



Kerry Logistics
Network Limited
嘉里物流聯網有限公司

2022 COMPANY OF THE YEAR

*ASIA-PACIFIC
LOGISTICS INDUSTRY*

Best Practices Criteria for World-Class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each award category before determining the final award recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated company. Kerry Logistics Network Limited excels in many of the criteria in the logistics space.

AWARD CRITERIA	
<i>Visionary Innovation & Performance</i>	<i>Customer Impact</i>
Addressing Unmet Needs	Price/Performance Value
Visionary Scenarios Through Mega Trends	Customer Purchase Experience
Implementation of Best Practices	Customer Ownership Experience
Leadership Focus	Customer Service Experience
Financial Performance	Brand Equity

Asia-Pacific's Largest Logistics Provider

Founded in 2000 and headquartered in Thailand, Kerry Logistics Network Limited (Kerry Logistics) is an Asia-based, global third-party logistics provider with a highly diversified business portfolio and has one of the strongest coverages in the region. With a solid foothold in half of the world's emerging markets, Kerry Logistics has a global presence across 59 countries and territories. Its diverse infrastructure, extensive coverage of international gateways, and local expertise serve China, India, Asia-Pacific (APAC), Russia, the Middle East, South America, and Latin America.

In 2021, Frost & Sullivan recognized Kerry Logistics for its substantial brand equity, innovative product portfolio, and massive services coverage and remains impressed with the company's continuing innovation and sustained leadership.

Extensive Portfolio Benefits Prove Strong Industry Leader Capabilities

Kerry Logistics creates innovative products through its long-standing experience and high industry expertise. With an extensive supply chain portfolio that includes integrated logistics, international freight forwarding, industrial project logistics, cross-border electronic commerce, last-mile fulfillment, and infrastructure investment, the company can provide customers with a comprehensive supply chain solution. It offers all these services together as a complete solution to customers. Kerry Logistics developed and refined these processes over 20 years, perfecting its approach. As a result, it has established an excellent reputation across APAC for its integrated logistics solutions.

The company offers a comprehensive solution portfolio, spanning robust features and capabilities. Kerry Logistics has incorporated continuous initiatives to meet clients' and the industry's demands, including expanding its network to better serve customers throughout the region, and improving its systems and technologies by investing in more equipment and infrastructures. Unlike its competitors and due to its robust capabilities, Kerry Logistics offers its customers small, flexible, cost-efficient, and innovative logistics solutions tailored to their specific needs.

Innovation and improving customer experience are key components to Kerry Logistics' strategy to bring value to its customers and maintain its competitiveness. As a result, the company is incorporating the Internet of Things into its operations to meet the rising demand for logistics services. Using the latest

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technologies, the company ensures end-to-end visibility of its supply chains, thereby improving customer service. For example, the company increased its innovative automated warehousing solutions within its warehouses and launched robotic arms within its food and beverage (F&B) operation to improve sorting efficiency.

Kerry Logistics' internal research team closely monitors emerging market trends and evolving customer demands, then responds with novel solutions. The company understands that defining its capability and capacity is crucial to its success. It aims to provide excellent customer

service and the best solutions. The company's primary focus is the APAC region as it pursues its mission to become an international third-party logistics company.

Along with its diverse capabilities in logistics, Kerry Logistics continues to offer excellent services, resulting in sustainable growth. As the company recognizes the importance of setting up excellent logistics and supply chain facilities in the APAC market, it implements several best practices and best-in-class facilities, enabling it to provide consistent and high-value customer service. Notably, in 2021, the company formed a strategic partnership with S.F. Holding. Combining the two companies' synergies helps Kerry Logistics capture opportunities and drive its development to another level.

With this leadership focus, Frost & Sullivan expects Kerry Logistics to sustain its position in the APAC logistics market and achieve global leadership in the future.

A Strategic Customer-centric Infrastructure

Known for its outstanding warehouses and infrastructure, Kerry Logistics stands out from its competitors. The company owns over 4,500 vehicles and manages more than 69 million square feet of warehouse space. Furthermore, compared to other global companies, Kerry Logistics operates as a single firm. No matter which Kerry Logistics branch a customer talks to, whether in Malaysia, Hong Kong, or Vietnam, they speak to the same carrier logistic company discussing the same system. The company's approach streamlines business processes, minimizes errors and losses, and provides accurate information in real time. As a result, customers can control their expenses better, generate superior service experiences, and maximize their profits.

Kerry Logistics serves customers across various industries, including cold chain operators, fashion, electronics, chemical, manufacturing, and F&B. As part of the company's business strategy, it helps many multinational companies within the APAC region. Kerry Logistics' goals include targeting customers' growth and gaining more market share. Moreover, the company offers exceptional 24/7 customer service via its dedicated expert team that provides a wide range of assistance.

For Kerry Logistics, value creation is always a top priority. It believes that transparency and integrity are essential in providing continuous customer experience excellence. The company uses client feedback, combined with industry trend monitoring and clients' demands, to guide its product roadmap and continuously evolve its solutions to maintain its innovative edge. It conducts several customer surveys to ensure high customer satisfaction. Furthermore, Kerry Logistics communicates with its customers through various media channels, such as phone interviews, annual customer surveys, websites, social media accounts, and hotlines. It gathers, analyzes, and responds to all customer input from these channels to meet company service levels and customer expectations. Based on Frost & Sullivan's analysis, Kerry Logistics' customer-centric initiatives contribute to its growth potential, providing the company with a competitive advantage.

Sustainable Business Performance

In 2021, the company generated remarkable annual revenue performance compared to 2020. Overall, the company generated HK\$1,868 million for its integrated logistics and HK\$4,860 million for its international freight forwarding segment. The company also recorded an increase of more than 88% in its core operating profit and 102% for its core net profit.

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The company's impressive growth momentum and trajectory are a testament to its customer-centric approach, revolutionary services, and exceptional operational strategies, earning its client's trust and loyalty and enabling it to capture more market share.

Since its inception, Kerry Logistics' sterling reputation and customer-centric framework led to its coveted preferred partner status. Over the years, it added a range of 5% to 10% new customers to its established base. Serving as a testament to the company's high client satisfaction rate, Kerry Logistics acquires many of its

customers through word-of-mouth accolades, fueled by its exceptional operational strategies, customer-centric approach, and excellent service performance.

The company's vision statement for 2021 emphasizes integrating sustainability into its core strategy. The company reserves long-term goals and sets near-term targets to meet global challenges. The organization participates in United Nations Global Compact initiatives as part of its sustainability vision. With its global reach and commitment to sustainable logistics, the company will continue to leverage its resources.

Frost & Sullivan believes the company is well-positioned to drive the logistics industry space into its next growth phase, capturing market share and sustaining its leadership in the coming years.

Conclusion

Leveraging its advanced technologies, long-standing experience, and thorough industry expertise, Kerry Logistics Network Limited (Kerry Logistics) has developed a full suite of excellent and reliable logistics solutions. With huge network establishment strategies, diverse infrastructures, and efficient performance, the company has excelled at providing high-value services to clients throughout the Asia-Pacific region. Moreover, through its business partnerships with outstanding global organizations and sustainable practices, Kerry Logistics is expected to maintain its leading position in the logistics service provider industry in the long term. The company remains a trusted partner, earning a reputation for offering the best in the logistics market.

With its strong overall performance, Kerry Logistics earns Frost & Sullivan's 2022 Asia-Pacific Company of the Year Award in the logistics industry.

What You Need to Know about the Company of the Year Recognition

Frost & Sullivan's Company of the Year Award is its top honor and recognizes the market participant that exemplifies visionary innovation, market-leading performance, and unmatched customer care.

Best Practices Award Analysis

For the Company of the Year Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Visionary Innovation & Performance

Addressing Unmet Needs: Customers' unmet or under-served needs are unearthed and addressed by a robust solution development process

Visionary Scenarios Through Mega Trends:

Long-range, macro-level scenarios are incorporated into the innovation strategy through the use of Mega Trends, thereby enabling first-to-market solutions and new growth opportunities

Leadership Focus: Company focuses on building a leadership position in core markets and on creating stiff barriers to entry for new competitors

Best Practices Implementation: Best-in-class implementation is characterized by processes, tools, or activities that generate a consistent and repeatable level of success

Financial Performance: Strong overall business performance is achieved in terms of revenue, revenue growth, operating margin, and other key financial metrics

Customer Impact

Price/Performance Value: Products or services provide the best value for the price compared to similar market offerings

Customer Purchase Experience: Quality of the purchase experience assures customers that they are buying the optimal solution for addressing their unique needs and constraints

Customer Ownership Experience: Customers proudly own the company's product or service and have a positive experience throughout the life of the product or service

Customer Service Experience: Customer service is accessible, fast, stress-free, and high quality

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty

