



DE WELL GROUP®



De Well Group

Sustainability Report

2025



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About this Report

Our 2025 Sustainability Report covers how Environmental, Social, and Governance (ESG) fit into our company's culture, mission and goals and how we are making consistent progress through our initiatives, policies and procedures. In 2024, we made great progress. Our GHG emissions were calculated in accordance with Global Reporting Initiative (GRI) guidelines. In 2016 the GRI guidelines added references to the UN's Sustainable Development Goals (SDGs).

De Well Group is an asset-light company providing integrated cross-border supply chain solutions and, hence, has limited impact on the GHG emission reduction initiatives of our key suppliers such as shipping lines and airlines. However, we have been making best efforts to collaborate with suppliers and customers for more sustainable, efficient and reliable supply chain solutions.

Messages from Our Chairman & CEO & Our President



Time Yang
Chairman & CEO

“ As we reflect on 2024, I am proud of the meaningful strides we have made in integrating ESG principles into the core of our business strategy. Sustainability is not just a commitment but a responsibility we owe to our stakeholders, communities, and the planet. This year, we strengthened our governance framework, accelerated decarbonization efforts, and deepened our engagement with diverse stakeholders to drive inclusive growth. While challenges remain, our progress reaffirms our dedication to building a resilient and equitable future. Together, we will continue to lead with purpose, ensuring that our actions today create lasting value for generations to come

”

“ In 2024, our team delivered tangible ESG achievements- improving awareness of climate change , advancing circular economy initiatives, and fostering a culture of transparency and accountability. Operationalizing sustainability across all functions has enabled us to mitigate risks, unlock efficiencies, and align with global best practices. I commend our employees, partners, and investors for their collaboration in embedding ESG into daily decision-making. Looking ahead, we will remain focused on innovation, measurable impact, and stakeholder trust, proving that responsible business is the foundation of long-term success.



Fran Cheng
President

”

Our Vision is to Simplify Commerce

by simplifying the complexity in cross-border supply chains

Our Mission is to deliver customer-centric, technology-driven, end-to-end, cross-border supply chains solutions.

About De Well Group

77th in 2025 *Top 100 Logistics** List

Top 15 NVOCCs on TransPacific trade in 2024**

Top 50 Air Logistics Companies 2024***

1million+ TEUs moved by ocean from 2020 to 2024

45,000 tons moved by Air in 2024 with **113%** 5-yr CAGR

1million sq.ft. Warehouse Area Operated

910 full-time employees globally

Source: * *Transport Topics*

** *Datamyne*

*** *Armstrong & Associate*

With over 30 years experience, we offer integrated end-to-end cross border supply chain solutions configured for each client:



Ocean Logistics Solutions



Air Logistics Solutions



eFulfillment & Contract Logistics



Overland



Customs Brokerage

We have extensive experiences in supply chain solutions by industry sector:



E-Commerce



Consumer and Retail



Automotive



Renewable Energy



Aviation and Aerospace



Technology



Semiconductor

Our Global Network

United States

Los Angeles
San Francisco
Houston
Dallas
Chicago
Seattle
Savannah
New York
New Jersey
Atlanta
Miami

Canada

Vancouver
Toronto

Mexico

Mexico City
Tijuana
Monterrey



Greater China

Shanghai
Hangzhou
Ningbo
Nanjing
Hefei
Nantong
Suzhou
Yiwu
Shenzhen
Xiamen
Guangzhou
Zhongshan
Fuzhou
Hong Kong
Taipei
Tianjin
Qingdao
Dalian
Chongqing
Wuhan

APAC

Singapore
Ho Chi Ming, Vietnam
Haiphong, Vietnam
Bangkok, Thailand
Port Klang, Malaysia
Jakarta, Indonesia
Seoul, Korea

EMEA

Frankfurt, Germany
Hamburg, Germany
Budapest, Hungary

Sustainability: Our ESG Targets

We are an asset-light supply chain solutions company without operating any ships or airplanes, however, we acknowledge and recognize the important role De Well plays to achieve a positive impact on the economic, environmental and social measures we are taking. Our ESG targets are:



- **Sustainable, efficient & reliable supply chain solutions**
- **Care for our people**
- **Be socially responsible**
- **Improved corporate governance**
- **Conduct business with integrity**

Our ESG targets are aligned with the following United Nation's Sustainable Development Goals (SDGs)



Our ESG Value Proposition



We have embedded sustainability into our daily operations as ESG is integral to the long-term goals of De Well Group and creates value for our:

- Customers
- Suppliers
- Employees
- Communities
- Shareholders
- Stakeholders

Our ESG Governance Structure

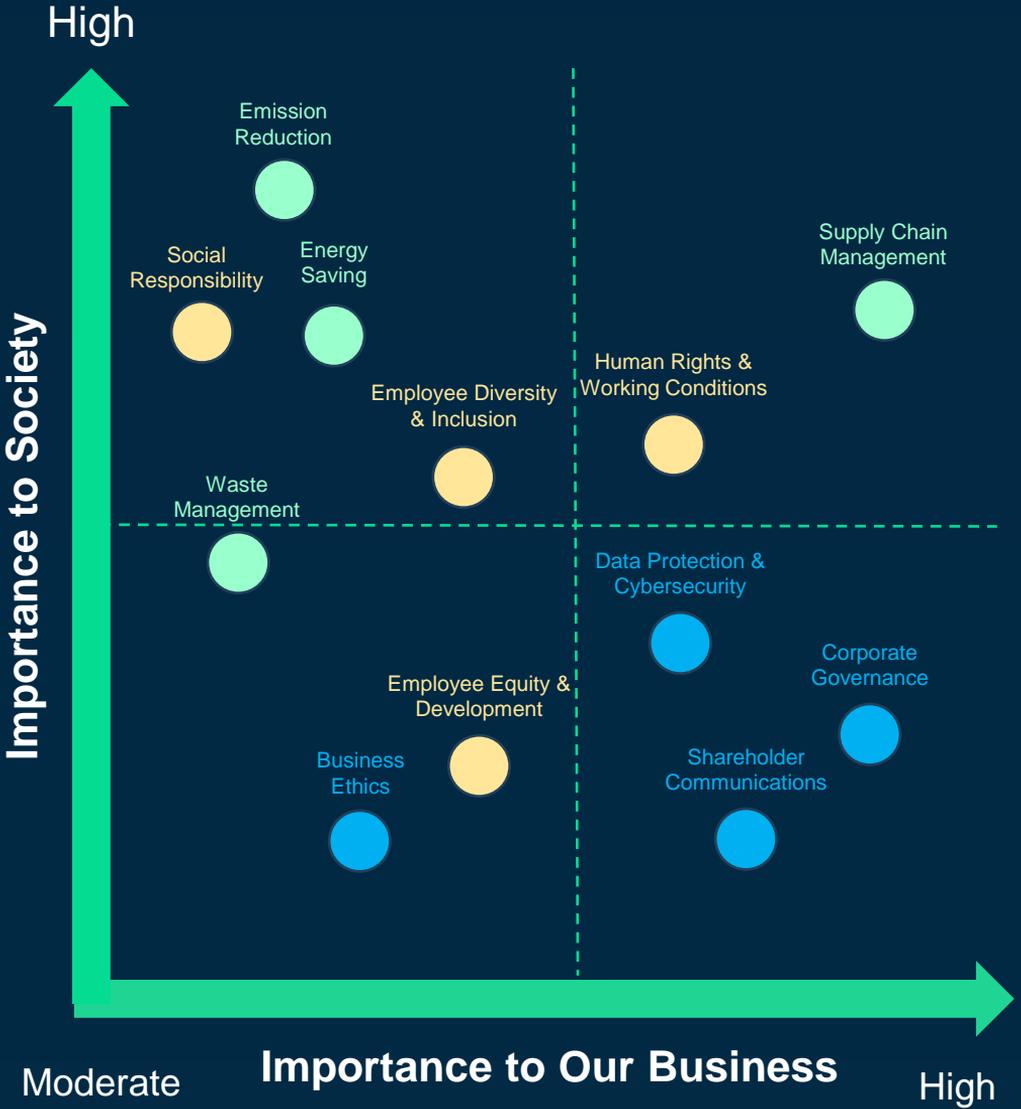


From 2022, we established our Governance Structure to explore ESG opportunities, implement initiatives, policies and procedures together with ESG Risk Management.

The ESG Leadership Group (a management level ESG committee) is responsible for:

- ESG risk management & assessment at a strategic level
- Alignment with business strategy
- Progress against most significant ESG objectives and commitments
- Overall ESG communications strategy
- Planning of ESG initiatives implementation with internal resource allocation
- Monitor the ESG initiatives, develop processes and procedures for ongoing implementation and execution
- Reporting to the Board of Directors

Materiality Matrix



- Environmental
- Social
- Governance

ESG at a Glance

27 million metric tons

CO₂e GHG emission reduced in 2019-24 through De Well's shared drayage platform

US\$300k

Invested in environmental projects

49

New graduates hired with Trainee Programs from 2021-24

132

Internship positions created from 2021-24

US\$200k

Spent on employees' health and welfare

57.7%

% of female employees by end-2024 versus 54.7% by end-2021

27

Training sessions in 2024

22

Fire & Safety Drills in 2024

Independent Director

Appointed since 2022

Diversity

Board Directors originate from 3 different continents

29

Years average industry experience of our Board of Directors



Our awareness on climate change has been increasing over the years. We have invested in projects for emission/waste reduction and energy savings, we also adopted an innovative shared container drayage solution (app) which significantly reduced carbon emissions. We initiated a Green Office program and fully embedded sustainability into our office design as well as daily operations. Our mission includes:

- Designing environmentally-friendly supply chain solutions for customers collaboratively with our suppliers
- Reduce energy and water consumption in our daily operations
- Increased carbon emissions measurement by integrating carbon visibility into our freight management system
- Increase our employees' awareness of climate change, environmental protection and waste reduction through training and education
- Continue investing in environmentally-friendly technology innovation for the renovation for our logistics facilities

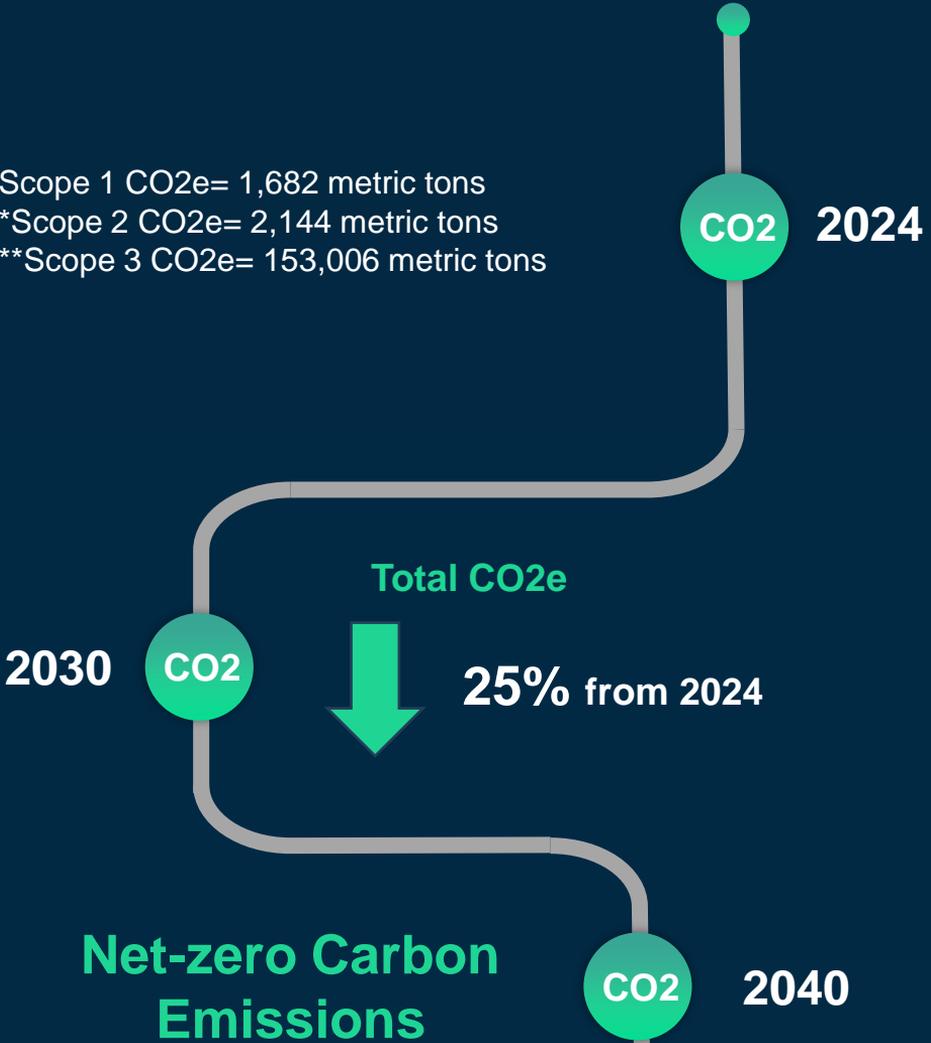
Environmental

Our Carbon Footprint

*Scope 1 CO₂e= 1,682 metric tons

**Scope 2 CO₂e= 2,144 metric tons

***Scope 3 CO₂e= 153,006 metric tons



*Scope1 CO₂e is calculated as GHG (Green House Gas) emissions from our energy consumption (gasoline, diesel, natural gas and propane) handling our customers' cargo

**Scope2 CO₂e is calculated as GHG emissions from our electricity consumption from our global offices

***Scope3 CO₂e is calculated as GHG emission from our suppliers such as shipping lines, airlines and trucking companies to move our customers' cargo

Environmental

EMR Process Flow Improvement Project

Implemented in one of our container depots, which commenced operations in 2024

Total Investment

US\$300K

Treatment & collection efficiency of gas/fumes

90%

Collection rate of exhaust gas for container painting

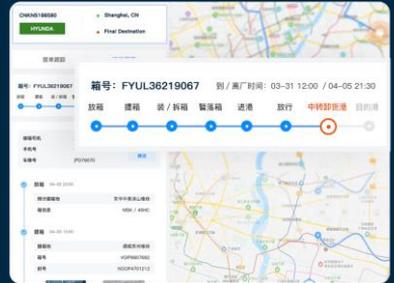
95%

Job opportunities created

25 Jobs



飞码集运



Shared Container Drayage Solution

We adopt a shared container drayage solution (app) Feima Drayage for our drayage services in China

2019-24 shipment

~1.9m

Backhaul utilization

30% vs
Industry Average 10%

2019-24 CO2e emission saved

27m tons

Environmental

Green Office Program

in 2023 we implemented a Green Office Program to consistently reduce pollution, save energy and improve safety/health of our employees

Office Facilities

We set up the following office facilities for waste/pollution reduction and energy saving

We have transitioned most of our offices to the more energy-efficient LED lighting and use environmentally-friendly air conditioners in our new headquarters offices in Shanghai. We use classified trash cans to reduce pollution and place proprietary containers for collecting waste batteries to avoid hazards.

We use real time monitoring on indoor air quality and generate air quality reports on a monthly basis and use high-grade furniture and decorating materials conforming to global environmental standards.



Sustainable Operations

We take the following measures in our daily operations to reduce waste/pollution and create energy savings:

We monitor our electricity and water usage, conduct regular inspections of office equipment to check for abnormal conditions and take other measures to improve energy efficiency in our offices, depots and warehouses. We also enhance our employees' energy-saving habits by posting slogans such as "turn off the lights" and "save water" in eye-catching locations. Moreover, we turn off unnecessary air conditioning and power equipment to reduce any waste of resources.

We actively promote a paperless office and conduct communications with our customers by electronic means. We estimated the total amount of paper saved from 2019 to 2024 to be approximately **400,000** pieces. We also encourage our employees to reduce unnecessary business travel to reduce carbon emissions.

Also, in order to reduce GHG emissions generated from business travels, we have been replacing company cars with NEVs (New Energy Vehicles) and have actively reduced unnecessary long-distance business travel with videoconference calls.



We fully recognize people as our core asset. We care for the safety and health of our employees, and we are committed to helping our employees to achieve their full potential by offering a first-class working environment, with efficient communications and effective training systems. Our mission includes:

- Creating more job opportunities to fulfill our social responsibility
- Offer intensive training and internal communications to employees for their skills development
- Consistently care for our employee's health with continuous improvement of their working conditions
- We are fully committed to ensure the health, safety, and security of our employees, customers and local communities

Recruitment, Employee Training & Relations



Training and Communication

In 2024, we successfully **hosted 27 trainings sessions** (2023: 24 sessions) for our employees covering customs compliance, standard operating procedures, supply chain security, cybersecurity, fire & operational safety and pollution prevention.

Since its establishment, we have been providing opportunities throughout our employees' careers that help them gain knowledge and expand their horizons. With visible career paths, continuous training and comprehensive evaluation, we help employees to grow with continuously improved skills and leadership.

We promote efficient internal communications- we encourage our employees at all levels to have equal opportunities and to communicate and interact with group senior management. In 2024, we hosted **2 global workshops** at our US headquarters and in Bangkok, Thailand with all global office managers and group BU heads/managers attending to facilitate inter-offices and cross-BU communications. We also organized **over 20 teambuilding activities** in 2024 to enhance employee relationships.

Community Relations



Commencing 2021, we have hired **35 new graduates** and provided a comprehensive training program. In 2023, we became an official internship base of Shanghai Maritime University, Shanghai University of Electric Power and Shanghai Huangpu Bureau of Human Resources and Social Security, providing stable internship positions to university students. from 2021 to 2023 we offered **90 internship positions** to university students.

Since 2022, we have established strategic relationship with MSc Supply Chain Management Program of Marshall School Of Business, University of Southern California (USC). We maintain an ongoing interaction with USC students on the program. Following the students' visit to our warehouse in Bell 2 years ago, our team visited USC and shared insights into their innovative approach to global logistics and supply chain solutions, emphasizing technology-driven processes and real-time visibility in 2024.

We consistently provided **9 full-time positions** to local people with social needs to fulfill our social responsibilities. Every year, we donate Rmb20,000 to help local poverty families in the Gaodong town, Shanghai.

Diversity, Equity & Inclusion

We fully encourage and support our employees who originate from varying backgrounds and provide them with the resources they need to thrive in the workplace

Employee Diversity



As of 31 Dec 2024, we have **910** full-time employees in 14 countries across North America, APAC and EMEA with different gender, age, ethnicity, nationality, and educational background. **57.7%** of our employees are female as of end-23 vs 54.7% as of end-21.

We recognize diverse backgrounds and the characteristics of prospective employees in the recruitment process, we provide relevant training to raise awareness of diversity and inclusion among employees, and to develop employees' cross-cultural communications and cooperation skills.

We focus on diversity and inclusion in employees in consideration with the promotion process. We give equal opportunities and treatment to employees from different backgrounds, and we consider the diversity and inclusion of employees in the design of compensation plans, establish a fair and reasonable compensation system, and avoid salary discrimination based on the background and characteristics of employees.

We establish an inclusive organizational culture where employees feel respected and accepted, encourage employees to play to their strengths, and enhance employees' sense of belonging and identity.

Health, Safety & Security

We are committed to ensure the health, safety, and security of our employees, customers and local communities



Health

To ensure the consistent improvement of employees' health and well-being, we have been investing heavily in upgrading buildings including furniture and equipment. We procured high grade furniture and decorating materials conforming to global environmental standards and installed real-time monitoring of air quality. We also offer ergonomic furniture such as electric standing desks for all employees in our new headquarters offices in Shanghai and Los Angeles and provide indoor sports facilities in our offices.

We provide annual medical and healthcare benefits for our employees globally. During the COVID-19 Pandemic, we offer extra social benefits to employees according to the local circumstances

Safety and Security

We deploy security systems and services at all offices and logistics centers to protect the safety of our people, assets and cargo and institute regular fire drills in our offices and safety drills in our logistics centers.

We also provided **15 training sessions** on health, safety and security to our employees since 2021, and implement **16 safety drills** and **6 fire drills** respectively on an annual basis.



We have enhanced our corporate governance over recent times. Our Board of Directors consists of 7 members from 3 different continents, who all have intensive industry experiences. With increasing investments on our IT capabilities, we enhanced our practice on cybersecurity and data protection. We also strengthened our internal controls for the mutual interests of our customers, suppliers, employees, stakeholders and shareholders. Our mission includes:

- Enhance corporate governance by strengthening all functions of the board of directors and shareholder communications
- Increase the engagement of the board of directors in De Well Group's ESG planning and practices
- Strengthen our key internal control measures such as risk assessment, regulatory compliance, fraud prevention and anti-corruption
- Identify, assess and control risks in supply chain for better customer relations and customer experience.
- Increase internal resource allocations on cybersecurity, privacy and data protection

Governance

Board Oversight

% of Female Directors

17%

% of Independent Directors

17%

Directors from
3 Countries
and
Continents

Avg. Industry Experience

29 Years

Our Board is experienced in the global supply chain industry and is also diversified. Seven Board Directors have an average industry experience of 28 years and come from three different continents across Asia, Europe and North America.

In 2022 we appointed our first independent director supervising our management on various operational and financial risks.

In 2024 our Directors attended **10 professional development seminars** to ensure on-going compliance vs. **5** in 2023.

Internal Controls

An Independent internal controls consultant was engaged since 2021 to perform regular reviews on corporate governance to ensure on-going compliance. We also established a full-time internal controls team in 2022 with experienced personnel

Since 2022, we have instituted an ethics hotline on our website to facilitate reporting of possible unethical or improper conduct and improve our internal controls.

Governance

Cyber Security & Data Protection

We have been operating with the world class freight management software, CargowiseOne (WiseTech Global) and also use best-in-class cloud services and suppliers on cyber security and data protection

CargoWiseOne

Global leading logistics software CargoWiseOne is our management system for the international freight forwarding business, which complies with multiple cyber and data security standards.

Internally we have **37** Certified Cargowise Specialists (CCS) holders and **27** Certified Cargowise Professional (CCP) holders, and **3 more** certificates were obtained during 2024. The high level proficiency of CargoWise One ensures efficient management of our customers' shipment.



We work with all three global leading cloud service providers for data storage and cloud computing, both of which comply SOC2 standard. We have over 50 full-time IT professionals in-house managing our cyber and data security of global operations



OUR VISION: TO SIMPLIFY COMMERCE

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