKARI CO., LTD.                      |  | [Sign Plates/Safety Cushions]  |
|---------------------------------------|--|--|
| HIOKI E.E. CORPORATION                |  | [Insulation Resistance Testers and other Measuring Instruments]      |
| Hitachi Global Life Solutions, Inc.   |  | [Lighting Fixtures]  |
| Honda Motor Co., Ltd.                 |  | [Generators/Engine-Driven Water Pumps]                               |
| HOUSE BM CO., LTD.                    |  | [Drilling Tools/Cutting Goods]                                       |
| HOZAN CO., LTD.                       |  | [Soldering Products/Tweezers/Static Electricity-Related Products]    |
| ICHINEN AXESS Corporation             |  | [Work Tools]   |
| ICHINEN TASCO CO., LTD.               |  | [Fluorocarbon Refrigerant-Recovery Equipment/Vacuum Pumps]           |
| ICOM INCORPORATED                     |  | [Transceivers]   |
| IKURA SEIKI Co., Ltd.                 |  | [Hydraulic Punchers/Drill Presses/Welding Machines]                  |
| IMAO CORPORATION                      |  | [Clamps (for machine tools)/Machine Parts]                           |
| INABA SEISAKUSHO Co., Ltd.            |  | [Storage Sheds/Garages/Office Chairs]                                |
| Industry Kowa Co., Ltd.               |  | [Pain Brushes/Rollers/Industrial Brushes]                            |
| Innovex Co., Ltd.                     |  | [Vinyl Curtains/Aprons]  |
| INOAC CORPORATION                     |  | [Plastics Materials/Silicone Rubber Sheets]                          |
| IRIS OHYAMA Inc.                      |  | [Office Supplies/Lighting Fixtures]                                  |
| ISCAR JAPAN LTD.                      |  | [Cutting Tools/Drilling Tools]                                       |
| ISHIHASHI SEIKO CO., LTD.             |  | [Taps/Drills]  |
| Ishikawa Seisakusho Corporation       |  | [Resin Carls/Pressed Steel Carls]                                    |
| ISHIZAKI ELECTRIC MFG. Co., Ltd.      |  | [Sealers/Soldering Irons/Insect Traps]                               |
| ITW PP&F Japan                        |  | [Repair Agents]  |
| Jackery Japan                         |  | [Portable Power Stations]  |
| JAPAN GREEN CROSS, INC.               |  | [Safety Signs/Valve Tags/Armbands]                                   |
| Japan Vilene Company, Ltd.            |  | [Air Conditioner Filters]  |
| JEFCOM Co., Ltd.                      |  | [Electrical Tools]   |
| JOHNAN Corporation                    |  | [Absorbent Materials/Oil-Absorbing and Water-Absorbing Mats]         |
| JVCKENWOOD Corporation                |  | [Transceivers/Drive Recorders]                                       |
| K-O                                   |  |  |
| Kajimeiku Co., LTD.                   |  | [Protective Clothing/Work Clothing]                                  |
| KANETEC CO.,LTD                       |  | [Magnetic Products]  |
| KANTOH Co., Ltd.                      |  | [Lifting Tables]   |
| KARCHER JAPAN                         |  | [Cleaning Equipment/Cleaning Machines for Professional Use]          |
| KATSUYAMA KIKAI, LTD.                 |  | [Winches/Casters/Roller Dollies]                                     |
| KAWANISHI INDUSTRY Co., Ltd.          |  | [Gloves/Protective Equipment/Protective Clothing]                    |
| KIKUCHI SHEET KOGYO Co., Ltd.         |  | [Insulating Sheets/Vinyl Curtains]                                   |
| KING JIM CO., LTD.                    |  | [Label Printers/Stationery/Office Supplies]                          |
| KINKI SEISAKUSYO                      |  | [Air Dusters/Piping Fittings]  |
| Kito Corporation                      |  | [Chain Hoists/Chain Slings]  |
| Ko-ken Tool Co., Ltd.                 |  | [Socket Wrenches]  |
| Koki Holdings Co., Ltd.               |  | [Electric Power Tools/Compact Cutters]                               |
| KOKUYO CO., LTD.                      |  | [Desks/Chairs/Stationery]  |
| Komy Co., Ltd.                        |  | [Safety Mirrors]   |
| KONISHI Co., Ltd.                     |  | [Adhesives/Repair Agents/Sealing Agents/Tapes]                       |
| Konno Corporation                     |  | [Hydraulic Jacks]  |
| KONOE CO., LTD.                       |  | [Bolts/Nuts/Signs]   |
| KOSHIN LTD.                           |  | [Pumps/Sprayers]   |
| KOTOHIRA                              |  | [Air Showers/Dust Collectors]  |
| Kowa Company, Ltd.                    |  | [Masks/Workplace Sanitation Products]                                |
| KUCHOFUKU CO., LTD.                   |  | [Air-Conditioned Clothing]   |
| kuraray trading Co., Ltd.             |  | [Masks/Zip Ties/Bag Closure Clamps]                                  |
| KURE Engineering Ltd.                 |  | [Lubricants/Car Washing Products]                                    |
| KURODA BRUSH Co., Ltd.                |  | [Hand Brushes/Cup Brushes]   |
| KYOCERA Corporation                   |  | [Cutting Tools/Solid Round Cutting Tools]                            |
| KYOMACHI Co., Ltd.                    |  | [Forklifts/Cast Iron Casters]  |
| KYOTO TOOL CO., LTD.                  |  | [Tool Sets/Socket Wrenches/Vehicle Maintenance Tools]                |
| LEDenser Japan, Inc.                  |  | [Work Lamps/Flashlights]   |
| LOBTEX CO., LTD.                      |  | [Cutting Goods/Socket Wrenches/Fastening Tools]                      |
| MAEDA SHELL SERVICE CO., LTD          |  | [Dry Filters/Hammers]  |
| Makita Corporation                    |  | [Electric Power Tools/String Trimmers/Vacuum Cleaners]               |
| MARUWA CHEMICAL Co., Ltd.             |  | [Gloves/Sandbags]  |
| Maruyasu Kikai Co., Ltd.              |  | [Conveyor Systems]   |
| MARUZEN FABRIC & Co., Ltd.            |  | [Bulk Lifting Bags/Belt Slings]                                      |
| MASADA SEISAKUSHO Co., Ltd.           |  | [Jacks/Roller Dollies]   |
| Matsuura Industry Co., Ltd.           |  | [Cold Packs]   |
| MAX CO., LTD.                         |  | [Electric Power Tools/Nail Gun/Label Products]                       |
| MAX Corporation                       |  | [Gloves/Protective Clothing]   |
| Maxell Izumi Co., Ltd.                |  | [Hydraulic Punchers/Crimping Tools]                                  |
| Maxell, Ltd.                          |  | [Tapes/Batteries]  |
| MCC CORPORATION                       |  | [Threading Machines/Pipe Cutters]                                    |
| MIDORI ANZEN Co., Ltd.                |  | [Protective Equipment/Clean Room Supplies/Disaster Prevention Goods] |
| MINITOR CO., LTD.                     |  | [Grinding and Polishing Goods/Micro Grinders]                        |
| Mitsubishi Chemical Infratec Co.,Ltd. |  | [Containers]   |
| Mitsubishi Materials Corporation      |  | [Turning and Milling Tools/Drilling Tools]                           |
| mitsugiron Co., Ltd.                  |  | [Safety Cones/Signs/Animal Repellent Products]                       |
| Mitsui Chemicals, Inc.                |  | [Absorbent Materials]  |
| Mitutoyo Corporation                  |  | [Measuring Tools/Form Measurement Machines]                          |
| Miyanaaga Co., Ltd.                   |  | [Drilling Tools (Core Drills, etc.)]                                 |

| Mizuho Chemical Industries Co.,Ltd   |  | [Bins/Polyethylene Tanks/Beakers]   |
|--------------------------------------|--|---|
| Mizumoto Machine Mfg. Co., Ltd.      |  | [Shackles/Chains]   |
| Mizuno Corporation                   |  | [Work Shoes/Work Benches]   |
| Mizushima Mfg. Co., Ltd.             |  | [Door Mats/Rubbish Bins/Benches]  |
| Momentive Performance Materials Inc. |  | [Sealing Agents]  |
| MONOVATE Co., Ltd.                   |  | [Stainless Steel Tanks]   |
| Motoyuki Co., Ltd                    |  | [Tipped Circular Saw Blades/Diamond Cutters]                                      |
| Muraki Ltd.                          |  | [Carbide Drill Bits/Grinding and Polishing Goods/Tooling]                         |
| MURATEC-KDS CORP.                    |  | [Tape Measures/Laser Devices]   |
| MUROMOTO TEKKO CO., LTD.             |  | [Air Nippers/Duct Cutters/Hoses]  |
| Myzox Co., Ltd.                      |  | [Surveying Equipment/Flagging Tape]   |
| NAIKI CO., LTD                       |  | [Office Furniture/Shelves/White Boards]   |
| Nakamura Mfg. Co., Ltd.              |  | [Calipers/Torque Products]  |
| NAKANISHI INC.                       |  | [Carbide Bars/Grinding Wheels with Shafts/Files]                                  |
| Nakanishi Metal Works Co., Ltd.      |  | [Hand Pallet Trucks/Automated Warehouses/Electric Transport Carts]                |
| NAKAO Co., Ltd                       |  | [Ladders/Scaffold Stands]   |
| NAKATOMI Corporation                 |  | [Air Conditioning Equipment/Humidifiers]  |
| New Registon Co. Ltd.                |  | [Cutting Grindstones/Disc Paper/Carbide Bars]                                     |
| Nichiban Co., Ltd.                   |  | [Tapes/Stationery Products/Adhesive Bandages]                                     |
| NICHIDO IND. Co., Ltd.               |  | [Floodlights/Work Lamps/Outlet-Equipped Retractable Extension Cords]              |
| NICHIFU CO., LTD.                    |  | [Crimp Contacts/Crimp Sleeves]  |
| NICHILAY MAGNET CO., LTD.            |  | [White Boards/Signs]  |
| Nihon Pisco Co., Ltd.                |  | [Fluid Couplings/Tubing/Pneumatic and Hydraulic Equipment]                        |
| NIHONSEIKI Co., Ltd.                 |  | [Air Units/Solenoid Valves/Hydraulic Cylinders]                                   |
| Niigata seiki Co., Ltd.              |  | [Gauges/Micrometers]  |
| Nikko Co., Ltd.                      |  | [Belt Conveyor Systems]   |
| NIKKO STEEL WIRE ROPE MFG. CO., LTD. |  | [Wire Ropes/Slings/Load Binders]  |
| NIPPECO LTD.                         |  | [Greases]   |
| Nippon Filing Co., Ltd.              |  | [Shelves/Pallet Racks]  |
| NIPPON HOIST CO., LTD.               |  | [Hoists]  |
| NIPPON PAPER CRECIA CO., LTD.        |  | [Cloths/Paper Towels]   |
| NIPPON PLASTER CO., LTD              |  | [Building and Interior Design Materials]  |
| Nippon Pneumatic Mfg. Co., Ltd.      |  | [Pneumatic Tools (Air Hammers, etc.)]   |
| NIPPON POP RIVETS AND FASTENERS LTD. |  | [Electric Power Tools/Blind Rivets]   |
| NIPPON RESIBON CORPORATION           |  | [Cutting Grindstones/Disc Paper]  |
| Nissa Chain Co.,Ltd.                 |  | [Shackles/Chains]   |
| Nitoms, Inc.                         |  | [Tapes/Adhesive Rollers/Label Products]   |
| Nitto Denko Corporation              |  | [Tapes]   |
| NITTO KOHKI CO., LTD                 |  | [Fluid Couplings/Electric Screwdrivers]   |
| NOGAWATERS Ltd.                      |  | [Chamfering Tools/Threading Tools]  |
| Noritsuisu Co. Ltd.                  |  | [Office Furniture]  |
| NS TOOL CO.,LTD.                     |  | [Milling Tools]   |
| O.H.INDUSTRIAL Co., Ltd.             |  | [Hammers/Casters/Jacks]   |
| OKAMOTO INDUSTRIES, INC.             |  | [Gloves/Tapes]  |
| OLFA CORPORATION                     |  | [Utility Knives/Scrapers]   |
| Omikogyo Co., Ltd.                   |  | [Hole Cutters/Drills]   |
| ORION Machinery Co., LTD.            |  | [Precision Air Processors/Pumps/Chillers/Heaters]                                 |
| OSAKA JACK CO., LTD                  |  | [Hydraulic Jacks/Hyraulic Pumps]  |
| OSAKA KAKUTA KOGYO CO., LTD.         |  | [Clamps/Hand Vices]   |
| OSAKA SEIKAN Co., Ltd.               |  | [Work Benches/Cabinets/Steel Wagons]  |
| OSAKA TAIYU CO., LTD.                |  | [Rotators/Drum Carriers/Pallet Turn Tables]                                       |
| OSG Corporation                      |  | [Taps/Drills/End Mills]   |
| P-T                                  |  |   |
| Panasonic Corporation                |  | [Electric Power Tools/Lighting Fixtures/Batteries]                                |
| Panduit Corporation                  |  | [Electric Wiring Components]  |
| Pelican Products, Inc.               |  | [Protector Case for Tools/LED Lights]   |
| PiCa Corp.                           |  | [Ladders]   |
| REX INDUSTRIES Co., Ltd.             |  | [Threading Machine/Pipe Cutters/Tube Cutters]                                     |
| Ridge Tool Company                   |  | [Hand Tools/Inspection Cameras/Threading Machine]                                 |
| RIKEN OPTECH CORPORATION             |  | [Safety Glasses/Welding Equipment]  |
| Saint-Gobain K.K.                    |  | [Cutting Grindstones/Grinding Wheels/Disc Paper]                                  |
| Sakai Chemical Industry Co., Ltd.    |  | [Bubble Wrap/Foam-Type Cushioning Materials]                                      |
| Sandvik                              |  | [Cutting Tools/Drilling Tools]  |
| Sankin Corporation                   |  | [Racks/Mesh Pallets/Bollards]   |
| SANKO Co., Ltd.                      |  | [Containers/Pallets/Plastic Shelves]  |
| Sanko Co., Ltd.                      |  | [Safety Belts/Evacuation Ladders/Fall-Prevention Hoists]                          |
| Sanko Techno Co., Ltd.               |  | [Ankers/Drill Bits for Concrete]  |
| Sanritsu-kiki Co., Ltd.              |  | [Vacuum Cleaners]   |
| Sanshin Metal Working Co., Ltd.      |  | [Steel Racks/Pallet Racks]  |
| SANWA SUPPLY INC.                    |  | [Office Automation Products]  |
| Sarayya Co., Ltd.                    |  | [Cleaning Agents/Sanitation Products/Hand Soap]                                   |
| Seco Tools Japan KK                  |  | [Cutting Tools/Drilling Tools]  |
| SEISANNIPPONSHA LTD.                 |  | [Polyethylene Bags]   |
| SEKISUI CHEMICAL CO., LTD.           |  | [Tapes/Pipe Fittings/Containers]  |
| SHIGEMATSU WORKS CO., LTD.           |  | [Air Purifying Respirators/Chemical Protective Clothing/Personal Cooling Systems] |
| Shin-Etsu Chemical Co., Ltd.         |  | [Sealing Agents/Release Agents]   |
| ShinFuji Burner co., ltd.            |  | [Gas Torches/Gas Burners/Emergency Supplies]                                      |

| SHINKIGOSEI CO., LTD.                   |  | [Rubbish Bins/Food Containers/Gardening Materials]                  |
|---|--|---|
| SHINKO Co., Ltd.                        |  | [Stainless Steel Work Benches/Stainless Steel Shelves]              |
| Shinwa Rules Co., Ltd.                  |  | [Rulers/Tape Measures/Thermometers/Hygrometers]                     |
| Shizuoka Seiki Co., Ltd.                |  | [Heaters/Dehydrators/Air Coolers]                                   |
| SHOWA DENKI Co., Ltd.                   |  | [Blowers/Environmental Measurement Equipment/Dust Collectors]       |
| SHOWA GLOVE                             |  | [Gloves]  |
| Simon Corporation                       |  | [Safety Shoes/Leather Gloves/Protective Equipment for Welding]      |
| SISIKU ADDEKREIS CORPORATION            |  | [Casters]   |
| SMC Corporation                         |  | [Pneumatic Control Equipment/Hydraulic Equipment]                   |
| Snap-on Tools Japan K.K.                |  | [Work Tools/Explosion-Proof Tools/Aircraft Tools]                   |
| ST PRO CORPORATION                      |  | [Industrial Deodorizers/Gloves/Lubricants]                          |
| SUGATSUNE KOGYO CO., LTD.               |  | [Handles/Hinges/Door Closers]                                       |
| SUGICO                                  |  | [Food Containers/Laboratory Equipment]                              |
| Sugiyasu Co., Ltd.                      |  | [Lifting Tables/Hand Pallet Trucks]                                 |
| SUIDEN CO., LTD.                        |  | [Industrial Fans/Vacuum Cleaners/Blowers]                           |
| SUIKO Co., Ltd                          |  | [Tanks/Square-Shaped Tanks/Safety Cones]                            |
| Sumico Lubricant Co., Ltd.              |  | [Lubricant/Cleaning Agents/Anticorrosion Agents]                    |
| Sumitomo Electric Industries, Ltd.      |  | [Cutting Tools/Drilling Tools]                                      |
| SUPER TOOL CO., LTD.                    |  | [Plumbing Tools/Clamps/Overhead Cranes]                             |
| SUS Corporation                         |  | [Aluminum Frames]   |
| Suzuki Kikoh Co., Ltd.                  |  | [Lubricants/Scissors for Industrial Use]                            |
| Taiyo Kogyo Corporation                 |  | [Steel Roller Conveyors/Motorized Pulleys]                          |
| Taiyo Seiki Iron Works Co., Ltd.        |  | [Loading Goods/Scaffolding Equipment]                               |
| TAIYO, LTD.                             |  | [Hydraulic Cylinders/Air Valves/Solenoid Valves]                    |
| TAKAGI Co., Ltd.                        |  | [Water Sprinkler Equipment]   |
| Tanizawa Seisakusho, Ltd.               |  | [Helmets/Stretchers/Safety Belts]                                   |
| TEIJIN FRONTIER CO., LTD.               |  | [Masks/Disposable Gloves]   |
| Tenna Corporation                       |  | [Storage Cases/Mesh Containers]                                     |
| Terada Pump Manufacturing Co., Ltd.     |  | [Pumps/Oil-Water Separators]  |
| TERAMOTO CORPORATION                    |  | [Mops/Rubbish Bins/Toilet Supplies]                                 |
| TERAOKA SEISAKUSHO CO., LTD.            |  | [Tapes]   |
| ThreeBond Co., Ltd.                     |  | [Adhesives/Lubricants/Cleaning Agents]                              |
| TJM Design Corp.                        |  | [Tapes Measures/Laser Rangefinders/Safety Belts]                    |
| Togawa Industry corporation             |  | [Hoses/Painting-Related Products]                                   |
| Tohnichi Manufacturing Co., Ltd.        |  | [Torque Products]   |
| TOKYO MEDICAL Co., Ltd.                 |  | [Sanitary Products/Masks/Antibacterial Products]                    |
| TONE Co., Ltd.                          |  | [Tool Sets/Socket Wrenches/Pliers]                                  |
| TOP KOGYO CO., LTD.                     |  | [Screwdrivers/Diagonal Pliers/Wrenches]                             |
| TOWA CORPORATION LTD.                   |  | [Gloves]  |
| TOYO KOKEN K.K.                         |  | [Winches/Cranes/Hoists]   |
| TOYO MATELAN Co., Ltd.                  |  | [Repair Agents for Construction and Interior Design]                |
| TOYOTOMI CO., LTD.                      |  | [Oil and Electric Heaters/Fans]                                     |
| TSUBOSAN FILE CO., Ltd                  |  | [Files]   |
| Tsukasa Chemical Industry Co., Ltd.     |  | [Sealing Machines/PP Strapping Bands]                               |
| TSURUMI MANUFACTURING CO., LTD.         |  | [Submersible Pumps/High-Pressure Cleaners]                          |
| TUNGALOY CORPORATION                    |  | [Turning and Milling Tools/Threading Tools]                         |
| U-Y                                     |  |   |
| UHT Corporation                         |  | [Air Type Micro Grinder/Air Files]                                  |
| ULVAC KIKO, Inc.                        |  | [Vacuum Pumps]  |
| Unika Company Limited                   |  | [Drilling Tools/Fastening Tools]                                    |
| UNION TOOL CO.                          |  | [Milling Tools]   |
| UNIT SAFETY SIGNS CO., LTD.             |  | [Safety Goods/Signs]  |
| VESSEL CO., INC.                        |  | [Hand Tools/Driver Bits/Air Tools]                                  |
| Vilene Create Co., Ltd.                 |  | [Masks/Cloths]  |
| WAKITA Corporation                      |  | [Generators/Cleaning Equipment]                                     |
| WAKOPALLET CO., LTD.                    |  | [Carts/Casters]   |
| Wera                                    |  | [Screwdrivers/Driver Bits]  |
| Yaesu Musen Co., Ltd.                   |  | [Transceivers]  |
| YAMABIKO CORPORATION                    |  | [Welding Machines/Generators/Cutters/Chainsaws]                     |
| Yamada Corporation                      |  | [Grease-Related Equipment/Diaphragm Pumps]                          |
| YAMAMOTO KOGAKU Co., Ltd.               |  | [Safety Glasses/Face Shields/Dust Masks]                            |
| YAMATO SANGYO Co., Ltd.                 |  | [Oxy-Fuel Cutting Equipment/Industrial Pressure Regulators]         |
| Yamato Scale Co., Ltd.                  |  | [Scales]  |
| Yamato Scientific Co., Ltd.             |  | [Research Equipment/Work Benches/Oscilloscopes]                     |
| Yamato Seitosyo Corporation             |  | [Grindstones]   |
| Yamawa Manufacturing Co., Ltd.          |  | [Spiral Fluted Taps/Hand Taps/Center Drills]                        |
| YAMAZAKI CORPORATION                    |  | [Cleaning Utensils/Floor Polishers/Flooring Supplies]               |
| YODOGAWA ELECTRIC TOOL MFG Co., Ltd.    |  | [Dust Collectors/Blowers/Bench Grinders]                            |
| Yodogawa Steel Works, Ltd               |  | [Storage Sheds/Garages/Gratings]                                    |
| YOKOHAMA OILS & FATS INDUSTRY CO., LTD. |  | [Cleaning Agents/Cleaners/Car Washing Products]                     |
| YOSHINO LIMITED                         |  | [Welding Equipment/Container Bags]                                  |
| YUEI Co., Ltd.                          |  | [Casters]   |
| YUTAKA MAKE Co., Ltd.                   |  | [Sheets/Ropes/Packing and Bundling Products]                        |
| Other                                   |  |   |
| 3M Japan Limited                        |  | [Grinding and Polishing Goods/Protective Equipment/Tapes/Adhesives] |

For each manufacturer, key products handled by our company are indicated in square brackets.



# Number of items in inventory: 611,708

As of December 31, 2024

## Cutting Tools (136,840 items)



## Production Processing Tools (57,778 items)



## Environmental Safety Supplies (63,551 items)



## Construction Tools (86,763 items)



## Work Supplies (49,985 items)



## Distribution/Storage Supplies (22,804 items)



## Hand Tools (143,563 items)



## Laboratory Supplies (13,768 items)



## Office/Household Supplies (36,049 items)





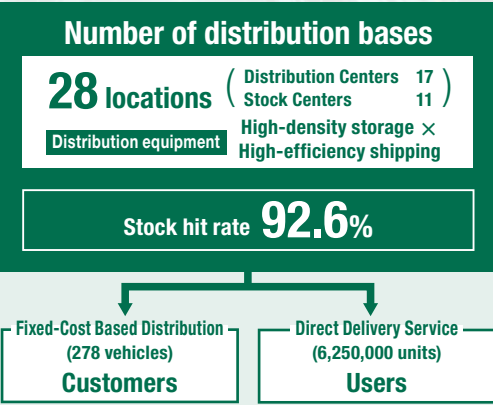
# Distribution Strategy

## Immediate delivery is the greatest service

We are evolving logistics by creating a nationwide distribution network, introducing cutting-edge logistics facilities, and taking other efforts to meet the request from our customers who want “Just what is needed, only when needed, only in the quantity needed.”

### Distribution Strategy Key Points

- 01 | 610,000 items in stock even with the same function or similar functions
- 02 | 28 distribution centers located throughout Japan
- 03 | Prompt delivery through fixed-cost based distribution  
278 delivery runs with each run made twice a day  
(146 third-party delivery runs/132 TRUSCO delivery runs)
- 04 | Cutting-edge distribution equipment for high-density storage and high-efficiency shipping



## NAKAYAMA Original Inventory System

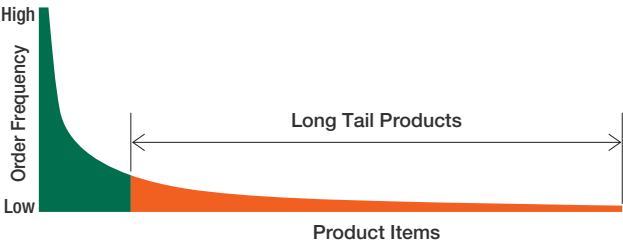
### Expanding our inventory using creative methods

Based on the belief that inventory is necessary for the convenience of our customers and for improving sales, we have developed our own approach to inventory - **NAKAYAMA Original Inventory Logic**. With this approach, we are expanding our inventory using creative methods to ensure that our customers always know that TRUSCO has what they need.

| Conventional Thinking            | NAKAYAMA Original Inventory Logic  |
|----------------------------------|--|
| Don't Stock Unsellable Inventory | <div>Inventory Sells</div> <div>We believe we receive orders thanks to stocking the products our customers need rather than inventory that sells.</div>  |
| Emphasize Stock Turnover Rate    | <div>Emphasize Stock Hit Rate</div> <div>We believe the greatest barometer of our services is the stock hit rate that shows what percent of the total orders were fulfilled from stock to delivery.</div> <div>Stock hit rate: 92.6% (as of December 31, 2024)</div>             |
| Minimize Stock                   | <div>Inventory Energizes Growth</div> <div>By expanding business with online shops and reducing the time and effort required to process orders, we have been able to reduce overtime work for our employees, which has been the driving force behind our Company's growth.</div> |

### Keeping Long Tail Products in stock

We are able to provide immediate delivery for even long tail products that have a low order frequency. By stocking all colors and sizes regardless of what sells, we have created a one-stop environment for our products. For example, we carry 56 types of single open ended wrenches ranging in size from 5.5 mm to 120 mm, and 17 types of monkey wrenches with the same total length of 200 mm.



### Stocking “Difficult-to-Deliver” Products

We refer to large and long products that are difficult to manage and ship as “Difficult-to-Deliver” products. We are able to meet all orders by actively stocking these products.



We also have 12 m ladders in stock

### Inventory of Manufacturer Catalogs

We keep catalogs from manufacturers so that we can deliver detailed product information to customers when they need it. As with products, our catalog inventory is managed using bar codes, which allows for more customer business opportunities.



We carry catalogs from around 610 manufacturers

### Year-Round Inventory of Seasonal Products

Although seasonal products are typically sold out during the corresponding season, we keep more inventory than needed based on the idea that it is acceptable to have unsold units remaining in order to completely meet demand. As a result, summer season products can be sold even in winter, and the company now holds seasonal product inventory year-round.



Ability to supply even the last unit of a product during seasonal demand

### Establishment of Cut Depots Dedicated to Cutting Tools

We have set up cut depots that stock cutting tools, which are the greatest consumable in factories, at three distribution centers in Japan, making those products available for immediate delivery.



## Measures to Prevent Supply Interruptions During Disasters

TRUSCO has locations throughout Japan, which allows other TRUSCO locations to provide backup in case one area is affected by a disaster. In particular, products are distributed and stored throughout Japan at distribution centers, serving as a risk hedge in the event of a disaster.

### Distribution centers with seismic isolation equipment (5 distribution centers)

When the Great East Japan Earthquake occurred, Planet Tohoku was unable to ship products due to them falling from the shelves, even though many PRO TOOL were needed for disaster recovery. Based on this experience, the distribution centers built since the Great East Japan Earthquake are equipped with seismic isolation equipment as standard equipment so that we can fulfill our responsibility to supply customers even in times of disaster.

[Centers with seismic isolation equipment installed]

Osaka Saitama South Kanto

Aichi and Niigata (operations are scheduled to begin in 2026)



Seismic isolation equipment in Planet Saitama

### Enhancing safety by providing hazardous materials warehouses and product expiration date management

Due to stocking a large number of chemical products, we build hazardous material warehouses into our distribution centers. These warehouses are equipped with halon gas jets to extinguish fires and other systems for increased safety. In addition, products with quality assurance expiration dates are managed by a system that enables accurate and efficient management even when the number of product items increases.



Hazardous material warehouse at Planet Saitama (approx. 284 m<sup>2</sup>)

### Enhancing BCP measures to increase our level of social contribution during disasters

We also stockpile at least a six-month supply of products (207 items) such as generators, which are needed even in times of disaster, so that we can be of use to the community in times of emergency. In addition, we have built a system that supports other distribution sites even when a distribution line is cut, such as when disaster strikes a supply route, to reduce risk. TRUSCO has also entered disaster recovery agreements with six municipalities (Satte City, Kawasaki City, Konan City, Ryuo (town), Okayama City, and Tosu City).



Stockpile of items required during disasters



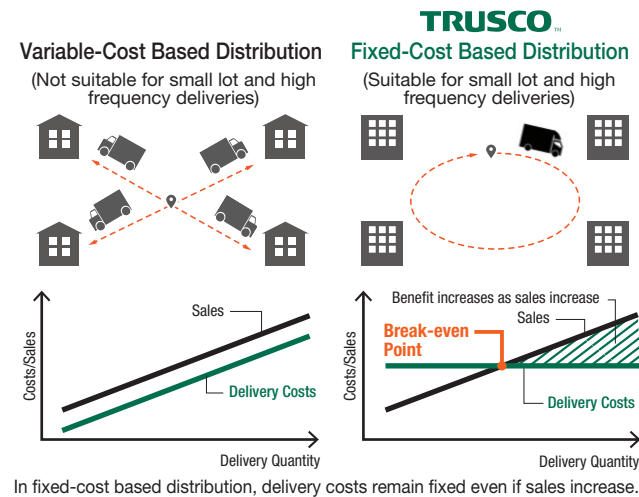
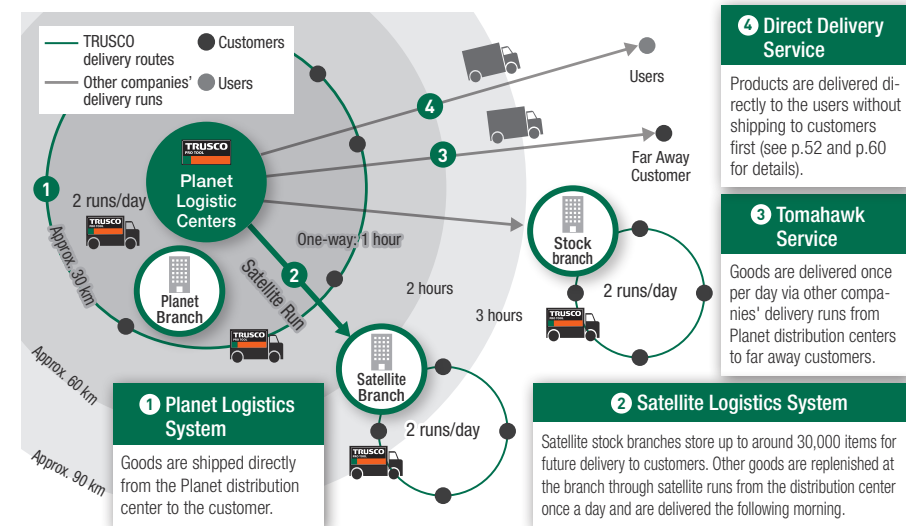
## Fixed-Cost Based Distribution

### A shipping method that allows us to provide small-volume shipments

Customers often want to make small-volume purchase of just one or two items at a time. While many suppliers only offer products in bulk, we hold our own stock of these items, allowing us to deliver items individually. In the case of variable-cost based distribution, since deliveries are made individually, similar to how taxis make individual trips for each customer, delivery costs are proportional to sales. In contrast, fixed-cost based distribution involves fixed routes similar to bus routes. Delivery costs are fixed, meaning that it is profitable once the break-even point is surpassed. This system allows us to deliver up to two shipments per day to our customers free of charge. Additionally, when the wrong products have been ordered, etc., we can collect unopened stock items at no cost when deliveries are made. We also collect items requested to be repaired through Naojiro Repair Workshops (see p.62) when deliveries are made. In addition, because we have fixed delivery routes, we can deliver and collect products in containers without using cardboard boxes or other packaging materials, thus realizing low environmental impact distribution.

### Routes that achieve immediate delivery (Planet & Satellite Distribution System)

Throughout Japan, TRUSCO has built delivery routes that trace planet-like orbits around our distribution centers. From this, we have named our distribution centers “Planets.”



### TRUSCO performs 47.5% of delivery runs independently

Since the delivery driver serves as our last point of contact with customers during deliveries, having employees that deliver products on time every day allows us to immediately hear about any problems customer may have and respond quickly. (Total delivery runs: 278 (146 third-party delivery runs and 132 TRUSCO delivery runs))

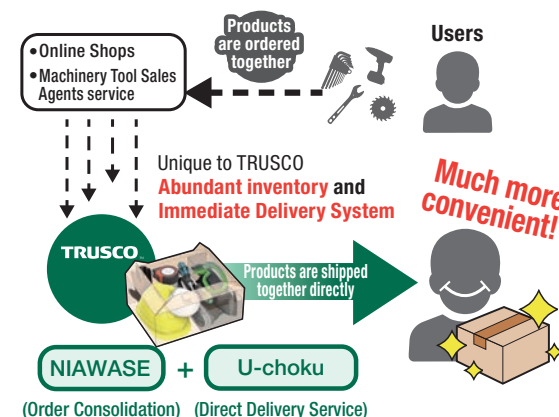


TRUSCO is making a shift toward making deliveries independently so that products are under our full control until delivery

## “NIAWASE + U-choku” (Order Consolidation + Direct Delivery Service)

### Solving the logistics challenges that lie hidden in PRO TOOL distribution

In this industry, it is not common for wholesalers to deliver products directly to users without shipping to customers first. Despite being a wholesaler, TRUSCO places products that a customer has ordered in one box (“NIAWASE” (Order Consolidation)) and deliver them directly to the user’s manufacturing site (“U-choku” (Direct Delivery Service)). By doing so, delivery times, packaging material amounts, shipping costs, and the environmental burden can all be reduced by half. Only a company like TRUSCO can provide a service like this thanks to having an abundant inventory, the world’s most advanced distribution equipment, and digital logistics support systems, allowing us to provide high-mix low-volume shipments.



## Newest Distribution Centers

### Planet Aichi (Kitanagoya City, Aichi)

#### Prompt delivery of PRO TOOL throughout Japan

Planet Aichi is capable of holding an inventory of one million items and has been equipped with state-of-the-art distribution equipment, which will allow us to make approximately 100,000 shipments per day. By significantly increasing the number of items that can be stored in one location, we have enhanced our nationwide “NIAWASE + U-choku” Service (see p.52 and p.60), reducing lead times for product delivery. Additionally, establishing a distribution center in Aichi Prefecture reduces long-distance shipping between Tokyo and Osaka. This also contributes to addressing issues such as driver shortages, restrictions on overtime work, and carbon neutrality.

#### Cutting-edge distribution equipment

To enable one-stop procurement of PRO TOOL required at manufacturing sites, we have provided Planet Aichi with cutting-edge distribution equipment, striving to further enhance our immediate delivery system.



### Planet Niigata (Sanjo City, Niigata)

#### Enhancing our delivery system

Due to the growth in sales to home centers, the inventory storage capacity and shipping capability of the existing logistics center are nearing their maximum limits. To address this, we are building a more efficient work environment at Planet Niigata while enhancing both inventory storage capacity and shipping capability. Furthermore, for factory and e-business routes, we are optimizing inventory storage at Planet Saitama and Planet Niigata based on product size, shipping frequency, and volume. Thus, we are establishing a system that enables the quick delivery of items among approximately 800,000 items in eastern Japan. At the same time, we are enhancing the inventory replenishment capabilities for bulk international goods as well as the inventory storage capacity and shipping capability for the Niigata Branch. These efforts are aimed at improving customer convenience.

#### Cutting-edge distribution equipment



Note: Planet Saitama’s automated pallet warehouse shown in the photo



#### Overview

- Location: 1-1 Shirayumi, Okimura, Kitanagoya City, Aichi
- Access: 10 km from JR Nagoya Station (20 minutes by car)
- Area of grounds: approx. 41,634 m<sup>2</sup>
- Floor area: approx. 88,602 m<sup>2</sup> (around twice the size of Tokyo Dome)
- Building construction: Composite Construction (reinforced concrete pillars, steel beams) Seismic Isolation Structure
- Number of floors: Warehouse: 4 floors, Office building: 4 floors
- Capacity: Shipping: 100,000 packages/day
- Number of items in inventory: 1,000,000 items
- Construction: Completed in February 2025
- Start of operations: Operations scheduled to begin in July 2026
- Design/Construction: Taisei Corporation



#### Overview

- Location: 431-2 Matsuhashishita Tei, Fukujimashinden Aza, Sanjo City, Niigata
- Access: 7 km from Tsubame-Sanjo Station (Joetsu Shinkansen Line) (15 minutes by car)
- Area of grounds: approx. 26,300 m<sup>2</sup>
- Floor area: approx. 48,338 m<sup>2</sup> (planned) (around the same size of Tokyo Dome)
- Building construction: Composite Construction (reinforced concrete pillars, steel beams) Seismic Isolation Structure
- Number of floors: Warehouse: 4 floors, Office building: 3 floors
- Construction: To be completed by February 2026 (planned)
- Start of operations: Operations scheduled to begin in 2026
- Home center route: August
- Factory route: October
- Design: Nikken Sekkei LTD.
- Construction: KAJIMA CORPORATION



Logistics Wonderland

Introduction of a cutting-edge distribution system

Our distribution centers, which house the world's most advanced logistics equipment, are each truly a "logistics wonderland." We have introduced a variety of logistics equipment and facilities to promote labor saving and automation. We continue to expand the number of items in stock and strengthen our immediate delivery system by realizing high-density storage in logistics equipment according to the size of the product and frequency of shipment, as well as high-speed receiving/shipping through automated sorting and packaging.

Logistics Wonderland Planet Saitama

Scan the QR code to watch video.

Capacity Efficiency Distribution Center where the technology was introduced

1 AMR (Autonomous Mobile Robots)

AMRs are used for pallet transfer, especially after receiving large items or large quantities of goods for which pallet transfer is a labor-intensive and time-consuming process. This contributes to a reduction of man-hours through labor savings.

Load carrying speed: 5.8 km/h

Saitama

Explanatory video

Non-Fixed Location (Free Address) Inventory Management System

For inventory management, TRUSCO is replacing the fixed location method that assigns one location to one product with a free location method that fills the space opened by inventory depletion with a separate in-shipped product.

Fixed Location  
Only links products and storage locations

Non-Fixed Location  
Automatic guidance based on volume and shipment frequency data

Shipping Capacity 110 shipments/h (1 station)

Approx. 3x to 4x more storage capacity

Work efficiency Equivalent to worked performed by 27 people

Tohoku Saitama East Kanto South Kanto Tokai Shiga Osaka Kobe

Explanatory video

4 Butler® (Automated conveyance robots)

Automated conveyance robots lift shelves and transport them to workers. This reduces workers' time spent walking and raises the efficiency of loading/unloading.

Shipping Capacity 70 shipments/h (1 station)

Approx. 2x to 3x more storage capacity

Work efficiency Equivalent to worked performed by 18 people

Tohoku Saitama

\* Independent estimate based on TRUSCO inventory items.

Explanatory video

6 Automated bucket warehouse

Each of our automated bucket warehouses utilizes buckets (containers) for high-density storage of small- and medium-sized goods that have relatively low inventory volumes. Cranes are used to automatically transport the buckets. Using automated bucket warehouses allows us to increase inventory density, reduces the amount of labor for loading/unloading work, and improves loading/unloading work efficiency.

Shipping Capacity 110 shipments/h (1 station)

Approx. 3x to 4x more storage capacity

Work efficiency Equivalent to worked performed by 27 people

Tohoku Saitama East Kanto South Kanto Tokai Shiga Osaka Kobe

Explanatory video

9 SAS (Systema Streamer)

This high-speed NIAWASE (Order Consolidation) equipment for automated warehouses can simultaneously perform NIAWASE (Order Consolidation) and sort goods for multiple orders. This reduces the work and time involved for sorting and transport.

Sorting capacity of 1,800 containers/h

Tohoku Saitama East Kanto Tokai Osaka Kobe

Explanatory video

7 Automated pallet warehouse

In our automated pallet warehouses, large and heavy goods are stored on pallets. Large-size cranes are used to automatically transport goods, making it possible to perform tasks fast.

Shipping Capacity 35 shipments/h (1 station)

3x more storage capacity

Work efficiency Equivalent to worked performed by 10.5 people

Saitama North Kanto East Kanto Sakai Stock Center

Explanatory video

8 Electric moving pallet racks

Movable pallet trucks reduce the number of passageways and expand storage space within warehouses. It increases the storage efficiency of large and heavy goods.

2x more storage capacity Saitama

East Kanto South Kanto Tokai Shiga Kobe Sanyo

Explanatory video

10 Just fit BOX® (Automated Boxing Machine)

This system reads the three linear dimensions of irregular-shaped items, which are difficult to pack, and creates a box to fit its size. It effectively reduces use of packaging materials as well as improves work efficiency and packaging quality.

Packaging Capacity 120 packages/h

Work efficiency Equivalent to worked performed by 10 people

Tohoku North Kanto Saitama East Kanto Tokai Osaka Kobe Kyushu

Explanatory video



2 AGV (Automatic Guided Vehicles)

Automatic Guided Vehicles automatically transport products along magnetic tape laid out on the floor of the Distribution Center. It improves transport efficiency through labor saving.

Load carrying speed 3.6 km/h

Saitama

Explanatory video

3 GAS (Gate Assorting System)

This equipment for sorting products eliminates sorting mistakes by people, improving precision and speed. This is because the lid of the container where a product is to be placed will open (or a light will shine to indicate which container), prompting the worker to simply place products inside.

Sorting Capacity 200 product types/h

Work efficiency Equivalent to worked performed by 60 people

Tohoku Saitama East Kanto Tokai Osaka Kobe

Explanatory video

5 AutoStore (high-precision storage system)

AutoStore maximizes space efficiency by stacking bins (containers) from the floor to near the ceiling. The use of robots to transport containers improves efficiency and reduces the amount of labor for loading/unloading work.

Shipping Capacity 120 shipments/h (1 station)

5x to 6x more storage capacity

Work efficiency Equivalent to worked performed by 12 people

Tohoku North Kanto Saitama South Kanto

Explanatory video

11 I-Pack® (high-speed automated packaging and shipping line)

I-Pack places delivery slips inside packages and handles packaging as well as labeling all at high speeds. Automation leads to shorter packing time and better quality, the keys to our Direct Delivery Service (see p.52 and p.60).

Packaging capacity Maximum of 720 packages/h per line

Work efficiency Equivalent to worked performed by 24 people

Tohoku Saitama East Kanto Tokai Osaka

Explanatory video

12 Palletizing Robots

Palletizing robots are robots that perform loading and unloading operations. They are mainly used for sorting goods packed using I-Pack® to reduce labor and improve accuracy as well as work quality.

Sorting Capacity 300 product types/h (per robot)

Saitama

Explanatory video

Note: DAS (Digital Assorting System) introduced at Planet South Kanto.

Note: BOS-Line (semi-automatic packaging line) was also introduced at Planet Osaka.

Note: Work efficiency and storage capacity data used are figures from Planet Saitama (a distribution center with about 200 employees).



# Catalog Media Strategy

## Providing useful information to professionals

Catalog media needed by the manufacturing industry vary greatly according to the times. We aim to provide the highest level of convenience in tool procurement in order to respond to any situation.

### Catalog Media Strategy Key Points

01

Product data on 7 million items for expanding customer business

02

TRUSCO Orange Book, the Great Dictionary of Monodzukuri makes it very easy for user to search for products

03

TRUSCO Orange Book.Com is a website that allows users to search for products that we offer and obtain up-to-date product data

7 million different products

Product Data

## TRUSCO Orange Book

### TRUSCO Orange Book - “Great Dictionary of Monodzukuri” used at various manufacturing sites

Paper catalogs are often used to select products when smartphones and computers with external connections are prohibited at manufacturing sites. To enable efficient product selection even in environments without Internet access, our catalogs are designed with a layout that clearly displays product information at a glance with various icons, such as delivery time information, information on popular products, supporting streamlined product selection and procurement.

TRUSCO Orange Book 2025

Number of items listed: Approx. **422,000** items  
Inventory items: Approx. **382,000** items  
Manufacturers listed: Approx. **2,600** companies  
Page count: **17,400**, Weight: **24** kg  
Price: **\$122** (excluding tax)    Number of sets printed: **150,000** sets

### Providing tools suitable for manufacturing sites

We launched our first product catalog “Nakayama Shouhou” (“Nakayama Business Bulletin”) in 1964. At that time, there were no catalogs that combined products from multiple manufacturers, and it was the first product catalog in the industry that provided users with real convenience. Currently, in addition to catalog functions and web product search functions, we also provide tools suitable for various monodzukuri sites, improving the convenience of PRO TOOL searches and procurement.

The idea for the catalog was born from the concept that it would be more convenient for users if the catalogs of each manufacturer were consolidated and prices as well as part numbers were integrated.

Name of the company's comprehensive catalog changed from “Nakayama Shoten” to “Orange Book” in 2000  
Note: Photo above shows the handbook version (small size version) of the Orange Book.



### Enhancing listed content to adapt to the times

Since 2017, we have offered the TRUSCO Digital Orange Book, which combines the perspicuity of a printed catalog with the searchability of the web. In addition, starting with the 2025 edition of the Trusco Orange Book, we have been calculating and providing CO<sub>2</sub> emissions data associated with the manufacture of representative products (approx. 70,000 items) among the approx. 420,000 items listed, supporting smooth product selection and green procurement.

TRUSCO Digital Orange Book

CO<sub>2</sub> emissions data is provided

Allows for easy browsing on the Web, just like using a catalog

## TRUSCO Orange Book.Com

### Product search site listed all the information users need to acquire PRO TOOL

A comprehensive website where users can search for products, place orders, and receive quotes. Site members can request quotes for products, place orders, and submit return requests 24 hours a day, and even check inventory in real time. Additionally, information on the products we handle as well as SDS forms (Safety Data Sheets), schematics, and other data can be downloaded from the site. Each product page has a “User’s Voice” section that allows users to submit improvement requests directly. We also have a system in place to reflect user feedback in product development.

The number of items listed on TRUSCO Orange Book.Com is increasing daily

TRUSCO Orange Book.Com

TRUSCO Orange Book.Com

Number of items listed: Approx. **4,552,000** items  
Inventory items: Approx. **611,000** items  
Number of manufacturers listed: Approx. **2,600**

## Catalogs that fit diversifying sales channels

### Characteristics of each type of Catalog Media

We aim to provide highly convenient tools that cater to the diverse needs and circumstances of customers and users.

Various catalogs for different purposes are available in the TRUSCO Digital Library.

|   | Perspicuity | Searchability | Up-to-dateness | Specialized information |
|---|-------------|---------------|----------------|-------------------------|
| <b>Paper-based catalogs</b><br>TRUSCO Orange Book and TRUSCO Orange Book Junior                             | ◎           | ○             |                |                         |
| <b>Digital catalog</b><br>TRUSCO Digital Orange Book  | ○           | ◎             |                |                         |
| <b>Product search site</b><br>TRUSCO Orange Book.Com  |             | ◎             | ◎              |                         |
| <b>Various catalogs for different purposes</b><br>TRUSCO Construction Tools BOOK, Working Gloves Book, etc. | ○           |               |                | ◎                       |

### TRUSCO Orange Book Junior

This catalog gathers representative excerpts from every product category into one book.

2025 edition  
Pages: 1,488 (A4 size)  
Number of items listed: About 42,000  
Number of manufacturers listed: 1,189  
Price: \$12 (excluding tax)  
Note: A Thai version as well as a version for the Indonesia market (2020-2021 version) have also been published.



TRUSCO Orange Book Junior Digital catalog

### TRUSCO PRO TOOL MAGAZINE ICHIOSHI

This catalog magazine features up-to-date information on items recommended by manufacturers.

2025 edition  
Pages: 176 (A4 size)  
Number of items listed: About 291  
Number of manufacturers listed: 267  
Price: \$3 (excluding tax)

The year in parentheses denotes the year the person was featured on the front cover.

Mansai Nomura (2018), Mari Watanabe (2019), Rie Tanaka (2020), Spotlight on craftsmen working at manufacturing sites (2021), Osamu Suzuki (2022), Kentaro Ohya (2023), Akihiro Nikkaku (2024), Masataka Nashida (2025)



TRUSCO PRO TOOL MAGAZINE ICHIOSHI Digital catalog

### TRUSCO Construction Tools BOOK

This catalog features a lineup of PRO TOOL required for construction and other work sites.

2025 edition  
Pages: 708 (A4 size)  
Number of items listed: About 17,500  
Number of manufacturers listed: 604  
Price: \$6 (excluding tax)  
Note: The cover is UV laminated for improved water and weather resistance. This means that you can even use it at work sites without worrying about it getting damaged.



TRUSCO Construction Tools BOOK Digital catalog

### TRUSCO Orange Book Digest (foreign language versions for overseas markets)

Available in English, Chinese, and Thai, TRUSCO Orange Book Digest provides information on long-selling products.

Pages: 300 (B5 size)  
Number of items listed: About 8,000  
Number of manufacturers listed: 700  
Price: \$3 (excluding tax)



## A book full of basic knowledge on PRO TOOL

### COCOMITE

A guidebook for PRO TOOL, COCOMITE features basic product knowledge, simple explanations of points for selecting products, and more.

Vol.3  
Pages: 964 (B5 size)  
Price: \$16 (excluding tax)  
Note: An English version of this publication titled COCOMITE UNIVERSAL is also available.



In addition to product descriptions, COCOMITE provides information on selecting products and what to check for.

COCOMITE Digital catalog



# Sales Strategy

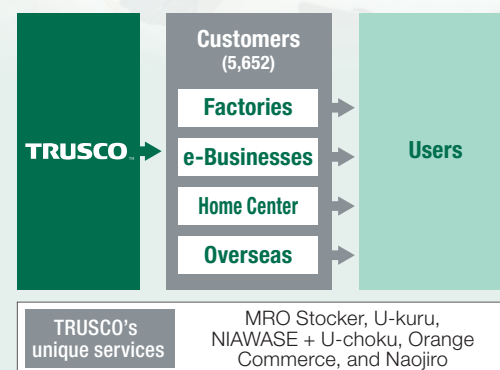
## Solving issues faced by customers

By accurately grasping the changing issues and values of our customers, we provide services suited to the characteristics of each route by utilizing products, logistics, Catalog Media, and digital services, working to solve the issues faced by our customers.

Internet Sales Tokyo Branch staff (left to right): Masumi Sakai, Ren Yamachiyo, Branch Office Manager Hiroki Nishihara, and Hiromu Inoue

### Sales Strategy Key Points

- 01 Establishment of four sales channels tailored to the characteristics of each industry
- 02 672 sales representatives at 59 sales locations nationwide dedicated to solving customer issues
- 03 MRO Stocker, “NIAWASE + U-choku” service, etc. are provided to enhance customer convenience



## Four sales routes

### Factory Route

Machinery Tool Dealers, Welding Material Dealers, etc. **4,881 companies \$1,278 million** Manufacturing Industry, Construction-related Businesses, etc.

**Meeting the ever-changing needs of our customers with our diverse services and sales capabilities**

This route is for facilitating business with customers in a wide range of industries, such as machine tool dealers who carry equipment used at factories and work sites, welding material dealers, electrical equipment dealers, and plumbing equipment dealers. By having sales offices throughout Japan, we are able to respond quickly to any problems and meet the diverse needs of customers by providing optimal services.



Achieving community-based sales support throughout Japan (Supervisor Suguru Takimura, Tokyo Branch)

### e-Business Route

Online Shops, etc. **205 companies \$442 million** Manufacturing Industry, General Consumers, etc.

**Providing services required for e-business by utilizing digital technology**

We are developing business for e-commerce companies that sell products via the Internet and developing business for centralized purchasing that links the purchasing systems utilized by users with our electronic catalog, Orange Commerce (see p.61). Measures including linking data in real time improves the purchasing efficiency of customers.



Support for streamlining procurement for users (Internet Sales Tokyo Branch staff (left to right): Memi Ando, Kaiji Ikuta, and Toshiya Kimura)

### Home Center Route

Home Centers, Pro Shops, etc. **111 companies \$174 million** Outdoor Work, General Consumers, etc.

**Supporting businesses that integrate physical and online businesses**

This route is for facilitating business with home centers and pro shops that operate throughout Japan. Through this route, we are engaged in a variety of initiatives, including providing product proposals that respond to changing market needs, efficient delivery, and support for omni-channel services that link together stores and e-commerce sites.



TRUSCO booth at JAPAN DIY HOMECENTER SHOW 2024

### Overseas Route

Overseas Dealers, etc. **455 companies \$19 million** Overseas Manufacturing Industry, etc.

**Conducting business overseas by leveraging our unique strengths**

This is the route we take to do business with overseas subsidiaries of domestic customers and customers who handle local machinery tools. Through our local subsidiaries in Thailand and Indonesia, TRUSCO contributes to the development of manufacturing in those regions by taking advantage of our strengths, such as such as providing catalogs and inventory for those local markets. In addition, we sell products to 20 countries and regions.



100,000 copies of the TRUSCO Orange Book Digest (overseas version of TRUSCO Orange Book) are available in English, Chinese, and Thai

## Sales ((SSL (Sales & Solutions)/SSP (Sales & Support))

### Solving issues faced by customers

At 59 sales branches in Japan, we utilize management resources, including product, distribution, Catalog Media, and digital services, to provide unique tools and services. These include procurement tools, such as TRUSCO Orange Book, and services, such as MRO Stocker, “NIAWASE + U-choku” (Order Consolidation + Direct Delivery Service), and U-kuru product pick-up service for users.

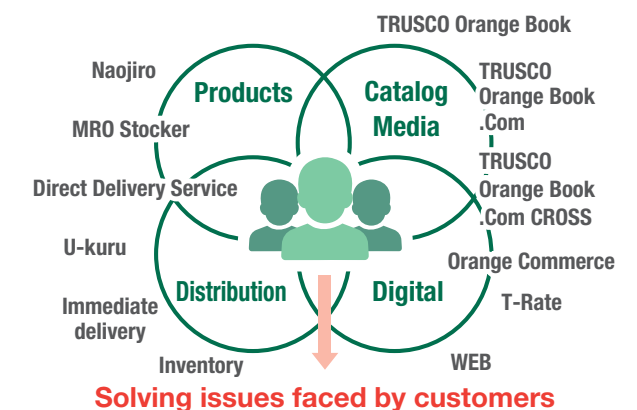
Sales Branches in Japan **59**

#### 252 SSL (Sales & Solutions) staff

Through our daily sales activities, we will continue to be useful to our customers by grasping their constantly changing values and issues and proposing solutions tailored to each issue.

#### 420 SSP (Sales & Support) staff

This team makes product proposals and conducts price negotiation as the “office work” sales team performing sales activities inside the company. It promptly and accurately responds to customer requests.



SSL (Sales & Solutions) (Takayuki Fukuda, Tokyo Branch)



SSP (Sales & Support) (Yurika Kurikawa, HC Osaka Branch)

## MRO Stocker is like “Okigusuri,” - a business model that has been around for many years in Japan, but for tools

### Eliminates delivery time, ordering work, and inventory management The ultimate in immediate delivery

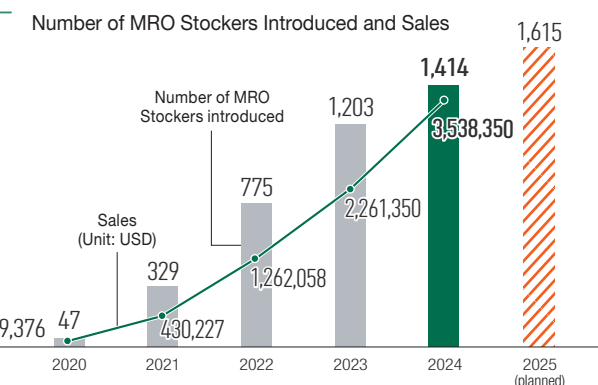
MRO Stocker is like “Okigusuri,” a business model that has been around for many years in Japan, but for tools. MRO Stocker locations are stocked with consumables serving as our inventory that users want, enabling TRUSCO to respond to the needs of manufacturing sites that need certain products immediately.



MRO Stocker website

Number of locations **1,414**

**MRO STOCKER** by TRUSCO  
GOOD DESIGN AWARD 2021年度受賞  
業務用システム・サービス



#### TOPICS Example of MRO Stocker Adoption

##### Food product factory

**“We can work with peace of mind knowing that the items we need are instantly available.”**

Number of items in inventory: **203**

Number of shelves: 8 medium lightweight shelves

Location: Within the factory

Main inventory items: Health and safety products such as work shoes and disposable gloves

##### Feedback about the service

“By storing items that were previously ordered by individual departments in MRO Stocker, we have streamlined the ordering process and eliminated the wasteful disposal of unused items that have expiration dates. Having necessary products readily available has enabled smoother and more reliable execution of tasks.”



A meeting space has also been provided near this MRO Stocker



## “NIAWASE + U-choku” (Order Consolidation + Direct Delivery Service)



### Making Direct Delivery Service by wholesalers a common practice in the industry

With our Direct Delivery Service, products ordered by a variety of customers are delivered to users directly from our distribution centers. It is not common in the industry for wholesalers to deliver products directly to users without going through customers. However, shipping directly from our distribution centers to users not only shortens delivery lead time but also helps customers reduce costs, such as delivery work costs and shipping costs, and supports sales expansion in remote locations.

It also contributes to environmental conservation since it can reduce CO<sub>2</sub> emissions associated with packaging materials and transport. In addition, multiple orders received from customers will be bundled together using NIAWASE (Order Consolidation) and delivered to users. Only a company like TRUSCO can provide a service like this thanks to having an abundant inventory, cutting-edge distribution equipment, and systems to support inventory and distribution, allowing us to provide high-mix low-volume shipments.



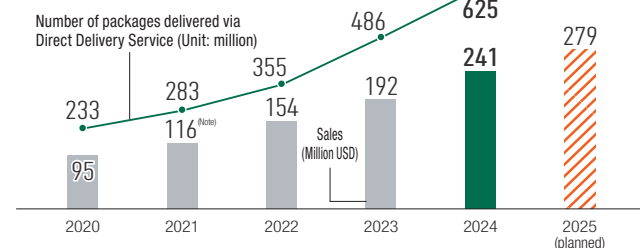
SAS (Systema Streamer)/ Shuttle Rack (high-speed picking and sorting equipment) for bundling together multiple orders (“NIAWASE” (Order Consolidation))



I-Pack® (high-speed automated packaging and shipping line) is capable of packaging and preparing a maximum of 720 packages for shipping in just an hour

#### Enhancement of I-Pack® has improved our Direct Delivery Service

Number of Packages Delivered via Direct Delivery Service

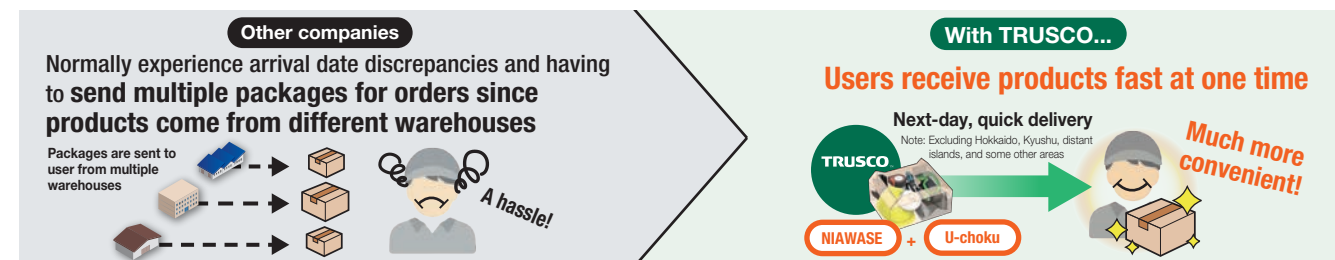


Note: “Accounting Standard for Revenue Recognition”, etc. not retroactively applied.

“NIAWASE + U-choku” service can reduce the following by half

|                      |                                    |               |
|----------------------|------------------------------------|---------------|
| Delivery times       | Amount of packaging materials used | Shipping fees |
| Environmental burden | Labor burden                       |               |

TRUSCO is able to place order items together right away and deliver them to manufacturing sites!



### TOPICS Example of MRO Stocker Adoption

#### Packaging materials company

#### Feedback about the service

“We relied on multiple companies in the past, but by using TRUSCO’s Direct Delivery Service, the number of suppliers has been consolidated into one, significantly reducing the effort involved in ordering, quoting, and delivery. Since our sales representatives also handle deliveries, even when shipping costs are incurred, having items directly shipped allows them to focus on sales activities, which has been a great help.”

#### A few words from the SSL staff in charge

“In response to the customer’s delivery issue, we were able to propose our “direct delivery function,” which is one of our strengths, successfully solving their issue. I hope that we can continue to contribute to improving various issues faced by our customers through our services.”

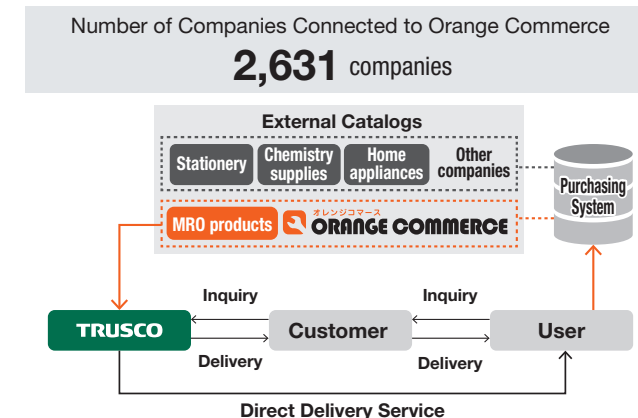
Number of packages delivered to user during FY2024 via Direct Delivery Service: **782 (+338 Year-on-Year)**

## Orange Commerce (electronic purchasing system)



### Combining our normal Orange Book with customer electronic purchasing systems

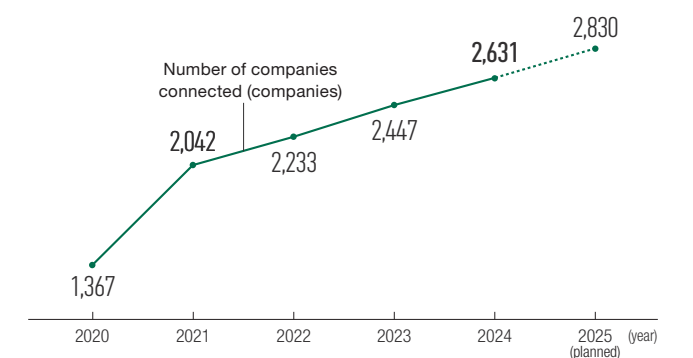
Orange Commerce is an electronic catalog (punch-out catalog) focusing primarily on PRO TOOL that can be linked with the purchasing systems of users. The trend of making purchases electronically is accelerating, especially among major users, to improve procurement efficiency and reduce costs. By introducing electronic purchasing, it is possible to optimize the purchasing process and build/analyze the purchasing database.



TRUSCO has built a system that allows users to easily purchase MRO products

With Orange Commerce, users can digitalize purchases while continuing transactions with existing suppliers. We will provide comprehensive support for improving user convenience by improving business efficiency through digital solutions utilizing Orange Commerce, face-to-face services that can only be provided by people for collaboration with customers, and our “NIAWASE + U-choku” and “U-kuru services that only a wholesaler can provide.

Changes in Number of Companies Connected to Orange Commerce



## U-kuru (product pick-up service for users)



### U-kuru allows users to pick up products at 55 locations throughout Japan

U-kuru is a service that allows users to pick up products at our inventory bases. Using Trusco Orange Book.Com user features, orders can be placed in just three steps using a smartphone while keeping payments routed through the user’s distributor. Orders can be picked up in as little as 15 minutes, which not only shortens the delivery lead time but also reduces delivery work costs and shipping costs for customers. Customers can pick up their items even outside of business hours 24 hours a day by using a lock box available at the designated inventory base so they can pick them up when it is convenient. As with the Direct Delivery Service, it also contributes to environmental conservation by reducing packaging materials and CO<sub>2</sub> emissions during transport.

Number of pick up locations  
**55** locations throughout Japan

#### Six main features of our U-kuru service

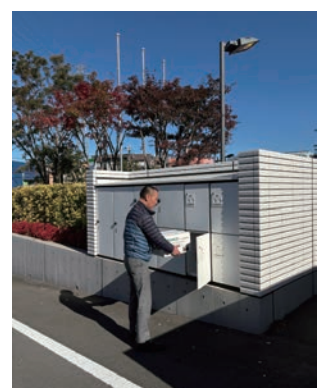
- 1 Orders can be easily placed in just three steps using a smartphone
- 2 Pick up is possible at 55 locations throughout Japan that have the product(s) in stock
- 3 Up to 610,000 products to choose from
- 4 Lock boxes allow for 24-hour pick up (delivery lockers installed)
- 5 Allows orders to be placed after checking the actual product
- 6 Environmentally friendly since no packaging is used



A user picking up an item ordered via U-kuru



A user seen trying on safety shoes



Lock boxes at an inventory base



## Naojiro Repair Workshops



### A service that combines the reuse of PRO TOOL and efficiency for our clients

Naojiro repair workshops are a unique TRUSCO service that conducts repairs and maintenance that include the repair and re-grinding of PRO TOOL as well as calibration of measurement instruments. Our Naojiro service allows customers to make a single request to TRUSCO to perform various types of repairs without having to use different contact points for each category of products to be repaired. Since we set up a "repair box" at each customer location and collect products for repair as needed when making daily deliveries, there is basically no need for customers to pack those items or pay shipping fees. It is a service that can

be realized only because of fixed-cost based distribution (see p.52) that contributes not only to the reuse of PRO TOOL but also to the improvement of customers' operational efficiency. We support environmental activities at manufacturing sites by promoting recycling and reuse.



Naojiro Repair Workshops Sales **\$14 million**

### The Eight Services available through Naojiro Repair Workshops



### Distribution center tours for users

We hold tours for users once a month at our major distribution centers throughout Japan. By inviting users to visit our key logistics centers, we are further promoting our cutting-edge distribution equipment, inventory management systems, and various user-focused services. We are working to address various challenges, such as streamlining (visualizing) the management and procurement of regular MRO supplies and achieving product procurement with less environmental impact.



Users participating in a tour at a distribution center



Distribution centers offering tours for users  
(12 distribution centers located throughout Japan)

## Overseas Subsidiaries

### TRUSCO THAILAND TRUSCO NAKAYAMA CORPORATION (THAILAND) LIMITED

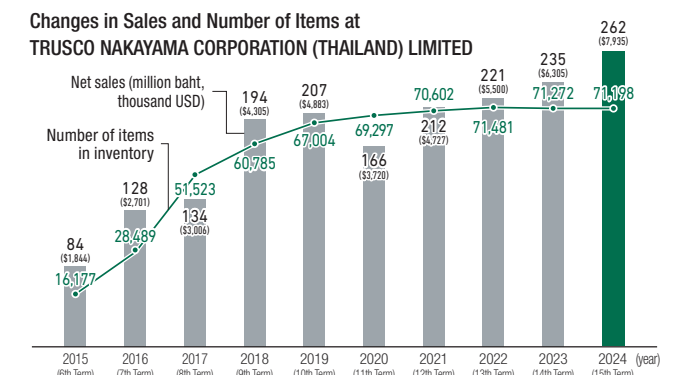
This subsidiary has continued to expand its sales to Japanese dealers and to major local dealers. By holding inventory and strengthening our immediate delivery system, we are contributing to the efficiency of the PRO TOOL supply chain in Thailand by collaborating with local customers. In recent years, we have also been promoting our own initiatives, such as direct trade with Japanese manufacturers, to reduce purchasing costs and increase our share of local sales.

#### Company Overview As of December 31, 2024

- Trade name: TRUSCO NAKAYAMA CORPORATION (THAILAND) LIMITED
- President: Kazuaki Harada
- Director: Norihiro Higashi
- Officer in charge at TRUSCO NAKAYAMA CORPORATION: Masashi Yamamoto
- Business areas: Wholesale of PRO TOOL (secondary materials used in factories)
- Capital: 390 million baht (\$8.4 million)
- Employees: 24 (2 employees on loan and 22 local staff)
- Established: September 2010
- Equity: 99.9%
- Area of grounds: approx. 10,942 m<sup>2</sup>
- Floor area: approx. 4,730 m<sup>2</sup>
- Number of different products in inventory: 71,000
- Inventory value: \$6.2 million
- Total number of items in inventory: 652,000
- Value of investment: Land, \$1.6 million; Buildings, \$1.3 million
- Address: Bangpree, Samutprakarn (13 km south of Suvarnabhumi International Airport)  
TIP7 789/8 Moo9, Bangpree Bangpree Samutprakarn 10540 THAILAND



In addition to being engaged in sales, it also has a supplier business development office, strengthening partnerships with local companies



Note: Sales in USD for each term are calculated using the exchange rate at the end of the period.

### TRUSCO INDONESIA PT. TRUSCO NAKAYAMA INDONESIA

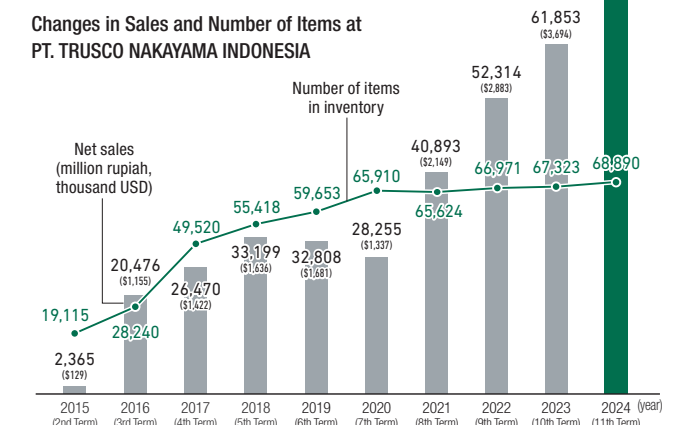
There were many factors that hindered PRO TOOL distribution in Indonesia, such as heavy traffic congestion and strict import regulations. For this reason, we have set up a distribution center in an area where many factories belonging to Japanese companies are concentrated. With the largest inventory in the region, we are taking on the challenge of optimizing PRO TOOL distribution. Against the backdrop of domestic demand in a company with a population of 270 million people, we will continue to contribute to Indonesia's advancing manufacturing industry.

#### Company Overview As of December 31, 2024

- Trade name: PT. TRUSCO NAKAYAMA INDONESIA
- President: Yohei Takuno
- Auditor: Norihiro Higashi
- Officer in charge at TRUSCO NAKAYAMA CORPORATION: Masashi Yamamoto
- Business areas: Wholesale of PRO TOOL (secondary materials used in factories)
- Capital: About 378.8 billion rupiah (\$20.7 million)
- Employees: 21 (3 employees on loan and 18 local staff)
- Established: December 2014
- Equity: 99.9%
- Area of grounds: approx. 16,178 m<sup>2</sup>
- Floor area: approx. 10,429 m<sup>2</sup>
- Number of different products in inventory: 68,000
- Inventory value: \$4.8 million
- Total number of items in inventory: 598,000
- Value of investment: Land, \$7.3 million; Buildings, \$4.1 million
- Address: Lippo Cikarang District, Bekasi, Jawa Barat (about 40 km east of the capital city, Jakarta)  
Jl. Kenari Raya No. 36 Delta Silicon VI, Jayamukti, Cikarang Pusat, Kab. Bekasi 17815.



TRUSCO Indonesia strengthens cooperation with local dealers to make effective use its inventory



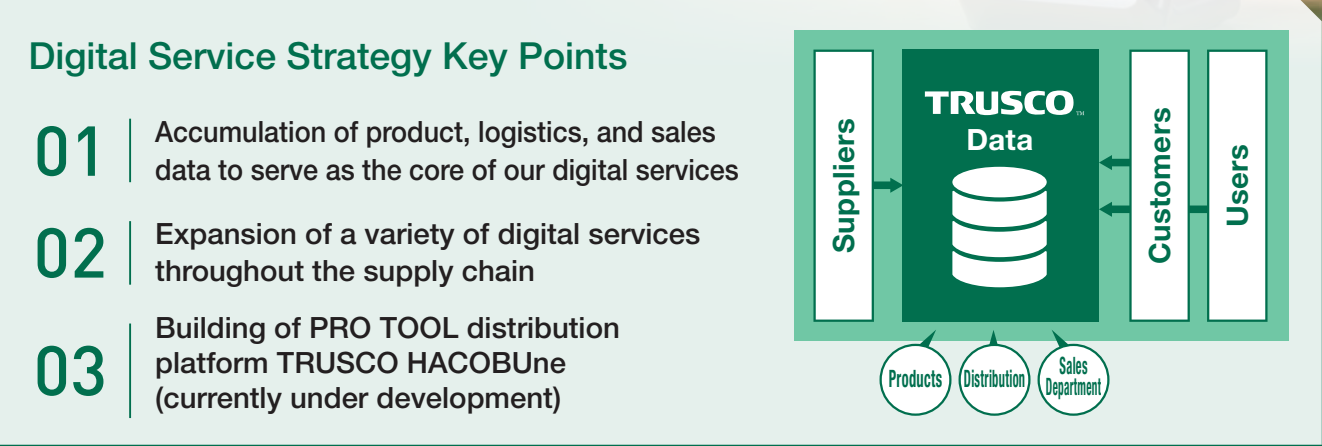
Note: Sales in USD for each term are calculated using the exchange rate at the end of the period.



# Digital Service Strategy

Working to improve the convenience of the entire supply chain

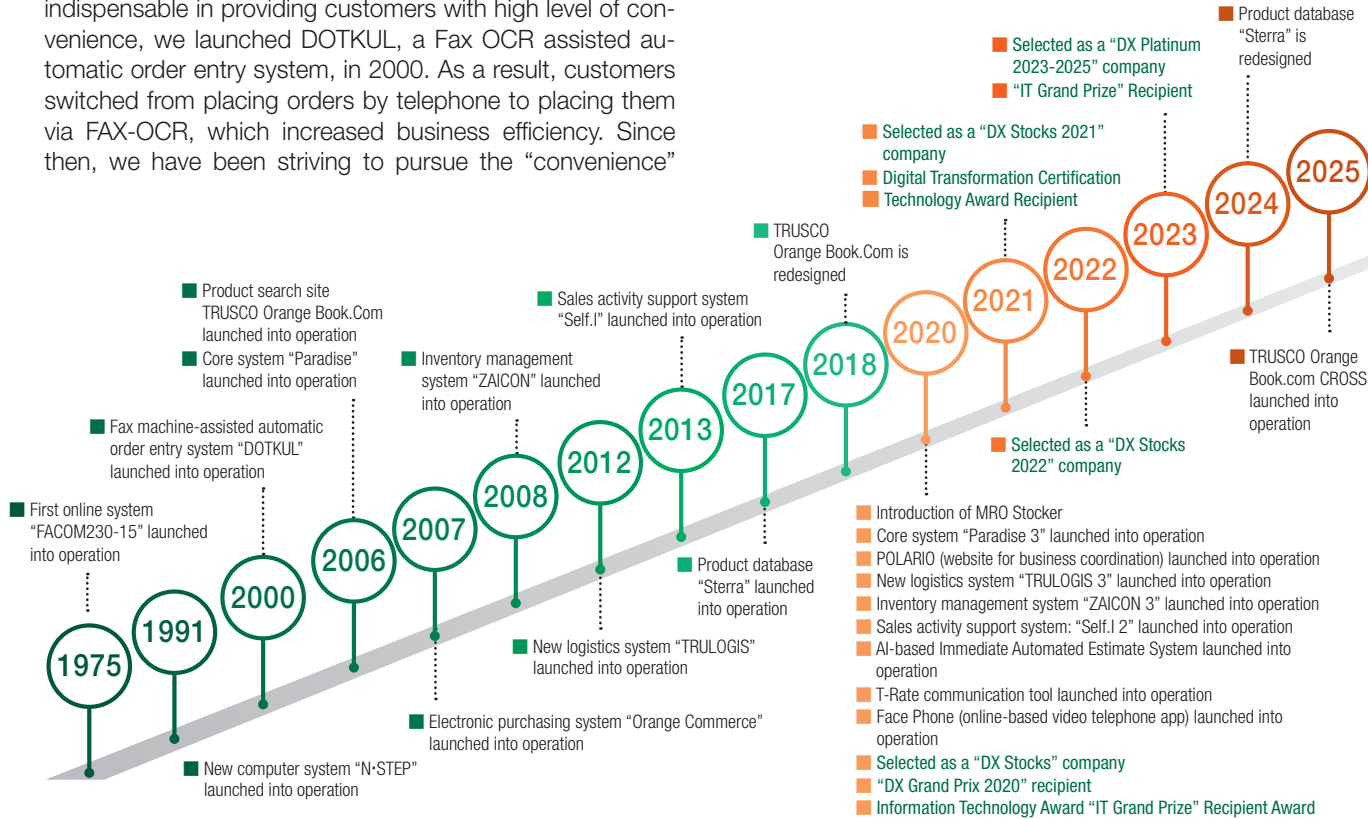
Digital transformation is a step of a process, not an end goal. In order to become the company we want to be, TRUSCO is improving the convenience of the entire supply chain through a variety of digital services with data at the core.



Digital transformation is a step of a process, not an end goal. We thoroughly utilize digital technology to become the company we want to be.

In recent years, the term “DX” (Digital Transformation) has gained attention. At TRUSCO, we leverage digital tools to become the company we want to become (realization of capability targets) and contribute to enhancing customer convenience. Recognizing that the power of digital technology is indispensable in providing customers with high level of convenience, we launched DOTKUL, a Fax OCR assisted automatic order entry system, in 2000. As a result, customers switched from placing orders by telephone to placing them via FAX-OCR, which increased business efficiency. Since then, we have been striving to pursue the “convenience”

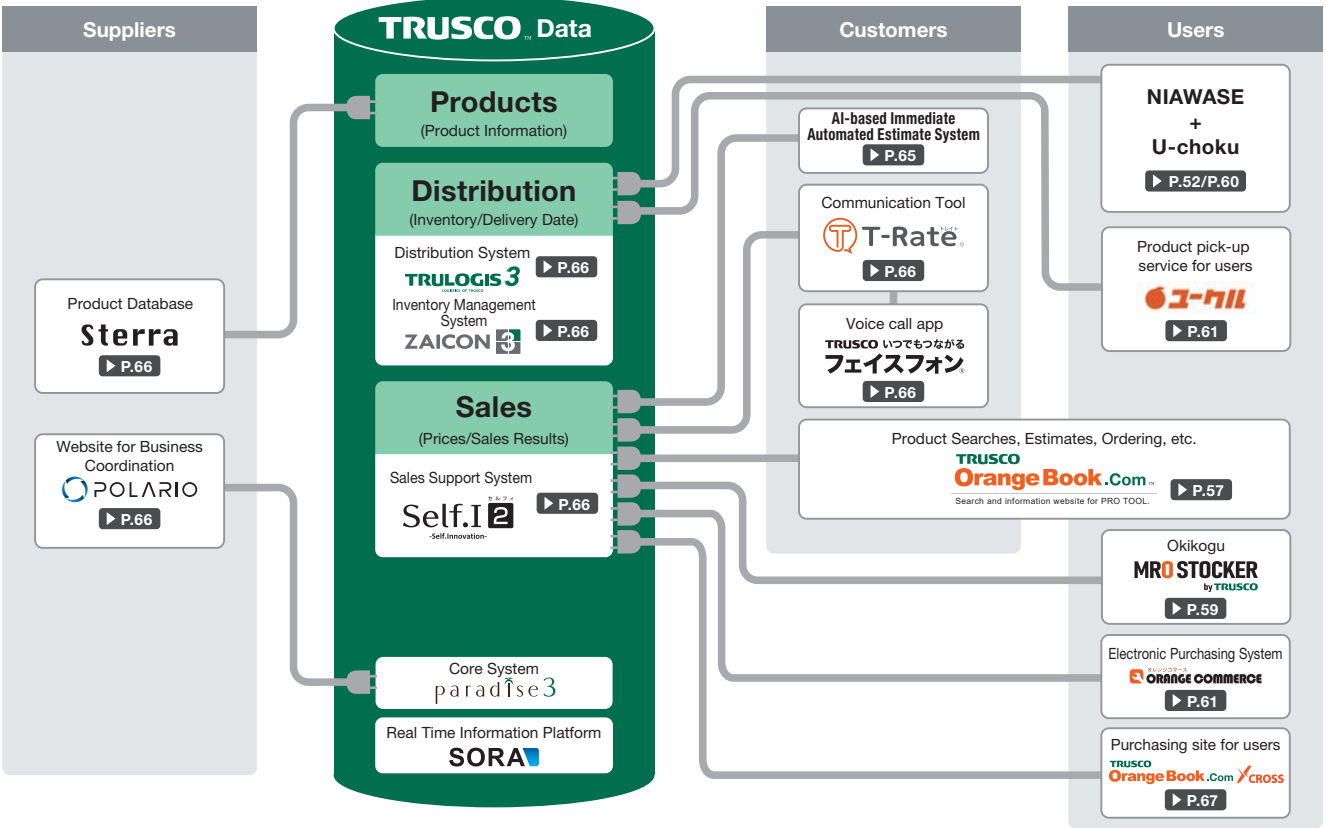
demanded by customers by introducing a number of digital systems ahead of others in the industry, such as the core system “Paradise,” Electronic purchasing system “Orange Commerce,” Inventory management system: “ZAICON,” and distribution system “TRULOGIS.”



## Automation of all work that can be automated

Starting with the launch of our core system “Paradise 3” in January 2020, we have released various systems to improve convenience with the aim of automating all tasks that can be automated in the supply chain. In addition to internal business reforms, including our AI-based quotation system (see p.65), which realizes appropriate price quotations using AI, and ZAICON 3 (see p.66), our inventory

management system that forecasts demand for each individual product to drastically cut down time used for inventory management, our company, which is in the middle of the distribution chain as a wholesaler, is promoting the reform of business practices throughout the supply chain by utilizing digital technology aiming at digital transformation.

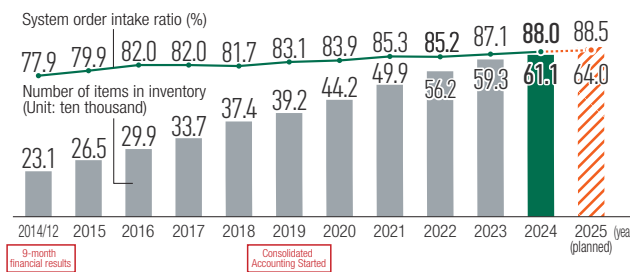


## Digital Service

### System Order Intake Ratio (88.0%)

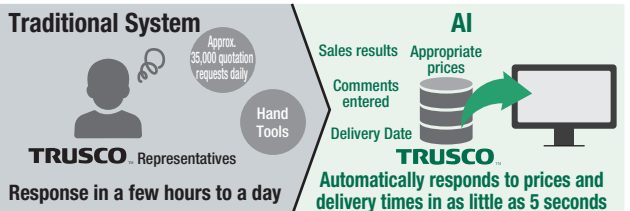
We have been developing highly convenient digital tools and expanding our inventory. As a result, our system order receipt rate (percentage of order receipts processed through our digital system among total order receipts) has increased. This has improved our work efficiency, allowing us to achieve greater sales per person.

Changes in system order receipt ratio and number of different products in inventory



### AI-based Immediate Automated Estimate System - 30.1% of estimates are now provided automatically

One of our challenges is how quickly we can respond to each of the 35,000 quotation requests that we receive from our customers each day on average. To address this issue, we have introduced the AI-based Immediate Automated Estimate System and have been promoting the automation of estimates through special price optimization where appropriate prices are automatically calculated for products on a regular basis based on actual orders and estimates. This has led to an improvement in the time it takes to reply to customers (minimum reply time: 5 seconds). (30.1% of estimates are provided automatically (information current as of December 31, 2024))

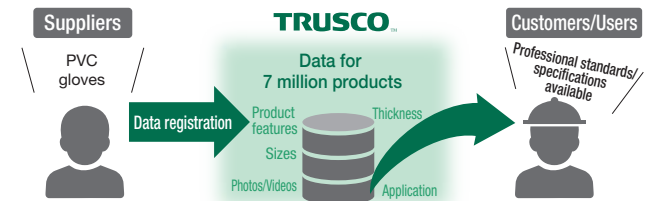


Continued on the next page



## Product Database “Sterra”

Product database “Sterra” is a product information management system that serves as the “base” for product data. “Sterra” makes it possible for suppliers to register and update product information. The updated product information is quickly reflected in various services.



## Communication Tool “T-Rate” Face Phone (online-based video telephone app)

“T-Rate” allows TRUSCO staff to chat with customers, distribute promotional information on products, and allows clients to confirm information such as the estimated time of arrival of deliveries and the products to be delivered. Additionally, allowing for communication with TRUSCO at any time, Face Phone is an online-based video telephone app for PC or smartphone which allows face-to-face communications between customers and TRUSCO representatives.



“T-Rate” allows customers to check how much time is remaining before delivery as well as which products are being delivered all in real time

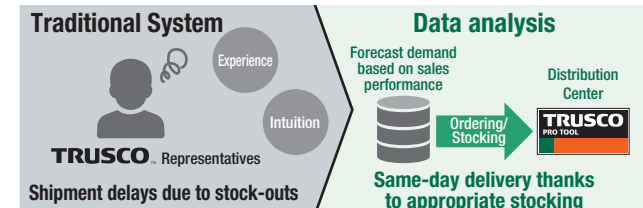
## New logistics system “TRULOGIS 3”

This distribution system manages the inventory work performed at distribution centers and at branches with inventory. It is responsible for improving the overall efficiency of warehouse operations, including automation of warehouse operations with distribution equipment and free-location inventory systems.



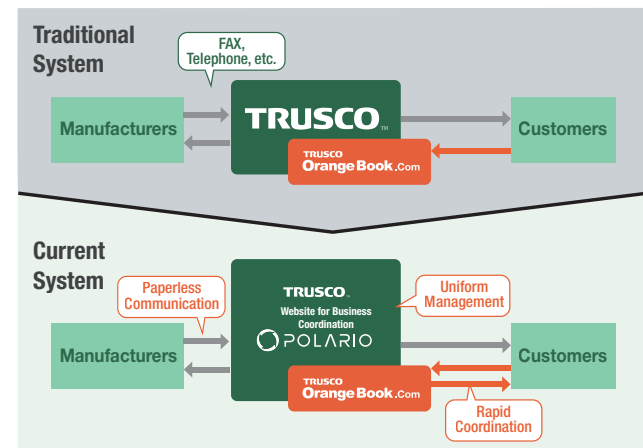
## Inventory Management System “ZAICON 3”

ZAICON 3 is an inventory management system that provides forecast calculations of required stock quantities based on sales performance records. The system reduces the time and effort required for registering products by automatically calculating the optimal and maximum ordering points for products, leading to increased efficiency.



## Website for Business Coordination “Polario”

POLARIO is a system that centralizes data such as supplier estimate correspondence data, order processing data, and Available-To-Promise (ATP) data. This reduces the amount of supplier-directed inquiries are reduced, lessening the burden on them, and enables TRUSCO to quickly respond to inquiries from customers.



## Sales Support System “Self.I 2”

“Self.I 2” serves as a dashboard for visualizing sales data, such as customer estimate history, sales history, etc. This tool helps us to identify latent demand and make appropriate proposals, thereby contributing to the improvement of customers’ sales.



Main screen showing Self.I 2 functions Customer sales performance screen

## Information Security

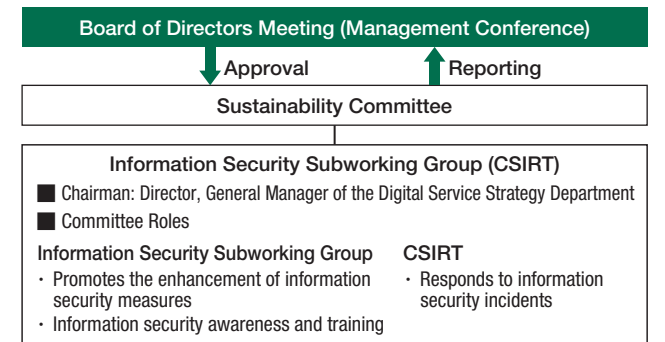
### Information Security Measures Designed for the Stable Supply of PRO TOOL

In order to ensure a stable supply of products to manufacturing sites in Japan and to expand transactions, it is important to continuously operate and enhance information security measures. As part of the manufacturing supply chain, we recognize information security risks throughout the Company and implement comprehensive measures utilizing an information security system with three functions: Prevention, detection, and action.



### Information Security Management System

Recognizing information security risks as a management issue, we have developed an organizational structure that includes not only institutional and technical perspectives but also employee education, implementing these initiatives on a company-wide basis. In addition, we have established an internal system capable of responding to cyber attacks and an external support system, including cyber insurance.



## TRUSCO HACOBUne Business Transformation Project

### Toward Becoming a “platform holder” That Supports Manufacturing

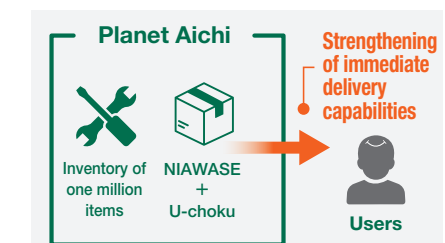
June 2021, TRUSCO launched the TRUSCO HACOBUne project to improve services that integrate distribution, product data, and user experience in order to achieve the industry’s “fastest,” “shortest,” and “best” deliveries, aiming

to make the catchphrase “The best is already there” a reality. By streamlining the entire supply chain, we will create a foundation for providing the highest level of convenience to our customers.

#### 1 Distribution Platform

We always have what customers need and deliver products quickly

We are preparing the Planet Aichi distribution center for operation, which will have an inventory of one million items and provide nationwide support for our “NIAWASE + U-choku” service, which is continuing to expand for one-stop procurement of essential supplies for manufacturing. Planet Aichi is scheduled to commence operations in July 2026. This will significantly improve how quickly we can deliver products in the entire distribution chain and improve direct shipments to end users.

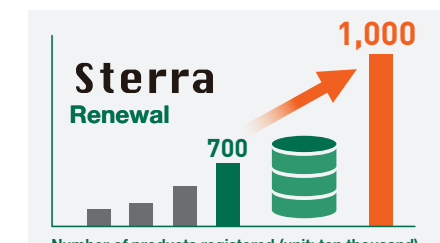


Improves our ability to make prompt deliveries to users by improving inventory storage and shipping functions

#### 2 Product Data Platform

Availability of all types of necessary product data

In February 2024, the product database “Sterra” was redesigned, making it possible to retain an abundant amount of product data for more than 10 million items. In the future, we will strive to improve not only the quantity but also the quality of data, retain the information necessary for users to select products, and aim to standardize product data in the industry.

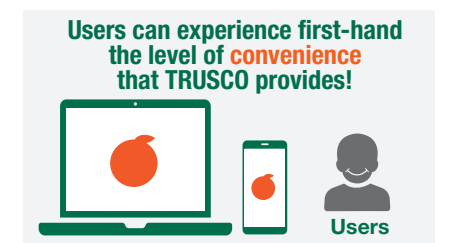


Enhances product data to retain the necessary information for users to select products

#### 3 UX Platform

Allows users to easily select and purchase the best products

In February 2025, we launched TRUSCO Orange Book.com CROSS, a purchasing site for users that allows them to easily find the products they need and purchase them smoothly through dealers. In addition to significantly reducing the effort involved in quotation and ordering tasks, we have implemented options for selecting the delivery method, ensuring that our functions can be easily utilized at any time. These enhancements further improve convenience for users.



Building a system that could be maximally used for users



# Human Resources Strategy

## People grow as their company grows

Based on the concept that human resources cannot be cultivated without a system, TRUSCO has developed a system and environment to develop self-awareness among employees. We aim to cultivate individuals who tackle their work head-on with a positive and sincere approach capable of solving various issues.

Left to right: Sales Planning Section and Naojro Section Homare Tsunoda and Tokyo Branch, Supervisor Mafuyu Ueda

### Human Resources Strategy Key Points

01

Programs for career development and challenges centered on cross-departmental job rotations

02

Unbiased 360-degree evaluations (Open Judging System (OJS)) and growth promotion

03

Programs and training to cultivate people who act with awareness

Motivation for work (motivated to tackle work head on)

Recruitment ActivitiesHuman Resource DevelopmentCareer DevelopmentEvaluation System

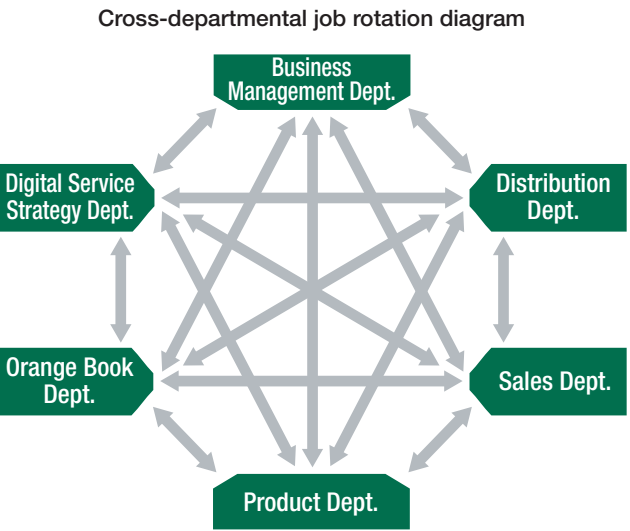
Personnel PoliciesBenefits and WelfareHealth Management

Comfortable work environment (employees work stably with peace of mind over the long term)

## Career Development

### Cross-departmental job rotations

New staff will be assigned to a distribution center for one year and two months to learn about distribution, which is the core of our business. After that period, we will conduct job rotations through personnel transfers across departments such as sales, distribution, and Head Office departments, placing staff in a department for around five years, as well as change the responsibilities of staff within departments to improve work and human skills. Experience working in other departments contributes to fostering a mindset for reform in current roles, revitalizing the organization, and serving as a measure to bolster overall corporate growth.



### Programs that encourage employees who want to take on challenges

In addition to job rotations, we have also established programs to support employees who challenge themselves to grow.

**Boss Challenge Program** Started in 2006

For employees who have been at the Company for at least seven years

This is a program that allows employees to pursue their career goals by becoming a candidate for a position or nomination in order to become an officer with the most authority in a given area. As an acting officer, the participant gains experience working in management to become a boss.

**Manager Challenge Program** Started in 2025

For employees who have been at the Company for at least five years

As a step before becoming a Boss Challenge Program participant, this program allows employees to aim to take the next step by gaining experience in small-scale management in their own departments and improving their leadership skills.

**Open Position Challenge Program** Started in 2020

This is a program that allows an employee to apply for a position of his or her choice when there is a request for an increase in personnel.

**Dual Position Job Challenge Program** Started in 2020

This is a program that allows an employee to work in a desired position while maintaining their current position.

**Trans-Career Declaration** Started in 2022

For employees who have been at the Company for at least two years

This is a program that allows employees to think about what they want to be in the future and notify the Personnel Section about their career plan, which will include the position that they want. The information described is used as a reference when personnel changes are made.

### A variety of career courses

TRUSCO offers a variety of career courses that allow employees to select courses that are in line with their individual career paths and live events. After joining the Company, it is possible to change one's job course for reasons such as career advancement, marriage, family care, etc. (various conditions apply). We established the HR Support Section in 2022 to support the proactive career development of each employee.



Members of the HR Support Section (left to right): Supervisor Fumi Nagai, Section Manager Youko Nakanishi, and Supervisor Kana Niino

| Course List   |  |
|---|--|
| Course Name   | Course Details   |
| Career course (regular positions)                         | For employees who are self-aware and are allowed to hone their abilities for growth, aiming to become managers or supervisors capable of working in a variety of positions, can be transferred with a change of residence, and fulfill ability and evaluation criteria. One of the following classifications shall be made according to the transfer destination of the candidate<br>1. Overseas Career Course: When the transfer destination is outside Japan<br>2. Domestic Career Course: When the transfer destination is within Japan |
| Digital Career Course (digital career position)           | For employees who are self-aware and are allowed to hone their abilities for growth, aiming to become managers or supervisors to work specifically in IT related positions, can be transferred with a change of residence, and fulfill ability and evaluation criteria.  |
| Distribution Career Course (distribution career position) | For employees who are self-aware and are allowed to hone their abilities for growth, aiming to become managers or supervisors to work specifically in distribution related positions, can be transferred with a change of residence, and fulfill ability and evaluation criteria.  |
| Local Career Course (local area career position)          | For employees who are self-aware and are allowed to hone their abilities for growth, aiming to become managers or supervisors capable of working in a variety of positions in limited areas without a change of residence, and fulfill ability and evaluation criteria.  |
| Specialist course   | For employees who acquire a high level of job performance capability through self-development and, if necessary, transfer with a change of residence and use their high level of expertise to serve up to the position of business manager in a specific department (must meet certain conditions such as holding required qualifications).  |
| Expert Course   | For employees who are expected to play a role in accordance with their level and contribute to improving business performance by honing their skills in a specific field and specializing in that field only in their local area (must meet certain conditions such as holding required qualifications).   |
| Area course   | For employees who acquire sufficient working knowledge of the overall business that the employee is involved with and take on the role of business manager only in their local area.   |
| Local Area Distribution Course                            | For employees who will be engaged in distribution operations such as delivery and product management only in their local area, responsible for serving in an advisory role for the total optimization of their distribution center and may take on the role of Distribution Center Manager.  |
| Logistics course  | For employees who will be engaged in distribution operations such as delivery and product management only in their local area, and are expected to have the working abilities and skills to perform their various professional duties.   |

●: Indicates a course added since 2022 to support the diverse career advancement for employees.

## Evaluation System

Started in 2001

### Aiming to create a workplace where people can work with vitality

We have introduced the **Open Judging System (OJS, 360-degree evaluation)**, used for evaluating employees while being promoted to positions such as Supervisor or higher. By evaluating each other not only by superiors but also by people involved in work, a good sense of tension is

created, leading to a fair environment. The results, including comments from evaluators, are provided to the individual as anonymous feedback. This helps them recognize their strengths and areas for improvement, providing an opportunity for personal growth.

| OJS Category   | Started in | Staff Level  | Overview   |
|--|------------|--|--|
| Promotion OJS  | 2001       | Candidates for manager or higher                                       | Determine if the candidate should/should not be promoted. Candidates who have an 80% or higher approval rating and receive the required number of votes are promoted.            |
| Personnel Record OJS   | 2003       | All staffs   | Evaluations by staff who work in the same office are reflected in the results of personnel evaluations by 30%.   |
| Director, Auditor, Executive Officer, Division General Manager OJS | 2012       | Directors, Auditors, Executive Officers, and Division General Managers | Evaluators who are the bosses or higher in charge of the company, evaluate the executive's performance at daily work and what they say at management meetings.                   |
| President OJS  | 2014       | President  | An OJS system implemented directly by shareholders during the General Meeting of Shareholders. It is considered as one of the important evaluation indicators for the President. |
| Part-time Staff OJS  | 2015       | Part-time Staff  | OJS is also applied to part-time employees, and evaluations from people around them are reflected in the results of personnel evaluations by 30%.                                |
| Specialist/Expert OJS  | 2024       | All Specialist Course and Expert Course employees                      | Evaluated on a pass/fail basis to determine whether the employee demonstrated the ability and performance of a professional.   |



## Human Resource Development

### Awareness is the first step to growth

We believe that self-awareness is the most important factor for growth. Through training, we aim to raise self-awareness and cultivate human resources who can create value for customer satisfaction.

#### TRUSCO Stage Trial (stratified training system)

| Mandatory training Training that promotes self-awareness and serves as a catalyst for behavioral change |                        |  |
|---|------------------------|--|
| Name  | Staff Level            | Overview   |
| Training for New Staff  | New staff              | Through group training, participants develop fundamental social skills as working adults and experience how taking action themselves leads to positive change.<br>After this training, new staff will be assigned to a distribution center for one year and two months to learn about the core of our business (distribution). |
| Second Year Staff Training  | 2nd Year               | Participants learn the systems, rules, and approaches necessary for actual work and use them in their own work.  |
| Third Year Staff Training   | 3rd Year               |  |
| Skill-up Course   | 4th Year               | Participants analyze their own organization and themselves for their future actions to become an influential presence within the organization.   |
| Job Training for Newly Appointed Bosses   | Newly Appointed Bosses | Participants acquire the practical knowledge and mindset required for a boss.  |
| Boss Management Course  | All managers           | Participants become aware of what is necessary to drive further corporate growth and turn this awareness into action within their departments.   |

| For managerial candidates Training for raising self-awareness so that participants take action towards realizing their personal visions |   |  |
|---|---|--|
| Name  | Staff Level   | Overview   |
| Leader's Course   | Staff who are eligible to be promoted to Supervisor or higher | As human resources who will revitalize their organization, participants think about what makes the ideal Supervisor and turn their findings into actions within their departments. |
| Manager Challenge Course  | Manager Challenge Program employees                           | As a next-generation leader, participants grasp the overall scope of a boss's work and experience both the challenges and the excitement of management.                            |
| Boss Challenge Course   | Boss Challenge Program employees                              | Participants acquire the practical knowledge necessary to become bosses and experience what management is firsthand.   |

#### Other training programs

| Name                          | Staff Level    | Overview   |
|-------------------------------|----------------|--|
| Training for Training Leaders | Selected staff | Designed for employees who provide on-the-job training, participants learn how to engage in human resource development.  |
| TRUSCO Distance Learning      | All employees  | Approximately 240 types of distance learning courses are available. 50% of the tuition fee is subsidized by the Company for those who complete the courses.  |
| Orange Doctor Examination     | All employees  | A certification system established for the purpose of enhancing employees' product knowledge. Examinations are held twice a year, and participants who pass receive an allowance of \$64 per month for one year.   |
| Asunaro Subsidy System        | All staffs     | The Company subsidizes part of the cost of acquiring the qualification as educational support for obtaining a bachelor's degree. (Subsidy for first-year students: \$1,948 Subsidy for staffs to acquire a degree in another specialized field at another university: \$974) |

## Recruitment Activities

### Recruiting talent that can grow and thrive in the long term

We are implementing a variety of hiring initiatives to acquire human resources who can sympathize with TRUSCO-ism and face work head on. After confirming enthusiasm and suitability during the selection process, we provide opportunities for candidates to envision working at our company even after receiving an offer, aiming to recruit talent that can thrive in the long term.

#### TRUSCO Retry Program

This program provides another chance for students who were not hired by the Company because they became nervous during the interview, which is the conventional selection process, and were unable to fully convey their thoughts and ideas. Applicants will be selected after we confirm their enthusiasm and aptitude from the appearance of being engaged in distribution operations for three days, which they are supposed to experience after joining the Company.



Selection process at a distribution center

#### Participation in the General Meeting of Shareholders and financial results briefings

As an opportunity to learn about our initiatives, we invite prospective employees and interns to the General Meeting of Shareholders and financial results briefings. This gives them an idea of what it is like to work at TRUSCO by giving them a firsthand look at our business plans, the status of our initiatives, and the reactions of people outside of the Company.



Prospective employees participate in a financial result briefing

#### Company briefing sessions and company entrance ceremonies that parents also attend

We hold company briefings for parents of job-hunting students and family-friendly company entrance ceremonies, based on the desire to “have parents experience the Company's atmosphere in person, understand more about TRUSCO for peace of mind.” (participation is optional)



Company briefing session for parents of prospective employees

## Flexible Work Environment

### We aim to create a flexible work environment where everyone can play an active role

Based on the belief that companies have the responsibility to provide a work environment where staff members can work with stability and peace of mind, we will create a work environment and enhance various systems where staff aim to say, “I happened to work to retirement age” rather than “I will try hard until I reach retirement age,” and promote the creation of a flexible work environment where everyone can play an active role.

#### Emphasis on Regular Employment

Based on the belief that we should not take away the goodness from people's lives, TRUSCO hires all staff members under full-time employment with non-full-time hiring not being allowed in principle, such as hiring temporary employees and part-time employees who are the head of a household. In addition, we employ full-time employees who work with TRUSCO, such as childcare workers at the childcare centers located at distribution centers, nutritionists at employee cafeterias, and chefs working at Company-owned recreation facilities because we want childcare workers to treat children with thought and care for the staff they work with and chefs to cook delicious food for us.

#### Employment Extension System

Under this system, employees who have reached the retirement age of 68 will continue to be employed until the age of 73. In April 2025, we raised the retirement age from 65 to 68, creating an environment in which employees can continue to work for a long time with peace of mind by, for example, reducing the amount of decline in income before and after the employment extension.

#### TRUSCO Part-time System for Retirement-aged Employees

This system allows employees who have reached the age of 73 to continue to work as part-time employees.  
\*Please refer to p.73 for details.

#### An environment where employees can easily take paid vacations

To encourage employees to take paid vacations, we encourage all employees to take 10 planned vacation days a year. Also, there are many policies established that make it easier to take paid vacations, such as birthday vacations and paid vacations that can be taken in hourly units. In addition, TRUSCO started the Vacation Bank Program (see p.72) in 2022, which is a revised version of the previous Accumulated Paid Leave System, enabling employees to take leave according to their life plans. (Average number of paid vacation days taken a year: 12.8 days)

#### Comfortable Workplace Environment Indicators<sup>\*1</sup>

|   | FY2023                                       | FY2024                                       |
|---|--|--|
| Rate of paid days taken off   | 65.3% (employees)                            | 66.7% (employees)                            |
| Average number of overtime hours per month <sup>*2</sup>                      | 17.9 hours                                   | 20.9 hours                                   |
| Percentage of employees that returned to work from child care leave           | 100.0% (46 persons)                          | 100.0% (44 persons)                          |
| Number of male employees that have taken child care leave                     | 17   | 11   |
| Percentage of eligible males/ females that took childcare leave <sup>*3</sup> | Males: 55.6%<br>Females: 85.7%               | Males: 40.7%<br>Females: 80.8%               |
| Percentage of female employees hired  | 47.9% (employees)                            | 41.2% (employees)                            |
| Percentage of female employees  | 35.5% (employees)<br>73.2% (part-time staff) | 36.6% (employees)<br>73.4% (part-time staff) |
| Percentage of female senior supervisors                                       | 23.7% (58 persons)                           | 25.4% (64 persons)                           |
| Percentage of women in management roles                                       | 8.7% (11 persons)                            | 8.6% (11 persons)                            |

<sup>\*1</sup> The above indicators are for the parent company only.

<sup>\*2</sup> Including fixed overtime.

<sup>\*3</sup> The calculation method is as follows. Number of staff who took childcare leave during the period / Number of staff (or their spouses) who gave birth during the period.

#### Gender wage ratio (ratio of women's wages to men's wages)

|  |        | Number of people | Wage ratio (change from last year) |
|--|--------|------------------|------------------------------------|
| Full-time staff                                | Male   | 914              | 74.7%                              |
|  | Female | 459              | (+0.9%)                            |
| Full-time staff (excluding various allowances) | Male   | 914              | 83.5%                              |
|  | Female | 459              | (+1.1%)                            |
| Full-time staff (excluding management)         | Male   | 799              | 81.0%                              |
|  | Female | 450              | (+1.0%)                            |

Period covered: From January 1, 2024 to December 31, 2024

Only staff who were paid throughout the year (excluding mid-career hires and staff who retired during the period)

Full-time employees: Excludes executives, contract employees, and employees of overseas subsidiaries

Wages: Excludes tax-exempt commuting allowance and financial bonds

#### Reasons for Gender Wage Gap

There is no gender wage gap based on the salary structure. Reasons for the wage difference between male and female staff is that women have a shorter length of service and a lower average age than men. Another factor is the low percentage of women in management roles. In addition, we have established various allowances to support heads of households.

- Average years of service Males: 18.3 years Females: 9.8 years
- Average age Males: 43.4 years old Females: 33.3 years old
- Number of managers Males: 117 Females: 11
- Various allowances The ratio excluding various allowances is 83.5%

#### Gender Wage Gap and Details on Current Efforts for Closing the Gap

Since around 2006, we have set a goal of increasing the ratio of female staff, and are promoting recruitment activities and creating workplaces that are easy to continue working. In addition, we are also working to increase the ratio of female staff in newly appointed managers. Our first female General Manager of a division was appointed in January, 2024. There are 7 female employees (3 more than the previous year) out of 28 employees who are candidates for managerial positions (Boss Challenge Program participants) in 2025.

#### TRUSCO Smile Supporters

This is a mentor system for staff who have uncertainties and concerns about their job and private life to consult with a staff member. There are currently 3 senior staff members throughout Japan that provide such support.

#### Women's Proposal Group Started in 2024

To lay the groundwork for the creation of female executives in the future, we started an initiative in 2024 where female employees, selected through a candidate system, participate in monthly management meetings to propose improvements, modifications, and growth strategies. A total of eight female employees from all over Japan participated in the Women's Proposal Group in 2024, and four in 2025.



Women's Proposal Group members

Left to right: Distribution Center Manager Yumiko Morisaki, Shoko Ishii, Supervisor Kozue Honda, and Supervisor Reiko Uzawa

#### Creating an environment that makes it easy to balance work with child-rearing, nursing care, and fertility treatment

- Acquired “KURUMIN” certification in 2008
- Acquired “Platinum KURUMIN Plus” certification in 2024
- Acquired “Tomonin” certification in 2023

\*Please refer to p.84 for more information on awards.





Main programs for employees to work for many years with peace of mind

What you are doing is important, but when you are doing it is even more important

The time when the policies of a company begin is important and the “will” varies according to when a policy is put in place. We have a number of unique human resource programs that were inspired not by the trends of the world but by our concern for our employees. By respecting the opinions of our employees and supporting their work styles through various approaches, we improve their motivation to work which leads to the growth of the company.

Childcare Childcare/childcare leave support Nursing care Nursing care support Leave Vacation/Holiday support Work Work style support (some programs have been omitted) Other Other

Note: Numbers denote program participants and times programs were utilized in 2024.

Childcare Leave Program (up to three years of leave is allowed)

Started in 1992 (Program participants: 38)

TRUSCO employees can take childcare leave until the end of the month during which the child becomes three years old, if desired (Japanese law allows employees of any company to take childcare leave until the day before the child becomes one year old).



Megumi Nozue, Kitanagoya Branch (formerly Komaki Branch)

Return-to-Work Support for Staffs on Maternity or Childcare Leave

Started in 2015

One tablet terminal is lent to each employee for information sharing, and information can be exchanged on Tramama Port, a space on the company intranet dedicated to employees on maternity or childcare leave. We also provide support to make it easier for employees to return to work, such as by setting up Office Visit Days every four months.



Minami Deguchi, Nagasaki Branch

Welcome Back Policy

Started in 2014 (Program participants: 44 Re-employed (cumulative): 5)

This program is for the re-employment of staff who had to resign to raise a child, take care of a sick family member, undergo infertility treatments, or to accompany their spouse goes to due to a work appointment in a region where TRUSCO is not located within ten years of their resignation.



Osaka Management Section Supervisor Mari Yanagawa

Half-day full-time employee system

Started in 2001 (Program participants: 126)

This system allows staff to reduce their work time by up to a maximum of three hours per day for reasons of child raising up until their child finishes sixth grade (although staff are legally entitled to reduce their work time by up to 2 hours a day until a child reaches three years of age, this program allows staff to reduce their working hours further). Employees can also use this system when they are pregnant, taking care of a family member, or injured/sick.



Haruka Itoya, Okayama Branch

Return-to-Work Program for Staffs on Childcare Leave

Started in 2019

This program allows employees that finished their childcare leave to choose the number of working days, working hours, office work, or work from home until the child is three years old so that they can return to work with peace of mind.



Shiori Soya, Overseas Procurement Section

Additional Off Time System

Started in 2020 (Number of times the program was utilized: 59)

This system allows employees to adjust their start or finish time in exchange for up to one additional hour of rest time (or less than one hour) for very important reasons, such as visiting government offices, making hospital visits, etc.



Minori Taka, Management Planning Section and Sustainability Promotion Section

Child Support Allowance

Started in 2007

We provide \$64 per month allowance for each child to staffs who have children under ten years old. TRUSCO started payments even to staffs who are on leave to raise children in 2014.



Ryomei Hattori, Branch Office Manager Representative of the Matsudo Branch, and Manami Oishi, a member of the Keihin Branch, together with their children

Vacation Bank Program

Started in 2007 Revised in 2022

In the past, this program allowed employees to accumulate up to 60 days of unused paid vacation time within the time limit in case of illness or to provide nursing care, requiring a long leave of absence. The following revisions were made in 2022.

Main Vacation Bank Program Revisions

- No limit on the number of days of paid leave that can be accumulated (previous limit was eliminated)
- Accumulated days of paid leave can be used for more reasons than previously allowed (also for studies, volunteering, etc.)
- At the time of retirement, the company will pay employees for any unused days

Since there is no limit on the number of days of paid leave that can be accumulated, employees will not have to worry about not having enough days available during unexpected circumstances

Go Home Early System

Started in 2020 (Number of times the program was utilized: 111)

This is a system that allows employees to go home early even during scheduled working hours in order to instill in them the awareness and habit of finishing work early. Under the system, employees can leave up to 30 minutes earlier once a week.



Mio Sugata, System Management Section

Happy Sunday Policy

Started in 2002 (Program participants: 12)

This is a system that allows employees who have been transferred not accompanied by family to enjoy Sunday dinner, allowing them to delay coming to work on Mondays.



Yuki Ooba, Distribution Center Manager, HC Kyushu Distribution Center, and family

Work from home system

1. started in 2017
  2. started in 2020
1. Open: Employees can utilize this program at any time when it becomes difficult to come to the office due to relocation or integration of offices, transfer of a spouse, injury, illness, taking care of a family member, etc.
2. Discretionary: With the permission of the head of the office, employees can telecommute up to twice a week.

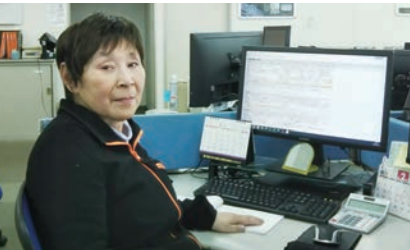


Fuji Branch Acting Senior Supervisor Mariko Nakayama

TRUSCO Part-time System for Retirement-aged Employees

Started in 2003 Revised in 2025

This system allows employees who have reached the age of 73 to continue employment at the company as part-time workers until the age of 78 if they wish to do so and meet certain criteria. (Designation: Senior)



Yonago Branch senior part-time staff Kumi Matsuoka

Lovebird Transfer Policy

Started in 2005 (Program participants: 13 (previous three years))

This policy allows a staff to continue to work by accompanying a spouse when transferred to the area of that transfer regardless of whether their spouse is a company staff or not.



Husband and wife Kumiko Fujiwara, Branch Office Manager of MRO Supply Tokyo Branch, and Kazunari Moriuchi, Branch Office Manager Representative of the Internet Sales Tokyo Branch

In-company Sidework Program (Hybrid Work Program)

Started in 2019 (Number of times the program was utilized: 155)

This program allows employees to work in a different department on their days off and earn income on the side. Since the program focuses on work that any employee can do, it is a great way for them to gain new insights.



Shun Yatake, Planet Aichi

Trusco New Social Work Grant System

Started in 2016 (Program participants: 83)

This program provides the money necessary for new employees to prepare for a smooth transition into the workforce. TRUSCO provides this entrance allowance to new employees about one month before the date of entering the company (\$1,298 for persons who live alone and \$649 for persons who still live at home after joining the company)



A group photo from the 2025 New Employee Preparation Allowance Award Ceremony for Prospective Employees

Transfer Request Policy

Started in 2005 (Program participants: 59 (previous three years))

This program allows staffs to request a transfer to a desired place of business due to life events such as marriage or taking care of a sick family member.

NEW Hinadori Transfer Program

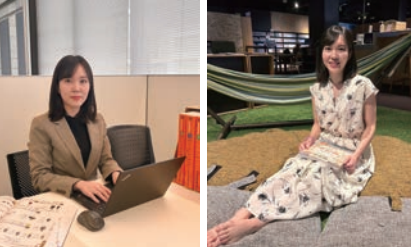
Started in 2024

This is a system that allows an employee to apply for a desired transfer if they wish to work in an area near someone who they are in a relationship with, whether or not that person is a TRUSCO employee, and not just for the purpose of marriage.

NEW Four-day workweek system (in addition to Sunday, employees can select two other days off per week)

Started in 2024

In addition to improving operational efficiency and effective use of working hours, it is possible to acquire the certification to realize a variety of work styles, such as balancing work and private life.



Ayaka Kita, Tokyo NB Products Section

My Home Concierge (housing consultation service)

Started in 2016 (Number of times the program was utilized: 3)

Two first-class licensed architects, who are employees of the company, have set up a desk where employees consult about any problems they may have regarding housing.



Property Section Deputy Section Manager Ryosuke Takeuchi and Supervisor Chisato Okamoto

| Program   | Started in | Overview   |
|---|------------|--|
| Birthday Off Time System Leave  | 1996       | In order to promote the use of paid vacations, we encourage employees to take annual paid vacations on their birthdays (or one month before or after) as “birthday off time.” (Program participants: 70)   |
| Maternity Bonus Program Childcare   | 2005       | This program pays a bonus for special leave for childbirth (14 weeks) during the bonus calculation period.   |
| Infertility Treatment Leave Program Childcare                                     | 2021       | This program allows employees to take a leave of absence for up to one year only for specific fertility treatments so that they can focus on fertility treatment and reduce their physical and mental burden. The Company pays the full amount of social insurance premiums during their leave of absence. (Program participants: 2) |
| Right to Remain in Same Area for Work/Exception for Course Changes Work Childcare | 2021       | If a request is made due to infertility treatment, the employee will not be transferred to a different reason for a maximum of one year, and if the employee changes to an area course, the employee will be exempted from the requirement for evaluation when returning to his/her original course. (Program participants: 1)       |
| NEW Tora Papa Special Leave Childcare   | 2025       | Under this system, employees who wish to take special leave (paid) for childcare purposes are granted up to 20 days per child until the end of the month in which the child turns one year old. (leave can be divided)   |

Note: In addition to the programs listed above, we offer a voluntary demotion system, staggered workday system, free biz system, and a non-necktie system (a system that allows employees not to wear neckties even outside the cool biz period).



Benefits and Welfare

Benefit and welfare programs

To ensure that employees can continue working with peace of mind for many years, we have established various benefit and welfare programs, such as an employment extension system and a long-term service award. In order to encourage our employees to spend time with their families and loved ones on holidays, we have our own Company-owned recreation facilities and boats which are used by many employees.

Long-Term Service Award

Started in 1989

We have established a long-term service award system based on the number of years of service to express our gratitude and expectations for the future.

| Years of service | Main award              | Supplementary award |
|------------------|-------------------------|---------------------|
| 10               | Anniversary photo frame | \$324               |
| 20               |                         | \$649               |
| 30               |                         | \$974               |
| 40               |                         | \$324               |
| 50               |                         | \$194               |

60th Birthday Gift to Staffs

In celebration of a 60th birthday for officers and staff, the company invites those employees and one member of their family to either Baycourt Club, a membership resort with locations in Tokyo, Kanagawa, Aichi, and Hyogo), or one of our company-owned recreation facilities (Kyoto Kaguraoka Rengetsuso, TRUSCO Resort and Spa Karuizawa, or TRUSCO Resort and Spa Hakone). We also arrange and cover travel to and from the location (Green Car tickets will be provided when traveling by Shinkansen and business class tickets will be provided when traveling by air) and also provide a monetary gift.



Tokyo Baycourt Club Hotel and Resort (Koto-ku, Tokyo)

Monetary gift when employment extension ends when employee reaches the age of 73

Employees who have reached the end of their employment extension at the age of 73 are presented with \$6,493 as a monetary gift. Even if an employee under this system retires before that point, we offer a monetary gift that varies with the employee's age.

Financial Bond Program (annual payment for severance)

Since 2003, Trusco Nakayama has not been paying severance as a lump sum upon retirement, but as an annual payment known as a "financial bond," a performance-based payment to reward annual contributions.

Serves as both a childcare center and employee cafeteria

Planet Saitama and Planet South Kanto each have a childcare center for working full-time employees and part-time employees with full-time workers that are permanently assigned there. In addition, the employee cafeteria at Planet Saitama, where a full-time nutritionist is assigned, offers an original menu that focuses on the health of employees. Planet Aichi, which is scheduled to go into operation in 2026, will also feature a childcare center and employee cafeteria.



Childcare workers from Tora Kids Saitama (Planet Saitama) (Left to right: Nao Noguchi and Miyuki Yamaguchi)



CHERRY BLOSSOM (Planet Saitama employee cafeteria) (Left to right: Masumi Saito, Sayuri Ichikawa, and Aki Hoshi)



Left to right: Overseas Procurement Section members Seigen Enoki, Himeka Shimada, Ayaka Hanada, and Rina Maki

Nakayama Pension (10% Subsidy)

This contribution-type corporate pension plan provides 10% financial assistance to a reserve fund to pay out to staffs as a 10-year fixed pension from the age of 65.

Employee Stock Ownership Association (10% Subsidy)

Staffs can purchase company shares by deducting it from their salary each month to receive a 10% bonus to the value of the contribution. It is recommended that employees withdraw shares once they become unit shares and own shares in their own name.

Accumulation Savings

This program allows staff to deduct money from their salary and bonuses to an accumulated savings in which the company will contribute twice each year to the staff.

Wine Seminar

We hold a wine seminar, a party designed exclusively for singles, once every two months at two locations, the Tokyo Head Office and the Osaka Head Office, to give single employees an opportunity to meet other singles.

Congratulatory/Condolence Programs

TRUSCO has put in place five congratulatory and condolence programs for executive officers, staffs and part-time staffs.

|  |  |
|--|--|
| 1. Congratulatory gift for marriage                  | The company presents \$194 as congratulatory money when a staff gets married.  |
| 2. Congratulatory gift for childbirth                | The company presents a catalog gift worth about \$64 for each child when a staff or their spouse gives birth.  |
| 3. Condolatory/condolence gift                       | When a staff member passes away, the company will provide a condolence payment of up to \$64,935 based on years of service, along with a condolence gift of \$324. Also, when a family member of a staff member passes away, the company will provide a condolence payment of up to \$194. |
| 4. Injury or Sickness Compensation                   | The company presents \$64 to a staff who has to take leave due to injury or sickness.  |
| 5. Disaster Compensation                             | The company presents up to \$649 based on the degree the house and belonging of an employee is damaged due to a disaster such as a fire or earthquake.   |
| 6. Transportation expenses at the time of condolence | When attending the funeral or memorial service of a close associate or an employee who has been supportive, the Company partially covers travel expenses for those employees traveling from distant locations.   |

Facilities

Recreational/Training Facilities (3 locations)

We have three recreational and training facilities in Kyoto, Karuizawa, and Hakone. We use these facilities for a wide range of applications such as staff trips, and staff training. The chefs are also full-time employees as we want to be in the hands of people who want us to eat delicious food.

Kyoto Kaguraoka Rengetsuso

Kyoto Kaguraoka Rengetsuso is located in Yoshidakaguraokacho, a neighborhood of Kyoto, Japan's ancient capital. You can experience high-quality materials, art works, and top-notch hospitality, and feel the spirit of learning from the craftsmanship and the thoughts of craftsmen.



Guests can see the Kyoto Gozan Okuribi bonfire on Mt. Daimonji



Left to right: Kenichi Hidaka (Manager), Mayumi Ozeki (Assistant Manager), and chef Yusaku Karatsu (Head Chef)

Resort Condominiums (18 locations) Charge: \$6 for each adult per night

We have 18 resort condominiums that our officers, staff, and part-time staffs can use freely.

- Chuo-ku, Sapporo City
  - Aoba-ku, Sendai City
  - Kusatsu, Agatsuma District, Gunma
- Minato-ku, Tokyo
  - Chuo-ku, Kobe City etc.

Singles' Dormitories (4 locations) Rent: Normally \$97/month (\$129/month at TRUSCO'S Shinbashi)

We own four company dormitories (three in Tokyo and one in Osaka) for single staff and staff transferred to a position away from their family. TRUSCO also provides dormitories. We plan have two new dormitories in Saitama and Aichi in 2025.



TRUSCO'S Shinbashi (Minato-ku, Tokyo)



TRUSCO'S Osaka (Higashi-Osaka City, Osaka)



TRUSCO'S Ayase (Adachi-ku, Tokyo)



Details can be found by scanning the QR code above.



Kyoto Kaguraoka Rengetsuso Lounge Higashiyama

TRUSCO Resort and Spa Karuizawa

TRUSCO Resort and Spa Karuizawa is a forest resort where history and the forest coexist in harmony. It was built on the former site of a Western-style villa where Nitobe Inazo, who is also known for his portrait on the past Series 5,000 yen note, spent time. Employees can enjoy Karuizawa surrounded by rich nature with French cuisine made primarily using ingredients from the Shinshu region.



TRUSCO Resort and Spa Karuizawa is conveniently located within walking distance of JR Karuizawa Station



Left to right: Masatoshi Kawashima (Manager), Chiharu Kitagawa (Assistant Manager), Aoi Iki (Assistant Manager), and Mitsuru Iizuka (Head Chef)

TRUSCO Resort and Spa Hakone

TRUSCO Resort and Spa Hakone is nestled in Hakone's rich natural environment. It is a luxurious location where employees can relax in a hot spring surrounded by beautiful nature. They can enjoy a satisfying time while savoring delicious Japanese kaiseki cuisine.



Guests can enjoy the beautiful nature and hot springs that Hakone has to offer



Left to right: Taro Kinoshita (Head Chef), Emiko Kinoshita, Toshiro Sato (Chef), and Ryo Ishiguro (Manager)

Two Company Owned Yachts Fee: \$129 for one group per outing

TRUSCO owns two yachts, one in Yokohama (Kanagawa) and Ashiya (Hyogo). These yachts are made available as a chance to enjoy a bit of cruising. In addition, the company will subsidize half the cost of acquiring a license for a small vessel boating license (112 license holders in the company). (As of December 31, 2024)

In addition, cruising events are held on a regular basis, which is used as opportunities for employees and their families to interact with other employees and their families.



A scene from a cruising event (new employees from Planet Kobe and Planet Osaka)



TRUSCO'S I (Yokohama) Length: Approx. 41.00 ft. (12.50 m) Weight: Approx. 18 tons, Capacity: 12 persons Horsepower: 370 (5,460 cc) x two engines



TRUSCO'S II (Ashiya) Length: Approx. 36.00 ft. (10.98 m) Weight: Approx. 12 tons, Capacity: 12 persons Horsepower: 285 (3,600 cc) x two engines



Health Management

Health management initiatives

Under the key theme “Aiming to be a company where all employees (including part-time employees) can work for a long time with peace of mind and body,” the management team, the Human Resources Department, and the Corporate Planning Division are working on health management. We believe that practicing health management not only protects the physical and mental health of each employee but also revitalizes the organization by improving employee vitality and productivity, which in turn leads to improved performance and corporate value.



Specific Initiatives

- Support for balancing treatment and work through the personnel system and cooperation between the employee's primary physician and industrial physician
- Strengthen safety measures centering on the Central Health and Safety Committee and the Distribution Safety Promotion Section
- Self-care, counseling experience training, and mental health measures through the establishment of EAP
- Excessive workload management using the Fatigue Accumulation Self-Diagnosis Checklist and Report for Revising Long Work Schedules
- Approaches for high-risk cases centered on health guidance

Health Management Initiative Indicators

|  | 2022   | 2023   | 2024   |
|--|--------|--------|--------|
| Regular health checkup rate                                  | 100.0% | 100.0% | 100.0% |
| Regular health checkup secondary checkup rate                | 87.9%  | 84.4%  | 83.8%  |
| Stress check rate  | 100.0% | 100.0% | 100.0% |
| Smoking rate   | 13.7%  | 14.5%  | 14.7%  |
| Number of sleep apnea syndrome (SAS) screening test subjects | 71     | 172    | 90     |
| Presenteeism   | —      | 80.1   | 79.9   |

TRUSCO NAKAYAMA CORPORATION  
Health Declaration

“As a company that supports manufacturing in Japan, TRUSCO NAKAYAMA CORPORATION aims to be of service to people and society. Through our business activities, we will continue to help reduce the environmental impact caused by manufacturing sites, workplaces, and suppliers as well as promote the health of our employees so that they can continue to work with peace of mind for many years to come.”



Health Care Section (Tokyo Head Office)  
Masako Tekawa, public health nurse (supervisor)



Health Care Section (Osaka Head Office)  
Kiyomi Yamada, public health nurse (supervisor)

Health Management Strategy Map

The Health Management Strategy Map clarifies the issues that we want to solve through health management and provides the process that leads to solutions in a visual format. We will effectively implement the PDCA cycle by understanding indicators over time and realizing initiatives.



Health Management initiative page



Health Management Strategy Map

Trusco Nakayama Health Insurance Association

Established in 2019

Our reasoning behind establishing a single company-based health insurance association

As a company that looks after the lives of our employees, we want to take responsibility for the health of our employees and their families. Based on that desire, in April 2019, we established the Trusco Nakayama Health Insurance Association, our sole health insurance association, at the Tokyo Head Office. Its establishment allows us to further enhance our own health services. The establishment of the Trusco Nakayama Health Insurance Association has made it possible for us to further enhance our own health care services. We are currently promoting initiatives that are suitable for our Company so that employees can continue working with peace of mind for many years.

Various subsidies

- Subsidies for specific types of infertility treatment (maximum of \$324, up to 6 times per child)
- Online smoking cessation program offered (Limited to 10 participants. Free of charge if participant is successful in quitting smoking.)
- Subsidy for outpatient smoking cessation treatment (up to \$129)
- Subsidy for HPV testing (available once every 5 years, no payment required)
- Provision of the “Pep Up” personal health management app (for insured persons and dependent spouses over 40 years old)



TRUSCO NAKAYAMA  
Health Insurance Association Website



Members of the Trusco Nakayama Health Insurance Association office  
(Left to right: Manager Akiko Tani, and Senior Supervisor Ryouko Nakamura)

Promotion of Collabo Health\*

The office for Collabo Health is located right next to the Personnel Division, making it so that “collaborative health” can be implemented naturally with the Company. Since the establishment of Collabo Health, we have collaborated with the Health Care Section to reduce excessive cancer screening tests and add any necessary missing tests. Starting in 2025, both the Company and the Health Insurance Association have decided to increase subsidies for regular health checkups.

\* A scheme in which employers and health insurance associations work together to effectively promote the health of members

04

Sustainability



We have been carrying out environmental activities under the environmental philosophy of “Sustainability” for more than 25 years since before the term sustainability became widespread. At present, we are engaged in a variety of initiatives as TRUSCO “Sustainability” projects designed to create a better future, including social activities and governance.

|                       |    |
|-----------------------|----|
| Environmental Efforts | 78 |
| Corporate Governance  | 80 |



## Environmental Efforts

E

### Actions to reduce the environmental burden through business activities

We have been aiming for energy-saving design of the entire business model, such as unifying procurement through abundant inventory and fixed-cost logistics. TRUSCO is committed to reducing the environmental burden of our business activities, planning and developing

environmentally friendly PB Products, and proactively recycling, reusing, and returning products to their original state. We are working to reduce the environmental impact from our Company to even the users of our products throughout the entire supply chain.

### In regard to environmental measures, what you are doing is important, but when you are doing it is even more important

Based on the idea that “we aim to be an Earth-friendly company so that our small, tiny efforts will lead to great caring in the future,” we have been implementing various environmental initiatives since 1998, when we adopted the environmental philosophy of “Sustainability,” and have been involved in various initiatives over the years since the days when profit took precedence over the environment.

- Reduction of overtime by maintaining proper inventory levels
- Turning off air conditioning systems 30 minutes before leaving the office (1998)
- Non-Gas Spray (2002)
- Winter clothing worn in the company (fleeces and jumpers) (2003)
- Air well voids (2005)
- Efforts to eliminate packaging Private Brand Products by the dozen (2013)
- Ceiling fans (2017)

#### Actions to reduce the environmental burden throughout the supply chain



#### 1 Procurement and Development

From the product procurement and development stage, we are committed to handling environmentally-friendly products and procuring products that use less energy.

##### Reducing environmental impact by holding inventory

1,590 t reduction\*

By holding a wide range of inventories, we reduce the number of shipments of products from suppliers to us, leading to a reduction in CO<sub>2</sub> emissions associated with purchasing and transporting products.

\*The amount of contribution to CO<sub>2</sub> emissions reduction in one year in 2024 calculated from the results of each measure

##### Efforts to make TRUSCO products environmentally-friendly

In the planning and development of our own TRUSCO brand products, we have set environmental standards for resource conservation, waste reduction, long-lasting use, etc., and are promoting environmentally friendly product development from every aspect, from product design to product use and disposal.



##### Small Core Tape Roll

This is a 50 m roll of packaging tape with a smaller core. This allows for twice the amount of tape to be used while also cutting tape roll storage space to half. Since twice as much tape can be used, replacements and waste are cut by half. This tape is also eco-friendly.



GNT5050E



##### Monochrome packaging materials

To improve packaging, we are progressively switching to environmentally-friendly packaging, such as using less plastic as much as possible and using monochrome printing to reduce the amount of ink used.



Monochrome packaging

#### 2 Reducing the Environmental Burden Created through Our Business Activities

We are actively introducing environmental equipment to reduce the environmental burden generated by our own business activities.

##### Trusco Power Generation Installations (19 locations)

Power Generation Capacity  
**2,793 kW**  
(equivalent to the power used by approx. 620 households)

Power Self-sufficiency Rate  
**15.5%**

We have installed solar panels to the maximum extent possible when distribution centers and new company buildings were constructed, aiming to increase our own power generation capacity of renewable electricity to 5,000 kW by 2026.

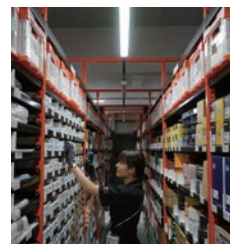


750 kW solar power panels located on the roof of Planet Saitama. 1,867 kW solar panels will be installed on the rooftop of Planet Aichi, which is scheduled to start operations in 2026.

##### LED rack lighting controlled by sensors on each unit

The lighting in the warehouse is equipped with a motion sensor. The lights automatically turn on when there is a person present, reducing unnecessary power consumption.

The LED lights at Planet Saitama are equipped with motion sensors. Since 2017, motion sensor has been installed in each lighting unit, significantly reducing power consumption compared to conventional area lighting.



##### Introduction of Environmentally Friendly Vehicles

We are actively introducing hybrid vehicles as company-owned trucks and plan to introduce 36 hybrid vehicles (about 25% of our delivery trucks) by 2025. As of the end of 2024, we have introduced 27 hybrid vehicles. We will also gradually switch our sales vehicles to environmentally friendly vehicles, starting with those that need to be replaced without doing so unnecessarily.



Hybrid truck (HINO DUTRO)



Electric vehicle (Porsche Taycan)

#### 3 Delivering Products to Our Customers

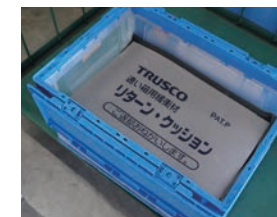
Our goal is to achieve environmentally-friendly distribution of PRO TOOL by delivering products in the most efficient and least environmentally burdensome manner.

##### Reducing the environmental burden through fixed-cost based distribution

5,130 t reduction

We deliver our products to retailers via fixed routes from distribution centers located near our customers (28 locations throughout Japan), which reduces packaging materials and CO<sub>2</sub> emissions associated with delivery compared to shipping by courier service.

Since TRUSCO uses foldable containers and return cushions for delivery to customers for delivering products to customers and receiving some products from suppliers, no packaging materials are used to achieve “waste-free distribution.”



A foldable container used to deliver products to customers



Products shipped by a supplier using a reusable container provided by TRUSCO



Fixed-Cost Based Distribution

##### Reducing the environmental burden through our Direct Delivery Service (6.25 million packages a year)

3,285 t reduction

TRUSCO's Direct Delivery Service realized through our abundant inventory and digital transformation (DX) of our distribution system makes it possible to make direct deliveries to users instead of two-step deliveries that involve customers. Not only does this shorten delivery times but also helps reduce the amount of packaging materials used and CO<sub>2</sub> emissions. (see p.52)



“NIAWASE + U-choku” is a service where TRUSCO places products that a customer has ordered in one box (“NIAWASE” (Order Consolidation)) and delivers them directly to the user's manufacturing site (“U-choku” (Direct Delivery Service)). Transport distances and packaging materials are reduced by half, leading to a reduction in environmental impact.



Direct Delivery Service

#### 4 Use of Our Products

MRO Stocker reduces the environmental burden by providing a one-stop service for users to purchase products. TRUSCO also provides services that support the 3R\* of PRO TOOL.

\*3R: Reduce, Reuse, and Recycle

##### MRO Stocker (1,414 locations)

5,661 t reduction

MRO Stocker is like “Okigusuri,” a business model that has been around for many years in Japan, but for tools. Always having PRO TOOL in stock eliminates management costs, delivery time, and wasteful purchases. Delivery costs are also reduced, which helps to reduce the environmental burden. (see p.59)



MRO Stocker Website



We borrow a space at the user's location and install MRO Stocker that provides just the right PRO TOOL for that user. This makes it a highly productive, environmentally-friendly service.

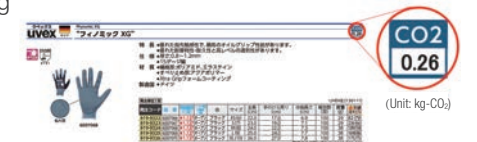
##### Naojiro Repair Workshops (\$14 million/year)

1,235 t reduction

Naojiro Repair Workshops offer eight services, including repair and sharpening. This service allows for the hassle-free repair, reuse, and maintenance of PRO TOOL, making manufacturing sites that use the service more environmentally-friendly. (see p.62)

##### Providing CO<sub>2</sub> emissions data for products

Starting with the 2025 edition of the TRUSCO Orange Book, we are providing CO<sub>2</sub> emissions data associated with the manufacture of representative products (approx. 70,000 items). We support the decarbonization of manufacturing sites by enabling the selection and purchase of products based on their CO<sub>2</sub> emissions. (see p.56)



Emissions data clearly provided (example)



# Corporate Governance

G

## For the Embodiment of “TRUST COMPANY”

The company name and corporate logo **TRUSCO** are a direct expression of “TRUST COMPANY”, a company that is trusted by all stakeholders. We will fulfill our social mission by embodying this concept **TRUSCO** as the starting point of our daily corporate activities.

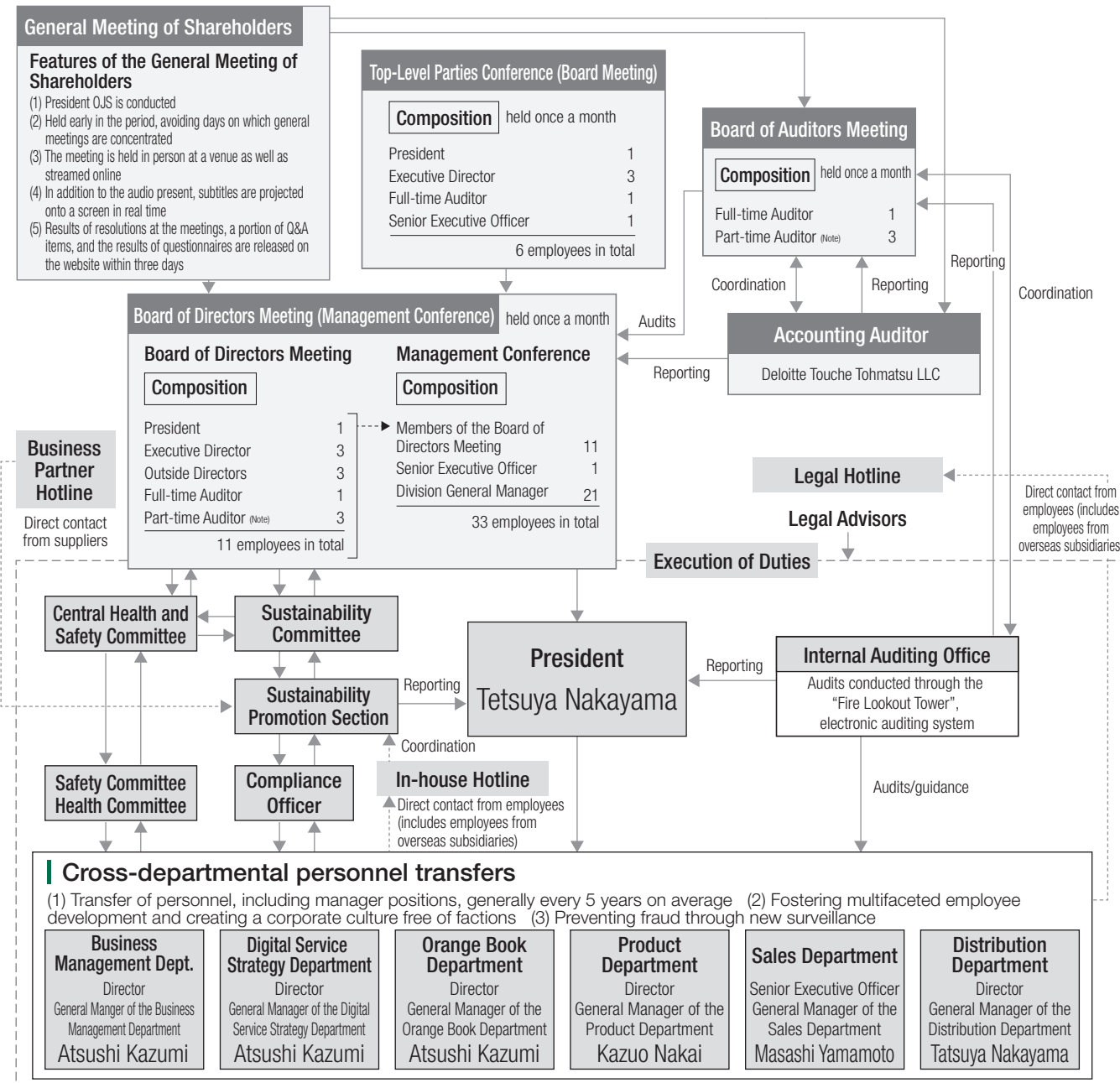
## TRUST + COMPANY

**TRUSCO**  
Company Earning Your Trust

## Corporate Philosophy (TRUSCO identity)



## Governance Structure (as of April 1, 2025)



Note: Part-time auditors are outside corporate auditors.

## Top-Level Parties Conference (Board Meeting)

Consisting of only executives (excluding outside directors and outside corporate auditors), the Board of Directors comes together in meetings (Management Conferences) to discuss what direction the Company is headed and share this information.

## Establishment of Outside Directors (Board Brain)

TRUSCO selects Outside Directors not only for the prevention of improprieties, but for their broad knowledge and abundant experience concerning company management and for their ability to make contributions to sustainable growth and the improvement of company value.

Interview with Outside Directors



Interview video

## Hotline

TRUSCO has established a hotline for reporting from both inside and outside of the company to quickly discover, handle and prevent recurrence of compliance-related issues.

| Hotline                   |   |
|---------------------------|---|
| In-house Hotline:         | An internal hotline for employees has been established in the Sustainability Promotion Section and Osaka Management Section |
| Legal Hotline:            | An external hotline for employees has been established which is managed by an outside party                                 |
| Business Partner Hotline: | A hotline for our suppliers has been established which is operated by the Sustainability Promotion Section                  |

## Sustainability Committee

The Sustainability Committee, which is chaired by the person who holds the position of Director & General Manager of the Business Management Department, normally meets twice a year. The committee formulates activity policies, promotes and supervises activities, and reports regularly to the Board of Directors with the aim of solving social issues and contributing to sustainable local communities by creating both social and corporate value through our business activities.

## Board of Directors Meetings (Management Conferences)

We conduct decision-making at Board of Directors Meetings, generally held 1 time per month. Board of Directors meetings are conducted in order to seek a wide range of opinions from participants that include Executive Officers and Division General Managers to ensure a broad perspective and transparency.

## Features of the Conference

- (1) Round-table layout allowing face-to-face communication
- (2) Changes are made to seating every time with no priority given to facilitate participation from a fresh perspective
- (3) Minutes of the Management Conference, containing not only resolution items but also the comments of every individual, are released to all employees within one week
- (4) Female employees determined by a candidacy system make proposals for improvement, enhancement, and growth in the form of the Women's Proposal Group
- (5) To make effective use of meeting time, the proportion of time required for deliberations, reports, proposals, and other activities throughout the meeting is visualized in advance
- (6) To leverage the insights of Outside Directors, time is allocated during each meeting for them to provide advice

## National Tax audits and corrected tax amounts

Since 2024, TRUSCO has been disclosing our history of National Tax audits and corrected tax amounts as an important indicator of governance, believing that corrected tax amounts serve as a measure of a company's sincerity.

|  | 44th period (2007)                    | 47th period (2010)  | 54th period (2016)  | 62nd period (2024)                    |
|--|---------------------------------------|---|---|---------------------------------------|
| Periods under audit  | 43rd–44th periods (two years)         | 43rd–47th periods (five years)                                    | 53rd period (one year)  | 59th–61th periods (three years)       |
| Audit period   | 1 month                               | 2 months  | 2 months  | 2 months                              |
| Periods under audit<br>Total amount of tax payable<br>(Corporate Tax, Consumption Tax, etc.) | \$54 million                          | \$122 million   | \$42 million  | \$161 million                         |
| Corrected tax amount   | \$60,844                              | \$127,792   | \$5,064   | \$111,038                             |
| Main audit content   | Omission of inventory recording, etc. | Taxes on fixed assets<br>Timing discrepancies in accounting, etc. | Timing discrepancies in accounting for expenses of subsidiary, etc. | Misreporting of consumption tax, etc. |

## Open Judging System (OJS, 360 degree evaluation)

### Objectives

- (1) Enhance the objectivity of the evaluation based on the fact that various evaluations are conducted not only by supervisors but also by colleagues and subordinates with whom the employees work on a daily basis.
- (2) Evaluation comments are fed back to the participants to help them reaffirm their “strengths,” “weaknesses,” and “what is expected of them,” leading to behavioral reforms.
- (3) To create a good sense of tension in the workplace since it is a system in which co-workers mutually evaluate each other. Knowing that they are being monitored will encourage all employees to work harder and improve their abilities.

| Type                                    | Number of Times | Description   |
|---|-----------------|---|
| Personnel evaluation OJS system started | Twice a year    | Conducts mutual OJS assessments of employees working in the same workplace (superiors, colleagues, and subordinates) with results reflected in personnel evaluations. |
| Promotion OJS                           | Once a year     | All employees who know the employee will evaluate the employee and the results will be reflected in promotions, etc.  |

\*For all staff and part-time employees, excluding officers.

## Evaluation System Method

- (1) Personal information on voters is completely undisclosed.
- (2) Each of 3 evaluation items is rated on a 5-point scale.
- (3) Voting results are reflected in personnel evaluations, promotions, salaries, etc.

## “Fire Lookout Tower” electronic auditing system

This is the industry's first electronic auditing system, which was launched in June 2001. The system is operated for the purpose of immediately detecting abnormal events using electronic data of internal transactions and taking measures to prevent recurrence.

## Shushazentaku compliance training

To ensure that each and every employee has a high sense of ethics, we have adopted the concept of Shushazentaku as a compliance guideline and instilled our corporate stance of making a decision based on what is right rather than focusing on whether it is profitable. We distribute the Trusco Zentaku Book, our compliance manual, to all employees, including part-time workers, to ensure that they are fully aware of the importance of making good choices.



Compliance Guide  
“Trusco Zentaku Book”



“Giving Back to Society” through the Nakayama visually impaired welfare foundation

The Nakayama visually impaired welfare foundation was established in 1997 in response to the will of “wanting to serve visually impaired people” by Kiyoko Nakayama, the mother of Tetsuya Nakayama (President of the foundation), who was born with optic nerves damaged by a forceps delivery. It later became a public interest incorporated foundation in 2010. The basic property shall be shares of TRUSCO NAKAYAMA CORPORATION, and the foundation does not receive donations or support from outside and does its own management. We continue “Giving Back to Society” through the Nakayama visually impaired welfare foundation.

Managing the foundation using stock dividends

The foundation was established by the Nakayama Family with four million shares of TRUSCO NAKAYAMA CORPORATION stock and \$3 million in cash. In addition, the Nakayama Family donated an additional one million shares of TRUSCO NAKAYAMA CORPORATION stock in 2021. The foundation operates its business with the dividends from the shares.

Number of Shares of TRUSCO NAKAYAMA CORPORATION Stock Held by the Foundation: 4.35 million shares (as of December 31, 2024)

Overview

|                         |  |
|-------------------------|--|
| Establishment           | October 1, 1997<br>Transition to a public interest incorporated foundation was made on November 1, 2010.<br>October 1, 2021 Japanese name of the Nakayama visually impaired welfare foundation was changed. (English translation remains the same) |
| President               | Tetsuya Nakayama   |
| Address                 | 2-1-9 Mizuki-dori, Hyogo-ku, Kobe City, Hyogo 652-0802<br>(3 min. walk from Shinkaichi Station)<br>TEL: 078-599-6140 / FAX: 078-599-6141   |
| Support project results | \$6 million (27-year cumulative total until FY2023)  |

List of Officers and Board of Directors for the Nakayama visually impaired welfare foundation (listed in alphabetical order)

| President         |   | Auditor            |   |
|-------------------|---|--------------------|---|
| Tetsuya Nakayama  | President of TRUSCO NAKAYAMA CORPORATION  | Kohei Nomura       | Attorney at Nomura & Partners   |
| Senior Director   |   | Kazumasa Murai     | Certified Public Accountant and Tax Accountant at Murai Certified Public Accountant Office  |
| Saori Nakayama    | Representative Director of NR Holdings Co., Ltd.<br>Registered as Certified Public Accountant | Councilor          |   |
| Managing Director |   | Yusuke Saraya      | President and Representative Director of Saraya Co., Ltd.   |
| Hiroaki Matsuyama | Managing Director   | Tomihiro Takamatsu | Former Chairman of DyDo GROUP HOLDINGS INC.   |
| Director          |   | Yuko Nakayama      | Representative Director of NS Holdings Co., Ltd.  |
| Takuji Iuchi      | President of AS ONE Corporation   | Rie Nakayama       | Assistant Professor, Department of Otorhinolaryngology, Head and Neck Surgery, Doctorate Course, Keio University School of Medicine |
| Norio Ichikawa    | President of Zojirushi Corporation  | Motonobu Nishimura | Chairman of Mandom Corporation  |
| Tatsuya Otsuka    | President & Chief Executive Officer of Earth Corporation                                      | Yuki Noumura       | President and Representative Director of Taiyo Kogyo Inc.   |
| Kohei Goto        | Chairman of SANKO Co., Ltd.   | Junji Hada         | Chairman of ELECOM Co., Ltd.  |
| Osamu Tsujimoto   | President of TSURUMI MANUFACTURING CO., LTD.  | Naotaro Hikida     | President and Representative Director of Kohnan Shoji Co.,Ltd.  |
| Teruo Hashimoto   | Chairman of Nippon Lighthouse Welfare Center for The Blind                                    | Kunio Yamada       | Chairman of Rohto Pharmaceutical Co., Ltd.  |
| Kenji Furuhashi   | President and CEO of Hosiden Corporation  | Yoshiaki Yamamoto  | President of Social welfare corporation Rokko kakujuen  |
| Atsushi Matsumae  | Full-time Director of the Nakayama visually impaired welfare foundation                       | Teiji Wakita       | President and Representative Director of Wakita & Co., LTD.   |
| Masahiko Mori     | President of DMG MORI CO., Ltd.   |                    |   |
| Naoyuki Yamamoto  | CEO and Chairman of Yamamoto Kogaku Co., Ltd.   |                    |   |

Senichi Hoshino (former Nippon Professional Baseball manager), who passed away on January 4, 2018, served as director from June 2017 to January 2018, and contributed to the development of the foundation.



2024 Guide dog “Pinky”



2024 Guide dog “Dandy”



New Nakayama Memorial Hall (completed on September 15, 2021)

Area of grounds: approx. 1,401 m<sup>2</sup>  
Floor area: approx. 5,712 m<sup>2</sup>  
Structure: 1 underground level, 5 floors above ground, equipped with isolation system

Utility project 1

Nakayama Memorial Hall facilities leasing business

At Nakayama Memorial Hall, 14 non-profit organizations cooperate with each other to provide total support to a large number of visually impaired persons.

Utility project 2

Grant project for support groups for visually impaired people and individuals

The foundation provides grants to groups for visually impaired people and support groups in financial difficulty, and provides scholarships free of charge to university students and others.

1 Subsidy Program

This program provides subsidies for groups for visually impaired people, support groups for the visually impaired, and volunteer groups.

2 Scholarship Program

We provide scholarships ranging from \$194 to \$389 per month to visually impaired who want to attend university to help create an environment where they can concentrate on their studies until graduation. Also, since FY2022, we have been providing scholarships ranging from \$194 to \$389 per month to visually impaired graduate students (master’s degree students).

Utility project 3

Support activities for social participation activities for visually impaired people

People with disabilities spend every day like people without disabilities, and the foundation supports the participation of visually impaired people in society.

1 Hyogo Prefecture Visually Impaired People Music Festival Project

“Nakayama/KLC Concert”

A classical concert started for the purpose of providing many visually impaired people with opportunities to perform. (Kobe Light Center (KLC))



“Nakayama/KLC Concert Vol.11”  
Guest artist: Yukie Nishimura

2 Lending business for guide dogs

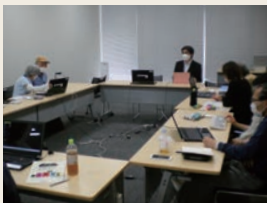
We commission the training of two guide dogs per year and lend them to the visually impaired as “Nakayama Go” guide dogs. As of 2024, we have loaned 48 dogs.



Guide dog lending ceremony held during the 24th Nakayama Wonderful Festa

3 Personal computer course project

Courses are divided into beginner, Internet, Microsoft Office, iPad experience, and voice PC experience courses to teach basic computer usage and Internet operation.



Computer course



Spacious reception hall



Sunny balcony



Large conference room



Low Vision Floor  
Useful aids are provided for people who are blind or visually-impaired.

4 Music performance project “Nakayama Wonderful Festa”

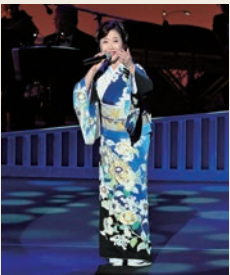
This is a concert that invites people with visual impairments and volunteer affiliates free of charge. Visually impaired people can attend with their guide dogs and wheelchairs so that they can enjoy the concert free from worry.

During the 2024 concert 1,710 attendees enjoyed a performance by the husband-and-wife vocal duo Ryotaro Sugi and Natsuko Godai.

Past performers (honorifics omitted)

|   |   |
|---|---|
| #16 2013 Mariko Takahashi               | #22 2019 Tomomi Nishimoto & IlluminArt  |
| #17 2014 Sayuri Ishikawa                | Philharmonic Orchestra                  |
| #18 2015 Yoshimi Tendo                  | Narrated by Yoshiko Sakuma              |
| #19 2016 Masahiko Takeuchi and Kaientai | #23 2023 Iruka and Hiromi Ota           |
| #20 2017 Masashi Sada                   | #24 2024 Ryotaro Sugi and Natsuko Godai |
| #21 2018 Aki Yashiro                    |   |

Note: Concerts were not held from 2020 to 2022 due to the Covid-19 pandemic.



24th Nakayama Wonderful Festa (Ryotaro Sugi and Natsuko Godai)

5 Accompanying aid workers (guide helpers) education training project

Training sessions are held six times a year with the aim of increasing the number and improving the quality of companionship support employees (guide helpers).

6 Barrier-free movie screening project “Nakayama UD Film Festival”

Sponsored by the Nakayama visually impaired welfare foundation, the Nakayama UD Film Festival features audio commentary and Japanese subtitles for films screened. (UD...Universal Design)

Profit-making business (Real estate leasing business)

A section of the Nakayama Memorial Hall has been used to provide real estate leases (office leasing, etc.) since November 2021.



Corporate Data (Major Award History)

(some award winners as well as honorifics have been omitted)

2017

**“Best IR Award for Encouragement” recipient**

(Sponsor: Japan Investor Relations Association)

The openness of TRUSCO's top management was reflected in the Company's level of disclosure, and TRUSCO was recognized for its efforts to disclose information in an early and fair manner, including proactive dissemination of useful information to investors, as well as for its enhancement of ESG information and activities for individual investors.

2017 IR 優良企業奨励賞

Details can be found by scanning the QR code above.

2018

**“Porter Prize” recipient**

(Sponsor: Hitotsubashi University Graduate School of International Corporate Strategy (ICS))

The Company's unique inventory expansion strategy and logistics system have earned the trust of customers, who say “TRUSCO has it in stock.” The Company's unique efforts to improve convenience without appealing to sales price were highly evaluated.

ポーター賞 2018年受賞

Details can be found by scanning the QR code above.

2020

**Selected as a “DX Stocks 2020” company**

**“DX Grand Prix 2020” recipient**

2021

**Selected as a “DX Stocks 2021” company**

2022

**Selected as a “DX Stocks 2022” company**

2023

**Selected as a “DX Platinum 2023-2025” company**

(Sponsors: Ministry of Economy, Trade and Industry (METI) and the Tokyo Stock Exchange)

“Intuition and assumptions can sometimes lead to fatal mistakes. We want to use the data analysis and utilization as a foundation for moving forward to the next stage.” In addition to this awareness by top management, the Company was highly evaluated for converting data analysis into creative services by utilizing AI and other technologies.

DX銘柄2020 Digital Transformation

DXグランプリ2020 Digital Transformation

DX銘柄2021 Digital Transformation

DX銘柄2022 Digital Transformation

DXプラチナ企業 2023-2025 Digital Transformation

Details can be found by scanning the QR code above.

2020

**Information Technology Award 2023**

**“IT Grand Prize” Recipient**

(Digital Transformation category)

(Sponsor: Japan Institute of Information Technology)

TRUSCO was recognized for the high level of results it has achieved by improving the efficiency of the entire industry through the development of IT systems and for improving operational efficiency throughout the supply chain and business reform through the establishment of various mechanisms, including the automation of quotations using AI.

IT賞 Information Technology Award

Details can be found by scanning the QR code above.

2021-

**Digital Transformation Certification**

(Sponsor: Ministry of Economy, Trade and Industry (METI))

TRUSCO was recognized for its internal operation reforms and improving the convenience of the entire supply chain through the use of digital technology.

DX認定

Details can be found by scanning the QR code above.

2017

**“Health management superior corporation 2017 (White 500)” certified**

2018

**“Health management superior corporation 2018 (White 500)” certified**

2019

**“Health management superior corporation 2019 (White 500)” certified**

2020

**“Health management superior corporation 2020 (Large Corporation Category)” certified**

2024

**“Health management superior corporation 2024 (Large Corporation Category)” certified**

(Sponsors: Ministry of Economy, Trade and Industry (METI) and Nippon Kenko Kaigi)

To help employees maintain their physical and mental health and work with energy and confidence, President Nakayama personally made a Health Management Declaration, establishing a health care sections at both the Tokyo Head Office and Osaka Head Office. In 2019, TRUSCO launched its own health insurance union, implementing initiatives tailored to health management that have been highly praised.

健康経営優良法人 2024 Health and productivity

Details can be found by scanning the QR code above.

2008

**Acquired “KURUMIN” certification**

2024

**Acquired “Platinum KURUMIN Plus” certification**

(Sponsor: Ministry of Health, Labour and Welfare)

The “Platinum KURUMIN” certification recognizes initiatives that support female workers in continuing employment and thriving in the workplace, such as obtaining parental leave and sustaining childcare. TRUSCO was awarded the “Plus” certification as it was recognized for active efforts such as its Vacation Bank Program, which allows employees to accumulate unused paid leave indefinitely to use when they are ill, for caregiving, or for infertility treatment. Additionally, it acknowledges measures such as adding infertility treatment to the eligibility criteria for the half-day full-time employee system. These proactive efforts have been highly evaluated, leading to the Company's “Platinum KURUMIN Plus” certification.

TRUSCO KURUMIN

Details can be found by scanning the QR code above.

2023

**Acquired “Tomonin” certification**

(Sponsor: Ministry of Health, Labour and Welfare)

TRUSCO has been highly evaluated for its programs including its reduced work hours program, which helps balance work and caregiving, and its Vacation Bank Program, which allows employees to take extended leave for caregiving or illness. As a result, the Company has acquired the “Tomonin” symbol mark, which was created by the Ministry of Health, Labour and Welfare to promote workplace environments that allow employees to balance work and caregiving.

トモニン

Details can be found by scanning the QR code above.

2023

**Good Career Company Award 2022 Grand Prize**

(Sponsor: Ministry of Health, Labour and Welfare)

The Company's efforts to (1) Create an environment where each employee is listened to through the establishment of a new HR Support Section and the operation of a talent management system, and (2) to create a personnel system that follows up on each employee's career development through regular job rotations, were highly evaluated.

GOOD CAREER COMPANY AWARD 2022 大賞

Details can be found by scanning the QR code above.

Corporate Data (Operating Results Indicators) (as of December 31, 2024)

Consolidated Accounting Started

: Figures based on consolidated business results due to the start of consolidated accounting in 2019.

Sales/Gross profit margin

Sales

**\$1,915 million**

Gross profit margin

**20.9%**

Sales (Million USD)

Gross profit margin (%)

2016

2017

2018

2019

2020

2021

2022

2023

2024

2025 (year planned)

1,149

1,266

1,390

1,432

1,385

1,472

1,600

1,740

1,915

2,061

21.7

21.2

21.2

21.3

21.5

21.0

21.2

21.5

20.9

20.7

Through investments in products, distribution, and digital services, TRUSCO has strengthened its prompt delivery system, leading to continued growth in market share and sales. During the inflationary period from 2022 to 2024, gross profit margin improved due to price revisions for inventory purchased at older, lower prices. In addition to handling a wide range of products, the Company's mainstay products are consumables used daily at manufacturing sites. Therefore, in FY2020 when capital investment in the manufacturing industry was stagnant due to the COVID-19 pandemic, sales were only down 3.3% year on year without being greatly affected by business sentiment, demonstrating stable growth over time.

Ordinary Income/Ordinary Income Ratio

Ordinary Income

**\$129 million**

Ordinary Income Ratio

**6.8%**

Ordinary Income (Million USD)

Ordinary income ratio (%)

2016

2017

2018

2019

2020

2021

2022

2023

2024

2025 (year planned)

93

94

94

91

74

87

97

120

129

137

8.2

7.5

6.8

6.4

5.4

6.0

6.1

7.0

6.8

6.7

Since our largest distribution center in operation Planet Saitama started operations in 2018, investments in distribution centers have been accelerated. As a result, although depreciation costs have increased, except FY2020 due to the impact of the COVID-19 pandemic, ordinary income ratio has consistently remained between 6 and 7%.

Net Income/Profit Margin

Net Income

**\$103 million**

Profit margin

**5.5%**

Net income (Million USD)

Profit margin (%)

2016

2017

2018

2019

2020

2021

2022

2023

2024

2025 (year planned)

64

65

62

62

51

74

68

79

103

94

5.6

5.2

4.5

4.4

3.8

5.1

4.3

4.6

5.5

4.6

Between 2021 and 2024, the Company recorded extraordinary profits from the sale of fixed assets and other activities. As a result, return on equity (ROE) for FY2024 was 9.6%.

Net Worth/Net Worth Ratio

Net Worth

**\$1,129 million**

Shareholders' equity ratio

**64.4%**

Net assets (Million USD)

Shareholders' equity ratio (%)

2016

2017

2018

2019

2020

2021

2022

2023

2024

2025 (year planned)

687

737

783

827

862

924

980

1,043

1,129

1,129

82.7

77.1

70.9

65.0

63.7

64.0

67.1

65.6

64.4

64.4

In FY2017, the Company took out its first bank loan since its establishment in order to pursue aggressive distribution and digital investments, including the distribution center Planet Saitama, which started operations in 2018. Looking ahead, our new distribution centers, Planet Aichi and Planet Niigata are scheduled to begin operations in 2026.

Conversion rate: 1 USD = 154 JPY

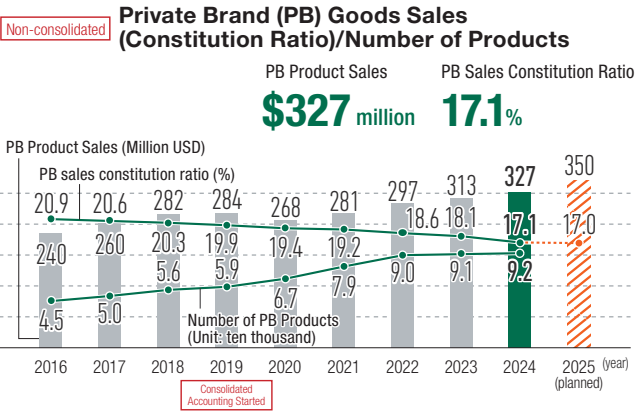
44 TRUSCO Integrated Report 2025

TRUSCO Integrated Report 2025 85

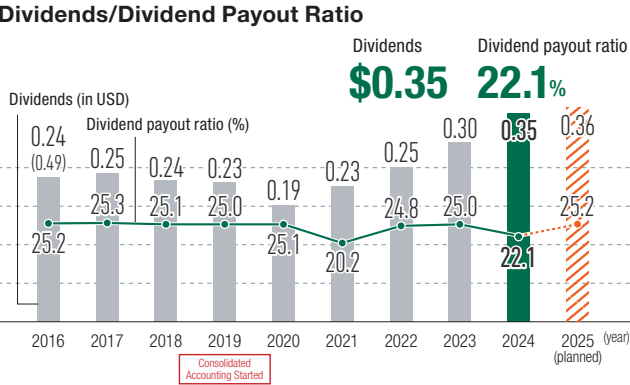


Corporate Data (Sales Information) (As of December 31, 2024)

Consolidated Accounting Started : Figures based on consolidated business results due to the start of consolidated accounting in 2019.

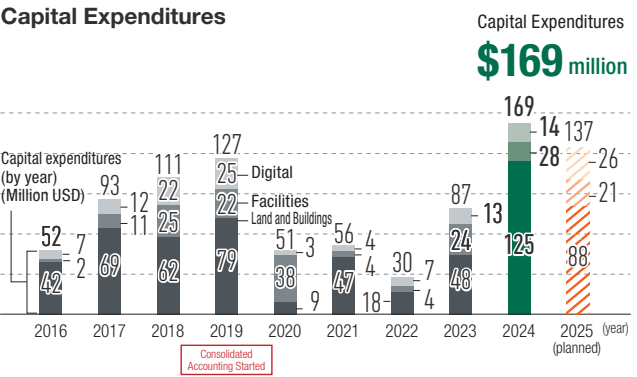


The Company's adoption of NB products is progressing, leading to a decline in the proportion of PB (Private Brand) sales revenue. However, efforts are ongoing to expand PB sales by refining existing items. This has resulted in an increase in the total number of items, reaching 92,000.

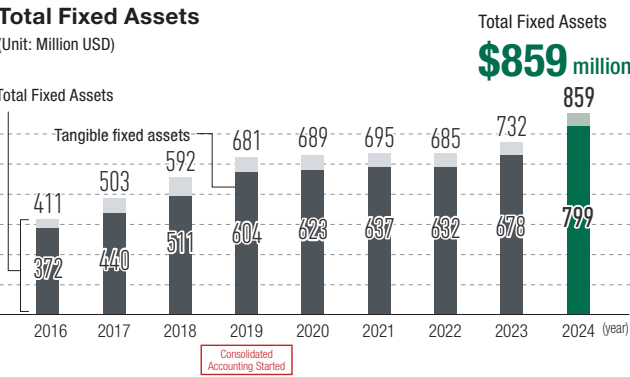


\*For the fiscal years from FY2021 to FY2024, dividend amounts were determined by excluding the impact of extraordinary gains and losses that were not directly related to business activities.

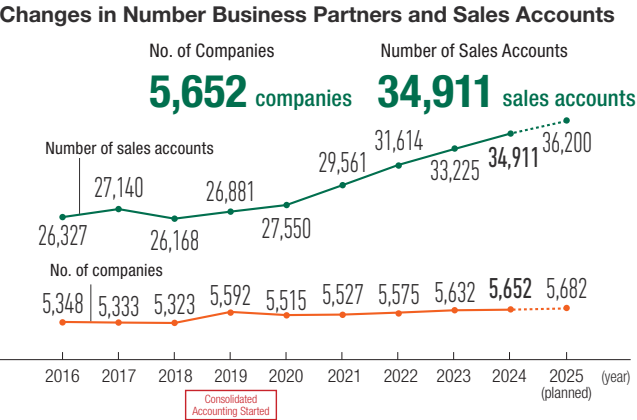
Balancing capital investment and dividends, the company has set a consolidated dividend payout ratio of 25%, aiming to return a comprehensive dividend amount to shareholders while pursuing future growth.



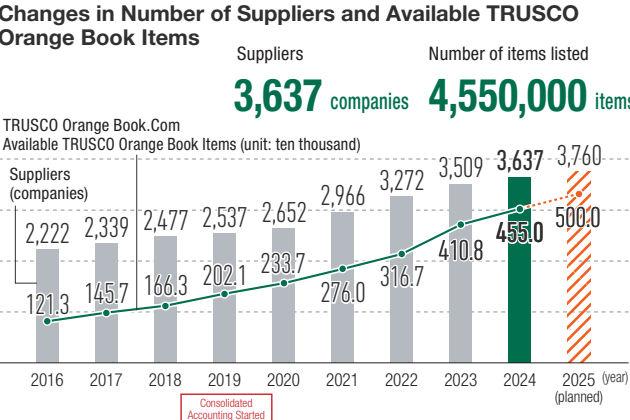
By expanding quantity of stock and enhancing shipping capabilities, the Company ensures stable and rapid supply of PRO TOOL to manufacturing sites. In addition to distribution centers, investments in digital technologies that support various systems are also moving forward.



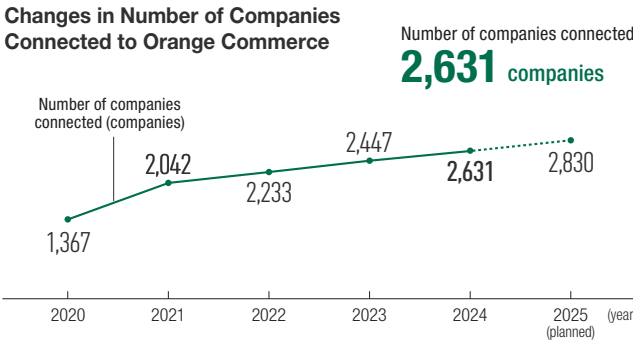
Based on the concept of "Investments in distribution is our equivalent to M&A," the Company has proactively invested in distribution, resulting in the creation of tangible fixed assets such as distribution centers and equipment valued at \$799 million, and intangible fixed assets, including digital services, valued at \$33 million.



While the number of TRUSCO's business partners has remained nearly flat over the last decade, the number of sales accounts has steadily increased. To revitalize our customer base, the number of customers accounts has increased in recent years, partly due to expanded transactions with large-scale nationwide corporations.

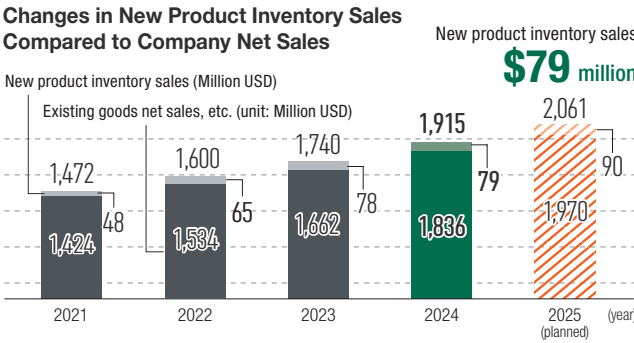


TRUSCO's number of suppliers has been steadily increasing each year. Additionally, the product database "Sterra" has enhanced the efficiency of registering product data.



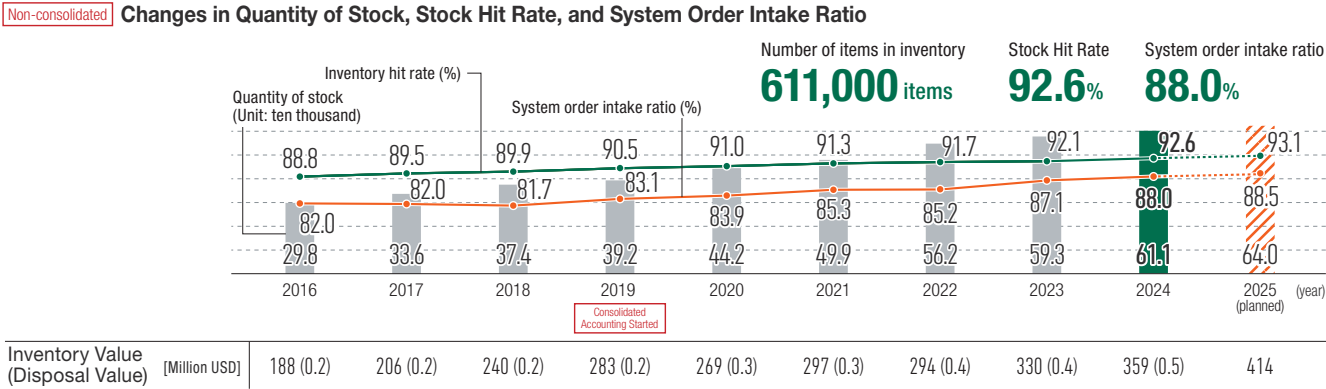
\*The method of counting the number of connected companies was changed in 2021.

The adoption of electronic procurement aimed at improving procurement efficiency and cost reductions, particularly among major users, has accelerated with over 2,600 partner companies purchasing products electronically. With Orange Commerce, users can digitalize purchases while continuing transactions with existing suppliers.



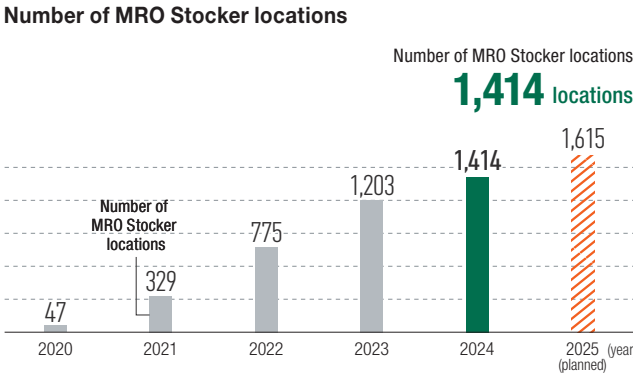
\*"Accounting Standard for Revenue Recognition", etc. not retroactively applied to 2021 figures.

Approximately 4% of sales revenue consists of new stock items, and the company aims to have an inventory of one million items by 2030 from expanding sales channels, advancing technology, and adopting new products.

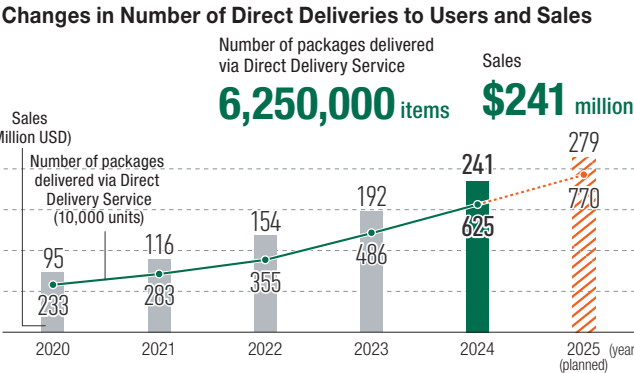


|  |           |           |           |           |           |           |           |           |           |     |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----|
| Inventory Value (Disposal Value) (Million USD) | 188 (0.2) | 206 (0.2) | 240 (0.2) | 283 (0.2) | 269 (0.3) | 297 (0.3) | 294 (0.4) | 330 (0.4) | 359 (0.5) | 414 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----|

Efforts to expand the quantity of stock of long tail products and other items have enhanced TRUSCO's prompt delivery system. As a result, the stock hit rate, which indicates the percentage of orders shipped from Company stock, has remained in the 90% range, and the system order intake ratio, which indicates the percentage of orders processed through the system, has stayed in the 80% range. Quantity of stock is managed appropriately based on shipment frequency.



In 2020, TRUSCO launched a service similar to "Okigusuri," a business model that has been around for many years in Japan, but for tools, which eliminates delivery time, ordering work, and inventory management. The number of MRO Stocker installations has been increasing annually, responding to the needs of manufacturing sites that need certain products immediately.



Amid labor shortages, efforts to improve operational efficiency, reduce costs, and lessen environmental impact have contributed to a yearly increase in the number of packages delivered via Direct Delivery Service.



Corporate Data (Operating Results Over the Past 10 Years)

|   |                   | 53 <sup>rd</sup> term | 54 <sup>th</sup> term | 55 <sup>th</sup> term | 56 <sup>th</sup> term | Consolidated Accounting Started | 57 <sup>th</sup> term | 58 <sup>th</sup> term | 59 <sup>th</sup> term | 60 <sup>th</sup> term | 61 <sup>st</sup> term | 62 <sup>nd</sup> term | 63 <sup>rd</sup> term |
|---|-------------------|-----------------------|-----------------------|-----------------------|-----------------------|---------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|   |                   | 2015/12               | 2016/12               | 2017/12               | 2018/12               |                                 | 2019/12               | 2020/12               | 2021/12               | 2022/12               | 2023/12               | 2024/12               | 2025/12<br>(planned)  |
| Operating Results   |                   |                       |                       |                       |                       |                                 |                       |                       |                       |                       |                       |                       |                       |
| Sales (Year on Year)  | [Million USD] (%) | 1,081 (+6.5)          | 1,149 (+6.3)          | 1,266 (+10.2)         | 1,391 (+9.8)          |                                 | 1,432                 | 1,385 (−3.3)          | 1,472                 | 1,600 (+8.6)          | 1,741 (+8.8)          | 1,915 (+10.0)         | 2,061                 |
| Average Daily Sales (Year on Year) (Non-consolidated parent)                            | [Million USD] (%) | 4 (+6.5)              | 4 (+6.3)              | 5 (+8.8)              | 5 (+10.8)             |                                 | 6 (+5.0)              | 5 (−4.9)              | 6                     | 6 (+7.3)              | 7 (+7.4)              | 7 (+10.4)             | 8                     |
| Gross Profit Margin (Year on Year)  | [Million USD] (%) | 232 (+9.9)            | 249 (+7.3)            | 268 (+7.9)            | 295 (+9.9)            |                                 | 305                   | 298 (−2.4)            | 309                   | 338 (+9.4)            | 373 (+10.3)           | 400 (+7.2)            | 426                   |
| Gross profit margin   | [%]               | 21.5                  | 21.7                  | 21.2                  | 21.2                  |                                 | 21.3                  | 21.5                  | 21.0                  | 21.2                  | 21.5                  | 20.9                  | 20.7                  |
| Selling, general and administrative expenses (Year on Year)                             | [Million USD] (%) | 147 (+10.0)           | 157 (+6.2)            | 176 (+12.0)           | 202 (+14.8)           |                                 | 215                   | 226 (+5.0)            | 225                   | 243 (+8.1)            | 253 (+4.0)            | 270 (+6.9)            | 289                   |
| Shipping expenses and packing costs (including fees for third-party delivery companies) | [Million USD]     | 24                    | 26                    | 30                    | 36                    |                                 | 40                    | 40                    | 44                    | 49                    | 53                    | 58                    | 64                    |
| Depreciation  | [Million USD]     | 15                    | 15                    | 17                    | 23                    |                                 | 31                    | 42                    | 44                    | 43                    | 40                    | 39                    | 37                    |
| Salaries and bonuses (including bonus reserve inward/outward transfers)                 | [Million USD]     | 62                    | 68                    | 76                    | 80                    |                                 | 80                    | 78                    | 79                    | 84                    | 91                    | 98                    | 102                   |
| Selling and administration expense ratio  | [%]               | 13.7                  | 13.7                  | 13.9                  | 14.5                  |                                 | 15.1                  | 16.4                  | 15.3                  | 15.2                  | 14.5                  | 14.1                  | 14.0                  |
| Operating income (Year on Year)   | [Million USD] (%) | 84 (+9.7)             | 91 (+9.1)             | 92 (+0.8)             | 93 (+0.6)             |                                 | 89                    | 71 (−20.1)            | 84                    | 95 (+12.8)            | 120 (+26.3)           | 129 (+7.9)            | 137                   |
| Operating profit ratio  | [%]               | 7.8                   | 8.0                   | 7.3                   | 6.7                   |                                 | 6.3                   | 5.2                   | 5.7                   | 6.0                   | 6.9                   | 6.8                   | 6.7                   |
| Ordinary income (Year on Year)  | [Million USD] (%) | 85 (+12.0)            | 93 (+9.2)             | 94 (+1.0)             | 95 (+0.4)             |                                 | 92                    | 75 (−18.6)            | 88                    | 97 (+11.1)            | 121 (+23.9)           | 130 (+7.4)            | 137                   |
| Ordinary Income Ratio   | [%]               | 7.9                   | 8.2                   | 7.5                   | 6.8                   |                                 | 6.4                   | 5.4                   | 6.0                   | 6.1                   | 7.0                   | 6.8                   | 6.7                   |
| Net income (Year on Year)   | [Million USD] (%) | 53 (+11.9)            | 64 (+20.9)            | 66 (+2.1)             | 63 (−4.4)             |                                 | 62                    | 51 (−16.7)            | 75                    | 69 (−8.4)             | 79 (+15.4)            | 104 (+31.2)           | 94                    |
| Profit margin   | [%]               | 4.9                   | 5.6                   | 5.2                   | 4.5                   |                                 | 4.4                   | 3.8                   | 5.1                   | 4.3                   | 4.6                   | 5.5                   | 4.6                   |
| Cash and deposits   | [Million USD]     | 92                    | 69                    | 67                    | 75                    |                                 | 119                   | 210                   | 269                   | 255                   | 281                   | 268                   | −                     |
| Merchandise (products)  | [Million USD]     | 162                   | 188                   | 206                   | 240                   |                                 | 283                   | 269                   | 274                   | 294                   | 330                   | 359                   | 414                   |
| Fixed assets  | [Million USD]     | 371                   | 412                   | 503                   | 593                   |                                 | 681                   | 690                   | 695                   | 685                   | 732                   | 859                   | −                     |
| └ Tangible fixed assets   | [Million USD]     | 339                   | 372                   | 440                   | 511                   |                                 | 604                   | 623                   | 637                   | 632                   | 679                   | 799                   | −                     |
| └ Intangible fixed assets   | [Million USD]     | 11                    | 14                    | 21                    | 38                    |                                 | 55                    | 44                    | 35                    | 28                    | 29                    | 33                    | −                     |
| Total assets  | [Million USD]     | 780                   | 831                   | 956                   | 1,105                 |                                 | 1,273                 | 1,356                 | 1,445                 | 1,462                 | 1,590                 | 1,755                 | −                     |
| Net Worth   | [Million USD]     | 634                   | 687                   | 738                   | 783                   |                                 | 827                   | 863                   | 924                   | 980                   | 1,043                 | 1,129                 | −                     |
| Shareholders' equity ratio  | [%]               | 81.4                  | 82.7                  | 77.1                  | 70.9                  |                                 | 65.0                  | 63.7                  | 64.0                  | 67.1                  | 65.6                  | 64.4                  | −                     |

\*The year-on-year change for the 53rd term was calculated by converting the 52nd term into a 12-month period.

Note: Year-on-year comparisons are not shown for the 59th term since fiscal year figures were retroactively adjusted to reflect the retrospective application of the "Accounting Standard for Revenue Recognition," etc.

Cash Flow

|  |               |     |     |      |      |  |      |     |     |     |     |      |   |
|--|---------------|-----|-----|------|------|--|------|-----|-----|-----|-----|------|---|
| Cash flows from operating activities                 | [Million USD] | 60  | 41  | 58   | 44   |  | 71   | 97  | 103 | 79  | 96  | 84   | − |
| Corporate tax amount paid                            | [Million USD] | −15 | −38 | −27  | −26  |  | −31  | −27 | −22 | −31 | −29 | −45  | − |
| Cash flows from investing activities                 | [Million USD] | −33 | −50 | −107 | −117 |  | −127 | −56 | −29 | −33 | −85 | −118 | − |
| Cash flows from financing activities                 | [Million USD] | −10 | −14 | 48   | 81   |  | 94   | 50  | −14 | −59 | 12  | 21   | − |
| Dividend amount paid                                 | [Million USD] | −10 | −14 | −16  | −16  |  | −15  | −14 | −14 | −13 | −19 | −21  | − |
| Net increase (decrease) in cash and cash equivalents | [Million USD] | 17  | −23 | −1   | 8    |  | 38   | 91  | 59  | −13 | 23  | −12  | − |

Financial Indicators

|                         |               |      |      |      |     |  |     |     |     |     |     |     |     |
|-------------------------|---------------|------|------|------|-----|--|-----|-----|-----|-----|-----|-----|-----|
| Return on assets (ROA)  | [%]           | 11.5 | 11.6 | 10.6 | 9.2 |  | 7.2 | 5.7 | 6.3 | 6.7 | 7.9 | 7.8 | −   |
| Return on equity (ROE)* | [%]           | 8.7  | 9.8  | 9.3  | 8.3 |  | 7.5 | 6.1 | 8.4 | 7.2 | 7.9 | 9.6 | −   |
| Capital Expenditures    | [Million USD] | 29   | 53   | 93   | 111 |  | 128 | 52  | 57  | 31  | 87  | 169 | 137 |

\*ROE concept: TRUSCO NAKAYAMA does not employ short-term strategies to increase ROE. We aim to expand profit by providing investments to ongoing growth sectors to facilitate long-term and stable growth.

Information by Share

|                             |       |             |             |       |       |  |       |       |       |       |       |       |      |
|-----------------------------|-------|-------------|-------------|-------|-------|--|-------|-------|-------|-------|-------|-------|------|
| Earnings per share (EPS)*   | [USD] | 0.81        | 0.98        | 1.00  | 0.95  |  | 0.94  | 0.78  | 1.14  | 1.04  | 1.20  | 1.58  | −    |
| Book-value per share (BPS)* | [USD] | 9.62        | 10.42       | 11.19 | 11.88 |  | 12.55 | 13.09 | 14.02 | 14.86 | 15.82 | 17.13 | −    |
| Annual dividend             | [USD] | 0.40 (0.20) | 0.49 (0.24) | 0.25  | 0.24  |  | 0.23  | 0.19  | 0.23  | 0.25  | 0.30  | 0.35  | 0.36 |
| Dividend payout ratio       | [%]   | 25.0        | 25.2        | 25.3  | 25.1  |  | 25.0  | 25.1  | 20.2  | 24.8  | 25.0  | 22.1  | 25.2 |

\*The net income per share, net assets per share, and annual dividend amounts in parentheses before the 54th term were calculated based on the number of shares after the stock split for splitting one share into two shares on January 1, 2017.

Sales by Segment

(The results show sales performance announcing the settlement of accounts for each term by segment. Year-on-year comparisons are made with the figures for the previous year which have been reclassified to correspond to the segment classifications of each period.)

|                   |  |               |             |              |              |  |       |              |       |              |              |              |       |
|-------------------|--|---------------|-------------|--------------|--------------|--|-------|--------------|-------|--------------|--------------|--------------|-------|
| Factory Route     | Sales (Year on Year) [Million USD] (%) | 906 (+5.3)    | 947 (+4.5)  | 1,022 (+8.1) | 1,098 (+7.4) |  | 1,104 | 1,017 (−7.8) | 1,054 | 1,107 (+5.1) | 1,183 (+6.8) | 1,278 (+8.1) | 1,366 |
| e-Business Route  | Sales (Year on Year) [Million USD] (%) | 96 (+25.9) *1 | 120 (+24.9) | 158 (+29.1)  | 199 (+26.1)  |  | 223   | 249 (+11.4)  | 288   | 334 (+16.2)  | 383 (+14.6)  | 442 (+15.3)  | 486   |
| Home Center Route | Sales (Year on Year) [Million USD] (%) | 74 (− 2.2)    | 78 (+4.8)   | 80 (+3.2)    | 87 (+8.6)    |  | 95    | 110 (+15.6)  | 119   | 143 (+20.7)  | 157 (+9.5)   | 174 (+10.6)  | 186   |
| Overseas Route    | Sales (Year on Year) [Million USD] (%) | 4 (+82.5)     | 3 (−15.2)   | 5 (+59.5)    | 6 (+5.3)     |  | 9 *2  | 7 (−14.5)    | 11    | 13 (+24.4)   | 16 (+22.5)   | 20 (+19.7)   | 22    |

\*1: e-Business Route added as a result of expanding sales since the 53rd period.

\*2: Overseas Route established and business results of overseas subsidiaries included in figures due to the start of consolidated accounting in the 57th period.

Note: Year-on-year comparisons are not shown for the 59th term since fiscal year figures were retroactively adjusted to reflect the retrospective application of the "Accounting Standard for Revenue Recognition," etc.

Conversion rate: 1 USD = 154 JPY



Corporate Data (Human Resources Information) (as of December 31, 2024)

|  |  |                            | 58 <sup>th</sup> term | 59 <sup>th</sup> term | 60 <sup>th</sup> term | 61 <sup>st</sup> term | 62 <sup>nd</sup> term |
|--|--|----------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|  |  |                            | 2020/12               | 2021/12               | 2022/12               | 2023/12               | 2024/12               |
| Employees (persons)  | Total  | Male                       | 1,367                 | 1,405                 | 1,412                 | 1,450                 | 1,482                 |
|  |  | Female                     | 1,419                 | 1,501                 | 1,542                 | 1,593                 | 1,702                 |
|  |  | Total                      | 2,786                 | 2,906                 | 2,954                 | 3,043                 | 3,184                 |
|  | Officers   | Male                       | 11                    | 9                     | 9                     | 11                    | 10                    |
|  |  | Female                     | 1                     | 1                     | 1                     | 1                     | 1                     |
|  |  | Total                      | 12                    | 10                    | 10                    | 12                    | 11                    |
|  | Full-time staff  | Male                       | 1,085                 | 1,061                 | 1,062                 | 1,072                 | 1,083                 |
|  |  | Female                     | 589                   | 571                   | 577                   | 589                   | 626                   |
|  |  | Total                      | 1,674                 | 1,632                 | 1,639                 | 1,661                 | 1,709                 |
|  | Part-time staff  | Male                       | 271                   | 335                   | 341                   | 367                   | 389                   |
|  |  | Female                     | 829                   | 929                   | 964                   | 1,003                 | 1,075                 |
|  |  | Total                      | 1,100                 | 1,264                 | 1,305                 | 1,370                 | 1,464                 |
| Average age (years) and Average years of service (years)   | Staff average  |                            | 38.4                  | 39.6                  | 39.8                  | 39.9                  | 39.7                  |
|  | Career Course (regular employment)   |                            | 33.5                  | 34.2                  | 34.6                  | 34.7                  | 34.7                  |
|  | Local Career Course (regional regular positions)   |                            | —                     | —                     | —                     | 32.9                  | 33.3                  |
|  | Specialist course  |                            | 37.2                  | 37.8                  | 38.4                  | 39.7                  | 41.4                  |
|  | Area course  |                            | 44.0                  | 44.4                  | 44.7                  | 45.2                  | 45.4                  |
|  | Local Area Distribution Course   |                            | —                     | —                     | —                     | 36.5                  | 36.0                  |
|  | Logistics course   |                            | 37.1                  | 37.8                  | 37.1                  | 36.9                  | 35.9                  |
|  | Average years of service   | Male                       | 16.8                  | 18.2                  | 18.5                  | 18.5                  | 18.3                  |
|  |  | Female                     | 8.0                   | 9.1                   | 9.4                   | 9.7                   | 9.8                   |
|  |  | Total                      | 13.6                  | 15.0                  | 15.3                  | 15.4                  | 15.2                  |
| Average Salary (thousand USD)<br>The average salary including financial bonds*1 is shown in the parentheses. | Staff averages (includes executive officers)   |                            | 40.1 (42.5)           | 39.9 (42.4)           | 42.9 (45.3)           | 42.9 (45.3)           | 46.7 (49.0)           |
|  | Department general managers and division general managers (does not include officers)                    |                            | 93.8 (102.0)          | 94.6 (103.0)          | 95.3 (102.5)          | 90.1 (96.9)           | 102.5 (109.0)         |
|  | Managers including branch managers, center managers, and Head Office section managers                    |                            | 73.2 (78.6)           | 72.5 (77.8)           | 73.9 (78.9)           | 73.3 (78.5)           | 80.5 (85.4)           |
|  | Career Course (regular employment)   |                            | 46.8 (49.8)           | 47.0 (50.1)           | 50.0 (53.1)           | 50.3 (53.4)           | 54.5 (57.5)           |
|  | Local Career Course (regional regular positions)   |                            | —                     | —                     | —                     | 42.4 (44.8)           | 46.6 (49.0)           |
|  | Specialist course  |                            | 44.1 (46.9)           | 45.3 (48.4)           | 51.8 (55.1)           | 51.2 (54.4)           | 56.2 (59.8)           |
|  | Area course  |                            | 39.0 (41.4)           | 38.7 (41.1)           | 41.1 (43.5)           | 40.7 (43.0)           | 44.6 (46.9)           |
|  | Local Area Distribution Course   |                            | —                     | —                     | —                     | 40.9 (42.6)           | 44.1 (45.8)           |
|  | Logistics course   |                            | 29.9 (31.2)           | 29.6 (30.9)           | 32.0 (33.4)           | 34.1 (35.4)           | 36.4 (37.7)           |
|  | Turnover rate (%) <sup>*2</sup>  |                            | 2.9 (2.2)             | 2.8 (2.3)             | 2.7 (2.3)             | 2.8 (2.3)             | 3.2 (2.5)             |
| Number of New Employees, Number of Employees with Disabilities, and Number of Retirees                       | New employees  | Male                       | 46                    | 25                    | 51                    | 64                    | 84                    |
|  |  | Female                     | 41                    | 26                    | 47                    | 59                    | 59                    |
|  |  | Total                      | 87                    | 51                    | 98                    | 123                   | 143                   |
|  | Number of new graduates hired  | Male                       | 42                    | 21                    | 43                    | 42                    | 37                    |
|  |  | Female                     | 37                    | 22                    | 40                    | 53                    | 46                    |
|  |  | Total                      | 79                    | 43                    | 83                    | 95                    | 83                    |
|  | Number of Employees with Disabilities (statutory employment rate based hires)                            |                            | 66 (50)               | 67 (55)               | 67 (62)               | 74 (64)               | 79 (73)               |
|  | Employment Rate for Employees with Disabilities (statutory employment rate indicated in parentheses) (%) |                            | 2.9 (2.2)             | 2.8 (2.3)             | 2.7 (2.3)             | 2.8 (2.3)             | 3.2 (2.5)             |
|  | Number of employees who retired <sup>*2</sup>  | Male                       | 30                    | 45                    | 41                    | 45                    | 66                    |
|  |  | Female                     | 36                    | 45                    | 39                    | 49                    | 26                    |
|  |  | Total                      | 66                    | 90                    | 80                    | 94                    | 92                    |
| Overtime Hours and Paid Leave  | Turnover rate (%) <sup>*2</sup>  | Male                       | 2.7                   | 4.1                   | 3.7                   | 4.0                   | 5.7                   |
|  |  | Female                     | 5.8                   | 7.3                   | 6.3                   | 7.7                   | 4.0                   |
|  |  | Total                      | 3.8                   | 5.2                   | 4.7                   | 5.4                   | 5.1                   |
|  | Average number of overtime hours per month (hours per month)   |                            | 15                    | 15                    | 18                    | 18                    | 20.9                  |
|  | Number of paid days taken off  | Days acquired (days)       | 11                    | 12                    | 12                    | 12                    | 12.8                  |
|  |  | Leave acquisition rate (%) | 68                    | 65                    | 66                    | 65                    | 66.7                  |
|  |  | Leave acquisition rate (%) | 68                    | 65                    | 66                    | 65                    | 66.7                  |
|  | Number of employees working shorter hours  |                            | 102                   | 116                   | 121                   | 129                   | 126                   |
|  | By gender <sup>*3</sup>  | Male                       | 8                     | 12                    | 9                     | 17                    | 11                    |
|  |  | Female                     | 29                    | 37                    | 43                    | 47                    | 27                    |
|  |  | Total                      | 37                    | 49                    | 52                    | 64                    | 38                    |
| Number of employees taking childcare leave and number of employees working shorter hours (persons)           | Acquisition rate (%) <sup>*4</sup>   | Male                       | 24.0                  | 28.0                  | 42.9                  | 55.6                  | 40.7                  |
|  |  | Female                     | 88.0                  | 93.0                  | 97.7                  | 85.7                  | 80.8                  |
|  |  | Total                      | 48.0                  | 55.0                  | 69.0                  | 73.9                  | 60.4                  |
|  | Percentage of employees that returned to work (%) <sup>*5</sup>  | Male                       | 100.0                 | 100.0                 | 100.0                 | 100.0                 | 100                   |
|  |  | Female                     | 97.0                  | 100.0                 | 98.0                  | 100.0                 | 100                   |
|  |  | Total                      | 97.0                  | 100.0                 | 98.0                  | 100.0                 | 100                   |
|  | Number of employees working shorter hours  |                            | 102                   | 116                   | 121                   | 129                   | 126                   |
|  | By gender <sup>*3</sup>  | Male                       | 8                     | 12                    | 9                     | 17                    | 11                    |
|  |  | Female                     | 29                    | 37                    | 43                    | 47                    | 27                    |
|  |  | Total                      | 37                    | 49                    | 52                    | 64                    | 38                    |
|  | Acquisition rate (%) <sup>*4</sup>   |                            | 24.0                  | 28.0                  | 42.9                  | 55.6                  | 40.7                  |
|  | Percentage of employees that returned to work (%) <sup>*5</sup>  | Male                       | 100.0                 | 100.0                 | 100.0                 | 100.0                 | 100                   |
|  |  | Female                     | 97.0                  | 100.0                 | 98.0                  | 100.0                 | 100                   |
|  |  | Total                      | 97.0                  | 100.0                 | 98.0                  | 100.0                 | 100                   |

\*1 TRUSCO NAKAYAMA has a payment policy that provides severance as annual financial bonds rather than a single payment upon resignation.  
\*2 Excludes employees who retired due to reaching the retirement age  
\*3 Number of employees who took childcare leave in each fiscal year  
\*4 Number of employees who started taking childcare leave in each fiscal year / Number of staff (or their spouses) who gave birth in each fiscal year  
\*5 The number of employees who started taking childcare leave in each fiscal year is the number of employees who returned to work and the number of employees who started taking childcare leave in each fiscal year

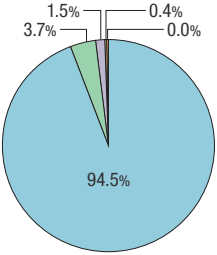
Corporate Data (Environment and Stock Information) (as of December 31, 2024)

|                              |                                     |                                 | 58 <sup>th</sup> term | 59 <sup>th</sup> term | 60 <sup>th</sup> term | 61 <sup>st</sup> term | 62 <sup>nd</sup> term |
|------------------------------|-------------------------------------|---------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|                              |                                     |                                 | 2020/12               | 2021/12               | 2022/12               | 2023/12               | 2024/12               |
| Power consumption            | Total power consumption (1,000 kWh) |                                 | 13,720                | 15,787                | 16,209                | 16,096                | 16,838                |
|                              |                                     | Branches (1,000 kWh)            | 3,700                 | 4,686                 | 4,014                 | 3,971                 | 3,594                 |
|                              |                                     | Distribution Center (1,000 kWh) | 10,020                | 11,101                | 12,195                | 12,125                | 13,244                |
|                              | Renewable energy                    | Power Generation (1,000 kWh)    | 2,551                 | 2,604                 | 2,653                 | 2,687                 | 2,624                 |
|                              |                                     | Power Self-sufficiency Rate (%) | 18.6                  | 16.5                  | 16.4                  | 16.7                  | 15.5                  |
|                              |                                     | Power Generation Capacity (kW)  | 2,793                 | 2,793                 | 2,793                 | 2,793                 | 2,793                 |
| Fuel use                     | Total consumption (gigajoules)      |                                 | 23,772                | 28,896                | 30,630                | 30,005                | 30,386                |
|                              | Fuel breakdown by type              | Diesel fuel (kl)                | 361                   | 430                   | 510                   | 515                   | 542                   |
|                              |                                     | Gasoline (kl)                   | 261                   | 335                   | 273                   | 257                   | 249                   |
|                              |                                     | City gas (1,000 m)              | 24                    | 25                    | 42                    | 36                    | 28                    |
| Tap water consumption (m³)   |                                     |                                 | 41,559                | 37,148                | 42,493                | 42,343                | 43,463                |
| Amount of waste (t)          |                                     |                                 | 2,028                 | 2,245                 | 2,022                 | 2,163                 | 2,233                 |
| (Unit: t-CO₂)                |                                     |                                 |                       |                       |                       |                       |                       |
| Greenhouse gas emissions     | Scope1                              |                                 | 1,572                 | 1,941                 | 2,327                 | 2,284                 | 2,329                 |
|                              | Scope2                              |                                 | 6,298                 | 7,154                 | 8,109                 | 6,900                 | 7,226                 |
|                              | Scope3                              |                                 | —                     | 1,877,399             | 1,791,867             | 1,887,207             | —                     |
|                              | Total                               |                                 | —                     | 1,886,494             | 1,802,303             | 1,896,391             | —                     |
| Scope3 Emissions by category | Category 1                          |                                 |                       | 701,050               | 781,936               | 736,813               |                       |
|                              | Category 2                          |                                 |                       | 15,735                | 12,409                | 6,986                 |                       |
|                              | Category 3                          |                                 |                       | 1,432                 | 1,503                 | 1,492                 |                       |
|                              | Category 4                          |                                 |                       | 52,284                | 47,150                | 44,640                |                       |
|                              | Category 5                          |                                 |                       | 220                   | 161                   | 192                   |                       |
|                              | Category 6                          |                                 |                       | 207                   | 232                   | 246                   |                       |
|                              | Category 7                          |                                 |                       | 278                   | 320                   | 358                   |                       |
|                              | Category 8                          |                                 |                       | —                     | —                     | —                     |                       |
|                              | Category 9                          |                                 |                       | —                     | —                     | —                     |                       |
|                              | Category 10                         |                                 |                       | —                     | —                     | —                     |                       |
|                              | Category 11                         |                                 |                       | 1,090,064             | 931,020               | 1,070,779             |                       |
|                              | Category 12                         |                                 |                       | 15,946                | 17,004                | 25,572                |                       |
|                              | Category 13                         |                                 |                       | 183                   | 132                   | 130                   |                       |
|                              | Category 14                         |                                 |                       | —                     | —                     | —                     |                       |
|                              | Category 15                         |                                 |                       | —                     | —                     | —                     |                       |

Status of Stock -As of December 31, 2024-

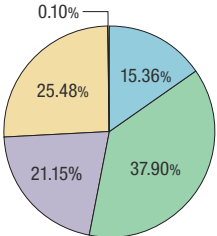
Shareholder Composition

|                                  |        |         |
|----------------------------------|--------|---------|
| Individuals, etc.                | 13,118 | (94.5%) |
| Japanese corporations            | 510    | (3.7%)  |
| Foreign corporations, etc.       | 204    | (1.5%)  |
| Financial firms/stock brokerages | 52     | (0.4%)  |
| Treasury stock                   | 1      | (0.0%)  |
| Total                            | 13,885 |         |

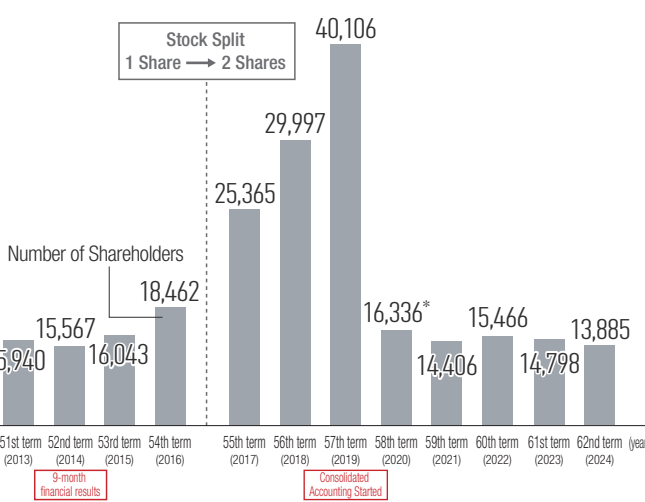


Number of Shares Issued

|                                  |            |          |
|----------------------------------|------------|----------|
| Individuals, etc.                | 10,139,326 | (15.36%) |
| Japanese corporations            | 25,018,376 | (37.90%) |
| Foreign corporations, etc.       | 13,963,320 | (21.15%) |
| Financial firms/stock brokerages | 16,819,751 | (25.48%) |
| Treasury stock                   | 67,971     | (0.10%)  |
| Total                            | 66,008,744 |          |



Change in Number of Shareholders



\*The shareholder special benefit plan was abolished in the 58th term.