

Environmental Value

Environmental Policies and Management

Environmental Policies and Management

Environmental Policy and Scope of Application

NX Group Environmental Charter

NX Group recognizes its corporate social and public mission and has established the NX Group Environmental Charter to actively contribute to global environmental preservation. The Group voluntarily and proactively engages in initiatives such as preventing global warming, conserving biodiversity, and building a circular society, while striving to use resources and energy efficiently.

In fulfilling its environmental responsibilities across the Group, it aims to reduce various environmental risks surrounding its operations. We actively promote environmental protection and contribute to the realization of a sustainable society.

 [NX Group Environmental Charter](#)

NX Group Supplier Code of Conduct

As part of our supply chain initiatives, NX Group has formulated the NX Group Supplier Code of Conduct, requesting that suppliers comply with environmental laws and regulations in each country and region, and takes measures to preserve the global environment, reduce greenhouse gas emissions, and protect biodiversity.

 [NX Group Supplier Code of Conduct](#)

Environmental Management System Certification

To further advance activities for environmental conservation, NX Group's offices are working to obtain ISO 14001 certification, the international standard for environmental management systems, and Green Management Certification, a certification system for transportation companies that have implemented initiatives for environmental conservation.

Obtaining Green Management Certifications

Numerous offices throughout NX Group have been obtaining Green Management Certification, which is granted to companies that engage in business with a minimal environmental impact. As of the end of February 2025, 9 Nippon Express Co., Ltd. trucking offices and one warehousing office have received this certification. Among Group companies, 12 trucking offices have been granted Green Management Certification.

Increasing ISO 14001-certified Business Locations

NX Group promotes the acquisition of ISO 14001 certification on a global level under "7. We will continually improve upon our environmental management system" of the NX Group Environmental Charter as a useful means for performance enhancement. As of the end of December 2024, 16 Nippon Express Co., Ltd. business sites in Japan and 27 overseas Group companies have obtained ISO 14001 certification. Please see our website for details.

 [ISO 14001-certified business locations](#)

Environmental Investment

Investments in Environmental Conservation*1,2

(Unit: Million yen/year)

Classification	Investment category	Major examples	Amount (FY2024)
Capital investment	Investment in modal shift	Rail transport containers	204
		Ship containers (R&S containers, etc.)	72
		Tractors and trailers for freight containers	1,593
	Investment in reusable packing materials for moving	Netted blankets, pads, etc.	8
	Vehicle-related investments (eco-friendly vehicles, etc.)	CNG, hybrid and LPG vehicles, heavy-duty vehicles that meet fuel efficiency standards, etc.	2,358
	Investment in planting greenery	Forest cultivation projects, landscaping work at branches	31
	Others: Investment in facility energy saving	Others: Switchovers of lighting equipment, inverters, etc.	135
Operating expenses	Costs for appropriate waste disposal and management	Costs related to Manifest Management Center	30
		PCB equipment disposal costs	31
	Costs for Environmental Management System registration	ISO 14001 and Green Management certification	3
Total			4,465

*1 For Nippon Express Co., Ltd.

*2 Rounded down less than ¥100,000 of each item

Environmental Value Climate Change Strategy

Climate Change Strategy

Our View on Climate Change

"Strengthen Response to Climate Change" is one of the five Material Issues identified by NX Group based on the NX Group Sustainability Policy and Vision.

The Material Issues are positioned as the strategic framework of the sustainability management strategy in NX Group Business Plan 2028. We are actively working toward addressing these Material Issues through our business activities.

As part of monitoring progress on these Material Issues, efforts related to climate change are reported to the Sustainability Promotion Committee, which convenes semiannually, which are then reported to the Board of Directors as appropriate.

Initiatives on TCFD Recommendations

In May 2022, NX Group declared its support for the Task Force on Climate-related Financial Disclosures (TCFD^{*1}) recommendations, and since June 2022, the Group has been disclosing information in accordance with the TCFD disclosure framework based on the recommendations.

^{*1} The Task Force on Climate-related Financial Disclosures is an international initiative established by the Financial Stability Board in 2015 to encourage companies to disclose information about the financial implications of the risks and opportunities that climate change presents to their businesses

Governance

NIPPON EXPRESS HOLDINGS, INC. has established the Sustainability Promotion Division as the division responsible for advancing specific measures related to key sustainability policies and Material Issues, including climate change response. An executive officer has been appointed to oversee the department and its activities.

The Sustainability Promotion Committee discusses policies and strategies related to the promotion of the Group's overall sustainability initiatives, including the Group's response to climate change, and reports the results of these discussions to the Board of Directors at least once every six months depending on report content.

The Committee is chaired by the President & CEO of NIPPON EXPRESS HOLDINGS, INC. with the Chief Managing Officer in charge of the Sustainability Promotion Division serving as Deputy Chairperson. In addition to the executive officers of NIPPON EXPRESS HOLDINGS, INC., the committee is comprised of officers in charge of sustainability promotion at major Group companies.

Risk Management

NX Group has established the Risk Management Committee, chaired by the President & CEO of NIPPON EXPRESS HOLDINGS, INC. to promote risk management and crisis management throughout the Group. This includes addressing the issue of climate change.

In addition to climate change, the Sustainability Promotion Committee also addresses key ESG-related issues such as governance. The Risk Management Committee works in coordination with the Sustainability Promotion Committee to advance comprehensive risk management across the Group in various fields.

Identification of Risks and Opportunities through Scenario Analysis and Financial Impact Assessment

To assess and enhance the resilience of its businesses and strategies in the face of climate change, NX Group conducts scenario analysis to identify and evaluate the diverse risks and opportunities that may arise from climate change.

As part of the scenario analysis, NX Group examined both the 1.5°C scenario, which the Group aims to achieve, and a 4°C scenario in which decarbonization efforts do not progress beyond current levels. The risks and opportunities identified through this analysis were assessed for their potential qualitative and quantitative impacts on the

Group's business, and corresponding countermeasures are being considered.

We analyzed the financial impact on NX Group caused by risks and opportunities, identified through scenario analysis, evaluated as having significant business impact. It should be noted that this analysis was a simulation-based analysis that used external scenarios and does not guarantee the achievement of any specific scenario.

Please see our website for details.

 [Identification of Risks and Opportunities Posed by Climate Change](#)

Emissions Reduction Targets

In January 2023, NX Group set new medium- and long-term targets for reducing CO₂ emissions, stepping away from the reduction targets of non-consolidated Nippon Express, with the aim of contributing to a carbon-neutral society and preserving the global environment.

Medium- to Long-term CO₂ Emission Reduction Targets

2030 Targets	Scope 1 and 2	Reduce NX Group Scope 1 and 2 CO ₂ emissions by 50% ^{*2} (compared with 2013)
	Scope 3	Reduce NX Group Scope 3 (Category 4) emissions by 25% (compared with 2022) Reduce NX Group Scope 3 (Category 11) emissions, which are derived from sold fossil fuel products, by 42% (compared with 2022)
2050 Target	Scope 1, 2 and 3	Contribute to the realization of a carbon-neutral society through NX Group as a whole

^{*2} Equivalent to a 42% reduction in Scope 1 and 2 emissions by 2030 compared to 2020 levels

Environmental Value

Climate Change Strategy

Under NX Group Business Plan 2028, we have announced our Scope 1 and 2 CO₂ emissions reduction targets for 2026 and 2028 as key performance indicators (KPIs) of our sustainability management strategy.

CO₂ Emissions Reduction Targets (Scope 1 and 2)

2026 year	641,000 t-CO ₂	2028 year	537,000 t-CO ₂
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Incentive Structures for Climate Risk Management

To promote and strengthen sustainability management, NX Group has introduced a performance-linked stock compensation system utilizing a trust, aimed at further enhancing executives' awareness of contributing to the company's long-term corporate value and shareholder value. In addition to financial indicators, the system incorporates non-financial indicators related to ESG, including climate change, as evaluation metrics.

Initiatives to reduce CO₂ emissions

Short-Term Science Based Target (SBT) Certification

In June 2025, NX Group's 2030 CO₂ emissions reduction target was certified as a short-term Science Based Target (SBT), confirming that the target is grounded in scientific evidence consistent with the goals of the Paris Agreement.

[News Release](#)

Introduced Eco-friendly Vehicles

NX Group actively introduces eco-friendly vehicles. This mainly includes low-emission diesel trucks such as those complying with the post-new long-term regulations, as well as CNG, hybrid and LPG trucks. As of December 31, 2024, NX Group has a domestic (Japan) fleet of 12,671 such vehicles in total.

Encouraging Eco-driving

To reduce the environmental impact of automotive transport, NX Group is promoting eco-driving practices aimed at curbing CO₂ emissions and fuel consumption, while also enhancing safety.

● Safe Eco-driving Education

At Nippon Express Co., Ltd., eco-driving is integrated into the annual safe driving training conducted for skilled employees, with a dedicated curriculum that encourages professional drivers to practice environmentally conscious and safe driving behavior. In FY2024, 556 employees participated in the training.

● Digital Tachographs

Since FY2013, Nippon Express Co., Ltd. has operated an "Operation Support System" that integrates digital tachographs with mobile work devices (smartphones) to manage vehicle operations, cargo handling, and attendance.

Digital tachograph system updates began in October 2021 for Nippon Express (including the current NX Cash Logistics Co., Ltd.) and in November 2023 for other NX Group companies in Japan. The current system generates daily summary reports after each shift, enabling safety and eco-driving evaluations using the features of the digital tachograph.

Through this utilization of IoT technologies and proprietary training programs, we work toward eliminating traffic accidents and reducing CO₂ emissions by improving fuel efficiency.

Rate of introduction of digital tachographs

Nippon Express Co., Ltd.	100%
NX Cash Logistics Co., Ltd.	100%

Remote-based Moving Estimates

Additionally, approximately 60% of moving estimates at Nippon Express Co., Ltd. are conducted remotely, helping reduce CO₂ emissions related to employee travel.

[Remote Estimates](#)

Promotion of Environmentally Friendly Facilities at Nippon Express Co., Ltd. Bases

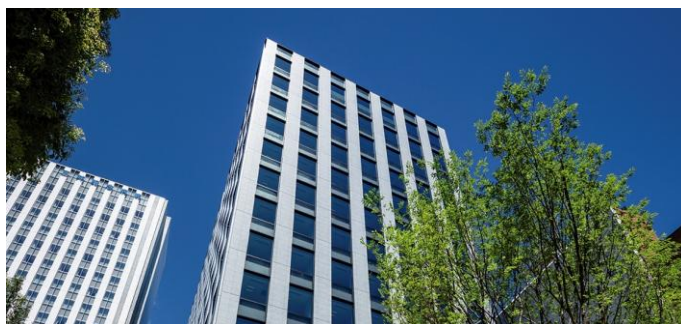
In 2013, Nippon Express Co., Ltd. established the Standards for Installation of Environmentally Friendly Equipment with the aim of reducing GHG emissions at its facilities as part of its efforts to reduce CO₂ emissions.

In addition to setting specific installation standards for CO₂ reduction, heat load reduction, energy saving, rainwater reuse, effective use of resources, water saving, and waste reduction, we have also selected specific equipment for biodiversity, BCP, and working environment improvement.

Environmental Value Climate Change Strategy

Based on these standards, we promoted initiatives based on the premise of installing solar power generation facilities in construction ordered from the Head Office (installation of new equipment at company-owned facilities involving costs of ¥500 million or higher) since FY2022. We are working to reduce environmental impact by operating newly established warehouse facilities using renewable energy.

Additionally, the NX Group Building has been using electricity derived from renewable energy since January 2024.



▲ NX Group Building

Construction of Environmentally Friendly Facilities

In September 2024, Nippon Express Co., Ltd. completed construction of NX Budokan in Itabashi City, Tokyo.

The facility features a reinforced concrete and steel structure with partial wooden construction. It is a two-story building housing a sumo and judo hall on the first floor and spectator seating on the second floor, which accommodates martial arts such as judo and kendo.

As part of its SDGs initiatives, the facility incorporates extensive use of wood. For example, domestically-sourced hinoki cypress was used to support the expansive ceiling of the second-floor arena while wood was also used for wall louvers, lockers, benches, and shoe racks.

In addition, solar power generation systems have been installed to reduce CO₂ emissions through the use of renewable energy. Through such efforts aimed at achieving carbon neutrality, the facility has earned the highest rating in sustainable building assessment.



▲ NX Budokan

Initiatives for Accurately Controlling Fluorocarbons

Fluorocarbons not only harm the ozone layer but also have an extremely high greenhouse effect. Nippon Express Co., Ltd. strives to preserve the ozone layer and prevent global warming by reducing CO₂ emissions and accurately controlling fluorocarbons. There were no major leaks in FY2024.

ECO-FREONTIA® Fluorocarbon Management System

The Act on Rational Use and Proper Management of Fluorocarbons ("Fluorocarbons Management Act") came into force in April 2015. We comply with the Act by operating ECO-FREONTIA®, our proprietary system for controlling fluorocarbons, in an effort to prevent the leakage of fluorocarbons.

This system prevents the omission of inspections and calculates the volumes of leaked fluorocarbons from the inspection data by creating a database of information about the professional-use freezers, refrigerators and air conditioners (Class I Specified Products) that are regulated under the Fluorocarbons Management Act and by sending out e-mail alerts whenever the relevant equipment undergoes a simple or periodic inspection.

Initiatives to Reduce CO₂ Emissions in the Supply Chain

Promotion of Modal Shift

NX Group facilitates cooperation between customers and logistics companies to make numerous modal shifts, switching from truck-centered transport to transport using railways and ships. Modal shifts to organically link different modes of transport such as trucks, trains, ships and aircraft reduce the environmental impact and make transport more efficient, and they also provide alternatives within business continuity plans (BCP).

● Modal Shift to Rail Transport

The larger the cargo volume and the longer the distance it is hauled, the more efficient and reliable railway transport is found to be in comparison to truck transport. Being eco-friendly and highly energy-efficient, rail transport is effective in reducing CO₂ emissions. By working with customers to make modal shifts to secure and reliable railway transport across a wide range of cargo from bulk to small lots, Nippon Express Co., Ltd. addresses social challenges such as the reduction of environmental impact. We also putting efforts into the visualization of environmental figures, allowing customers to check CO₂ emissions and energy consumption via the Company's proprietary railroad container information service, Rail Container NAVI. CO₂ reduction effects can be simulated on Nippon Express Co., Ltd. website simply by entering where cargo will be picked up and its destination.

Environmental Value Climate Change Strategy

To address the 2024 logistics problem, which is a social issue, NX Group is promoting the NX Train service to charter sections of trains running between the Kanto and Kansai regions for stable transportation of railroad cargo in the future, and the Sea & Rail service, which combines rail and coastal services using proprietary hybrid containers. We are promoting modal combinations that propose optimal transportation by taking advantage of the characteristics of each transport mode.

● Modal Shift to Domestic Ocean Transport

Maritime transport is a mode of low-cost, long-haul transport for large cargo volumes, and it has a low impact on the environment.

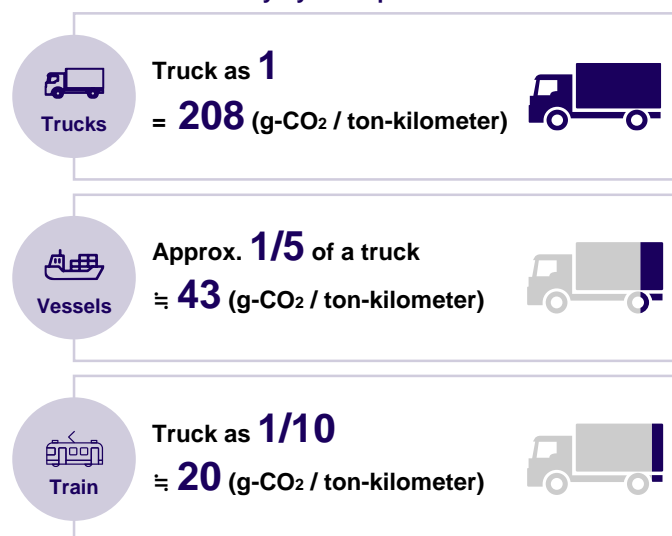
In 1964, NX Group put Japan's first container vessel, Dai-ichi Tennichi Maru, into service between Tokyo and Muroran, followed by Dai-ni Tennichi Maru between Osaka and Muroran, thereby launching integrated land and sea transport services. The Group currently operates five large state-of-the-art vessels, including Himawari 8 and Himawari 9, which were launched in September and December 2017 respectively, along two scheduled routes that serve eight ports around Japan.


Cargo departing from and arriving at locations far inland from the port can be transported using dual-use containers in conjunction with rail transport in an effort to reduce CO₂ emissions from fuel consumption.



▲ Himawari 8

CO₂ Emissions Intensity by Transport Mode



 Source: "CO₂ emissions in the transportation sector" from the Ministry of Land, Infrastructure, Transport and Tourism website

Use of Sustainable Aviation Fuel (SAF)

NX Group has begun offering the NX-GREEN SAF Program in Japan, which enables our valued customers to purchase the environmental attributes derived from sustainable aviation fuel (SAF^{*1}) to reduce CO₂ emissions in customers' supply chain.

The NX-GREEN SAF Program, which began service in NX Europe in July 2023, is a carbon-insetting program^{*2} that can be used to reduce CO₂ emissions from all air transport services provided by NX Group. Air transport utilizing SAF can reduce CO₂ emissions by about 80% compared to conventional fossil fuels. This program is available for transport services arranged by NX Group, and is the first Japanese affiliated forwarder to offer such a service without restrictions on the choice of airline^{*3}. Customers participating in the program will be issued

with a CO₂ reduction verification statement verified by SGS, one of the world's largest certification bodies, that can be used in the information disclosure required by the TCFD^{*4} and CDP^{*5}.

Nippon Express has been selected as a freight forwarding agent for the Tokyo Metropolitan Government's initiative to promote the use of SAF (Sustainable Aviation Fuel) in air cargo transportation as part of Scope 3 emissions reduction efforts by companies. NX Group has positioned expanded SAF use as one of its initiatives to "Develop and Strengthen Sustainable Solutions," a Material Issue for the Group to promote more widespread SAF use.

^{*1} Sustainable Aviation Fuel: fuel made from waste cooking oil, plants, waste wood, etc., and mixed with jet fuel to reduce CO₂ emissions

^{*2} Carbon insetting program: a mechanism for companies to reduce their CO₂ emissions by working with stakeholders in their own supply chains

^{*3} According to NX Group research

^{*4} TCFD (Task Force on Climate-related Financial Disclosures): an international initiative established by the Financial Stability Board in 2015 to encourage companies to disclose information on the financial implications of the risks and opportunities that climate change presents to their businesses

^{*5} CDP: an international non-profit organization dedicated to research on, and disclosure of, corporate and urban environmental information

Environmental Value Climate Change Strategy/Energy

Transport and Services Contributing to Decarbonization

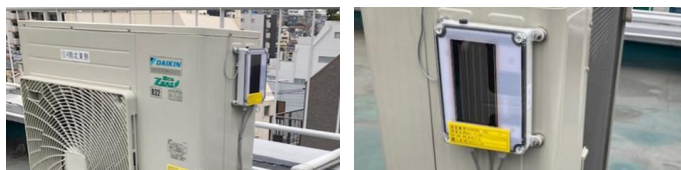
NX Group offers low-carbon transportation and services for customers facing challenges related to social issues such as the 2024 logistics problem and decarbonization.

Results Related to the Sale of Transportation and Other Service That Contribute to Decarbonization

		FY2023 Results (Jan. to Dec.)	FY2024 Results (Jan. to Dec.)
Total sales	Rail Transportation	6,277,000 tons	6,181,000 tons
	Ocean	2,018,000 tons	2,048,000 tons
	Sea&Rail	9,800 tons	13,500 tons
Total unit sales	Expanded Sales of Protect BOX	37,700 units	47,200 units
Transport credit offset rate	Ocean LCL	100%	100%

● Expanding Sales of Products that Contribute to Countering Soaring Electricity Prices and Reducing CO₂ emissions

NX Shoji Co., Ltd. is working to reduce CO₂ emissions and curb rising electricity costs by selling system equipment that controls the output of air conditioning outdoor units while maintaining customers' operational environments. Locations where this equipment has been installed achieved approximately a 15% reduction in CO₂ emissions and a 10% decrease in electricity costs. NX Shoji Co., Ltd. will continue to offer solutions that help lower energy consumption.



▲ The device shown on the side of the outdoor air conditioning unit is an output control system

Strengthen Adaptive Capacity and Resilience in the Face of Climate Change

In recent years, the frequency and severity of natural disasters occurring around the world have increased, exacerbated by the effects of climate change. Large-scale earthquakes and resulting tsunamis, volcanic eruptions, and extreme weather-related disasters pose significant risks to the business activities of NX Group and our customers.

To address these risks, the Group is committed to maintaining its role as a critical part of the supply chain and a provider of essential social infrastructure, even in times of emergency caused by natural disasters or widespread infectious diseases. In addition to fulfilling this mission, and in line with the NX Group Basic Policy on Business Continuity, each Group company is working to establish Business Continuity Plans (BCPs) and strengthen overall organizational resilience.

Social Responsibility as a Designated Public Institution

Furthermore, Nippon Express Co., Ltd has also been designated as a public institution engaged in the transportation business prescribed by the Basic Act on Disaster Management, Civil Protection Act (Act on the Protection of the People in the Event of Armed Attacks), and the Act on Special Measures for Pandemic Influenza and New Infectious Diseases Preparedness and Response.

In response to the Noto earthquake that occurred in January 2024, Nippon Express delivered emergency supplies, including food, beverages, and blankets, to Ishikawa Prefecture, which suffered severe damage, in accordance with a government request.

Nippon Express has established a crisis management system and other types of systems to ensure the safety of its employees and their families, while continuing operations during emergencies. As a designated public institution, it fulfills its social responsibility by responding to national and local government requests for transporting emergency supplies and maintaining essential services.

Energy

Energy Policy

NX Group formulated the following three courses of action in the NX Group Environmental Charter for the efficient use of energy.

- We will work to construct a recycling-based society by promoting the 3Rs and the conservation of energy and resources.
- We will expand our use of renewable energies.
- We will support our customers' efforts toward building a recycling-based society.

 NX Group Environmental Charter

Initiatives for Renewable Energy Use

NX Group is increasing its number of environmentally friendly facilities. Among standards for the installation of equipment that are applicable to the construction of logistics facilities and offices, NX Group has established standards that require our equipment to be more effective in utilizing recyclable energy and reducing the amount of GHG emissions by promoting LED use, reflect our consideration for biodiversity, enhance the safety and health of staff members and people in the neighboring communities and contribute to the continuation of our business operations.

Power Generated from Renewable Energy Resources in Japan in FY2024

Amount of solar power generated	8,142,603 kWh
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Environmental Value

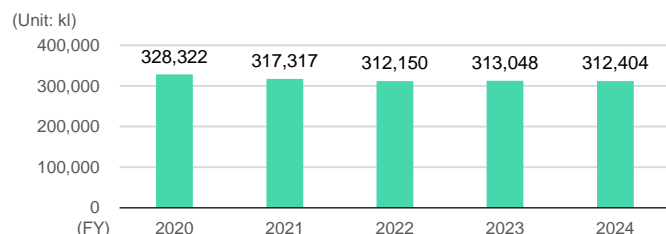
Environmental Data Related to Climate Change and Energy Use

Environmental Data Related to Climate Change and Energy Use

Unless otherwise stated, environmental data results are listed for April to March (of the following year) until FY2020 and for January to December for FY2021 and beyond.

Calculations are primarily based on data such as transport weight, transport distance, and freight charges, using methods such as the ton-kilometer method or rate-based method. Some figures are estimated.

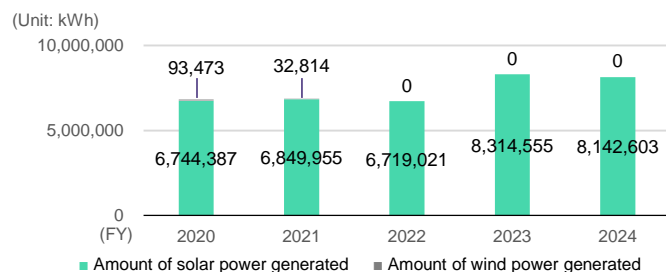
Energy consumption in NX Group (crude oil equivalent)*1,2



*1 The data shown here aggregate the energy consumption by Nippon Express Co., Ltd. and its consolidated companies in Japan and overseas (equivalent to Scope 1 and 2)

*2 For natural gas, 13A city gas (heat value of 45 GJ/thousand cubic meters) applies

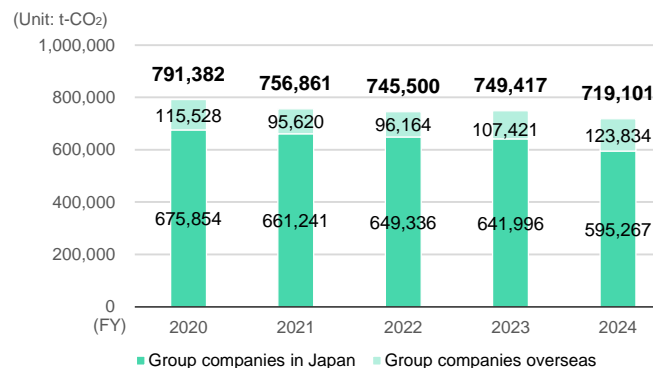
Power generated from renewable energy resources (Group companies in Japan)*3,4



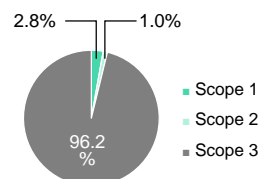
*3 Renewable power generation, electricity used in-house and electricity sold are not included in the amount of energy consumption in NX Group.

*4 Errors were identified in the reported solar and wind power generation figures in last year's disclosure. The correct figures have been reflected in this disclosure.

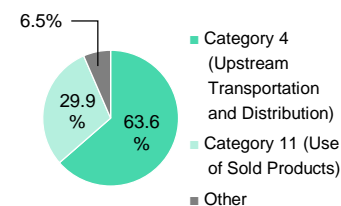
CO₂ Emissions (Scope 1 and 2)



Percentage of GHG emissions across all supply chains (NX Group)



Component Ratio for Scope 3 (NX Group)*5,6,7



CO₂ emissions reduction*5,6,7 by scope

Scope 1	528,894 t-CO ₂ (-17,780 t-CO ₂ year-on-year)
Scope 2	190,207 t-CO ₂ (-12,535 t-CO ₂ year-on-year)
Scope 3	18,052,883 t-CO ₂ (+9,342,634 t-CO ₂ year-on-year)

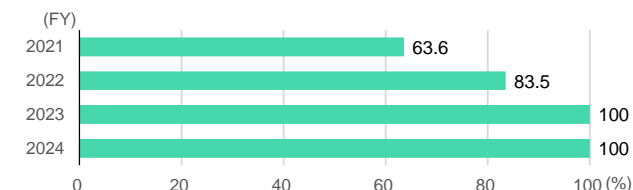
*5 Scope 3 emissions have been calculated in accordance with the GHG Protocol

*6 From FY2024, emissions from Category 11 have been included in Scope 3, resulting in a significant increase in reported values

*7 For Scope 3 emissions broken down by category, please refer to our company website

 Environmental Data

LED lighting for facilities (Nippon Express Co., Ltd. bases)



Number of eco-friendly vehicles owned (Group companies in Japan)*8

(Unit: vehicles)

	2020	2021	2022	2023	2024
Vehicles that comply with the new long-term regulations and post new long-term regulations	9,895	10,167	10,466	10,445	10,294
LPG vehicles	107	83	73	66	45
Hybrid vehicles	1,991	2,109	2,132	2,221	2,572
CNG vehicles	67	46	33	20	9
Electric vehicles	16	21	22	42	73
FCV vehicles	-	-	-	17	21
Total	12,076	12,426	12,726	12,811	13,014

*8 Calculated at the end of each fiscal year based on number of vehicles registered on the Operation Support System

Fluorocarbons Management Act (number of systems)

	Applicable equipment (number of systems)	
Class I specified products	9,835	
Type of fluorocarbon	Actual fluorocarbon leakage amount (kg)	Calculated fluorocarbon leakage amount (kg)
R410A	317	609

Environmental Value

Environmental Data Related to Climate Change and Energy Use/Waste and Pollutants

Third-party Verification of CO₂ Emissions Data

NIPPON EXPRESS HOLDINGS, INC. commissioned SGS Japan Inc. to conduct third-party verification of CO₂ emissions data (CO₂ emissions from fossil fuel use in Japan) for FY2023 based on ISO 14064-3:2019. We are planning to obtain third-party verification also on CO₂ emissions data for FY2024.

We will ensure accuracy and reliability by receiving verification from a third party and will continue to work on further reducing CO₂ emissions.

Please see our website for details on third-party verification reports.

 Verification Opinion

Waste and Pollutants

Our View on Reducing Waste

NX Group has been reducing the waste generated through its business activities and advancing the 3Rs (reduce, reuse, and recycle) with the objective of realizing a recycling-based society. In particular, NX Group focuses its efforts on reducing the waste from its business locations as well as thoroughly sorting paper and other waste for easy recycling.

Waste and Pollutant Management

Waste Management System

To properly manage waste, Nippon Express Co., Ltd. shares information regarding waste with the Board of Officers and disseminates instructions. In addition to providing in-house training and conducting work site inspections, Nippon Express uses a system of managing waste manifests to confirm that the waste generated by the Company is being disposed of properly.

In October 2002, because of a violation of the Waste Disposal Act, Nippon Express Co., Ltd. received a penalty, with its designation as a wide-area recycling industrial waste processor revoked by the Ministry of the Environment. Accordingly, Nippon Express Co., Ltd. suffered significant repercussions, such as being required to withdraw from those operations and being suspended from entering competitive government bidding processes. To prevent such errors from recurring from here on, Nippon Express Co., Ltd. has strengthened its structures and is committed to properly managing the waste generated by the Company through means such as establishing a system and conducting training for all employees. There were no major accidents in FY2024.

Reducing and Properly Managing Waste



Release Amounts Subject to Notification Under the PRTR Law

Although none of Nippon Express' business locations are required to submit notifications under the Act on Confirmation, etc., of Release Amounts of Specific Chemical Substances in the Environment and Promotion of Improvements to the Management Thereof (the "PRTR Law"), business sites that handle chemical substances subject to the Act are listed in the "Environment Data" section ([P.29](#)) of this publication and on our website.

 Environmental Data

ECO-TOWMAS® Waste Management Manifest System (Registered trademark)

Since October 2014, Nippon Express Co., Ltd. has been employing the ECO-TOWMAS® Waste Management Manifest System to properly manage industrial waste generated by the Company.

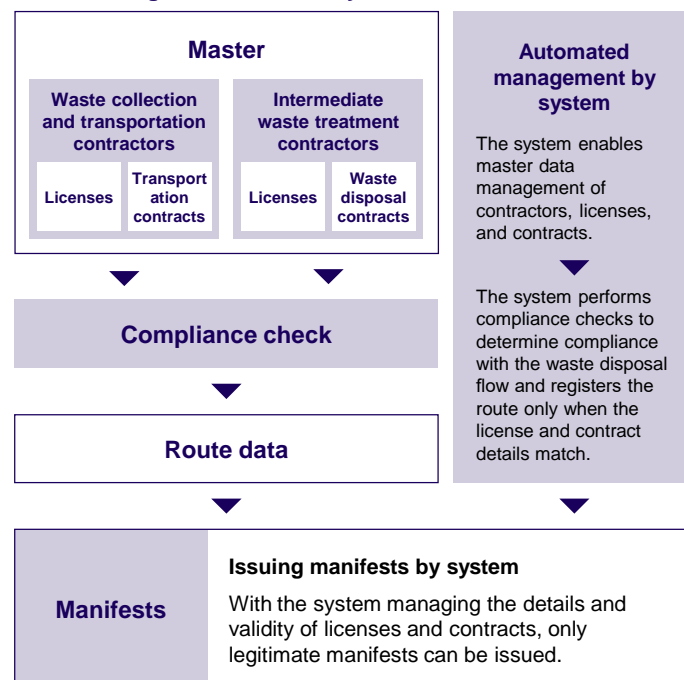
Environmental Value

Waste and Pollutants

When Company's business locations dispose of industrial waste, ECO-TOWMAS® automatically performs compliance checks to determine whether the disposal is being properly outsourced by comparing the information entered at the locations with the license and contract details of the Company to whom disposal is to be entrusted. If ECO-TOWMAS® determines that there is a lack of compliance, the system will not issue manifests.

ECO-TOWMAS® also supports electronic manifests. After the Company transitioned to electronic manifests, the use rate of electronic manifest routes reached 99.6% and the issue rate of electronic manifests was 96.6% as of December 2024.

Waste management manifest system



Industrial Waste Reduction Targets (set by Nippon Express Co., Ltd.)



Target

Annually reduce industrial waste emissions versus the previous year (vis-à-vis sales)

1% reduction

(continue annually until 2030)

Result

FY2024 Results

3.9% increase

(compared to FY2023)

Training on Reducing Industrial Waste and Proper Waste Management

NX NP Logistics Co., Ltd. is actively pursuing various waste reduction initiatives. In FY2024, the company worked on shifting the disposal of stretch film from industrial waste processing to sale as a valuable resource, successfully converting 5,040 kg per year.

Similar efforts will continue in FY2025 and beyond to further reduce waste.

To ensure proper waste management, the company also promotes systematic participation in “training for newly appointed waste disposal management personnel” organized within the Group (38 employees completed the training in FY2024).

Through these efforts, the company is working to reduce its environmental impact.

Initiatives for Paperless Operations

NX Wanbishi Archives Co., Ltd. promotes internal paperless operations as part of its sustainability activities. Additionally, it offers an eco-friendly document destruction service called “RECOLO,” which helps expand environmentally conscious practices.

This service involves the dissolution and recycling of boxes of unneeded office documents, achieving a 99% recycling rate to support customers’ sustainable practices. NX WANBISHI ARCHIVES CO., LTD. actively contributes to a sustainable society by delivering services with high environmental value.



▲ RECOLO service offered by NX Wanbishi Archivist Co., Ltd.

Introduction of a Food Waste Processing Machine

NX AgriGrow Co., Ltd. has introduced a food waste processing machine to manage vegetable waste generated after harvesting and sorting. The machine uses microorganisms to decompose and reduce 100–200 kg of vegetable waste per day, discharging it as water. In the past, this work was outsourced to waste contractors. However, in-house vegetable waste processing has since been adopted, contributing to reductions in CO₂ emissions from collection and transport.

Environmental Value Waste and Pollutants

Resource Recycling

Nippon Express Co., Ltd. undertakes the transport of waste, which plays a role in resource recycling.

As an example, using rail and ocean containers, we engage in the wide-area transport of mercury waste from municipalities and companies around the country and deliver the waste to disposal facilities. In times of disasters such as the Great East Japan Earthquake, the Kumamoto Earthquake, the 2019 East Japan Typhoon, and the 2024 Noto earthquake, large-scale disaster waste was transported over wide areas using environmentally friendly rail containers, providing support to affected regions.



▲ Waste from the Noto earthquake

Reusable Protection Materials for Moving

NX Group makes active use of reusable protection materials (packing materials that can be used repeatedly) in its moving services, thereby achieving environmentally-friendly removals operations. For example, our self-developed reusable protection materials protect customers' precious household items and allow for items to be packed quickly. In addition, since the protection materials can be used repeatedly, their use reduces garbage associated with moving, a factor that has been well received by customers.



▲ Packing materials

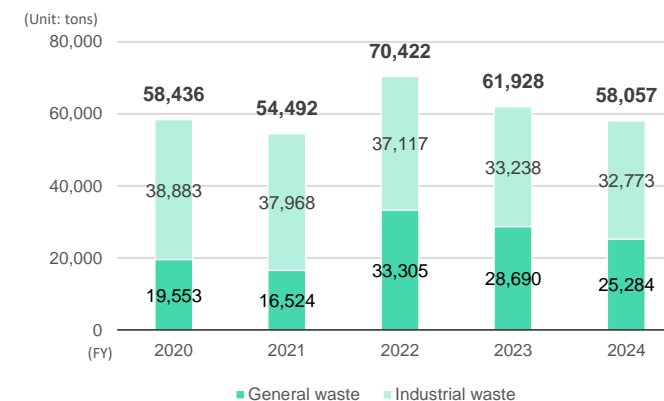
Building Materials Routine Collection System

The Building Materials Routine Collection System, jointly developed by Nippon Express Co., Ltd. and Taisei Corporation, was awarded the METI Minister's Prize at the FY2024 3Rs (Reuse, Reduce, and Recycle) Promotion Merit. Awards. The award recognizes the system's contributions to expanding the volume of recycled materials, securing consistent transport volumes to enable stable operations, promoting adoption across the construction industry, and achieving reductions in both transportation costs and CO₂ emissions.

 Building Materials Routine Collection System

Environmental Data Related to Waste and Pollutants

Waste volume (Group companies in Japan)



PRTR-related emissions of substances reportable (April 2024 to March 2025: Nippon Express Co., Ltd.)

Business segment	Number of offices	Total amount of substances handled (kg/year)	Main substance name	Main use
Targeted business category but amount handled is below the threshold (1t/year) subject to notification	5	60	Fenitrothion	Insecticide and insect control in warehouses
Not reportable business category but office uses reportable substance	11	9,565	Methyl bromide	Fumigation work in operations incidental to import customs clearance

Environmental Value

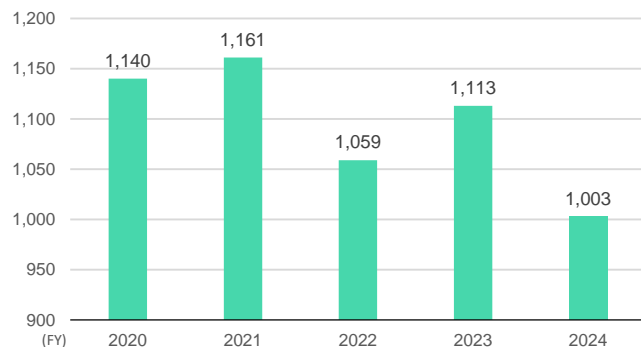
Other Important Environmental Issues

Other Important Environmental Issues

Water Consumption

Water consumption (Group companies in Japan)*1

(Unit: thousand m³)



*1 An error in water usage reporting was identified in last year's disclosure. The correct figures have been reflected in this disclosure.

Biodiversity Policy

NX Group recognizes its corporate social and public mission and has established the NX Group Environmental Charter to actively contribute to global environmental preservation and has established provisions regarding the conservation of biodiversity.

Please see our website for details on the NX Group Environmental Charter.

 [NX Group Environmental Charter](#)

Initiatives to Reduce Impacts on Biodiversity

Preventing Alien Species from Crossing Habitat Boundaries

Nippon Express Co., Ltd. makes the utmost efforts to prevent the unexpected transportation of invasive alien species that threaten ecosystems, the lives and health of humans, and the agriculture/livestock industries. In particular, with regard "Specified Invasive Alien Species Requiring Urgent Action," including fire ants, each business site pays close attention to the invasion of these creatures based on information from the Ministry of the Environment, Ministry of Land, Infrastructure, Transport and Tourism, and local governments, in accordance with the applicable laws and regulations set forth by the government. If alien species are detected, we will take measures to prevent the spread of the invasive alien species, as well as promptly respond to the situation by disinfecting cargo, killing insects, fumigating containers, etc., in accordance with the response guidelines.

Conservation of Marine Ecosystems

For the conservation of marine ecosystems, Nippon Express Co., Ltd. tries to reduce emissions of contaminated water, waste, ballast water

and other pollutants from its ships into the sea. Himawari 8, one of our ships, is equipped with a marine instrument from an incorporated nonprofit organization, VOS Nippon, to provide salinity, temperature and pH measurements of the water along the coasts of Japan. The data is used to make forecasts of meteorological, hydrographic and fishing conditions and for research on ocean currents, biological environments and other phenomena in coastal waters.



◀ Wastewater treatment system

Appropriate Treatment of Waste Oil and Sewage from Ships

NX Shipping Co., Ltd. is working to reduce the environmental impact of its vessels on the marine ecosystem. Waste oil generated by company-owned ships is incinerated onboard and then offloaded during the next docking for proper disposal by certified waste management providers. In addition, wastewater (sewage) generated aboard most company vessels (excluding general ships) is treated using onboard wastewater treatment systems before being discharged into the ocean. These efforts are part of our ongoing commitment to minimizing its impact on the marine environment and biodiversity.