HSBC UK

LOGISTICS UK

Logistics Investment

Insight Report 2026

Executive Membership

Executive Summary

LOGISTICS UK

We support, shape and stand up for safe, sustainable and efficient logistics

Logistics UK is one of the country's biggest business groups, representing one of its largest economic sectors. We are the only trade association which represents all of logistics, with over 22,000 members, spanning road, rail, waterways, sea and air freight, in ports, airports and warehousing, as well as the customers of freight services such as retailers and manufacturers.

We deliver services, representation and thought leadership, helping members and policymakers to seize new opportunities for the sector and the economy as a whole, right across the country.

Nothing moves without logistics. Our sector underpins the entire economy and is fundamental to our way of life, delivering for homes, businesses and public services every day. Growth cannot be delivered without it.

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W: www.logistics.org.uk/executivemembership

HSBC UK

HSBC UK serves over 15 million active customers across the UK, supported by over 23,000 colleagues. The bank partners with businesses from small- and medium-sized enterprises to large corporates – supporting every stage of their growth, their international ambitions and their sustainability transitions – through our universal banking capabilities.

W: www.business.hsbc.uk/en-gb/corporate/campaigns/sectors/professional-and-business-services

Contents

Foreword 5

Executive summary 6

Respondent information 10

Our respondents 11

Investment 14

Key investment drivers 15

Investment budgets 15

Areas of investment 17

M&A activity 19

Decarbonisation 19

Technology priorities 20

KPIs and key metrics 21

Finance 24

Finance providers 25

Debt levels 26

Planned investments 29

Interest rate reductions 30

Tax changes 31

Regulatory changes 32

Major investment projects 33

Conclusion 34

To read the full report, become an Executive Member and benefit from a comprehensive suite of services designed to keep you abreast of key trends, policy issues and commercial risks across the supply chain.

Analytiqa

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About the authors

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Sector Head, Business Services
HSBC UK

Robert Brand has a national mandate to support Business Service clients across:

- Facilities Management
- Freight and Logistics
- Recruitment
- Testing, Inspection, Compliance and Certification

to fund and structure acquisition financing, capital projects, international expansion and IPOs, as well as general banking solutions.

Robert has worked at HSBC for more than 20 years across its coverage businesses and Head of Business Management roles, leading strategy and change. During his career, Robert has worked directly with corporates across Business Services giving him experience in and a passion for the sector, making him well placed to support Business Services firms with growth ambitions.

Phil Roe

President

Logistics UK

Phil Roe joined Logistics UK as President in April 2022 after five years as a non-executive director. Prior to joining he was a board director at DHL Supply Chain, which was the culmination of his 35-year career with DHL and XPO. He is also a non-executive director and trustee at the Chartered Institute of Logistics and Transport.

Phil has substantial experience of supply chain leadership across multiple customers, sectors and geographies, with 35 years' experience in a variety of senior leadership roles within operations and functional areas. These include Managing Director, Chief Operations Officer and Chief Customer Officer and Strategy Director.

Phil loves leading within the logistics sector and values the variety and challenge that the sector provides. He also loves helping people develop their careers as a coach and mentor. Finally, he is leading the Generation Logistics programme, which is a sector-wide collaboration with 26 companies and 14 trade associations, membership associations and charities. The campaign seeks to showcase the huge variety of careers that are available and bring the next generation to the logistics sector.

Foreword

Any industrial sector that stands still for too long risks going backwards, and logistics is no exception. Investment is the lifeblood of both innovation and growth, as well as the key to the sector's continued economic progression. By funnelling capital into physical infrastructure, technology, fleet assets and talent development, logistics operators and their suppliers can gain an all-important competitive advantage over their commercial rivals.

However, investment needs to be funded, and for many businesses identifying and accessing the right financing solutions is the key to realising their investment ambitions and unlocking the growth and evolution that they seek. Financing investment provides the capital required for businesses to expand, innovate and boost their productivity, without draining their immediate operational cash flow.

This first *Logistics Investment Insight Report* explores the logistics sector's investment intentions, its key investment drivers, its attitudes to decarbonisation, technology priorities, tax and regulatory changes and the finance and debt needed to fund its growth ambitions.

It makes for fascinating reading and some encouraging conclusions. We hope the insights contained within its pages help inform your company's investment aims, financing options and wider business strategy.

Executive summary

HSBC UK and Logistics UK, in conjunction with leading independent research firm Analytiqa, have explored companies' expectations for finance and investment (F&I) activity in the sector over the next 12 months.

These results draw on the insights of more than 100 senior executives within logistics companies in the UK to provide a view on expected trends in F&I, as well as addressing a range of issues currently facing the sector, including technology, land and property and vehicle procurement, productivity and sustainability.

1 Investment

1.1 Key investment drivers

1.1.1 The top three drivers of respondents' investment strategy are: targeting growth and opportunity; refreshing existing assets; and protecting existing business.

1.2 Investment budgets

1.2.1 On investment intentions for this financial year compared to last, 85.0% of respondents said that they would invest more or the same, with 15% (around one in seven) reporting that they would invest less.

1.2.2 More than nine out of 10 respondents (90.3%) reported that they intended to invest the same or more next year, a 5.0% increase on the current financial year.

1.3 Areas of investment

1.3.1 The three areas where respondents had increased their investment by the most compared to the previous year are technology, people and fleet.

1.3.2 Almost eight out of 10 respondents (77.1%) reported investing more in technology, while just under half (46.3%) said they would invest more in people.

1.4 Decarbonisation

1.4.1 When it comes to sustainability projects, more than one in five (21.5%) said they would focus their investment in optimising fuel usage, while almost one in six (16.1%) intended to invest in warehousing initiatives like lighting and power.

1.4.2 More than one in eight (13.8%) intended to focus their investment on decarbonising their fleet, while slightly fewer than one in eight (12.3%) said they would focus on using technology to drive environmental objectives.

1.5 Technology priorities

1.5.1 More than one in five (20.9%) cited cyber security, followed by AI (20.5%) and upgrades or replacement of existing software solutions (20.5%) as the technology applications they were currently prioritising.

1.6 KPIs and key metrics

1.6.1 More than four out of 10 respondents (43.1%) said they used margin improvements as their preferred KPI to assess the success of their investments.

1.6.2 Slightly fewer than three out of 10 respondents (28.2%) said they used revenue growth to assess their investments while more than one in six (16.8%) used the number of new customers won.

2 Finance

2.1 Finance providers

2.1.1 Regarding current attitudes towards finance providers, almost half (45.0%) of respondents were relationship driven and believed their finance provider could add strategic value.

2.1.2 Slightly more than one in three (31.0%) did not use finance to fund their investment as they look to avoid external debt, while more than one in five (22.0%) looked solely at price when comparing options.

2.2 Debt levels

2.2.1 More than seven out of 10 respondents (70.4%) think financial support is either straightforward or very easy to secure.

2.2.2 Regarding the debt that respondents have taken on this financial year compared to last, almost half (46%) reported it to be the same, slightly fewer than a third of respondents (32.3%) have taken on more and more than one in five (21.6%) have taken on less.

2.2.3 Forecasting how their levels of debt will change in the next financial year, half of respondents thought that they would remain the same, with over one quarter (28.4%) suggesting their debt levels will rise.

2.2.4 Analysing the type of debt taken on in the last three years, the most popular is asset finance, which has been accessed by 45.7% of respondents. Taking out a commercial mortgage was the second most popular type of debt, taken out by 14.0% of respondents.

2.3 Planned investments

2.3.1 More than seven out of 10 of respondents (70.5%) have delayed or deferred their planned investments in the last 18 months.

2.3.2 Where planned investments were being delayed or deferred, almost one in five (19.8%) reported that this was because of uncertainty over business growth, while slightly fewer than one in six (16.3%) suggested it was because of uncertainty over government policy.

2.4 Interest rate reductions

2.4.1 Following the Bank of England's interest rate reductions, almost one in nine respondents (88.1%) said they had no impact on their investment decisions, while one in 10 (9.9%) reported that they created a more favourable environment towards increased investment and unlocking projects.

2.4.2 On the impact of possible future rate reductions, three-quarters of respondents (74.7%) said they would have no impact on their investment decisions, while more than one in five respondents (22.3%) said that they would be more favourable towards increased investment and unlocking projects.

2.5 Tax changes

2.5.1 Regarding how tax changes, including changes to Fuel Duty and employment costs, had impacted respondents' investment decisions in 2025, more than half of respondents (52.5%) stated they were less favourable towards increased investment and 44.5% reported they had no impact on their investment decisions.

2.5.2 55.6% of respondents said tax changes in 2026 would make them less favourable towards increased investment, while 43.4% said they would have no impact.

2.6 Regulatory changes

2.6.1 More than six out of 10 respondents (60.4%) reported a negative impact on their investment plans regarding employment regulations. More than a third of respondents reported no impact.

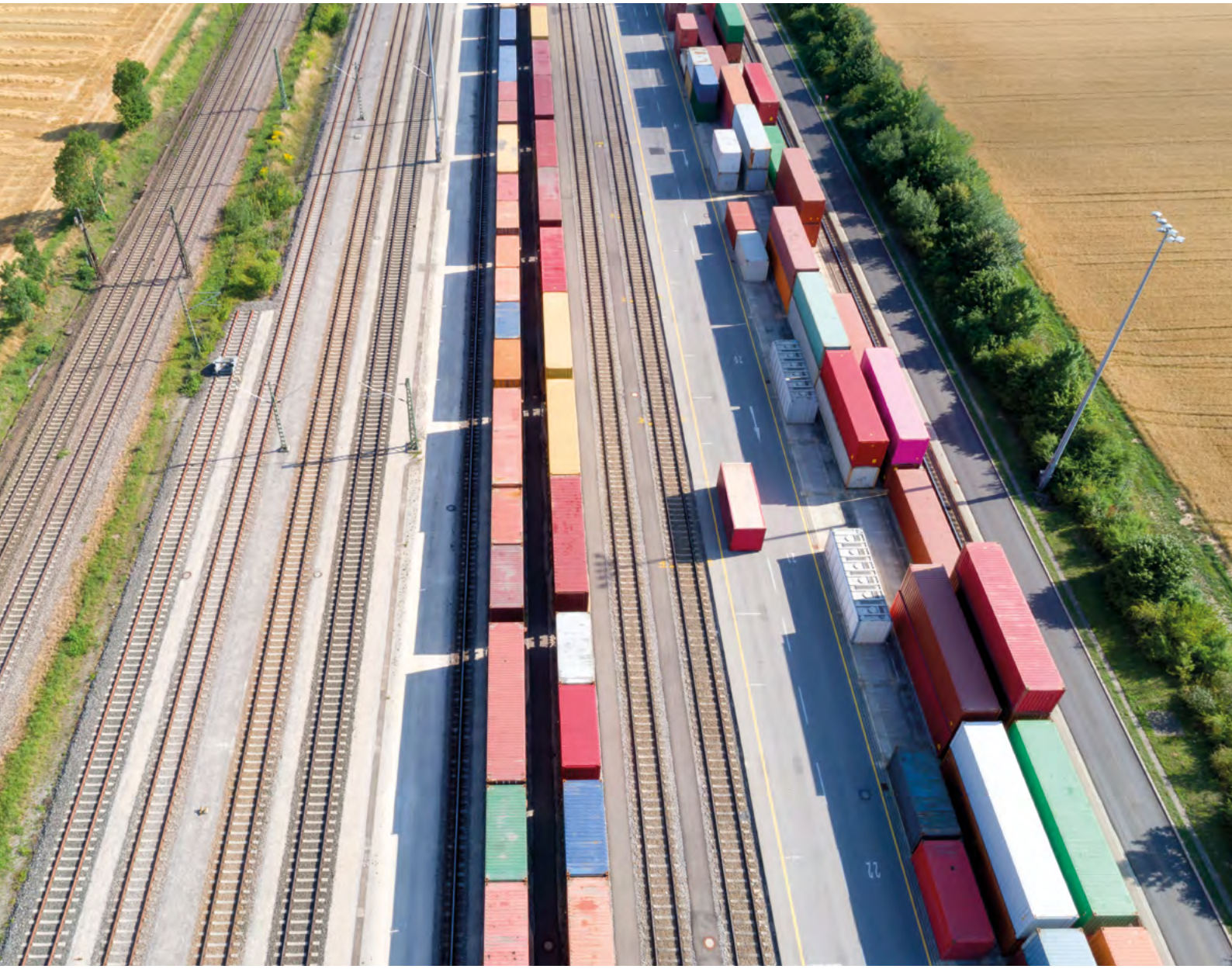
2.6.2 Almost six out of 10 of respondents (57.4%) stated that changes to Fuel Duty would have a negative impact on their future investment decision making.

2.6.3 More than four out of 10 respondents (42.6%) reported that changing environmental regulations would have no impact on their investment decisions, while more than one in six (17.8%) suggested they would have a minor positive impact.

2.7 Major investment projects

2.7.1 On major investment projects happening in the UK, there was a consensus for a need for improved transport infrastructure across road, rail, ports and airports.

2.7.2 The widespread deployment of AI and the need for greater economies of scale was expected to lead to further industry consolidation and fewer smaller operators in the market.



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Logistics UK is a trading name of Freight Transport Association Limited
Registered office: 5 Lonsdale Gardens, Tunbridge Wells, Kent TN1 1NU
Registered in England Number 391957

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