

Social Value Human Rights

Human Rights

Policy on Respect for Human Rights

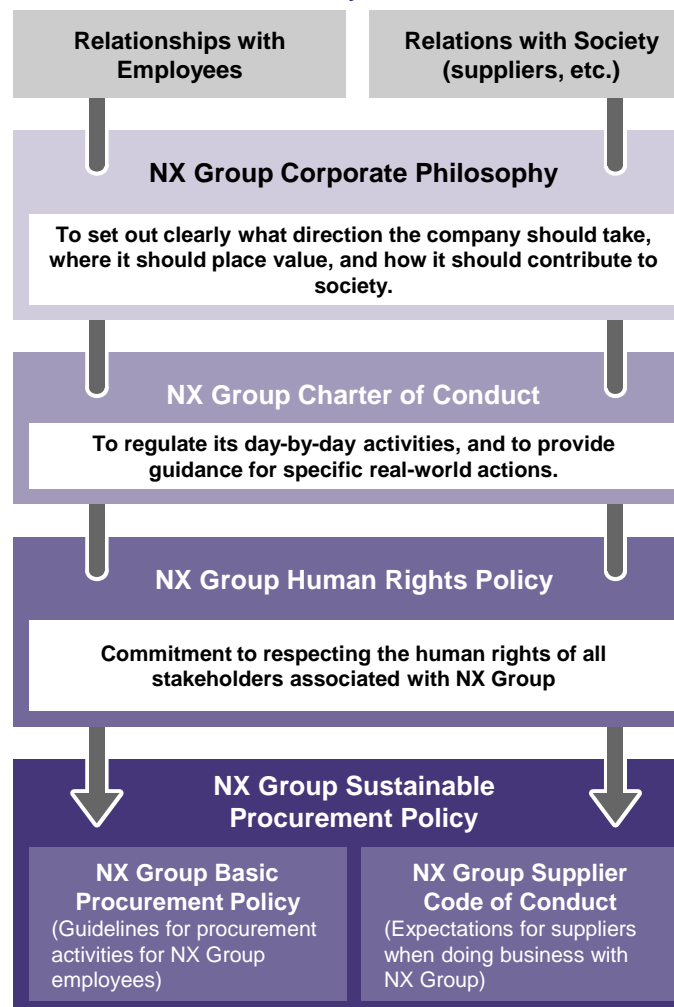
NX Group advocates respect for human rights in NX Group Charter of Conduct and explicitly declares that it will respect human rights in its activities; will not engage in conduct that violates human rights, such as discriminatory treatment; and will reject child labor and forced labor. We also formulated NX Group Human Rights Policy in 2023 as a commitment to fulfilling our responsibility to respect human rights.

Based on NX Group Human Rights Policy, we formulated NX Group Sustainable Procurement Policy in December 2023 as a foundation for responsible procurement activities of the Group, working to realize a supply chain in which the human rights of all stakeholders are respected. Together with our business partners, we aim to meet the expectations of society and promote business activities that contribute to international society and the global environment as the foundation of the Group's sustainability management.

Please see our website for details on NX Group Charter of Conduct, NX Group Human Rights Policy, and NX Group Sustainable Procurement Policy.

-  [NX Group Charter of Conduct](#)
-  [NX Group Human Rights Policy](#)
-  [NX Group Sustainable Procurement Policy](#)

Positioning of NX Group Human Rights Policy and NX Group Sustainable Procurement Policy



NX Group Human Rights Due Diligence

In 2024, NX Group conducted a human rights risk assessment survey at 101 domestic and overseas Group companies.

As a result, the Group identified occupational health and safety risks affecting both its own employees and those of its business partners as a significant human rights issue common across its companies. In addition, the assessment highlighted risks to local communities, including human rights violations caused by environmental and climate change impacts and infringement on local residents' livelihoods and culture.

Each region also assessed and identified human rights risks specific to its local context and characteristics.

To mitigate human rights risks across the supply chain, and in response to current societal trends, the Group has begun building a framework for assessing human rights risks at its domestic and international logistics subcontractors.

Addressing and Remediating Human Rights Issues

Compliance Promotion Across Our Supply Chains

Based on the findings of the 2024 assessment, NX Group is working with its 101 affiliated companies to establish risk management systems, update internal policies, and conduct employee training related to the identified key human rights risks. Moving forward, the Group will continue improving these initiatives and regularly assess progress in risk reduction. NIPPON EXPRESS HOLDINGS, INC. has established a system to regularly collect data on these initiatives and monitor each Group company's progress in reducing human rights risks.

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Human Rights/Labor Practices/Human Resources Principles (Human Capital Management)

Additionally, in order to prevent child labor, Nippon Express Co., Ltd. uses part-timer management systems to prevent the registration of 15-year-old or younger workers. In terms of forced labor (long working hours), we use our work management system to control overtime work. By doing so, we keep up-to-date on risk. In addition to risk management to prevent child labor and forced labor, we select our suppliers based on our own criteria when starting business with new companies.

When concluding a contract, Nippon Express Co., Ltd. will con-firm the approval required for the business to be entrusted by it, purchase of transportation liability insurance and voluntary auto-mobile insurance, and whether there have been any accidents or administrative actions within the past three years, based on the Business Confirmation Statement. Nippon Express Co., Ltd. will conclude a basic agreement with the partner company based on the judgment that it will not be subject to risk by utilizing the partner company. Contract include provisions on environmental laws and regulations, education, and the exclusion of antisocial forces to ensure that we do not place orders that would violate the Subcontract Act.

After the start of transactions, we work with our suppliers to ensure security in our supply chains.

Education on Human Rights Activities and Achievements

NX Group positions respect for human rights as the foundation of all its business activities. In addition to conducting e-learning for new employees and managers through the Human Rights Week initiative, conducted in December 2024, we deepened our understanding of human rights and fostered an awareness of responsible business activities based on respect for human rights.

In addition, we distribute copies of the NX Group Compliance Handbook (in 16 languages) to staff members of NX Group companies in Japan and overseas. The Handbook makes clear that we prohibit the use of child labor and forced labor, prohibit transactions with companies that use such labor, and prohibit acts that violate the human rights of others and cause mental anguish through discrimination and harassment based on race, nationality, culture, or gender. NX Group thoroughly emphasizes the above-mentioned prohibitions in our staff training.

There were no serious cases of human rights violations in FY2024.

 Education on Human Rights through the Human Rights Week Initiative

Labor Practices

Policy for Preventing Discrimination and Harassment

NX Group has established the NX Group Human Rights Policy, prohibiting all discrimination in all business places on the basis of race, nationality, religion, disabilities, gender, sexual orientation, and age, or any other characteristics. In addition, we have established a firm policy to eliminate bullying, harassment, and other forms of mistreatment, and to uphold respect for human rights.

Relationship with Nippon Express Worker's Union

The Nippon Express Worker's Union boasts 31,091 members as of December 31, 2024. Leveraging the relationship of mutual trust they have built up over the years, Nippon Express Co., Ltd. and the Nippon Express Worker's Union are committed to working together toward their shared goals of growing the Company and improving its work environment, all the while respecting each other's positions and maintaining proper labor-management order.

In addition, based on the principles of "Safety takes precedence over everything else" and "Create healthy workplaces full of smiles", the Company has set up health and safety and other issue-based technical committees comprising experts representing labor and management toward the realization of a rewarding and disciplined workplace environment, and is cooperating and investigating current conditions and future initiatives.

Other Group companies also prioritize constructive dialogue and cooperation with their respective labor unions, fostering sound labor-management relations.

Human Resources Principles (Human Capital Management)

NX Group Human Resource Policy

We have established NX Group Human Resource Policy, a basic policy for the sustainable growth of employees and Group companies, positioning employees as assets, based on the premise that employees and the company that they work for have an equal and respectful relationship with each other.

 Human Resource Policy

NX Group aims to become a logistics company with a strong presence in the global market, which is our long-term vision, by implementing human resource strategies and measures based on NX Group Human Resource Policy and developing human resources who will lead the next generation.

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Human Resources Principles (Human Capital Management)

Improving Employee Engagement

NX Group Engagement Survey

Since 2023, NX Group has been conducting an engagement survey of its major subsidiaries as part of our efforts to enhance well-being, which is one of the core human resource strategies set out in NX Group Business Plan 2028. Collecting objective and quantitative data on engagement allows us to understand the issues facing the entire Group and each Group company.

NX Group has achieved its FY2024 KPI target for the NX Core Engagement Score, a key performance indicator reflecting employees' strong sense of belonging and willingness to voluntarily contribute toward achieving goals, both of which are essential for enhancing corporate value.

| | |
|--|--------------------------------|
| NX Core Engagement Score | 72 pts. (+1 pts. year-on-year) |
| Survey score of self-discipline, challenge/innovation, integrity | 68 pts. (±0 pts. year-on-year) |
| Work engagement score | 71 pts. (±0 pts. year-on-year) |
| Psychological safety survey score | 65 pts. (+1 pts. year-on-year) |
| Survey score on communication | 69 pts. (±0 pts. year-on-year) |
| DE&I engagement score | 66 pts. (+3 pts. year-on-year) |

The final target in NX Group's medium-term business plan is an NX Core Engagement Score of 76 points to be achieved by FY2028. To achieve this target, the Group will continue to implement initiatives using the PDCA cycle.

Connection with Corporate Strategy

Formulation and Utilization of a Human Capital Portfolio

NX Group is advancing the formulation and utilization of its human capital portfolio as part of the development of strategies and measures linked to the Group's management strategy on a Group-wide global basis. This initiative seeks to promote human resource measures, such as recruitment, training, and reassignment, based on a comprehensive understanding of the current and ideal composition of human capital necessary to realize our corporate strategy. This assessment considers multiple factors, including workforce size, skill sets, and functional continuity.

Nippon Express Co., Ltd., our core Group company in the Japan region, has been leading the way in this effort. In the previous fiscal year, the Nippon Express moved forward in the design of its human capital framework, identified key areas where human capital needs to be enhanced, and visualized the current state of its human capital. This fiscal year, Nippon Express started holding joint human capital portfolio meetings with business departments to examine and implement initiatives that will promote business growth and address human resources issues in operations.

In addition, both NIPPON EXPRESS HOLDINGS, INC. and Nippon Express Co., Ltd. are examining and implementing measures for enhancing corporate personnel (employees engaged in finance/HR) based on a human capital portfolio approach.

The Group is also promoting these efforts at major domestic Group companies through regular human capital strategy meetings. These meetings serve to review the progress and implementation methods of each company's human capital portfolio initiatives in alignment with their respective management and business challenges.

Promoting Human Resources Management

NIPPON EXPRESS HOLDINGS, INC., Nippon Express Co., Ltd., and other NX Group companies, including overseas Group companies, introduced talent management systems, each designed to respond to specific company-based human resource strategy implementation needs, for the promotion of human resource management to realize the further participation and growth of all employees through means including career development support.

To enhance our ability to provide value to both the organization and our employees, including the initiatives outlined above, we have been promoting data-driven human resource initiatives since FY2024. In FY2024, Nippon Express developed a mechanism within its talent management system that allows employees to record information about their past business and job experience. The information added by employees is used not only by individual employees for career self-assessment and future career planning but also serves as data to be analyzed and applied in the development of talent portfolio initiatives and consideration of personnel transfers.

In FY2025, we will further promote data-driven human resource initiatives throughout the entire Group with a focus on promoting the visualization of human capital KPIs and organizational and HR-related information, implementing people analytics and enhancing organizational and talent data, and advancing measures to strengthen the capabilities of human resources departments in utilizing systems and data.

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Human Resources Principles (Human Capital Management)

Employee System

Ensuring Fair Working Conditions

From April 2019, Nippon Express Co., Ltd. introduced an employee system and wage system oriented around the degree of contribution to work based on roles and duties.

The working conditions of fixed-term employees who are engaged in the same duties as employees are the same as those of employees, and the system is designed to enable all employees to work in a more positive and positive manner by providing fair treatment regardless of employment status.

Human Resources Evaluation and Target Setting

In 2019, Nippon Express Co., Ltd. introduced the “competency and grade system,” shifting its human resource evaluations away from being based on individual ability or seniority. Instead, evaluations are focused on degree of contribution to work according to the according to the required competency and duties.

Employee evaluations are based on three indicators: “competency evaluation,” “evaluation of action to create value,” and “achievement evaluation.” The system is designed to encourage the growth of Nippon Express and well as its employees by having individuals fulfill the roles expected at each grade, demonstrate valuable behaviors, and achieve their goals. For target setting, in addition to initial goal-setting interviews held between supervisors and subordinates at the beginning of the period, regular mid-period interviews and daily communication are used to allow for flexible goal adjustments and for the early identification and resolution of issues.

At the same time, evaluator training is conducted to ensure that evaluators understand the basic principles of the personnel evaluation system and strive to maintain fairness and objectivity, provide appropriate feedback, and ensure reliability in evaluations.

360-degree Evaluation

At Nippon Express Co., Ltd., 360-degree evaluations are conducted as a requirement for employees to be given specific roles and grades with feedback is provided to the individuals evaluated. Through multifaceted evaluations from supervisors, colleagues, and subordinates, the aim is to help individuals gain an objective view of themselves, reflect on their daily management behaviors, understand what is expected of them and how well they are demonstrating value behaviors, and use that understanding to further their own development.

360-degree evaluations are also regularly conducted for executives and management-level personnel with the aim of using the results to create a motivating work environment and to encourage behavioral changes in leadership that help foster a more positive corporate culture.

Verification of Human Capital ROI

NX Group regards human capital and human resource strategies as initiatives that contribute to enhancing corporate value and generating social value. In particular, improving employee engagement and aligning talent strategies with business strategies are seen as key priorities. Alongside the NX Core Engagement Score, which has been established as a performance indicator, the Group also utilizes Human Capital ROI as a monitoring indicator.

In FY2024, Human Capital ROI reached 14.5%. we aim to contribute to the sustainable enhancement of corporate value by monitoring the effectiveness of investments in human capital and initiatives designed to improve both employees and organizations.

Policy for Developing the Capabilities of Employees

NX Group has formulated the Education Policy linked to NX Group Business Plan 2028 and is working to develop human resources, under a group-wide education system with NX Group University playing a central role, who will contribute to the execution of management strategies. In formulating the Education Policy, based on NX Group Human Resources Policy, we emphasized the development of human resources that continue by helping each employee identify and solve problems on his or her own.

Education Policy (FY2024–FY2028)

1. Develop human resources required by NX Group
2. Create a diverse educational environment for new value creation
3. Foster a culture of learning by strengthening group cooperation and expertise and through self-learning for growth

Investing in the Development of Employee Capabilities

For human resource development, Nippon Express Co., Ltd. spent ¥42,123 for each employee in FY2024. This is a ¥779 increase from ¥41,344 spent for each employee in the previous fiscal year.

Beginning in FY2025, in addition to the training programs implemented by each company, NIPPON EXPRESS HOLDINGS, INC. is formulating and budgeting education initiatives that should be rolled out across the entire NX Group. Through this approach, the Group plans to further enhance human resource development on a group-wide basis.

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Human Resources Principles (Human Capital Management)

Initiatives for Developing the Capabilities of Employees

In FY2024, NX Group conducted new employee training for a total of 942 newly hired employees across Group companies, conducting the training for the first time in a hybrid format combining in-person and online training sessions.

Additionally, Nippon Express Co., Ltd. provided education for young employees, specifically for first-, second-, and third-year employees, and held 51 training classes linked with the personnel system. 1,257 employees participated in the classes. Furthermore, NX Group University conducted 182 training classes in total, primarily focused on hierarchical education, including a management training program for all managerial employees (planned over two years from FY2024 to FY2025), with a total of 6,602 participants.

Additionally, "Logistics Boot Camp" and "Logistics Academy" were conducted as training programs designed to strengthen the profitability of the logistics business and enhance the functions of logistics solutions, with a total of 85 employees participating. We also implemented an e-learning program titled "Logistics Operations" designed to provide all employees with a basic understanding of logistics.

For Career Training designed to support employees' career goals, we promote the provision of training programs to many employees by irrespective of employee type.



▲ New employees from across the Group seen participating in new employee training

Educational Environment (training facilities)

NX Group has established NX-TEC Shibaura for face-to-face exchange and classroom lectures and NX-TEC Izu for practical skills training as locations for intergroup exchange and innovation, ensuring safe operation, and transmission of skills. These training facilities are also equipped with accommodation facilities and function as locations for human resource development where employees can concentrate on training.

Leader Development Training

In order to systematically develop future executive candidates, NX Group conducts selective training conduct leader training at the general level, supervisory level, administrative level, and management level through a long-term curriculum over several months to refine the skills of those candidates.

We also actively send out employees to places where there are opportunities to interact with people from other industries to develop strong management personnel who can take a multifaceted view of things and connect them to self-transformation and business concepts.

NX Group will continue to provide education under a continuing education system for the development of the next generation of leaders.

Overseas Business Trainee System

Since 1958, Nippon Express Co., Ltd. has been dispatching employees overseas. There are currently more than 370 employees from Japan assigned to Group companies in approximately 90 cities worldwide.

To accelerate business growth in global markets, Nippon Express strategically focuses on developing human resources for overseas management. Intensive English training is provided to all general career-track employees in their first to third years after joining the company. From the fifth year onward, around 60 selected employees are sent annually for one-year overseas assignments as part of a global training program. Upon returning from these overseas assignments, continued follow-up education is provided for those identified as candidates to become overseas managers to support the development of their careers as global talent.

Our View on Diversity, Equity, and Inclusion

Based on NX Group Basic Policy on Diversity Promotion is striving to have employees and the Company grow together by creating an environment in which all employees based on their own values and thoughts can demonstrate their ability to the fullest with a sense of value and pride in their work while feeling happy and being actively engaged.

For this reason, we will make promotion of diversity, equity, and inclusion (hereinafter "DE&I") the main aim of our human resources strategy, consider measures to address issues based on the results of the NX Group Engagement Survey, and promote initiatives to realize the management plan while ensuring that the PDCA cycle is followed.

Moreover, NIPPON EXPRESS HOLDINGS, INC. holds Diversity Promotion Subcommittee meetings twice a year together with NX Group companies in Japan to share information and exchange views.

Social Value Human Resources Principles (Human Capital Management)

NX Group Basic Policy on Diversity Promotion

By promoting diversity, and creating an environment where all employees respect each other's diversity and maximize the power of each employee, we will realize "self-growth and self-fulfillment for employees" and the "sustainable growth and improvement of corporate value of NX Group."

Respect for Diversity

There shall be mutual respect regardless of age, gender, sexual orientation, gender identity, nationality or disability.

PDCA Cycle for Promoting Diversity Management



DE&I Initiatives

Raising Awareness of DE&I

Although promoting diversity must be actively led by management through a top-down approach, it is equally essential that each employee understands the importance of diversity and helps to foster awareness of diversity in the workplace.

We believe that encouraging individuals to take ownership through diversity-related awareness initiatives and education will allow various diversity promotion measures to be carried out with a greater level of energy and sense of urgency.

Diversity declarations by branch managers

To strongly encourage diversity on an organization-wide basis, Nippon Express Co., Ltd. compiles and provides diversity declarations from all General Managers to staff members via the Diversity Promotion Group portal site and other media. Branch managers exercise their individuality and clarify their visions and attitudes on encouraging diversity. This is aimed at boosting the momentum toward greater diversity and at urging staff members to reform their mindset and behavior.

Social Value

Human Resources Principles (Human Capital Management)

● E-learning

Nippon Express Co., Ltd. has been implementing e-learning continuously to promote diversity and flexible work styles throughout the company.

In FY2024, the company implemented several initiatives to promote diversity, including Diversity Training for Executive Leadership, aimed at enhancing dialogue and communication skills to deepen individual recognition and acknowledgment. Additional programs included the Basic Knowledge Course on Balancing Work and Nursing Care, LGBTQ Basic Awareness Training, and Encouragement for Male Employees to Take Parental Leave, which all provided concrete methods for understanding and accommodating diverse employees

(Participants in e-learning training in FY2024: Diversity Training for Executive Leadership: 662, Basic Knowledge Course on Balancing Work and Nursing Care: 19,789, LGBTQ Basic Awareness Training: 9,528, Encouragement for Male Employees to Take Parental Leave: 200).

● Managerial-level Personnel Training

Nippon Express Co., Ltd. conducts Supportive Management Training for all managerial-level employees to address the management-related issues identified as areas for improvement based on the results of the NX Group Engagement Survey, which has been conducted since 2023.

In FY2024, training focused on holding dialogues was conducted with the aim of equipping managers with the knowledge and skills needed to create inclusive workplaces. A total of 1,781 participants completed the training in FY2024, and 2,027 are scheduled to participate in training to be conducted in FY2025. Similar training will also be conducted at NX Group companies in Japan in the future to further promote the creation of supportive and inclusive workplaces.

In addition, Nippon Express has introduced training programs linked to its personnel system, including Next Leader Training for future leadership candidates, Next Manager Training for next-generation managerial personnel, and Next General Manager Training for future executive candidates. In FY2024, a total of 51 training classes were held with 1,257 employees participating.

Promotion of women's participation in the workplace the elderly

Diversity is a source of innovation, and making the most of women's leadership has become an important management issue. Aimed at increasing the percentage of women with managerial positions, NX Group companies in Japan conducted career development workshops for female employees identified as future leaders. The workshop aimed to help participants build mutually supportive relationships, enhance their motivation, and raise their awareness of their potential as future management candidates (60 participants).

Through this initiative, the Group also facilitated the sharing of ideas about creating a more supportive work environment and identifying key challenges to address, with the goal of advancing efforts to help employees better balance life events and their careers.

Additionally, Nippon Express Co., Ltd. held three training programs for women: A "Role Model Workshop" in which female employees interacted with senior colleagues serving as role models to help them envision themselves in future leadership roles and learn about management styles, a "Lifestyle Workshop" aimed at equipping participants with the knowledge and skills to achieve work-life balance while working in their own unique and fulfilling way, and "Supervisory Training for Supporting Female Employees," which is designed to help managers with female subordinates develop and reinforce the skills needed to support their team members' success (a total of 525 employees participated in the three programs).

Hiring of Foreign Nationals

For a Japanese company to achieve growth in global business operations, it cannot scrimp on training human resources that can function as a bridge between Japan and the rest of the world. Nippon Express Co., Ltd. is actively promoting the employment of foreign nationals through various channels, including the hiring of international students after they graduate, mid-career recruitment, and professional talent acquisition. We have high hopes that these foreign employees will serve as a driving force in fusing diverse values to create new business domains, in addition to further expanding our business overseas.

NIPPON EXPRESS HOLDINGS, INC.

- Number of foreign nationals: 20 (as of January 2025)

Data on foreign nationals employed by Nippon Express Co., Ltd. (FY2024 Results)

- New graduates: 4; Experienced and professional hires: 8

Employment of Persons with Disabilities

With NIPPON EXPRESS HOLDINGS, INC. serving as the parent company, it has been certified to promote the employment of the Persons with Disabilities. Employment of the physically challenged is promoted throughout NX Group. Under this structure, we aim to share information with a focus on NX Heartful Co., Ltd. a special subsidiary company that employs persons with disabilities. NX Heartful Co., Ltd., makes business cards and other printed materials and for the Group provides internal mail services within NX Group Building. In FY2024, the company established and began operating a new administrative center to serve as a hub for outsourced tasks from various Group companies as part of its efforts to expand employment opportunities for persons with disabilities.

In addition, NX Heartful Co., Ltd. provides support for employment and retention of persons with disabilities, and provides opportunities for persons with disabilities to play an active role according to their characteristics.

Social Value

Human Resources Principles (Human Capital Management)

Initiatives for Supporting Employees

Promote Workstyle Innovation

Allowing staff members to proudly and energetically assume a leading role requires the enhancement of not only their work but also their lifestyles. From a well-being perspective, workstyle innovation creates synergies by enriching both personal life and work, and creates job satisfaction. In addition to contributing to the healthy lives of individual employees, it is also essential for the growth of the business. Initiatives for behavioral change are also being implemented throughout NX Group, including allowing employees to wear whatever they want (NX-BIZ) and referring to employees as “san,” with the aims of creating a workplace that welcomes challenges and making a shift toward an organizational climate that creates opportunities for communication and that facilitates the expression of individuality. Furthermore, Nippon Express Co., Ltd. is working to expand the deployment of open offices and remote work for increasing productivity in order to accelerate diverse and flexible workstyle innovation.

● Promotion of Remote Work

Aiming to realize a more flexible work style and improving productivity per hour, all employees engaged in tasks that can be performed via remote work were allowed to work at home or at satellite offices to promote a work style where employees can work from anywhere.

After the COVID-19 pandemic, with the exception of essential workers on the frontlines, remote work has been standard. We believe that this has led to improved motivation among employees. Moving forward, we will promote hybrid work that incorporates work site-based work appropriately for each task and job type, promote smooth communication in the workplace, and work to promote autonomous work styles and improve productivity.

Work Style Reform Efforts

● Efforts to Eliminate Long Working Hours

NX Group is working to reduce overtime work because long working hours must not be allowed to damage the health of employees.

To reduce overtime work, Nippon Express Co., Ltd. is promoting flexible work styles through efforts such as working to improve productivity through the use of RPA and mechanization of “human” tasks and adopting more flexible working hours to realize more balanced work styles.

● Promoting Use of Annual Paid Leave

In FY2024, the annual paid leave utilization rate for NX Group companies in Japan reached 61.2%. Although this fell short of the target (64%), it marked a one-point improvement from the previous year. NX Group has set a target of 68% for FY2025 and is further strengthening efforts toward this goal, including the designation of a diversity promotion period.

Comeback Program

Believing that each individual employee supports the company, Nippon Express Co., Ltd. committed to securing and cultivating diverse talent and creating an environment where they can thrive. As part of this, it has introduced the “Comeback Program,” which is a program that welcomes former employees who wish to return, regardless of the reason for their resignation, encouraging a new kind of relationship between the company and its people that does not end at retirement.

Comeback Program-based Hirings (FY2024)

| | |
|---------------------------|-------------|
| Employees (general staff) | 5 employees |
|---------------------------|-------------|

Helping Employees Balance Child/ Nursing Care and Work

Nippon Express Co., Ltd. is promoting initiatives that allow employees to choose from a variety of work styles in order to promote the active participation of a diverse range of human resources.

It has already introduced a shortened working hour system, flextime system and remote work system. To enable employees to fulfill their work responsibilities even when they find it difficult to commute to work due to child/nursing care or other such obligations, helping individuals to continue their careers.

To support both male and female employees in balancing work and childcare, we have been providing video education for eligible employees and their superiors since FY2023 with the aim of encouraging male employees to take childcare leave, which was less common for men to take than women. Given that the number of employees facing nursing care responsibilities is expected to increase sharply in future, we established an external consultation desk in November 2024 to provide consultations on nursing care. In addition, we conducted the Basic Knowledge Course on Balancing Work and Nursing Care, an e-learning training program to convey correct knowledge about nursing care and the importance of balancing work and nursing care, and to foster an open workplace culture in which employees' individual circumstances can be accepted by each other (Video training program participants in FY2024: Encouragement for Male Employees to Take Parental Leave: 200, Basic Knowledge Course on Balancing Work and Nursing Care: 19,789).

Encouragement for Male Employees to Take Parental Leave

Encouragement for male employees to take parental leave is positioned as an important initiative for the Company as it helps realize a working environment where everyone can work comfortably and further promotes female empowerment. Each NX Group company promotes various efforts to realize this initiative.

The rate of male employees taking parental leave in FY2024 was 46.8%, compared with the target of 50% for Group companies in Japan. Although this fell short of the target, it marked a 12.2 point improvement from the previous year. In FY2025, we will promote further efforts as we have set the target for the rate of male employees taking parental leave at 55%.

Social Value Occupational Health and Safety

Occupational Health and Safety

Our Approach to Occupational Health and Safety

NX Group formulates annual safety policies and safety initiatives at each Group company, based on the Group-wide safety philosophy, annual safety targets, and safety initiatives.

NX Group Safety Philosophy: “Safety takes precedence over everything else.”

— FY2025 NX Group Safety Goals

- Zero serious traffic accidents, labor accidents, and cargo accidents

— FY2025 NX Group Safety Initiatives

1. Building and Strengthening a Culture of Safety (Continued)

- Build a safety culture that places safety first and continue safety promotion activities
- Each Group company will conduct top management safety reviews to ensure that the intentions and commitments of top executives are thoroughly communicated and embedded throughout the organization, reaching all employees.

2. Promote safety and quality training

- Conduct training programs for safety promotion officers at each Group company to enhance safety quality.
- Strengthen the development of systems for technical skills instruction across the Group.

3. Monitor safety and quality

- Share measures with Group companies to prevent recurrence of similar accidents and disasters, and utilize safety and quality checklists for business partners to improve the quality of business partners and NX Group.

4. Promote the introduction of advanced safety technologies

- We will promote the introduction of advanced safety technologies that can reduce the risk of accidents caused by human error.

Commitment to Safety

Nippon Express Co., Ltd. has composed a Commitment to Safety to raise and extend safety awareness at all Group companies. The Commitment to Safety expresses a strong commitment to prevent accidents and disasters, and NX Group undertakes a number of efforts to put this Commitment into regular practice.



Commitment to Safety

Transportation Safety Management

NX Group companies in Japan engaged in the motor vehicle transportation business are implementing transport safety management as prescribed by the Ministry of Land, Infrastructure, Transport and Tourism.

 Transportation Safety Management of Nippon Express Co., Ltd.

 Transportation Safety Management of NX Cash Logistics Co., Ltd.

 Transportation Safety Management of NX BINTSU CO., LTD.

NX Group Safety and Health Regulations

To ensure occupational safety and health and to promote the creation of a comfortable workplace environment, NX Group has established the NX Group Safety and Health Regulations. In accordance with the laws and regulations of each country, health and safety officers are appointed as necessary to ensure that all employees within the Group can work in a safe and secure environment.

Occupational Health and Safety Initiatives

Nittsu Safety & Health Management System (NSM)

In April 2010, after a thorough review of the existing safety and health management program, Nippon Express Co., Ltd. introduced the Nittsu Safety & Health Management System (NSM) built upon three programs in pursuit of a more reliable system for safety and health management.

The first program is “Open Communication in the Workplace” for effectively disseminating corporate policy and strategic direction from the top management to our front-line colleagues. The second program, “Challenge Circles (CC),” involves small group discussions on addressing problems in workplaces and ensuring safety. The third program is health and safety training/education for supervisors and managers.

NSM makes the three programs continuously function in a PDCA (plan, do, check and act) cycle, thus improving workplace environments.

Safety Measures Taken by Subcontractors

NX Group requires that partner companies with which we maintain collaborative relationships to uphold safety and quality standards equivalent to those of our own Group. To this end, we promote the use of checklists to verify safety and quality levels at the time of entering into or renewing contracts with partner companies, aiming to deliver safe and high-quality transportation and operations together with them.

At Nippon Express Co.,Ltd., the relevant officers and managing branches provide branch operating companies with safety education and guidance under the supervisor of the Head Office and in line with Nippon Express Co.,Ltd. practices. Partnership safety council meetings with affiliates and subcontractors are held annually at each branch office to discuss safety and quality only. The meetings are carefully designed to ensure the provision of safe and secure transport services to customers.

Social Value Occupational Health and Safety

Guiding and Educating Site Workers

Nippon Express Co., Ltd. focuses on safety education for truck drivers and forklift operators in order to prevent workplace accidents.

Nippon Express Co., Ltd. has established a proficiency examination system to certify staff members' knowledge and skills and determine whether they have learned proper driving etiquette and can operate vehicles safely in the manner expected of every staff member of NX Group. Only after they complete this in-house training and testing can they assume driving duties. Training for supervisors/team leaders, who are the on-site managers, is provided.

Training is provided for frontline managers, including supervisors and team leaders, with group training sessions for supervisors in particular being conducted at NX-TEC Izu to enhance their management capabilities. Training is provided for team leaders to improve their communication skills through an e-learning format.

In addition, we distribute mobile devices to supervisors and team leaders, and provide safety and compliance instructions through these devices. We have been terminals for educational content in the form of comics and videos since FY2023.

In addition, Head Office Mentors train branch-level instructors who play a central role in passing on high-quality skills in an effort to improve and standardize work quality and boost safety awareness and skill improvement.

Specialist Training

Specialist Training in Heavy Haulage and Construction Techniques

In order to safely carry out heavy haulage and construction operations, it is extremely important to have access to the latest information, knowledge and skills as well as strong communication and negotiation skills for collaborating with customers and subcontractors.

Basing its human resources development on OJT, NX Group has established an educational system designed to standardize and further improve our service level. Specialist training is systematically carried

out through our own unique curriculum, and we provide training by job level, from beginner to instructor training, in heavy haulage and construction operations.

Create New Approaches to Keep the Economy Going

NX Cash Logistics Co., Ltd. has revamped its driver training curriculum with the goal of enhancing transportation safety by improving the driving behavior of its drivers, who are considered valuable human resources.

At first is the training of driver instructors. In addition to expert-led instruction, instructors acquire basic teaching knowledge and learn how to provide guidance using video materials. They also improve their skills through real-world road driving and certification-based training.

Next is the training of newly-hired drivers. Through driving aptitude interviews and video-based objective instruction, drivers receive thorough and standardized training before being assigned to their workplaces, with the aim of fostering high-performing drivers.

Last is the retraining of newly-hired drivers. By identifying habitual driving behaviors that led to accidents and providing both ride-along and video instruction, the program encourages drivers to reflect on their actions and helps establish systems to prevent recurrence.

In addition to these initiatives, NX Cash Logistics is strengthening post-training follow-up to further improve drivers' traffic awareness and driving skills.



▲ Driver education

Efforts to Improve Quality

NX Cash Logistics Co., Ltd. is currently developing a driver support system in collaboration with Waseda University, aiming to enhance driver safety. This system integrates analysis of traffic conditions, vehicle movement, and driver behavior, utilizing AI to evaluate driving behavior patterns. For example, it analyzes a driver's eye movement habits by measuring the direction and duration of their gazes. It also detects distracted driving and early signs of health issues. Based on detection results, the system provides voice alerts and real-time evaluations to support safe driving.

Additionally, by accumulating data such as eye and body movements that reflect driving habits, as well as vehicle location data, the NX Cash Logistics seeks to analyze correlations with accidents and build even more effective safety measures.

Through these multifaceted efforts, the company is working to reduce traffic-related risks and further improve safety.

Social Value Occupational Health and Safety

Commitment to Safety in Logistics

With “Safety takes precedence over everything else” as its Safety Philosophy, NX Group is committed to achieving the goal of “Zero serious traffic accidents, labor accidents, and cargo accidents” on a group-wide basis. By disseminating messages from senior management on achieving zero accidents and communicating the safety principles of each company and branch via workplace-wide meetings, we aim to spread safety awareness among all staff members. At workplaces, small group bottom-up activities are held to address challenges in ensuring safety and organize safety patrols in an effort to prevent accidents. We also train technical instructors to increase our staff members’ skill levels and safety awareness.

● Measures to Ensure Drivers’ Safety

Nippon Express Co., Ltd. regularly conducts aptitude tests on drivers, who are the bedrock of our business operations, and provides safe driving guidance in accordance with the drivers’ characteristics as determined by the test results. Sleep apnea syndrome (SAS) screening tests are also conducted on a regular basis. We make thorough efforts to ensure workers’ safety. For example, complete checkups and medical treatment may be required and driving restrictions may be imposed as necessary.

Safety panels are established when accidents or disasters occur to prevent any recurrences through actions such as safety drills, ride-along instruction by supervisors and team leaders. In FY2025, we are working on visualization of work procedures by making videos of all safety work procedures.

● Use of an Eye Tracking System

Nippon Express Co., Ltd. visualizes the safety checks of drivers and forklift operators, and verifies the points and timing of the checks. In addition, users are able to improve their skills by comparing videos with their instructors.

● Training Equipment for Preventing Accidents When Backing Up

Nippon Express Co., Ltd. has installed a device on the rear half of each vehicle that resembles an eave. Viewing the backward movement at the same time as the rear-view camera image from outside the vehicle allows drivers to verify visibility and blind spots. It can be demonstrated that a rear-view camera also has blind spots (patented) .

● Introduction of Special Vehicle for Accompanied Driving Lessons

At Nippon Express Co., Ltd., accompanied driving lessons are provided using a special vehicle for training (W-cab truck with auxiliary brake on the passenger seat). If the instructor senses danger when instructing a new employee, the instructor will step on the brakes to avoid it. Multiple people can be provided instruction at the same time in a 2t vehicle because of the double cab.

Social Value

Occupational Health and Safety

Initiatives to Promote Occupational Health and Safety on a Group-wide Global Basis

Progress of Safety Promotion Initiatives in FY2024

NX Group has appointed a person responsible for safety promotion and a person in charge of safety promotion at each Group company to unify safety awareness throughout the Group, and has established a safety promotion system centered on each Group company. Additionally, we continue to conduct self-inspections at each Group company using a checklist based on NX Group Safety and Quality Management Standard.

The Safety and Quality Promotion Group of NIPPON EXPRESS HOLDINGS, INC. holds meetings for person in charge of safety promotion twice a year. These meetings serve as a forum for exchanging opinions on safety initiatives and sharing best practices from Group companies, with the aim of strengthening the Group's overall safety culture.

Issues Identified through Initiatives in FY2024

Under NX Group, each Group company provides various safety initiatives and technical guidance. However, it is necessary to focus on measures tailored to the characteristics of local accidents and measures to prevent accidents from occurring by subcontractors.

Each Group company formulates the safety policy and safety initiatives for FY2025 and works actively to prevent future accidents and incidents by reviewing the trends of accidents and incidents that occurred in the previous fiscal year and conducts top-level management reviews related to safety.

Future Initiatives

In order to further strengthen NX Group's Global Safety and Quality Management System in the future, NIPPON EXPRESS HOLDINGS, INC.'s Safety and Quality Promotion Group will support the initiatives of safety promotion staff at each Group company, promote the introduction of cutting-edge safety technology, and promote safety training.

Workplace Environment Improvement

NX Group places the highest priority on ensuring health and safety in the workplace environment. We are working to improve the work environment to create a safe and secure workplace for all employees involved in our business activities, and to reduce the risk of occupational accidents.

The following group companies have obtained certification for ISO 45001, the international standard for occupational health and safety management systems.

- | | |
|---|---|
| • NIPPON EXPRESS ITALIA S.p.A | • PT.NX LOGISTICS INDONESIA |
| • NIPPON EXPRESS (ISTANBUL) GLOBAL LOGISTICS A.S. | • Nippon Express Automotive Logistics (China) Co., Ltd. |
| • NIPPON EXPRESS (MIDDLE EAST) L.L.C. | • NIPPON EXPRESS LOGISTICS (CHINA) CO., LTD. |
| • NIPPON EXPRESS (SINGAPORE) PTE. LTD. | • NIPPON EXPRESS (H.K.) CO., LTD. |
| • NX Global Engineering Pte. Ltd. | • NIPPON EXPRESS (Taiwan) CO., LTD. |
| • Nippon Express Logistics (Thailand) Co., Ltd. | • Cargo Partner Nakliyat ve Lojistik Anonim Sirketi |
| • NIPPON EXPRESS ENGINEERING (VIETNAM) CO., LTD. | |

13 companies

In addition, Nippon Express Co., Ltd. is working to improve the workplace environment by utilizing the results of group analyses from stress checks and conducting interviews in the workplace with all employees, holding workshops, and other means. It has also created a digital booklet using text and manga to provide knowledge on mental health, self-care, and communication techniques, which is made accessible to all employees.

Nippon Express also offer a variety of mental health education programs tailored to specific objectives and target audiences, including but not limited to the following.

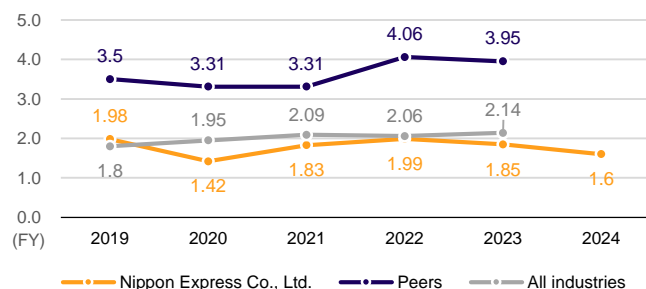
- Self-care training through e-learning for all employees
- Communication skills improvement training (focused on active listening) through e-learning for all employees
- Line care training for mid-level leaders
- Self-care training for new and junior employees
- Training for workplaces that welcome back employees returning from mental health leave

Social Value Occupational Health and Safety

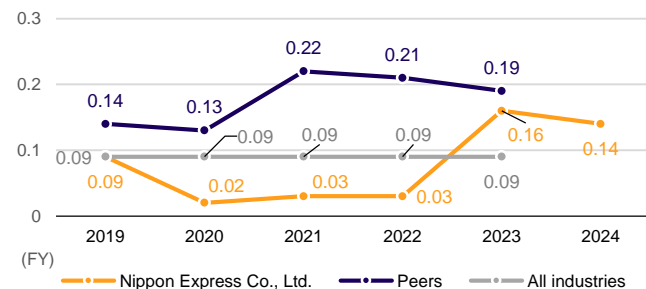
Occupational Safety Related Indicators

Index of labor accidents

Accident frequency rate*1,3



Severity rate*2,3



*1 The frequency rate is an indicator that indicates the incidence rate of occupational accidents.
Total number of casualties per 1,000,000

$$= \frac{\text{Number of casualties}}{\text{Total number of working hours}} \times 1,000,000 \text{ working hours}$$

*2 Severity rate is an indicator that indicates the degree of impact caused by occupational accidents.

$$\text{Total days lost per 1,000} = \frac{\text{Workdays lost}}{\text{Total number of working hours}} \times 1,000$$

*3 2024 severity rate data for "Peers" and "All industries" not provided on the Ministry of Health, Labour and Welfare website during the creation of this report.

When a traffic accident occurs, Nippon Express Co., Ltd. investigates the cause of the accident and implements recurrence prevention measures to avoid similar incidents. As part of its 2024 Safety and Health Management Policy, Nippon Express implemented the following initiatives as automobile accident prevention measures related to transport safety.

- Elimination of On-Site Accidents by anticipating transport route and checking for obstacles along the way
- Use of safety check procedure when reversing
- Operational procedure review and training
- Continuous provision of "special training" for employees with less than four years of driving experience
- Promotion of accident recurrence prevention by learning from past serious traffic accident cases

Furthermore, the number of vehicle accidents reported by NX Group companies in Japan to the Ministry of Land, Infrastructure, Transport and Tourism in 2024 in accordance with Article 2 of the Automobile Accident Reporting Regulations (Ministerial Ordinance) is as follows (figures in parentheses indicate the number for Nippon Express Co., Ltd.).

Number of accidents relating to Article 2 of the Automobile Accident Reporting Regulations (January 2024 to December 2024)

| Item | Number of accidents |
|-------------------------------|---------------------|
| Vehicle malfunction | 22 (22) |
| Health-originating | 4 (3) |
| Accidents resulting in death | 1 (1) |
| Accidents resulting in injury | 1 (1) |
| Traffic accidents | 1 (0) |
| Total | 29 (27) |

Acquisition of certification as safety excellence enterprise (G-Mark*3) (as of January 2025)

| | Number of authorized offices | Number of G-Mark certified offices | Rate of certification |
|----------------------------|------------------------------|------------------------------------|-----------------------|
| NX Group Number of offices | 549 | 529 | 96.4% |

*3 A certification issued by the Japan Trucking Association to truck transportation businesses that satisfy certain criteria in traffic safety efforts, etc. It is a system to make user selection of safer companies easier, and to raise awareness about improving the safety of truck transport companies as a whole.

(Reference) Industry certification status (as of December 2024)

| | Number of authorized offices | Number of G-Mark certified offices | Rate of certification |
|--|------------------------------|------------------------------------|-----------------------|
| Number of offices in the industry (nationwide) | 85,811 | 29,069 | 33.9% |

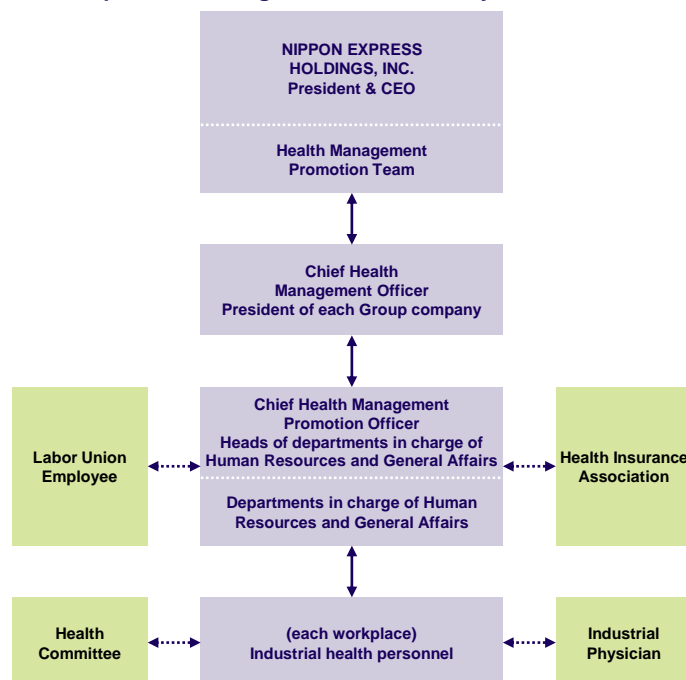
Social Value Occupational Health and Safety

Health Management

Promoting Health Management

NX Group is committed to implementing health management that promotes employee health from a management perspective. In September 2022, we formulated NX Group Health Declaration and established a health management promotion structure with the aim of demonstrating this stance both internally and externally, as well as raising and fostering health awareness among employees.

NX Group Health Management Promotion System

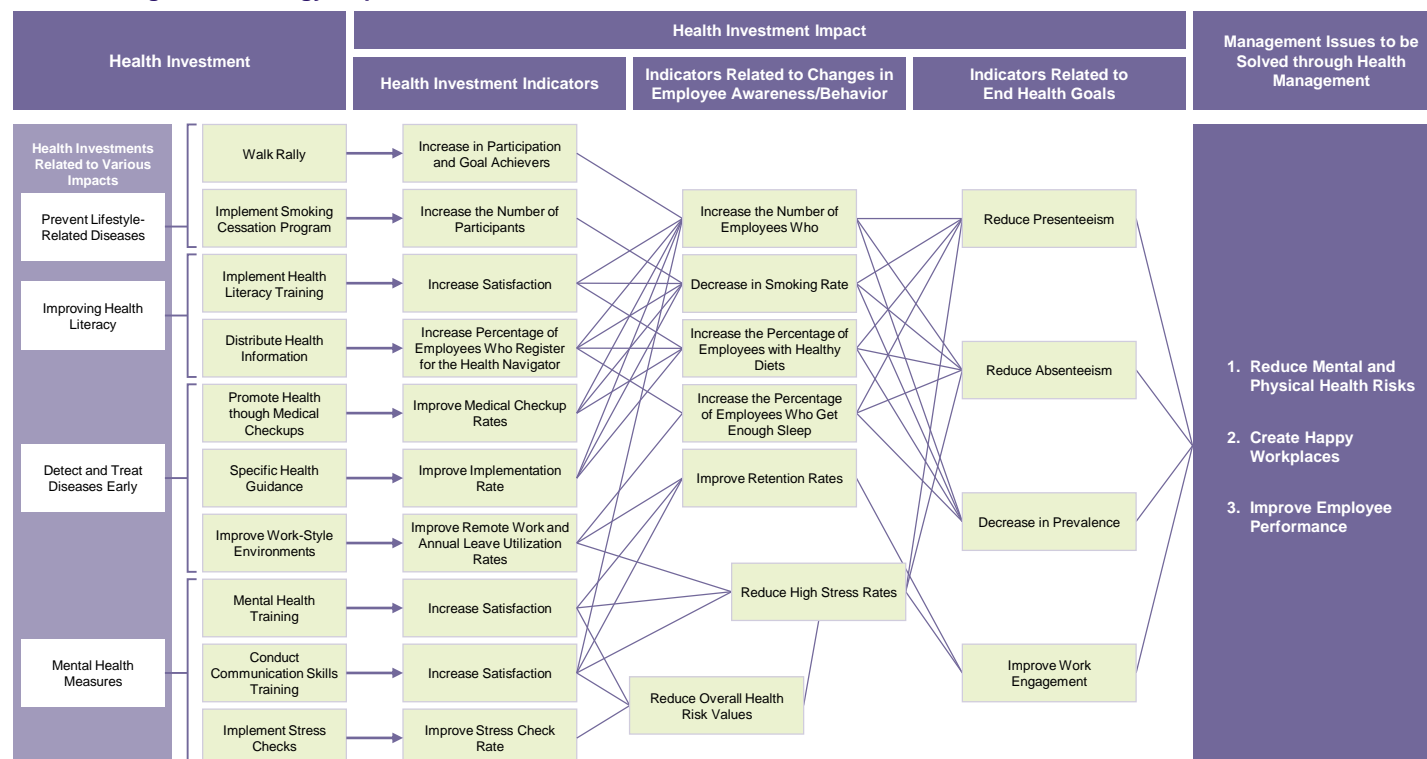


NX Group Health Declaration

NX Group supports the physical and mental health of its employees and aims to be a company where all its employees can achieve their maximum performance and continue to grow by creating workplaces full of smiles. In keeping with its belief that “health is one of our greatest assets”, NX Group

- will proactively support its employees in their efforts to improve their health
- will strive to create workplace environments in which employees can work with smiles and enthusiasm, and
- will aim to be a company where all employees can exercise their abilities and work with a sense of fulfillment.

Health Management Strategy Map



Social Value Occupational Health and Safety

Initiatives for Improving the Health of Employees

NX Group identifies the health-related challenges faced by each Group company and is working to address management issues through health and productivity management initiatives.

Nippon Express Co., Ltd. has formulated the Health Management Policy to resolve health issues within the Company. In FY 2024, we set targets for improving lifestyle habits as well as preventing mental health problems, and are implementing health measures based on these targets.

FY2025 Health Targets

- Improve KPIs related to lifestyle habits (diet, exercise habits, and sleeping habits) by 5% or more year-on-year at each designated branch, etc.
- Smoking rate of 20% or less at each designated branch, etc.
- Overall health risk score at each workplace: 100 or less (Group-wide target: 93 or less)

Improving Health Literacy

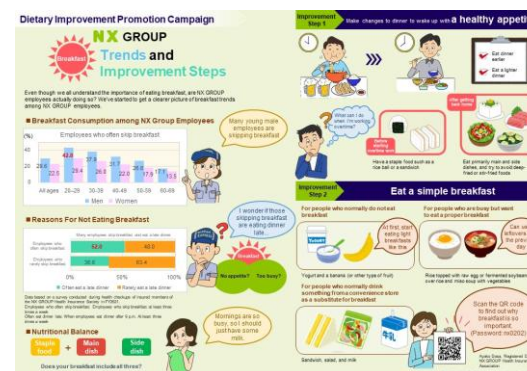
To ensure that all employees have access to accurate knowledge and information on health and medical care, each NX Group company in Japan conducts e-learning programs and disseminates information through health applications and videos.



Employees shown using health app

Measures for Improving Lifestyle Habits

At Nippon Express Co., Ltd., education and participatory events are held for all employees on improving diet, exercise habits, and sleeping habits. In addition, we are working to prevent lifestyle-related diseases through seminars for smokers and individual guidance for those dealing with obesity.



▲ "Dietary Improvement Promotion Campaign" leaflet

Promoting Exercise among Employees

To encourage employees to exercise, the NX Group Health Insurance Association co-hosts walking events twice a year with participating Group companies. In fiscal 2024, a total of 15,766 employees participated. To boost participation, initiatives such as inter-branch competitions, recognition of employees who achieve goal, and awarding of prizes have been implemented.

In addition, employees perform NX's original calisthenics routine (NX Taisho) at a set time each day in the workplace, and health events such as seminars on preventing shoulder and lower back pain are held with invited experts.

Measures to Prevent Mental Health Problems

Each NX Group company in Japan directs the reliable implementation of self-checks through stress checks and also takes concrete measures for improvement by utilizing the results of Group analysis. In particular, Nippon Express Co., Ltd. focuses on creating comfortable workplaces, such as line care training for 489 mid-level leaders and activities to improve the workplace environment through group work. We have posted around 160 Healthcare Instructors nationwide, consisting of qualified public health nurses and other nurses, and established a mental health consulting system. In addition, we provide training to improve the resilience of new employees and training for young employees to improve their communication skills.

In order to facilitate smooth return to work for employees who have taken leave due to mental health problems, we have developed a program to support them.

2025 Health and Productivity Management Brand

The eight NX Group companies NIPPON EXPRESS HOLDINGS, INC., Nippon Express Co., Ltd., NX Shoji Co., Ltd., NX Careerroad Co., Ltd., NX NP Logistics Co., Ltd., Nittsu NEC Logistics, Ltd., NX Cash Logistics Co., Ltd., and NX Wanbishi Archivist Co., Ltd. were selected for 2025 Health and Productivity Management Brand (Large Enterprises) certification by the Ministry of Economy, Trade and Industry after the results for the companies from FY2023 to FY2024 were highly regarded in an inspection by a certification board. The Company has earned a reputation in society as a corporation that considers employee health management from a managerial perspective and engages in strategic initiatives.



Social Value Employee Data

Employee Data

Number of employees (consolidated) as of December 31, 2024

| | | Employees | Temporary employees (average number of temporary employees per year) |
|--------------------------------|----------------------|-----------|--|
| Logistics | Japan | 39,015 | 6,521 |
| | Americas | 3,150 | 93 |
| | Europe | 7,729 | 796 |
| | East Asia | 4,458 | 29 |
| | South Asia & Oceania | 8,518 | 40 |
| Security transportation | | 7,273 | 90 |
| Heavy haulage and construction | | 939 | 83 |
| Logistics support | | 5,021 | 1,020 |
| Group-wide personnel | | 286 | 39 |
| Total | | 76,389 | 8,711 |

Employee data (Nippon Express Co., Ltd.)

| | | FY2022 | FY2023 | FY2024 |
|----------------------------------|---------------------|--------|--------|--------|
| Employees by employment status*1 | Employees | 33,504 | 27,590 | 30,058 |
| | Temporary employees | 1,193 | 751 | 880 |
| Employees by gender*1 | Men | 28,150 | 22,041 | 24,104 |
| | Women | 6,547 | 6,300 | 6,834 |
| Employees by age*1 | Under age 30 | 4,931 | 4,362 | 4,457 |
| | Age 30 to age 50 | 14,988 | 11,225 | 12,749 |
| | Above age 50 | 14,778 | 12,754 | 13,732 |
| | Average age | 45.0 | 45.2 | 45.8 |
| Employees hired - New graduates | Men | 354 | 310 | 312 |
| | Women | 299 | 300 | 342 |

| | | FY2022 | FY2023 | FY2024 |
|--|---|------------|------------|------------|
| Employees hired - Experienced employees | Men | 12 | 20 | 33 |
| | Women | 2 | 10 | 13 |
| Turnover | Men | 602 | 638 | 1,015 |
| | Women | 285 | 362 | 356 |
| | Men (within three years of joining the Company) | 196 | 217 | 135 |
| | Women (within three years of joining the Company) | 94 | 144 | 82 |
| Turnover rate | Overall | 2.6% | 2.8% | 4.0% |
| | Within three years of joining the Company | 6.8% | 6.9% | 5.7% |
| Average years with the Company*1 | — | 15.9 years | 17.2 years | 15.2 years |
| Average days of paid leave taken | — | 15.9 | 17.1 | 13.7 |
| Percentage of women with managerial positions | — | 2.0% | 2.3% | 2.9% |
| Percentage of female assistant managers | — | 11.3% | 14.0% | 17% |
| Gender wage gap | — | 63.2% | 63.1% | 64% |
| Persons taking maternity leave | — | 208 | 192 | 189 |
| Number of employees eligible to take childcare leave | Men | 482 | 446 | 396 |
| | Women | 168 | 163 | 157 |
| Persons taking childcare leave | Men | 172 | 189 | 200 |
| | Women | 156 | 149 | 157 |
| Percentage of employees who return to work after childcare leave | Men | 100% | 99.5% | 100% |
| | Women | 97.5% | 99.4% | 99% |
| Retention rate of employees who return to work after childcare leave | Men | 90.8% | 94.8% | 94% |
| | Women | 91.9% | 92.9% | 93% |
| Persons taking family care leave | Men | 6 | 10 | 18 |
| | Women | 2 | 4 | 3 |
| Number of persons with disabilities hired*2 | — | 12,577 | 12,375 | 12,920 |
| Employment rate of persons with disabilities*2 | — | 2.33% | 2.34% | 2.47% |

*1 NIPPON EXPRESS HOLDINGS, INC. and Nippon Express Co., Ltd. (Employees (general staff), employees (area-based staff), employees (elderly), and temporary employees under direct contract)

*2 Total for NIPPON EXPRESS HOLDINGS, INC. and Group companies with applicable certifications (calculated based on the Act on Employment Promotion etc. of Persons with Disabilities)

Social Value

Stable Social Systems (uninterrupted supply chains)

Stable Social Systems (uninterrupted supply chains)

Contribute to Sustainable and Tough Infrastructure Development

Providing Special Transport Services

Fine arts transport and heavy haulage and construction are among some of NX Group's services requiring specialized skills and a wealth of experience as well as special facilities and equipment.

We regard it as an important social responsibility to improve the quality of specialized services that the Group is uniquely qualified to provide, and we remain committed to this principle.

● Use of Recyclable, Passive Temperature-controlled Packaging

In collaboration with EMBALL'ISO S.A. (Head Office: St-Georges-de-Reneins, France), Nippon Express Co., Ltd. has developed NX-SOLUTION Temperature-controlled Transport Service using Environmental-friendly Isothermal Packaging that combines recyclable, passive (non-powered) temperature-controlled packaging from EMBALL'ISO with the international air transportation of Nippon Express Co., Ltd. in an effort to expand our temperature-controlled transport service.

NX Group is developing temperature-controlled transportation services since it positioned the pharmaceutical industry as one of its priority industries since the previous NX Group Business Plan.

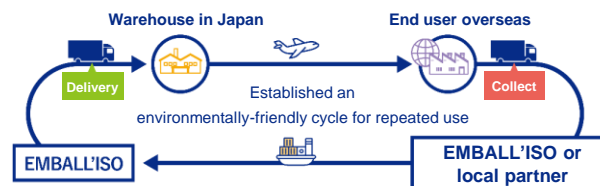
While NX Group is involved with the transportation end of the service, EMBALL'ISO develops and sells environmental-friendly Isothermal packaging for the transportation of pharmaceuticals at a constant temperature. For more than 10 years, EMBALL'ISO have been working on environmental issues and have been providing a comprehensive "reverse logistics service" from container manufacturing to pre-use temperature control, to free collection and reuse after use. Currently, these packages can be collected in more than 80 countries around the world. In Japan, EMBALL'ISO have a directly managed office in Narita City, which carries out inventory storage, heating, recycling of recovered products, and the production of some package models. This joint initiative marks the first time EMBALL'ISO has collaborated with a Japanese logistics company.

NX-SOLUTION Temperature-controlled Transport Service



Reverse Logistics Service

- Used packaging is collected after delivery locally
- Packaging collection network in 80 countries/regions around the world
- Reduces disposal costs incurred by conventional disposable containers



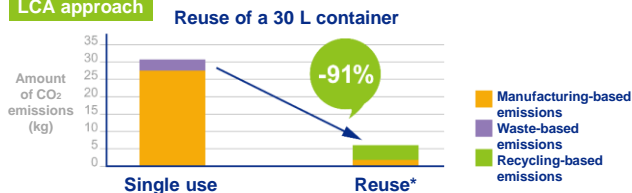
Reduces CO₂ Emissions

- Reuse of packaging reduces CO₂ emissions by a maximum of approx. 90%

* Calculated by EMBALL'ISO.

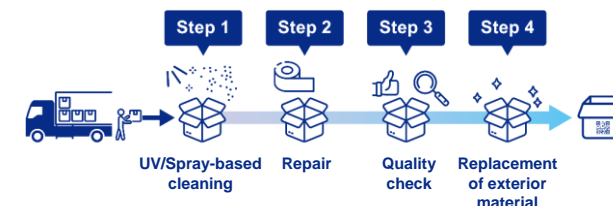
Based on a life cycle assessment (LCA) where packaging is reused 30 times.

LCA approach



Packaging Reuse System

- Packaging is taken apart and cleaned at a service center for reuse
- Thorough quality management is implemented using a QR code on each package



▲ Environmental-friendly isothermal packaging

Social Value

Stable Social Systems (uninterrupted supply chains)

● Transporting Works of Art

The Fine Arts Business Division of Nippon Express Co., Ltd. transports articles for display at exhibitions held in Japan and overseas as well as transports and stores entire collections when art galleries and museums relocate. The numerous exhibits that come from overseas as well as treasures and Buddhist statuary from temples and shrines around Japan are all culturally/historically important, and many have been designated National Treasures or Important Cultural Properties. We work closely with relevant parties when transporting goods, paying particular attention to ensure that the value of goods being handled is not diminished in any way during transport.

 Transporting Works of Art

● Transport of Heavy Equipment and Construction of Plant Facilities

Heavy haulage and construction services provided by NX Engineering Co., Ltd. brings together “transport, installation, and assembly” to deliver tangible results through advanced technical expertise and trusted execution capabilities. NX Engineering handles the entire lifecycle of customers’ products and equipment, from transporting products and equipment to required locations, installing them where they need to be installed, and assembling them for operational to providing maintenance and upgrading services thereafter. It plays a role in the construction and maintenance of major social infrastructure in Japan and overseas, including wind power generation and other renewable energy-related projects that have been the focus of attention in recent years, as well as the transportation and installation of plant equipment.

 Transport of Heavy Equipment and Construction of Plant Facilities



◀ An NX Engineering truck

Creation of Business Models Based on the Latest Technology

Through many different governmental working groups such as a committee that studied business models related to a national project to encourage automated truck platooning*, Nippon Express Co., Ltd. is committed to the creation of new logistics services that support society in the future.

● NX Universal Harmonious Work Warehouse Project

In response to Japan’s rapidly aging population and declining labor force, Nippon Express Co., Ltd. has launched the NX Universal Harmonious Work Warehouse Project, which aims to eliminate barriers for individuals who have traditionally faced challenges working in warehouse environments. This is being achieved through the introduction of advanced logistics robots, assistive equipment, and improvements to the workplace environment. Through this initiative, Nippon Express seeks to ensure that all workers are productive while expanding into previously untapped labor markets, thereby contributing to workforce sustainability and a more inclusive society.

Description of Initiative and Results

During the first phase of the project, in addition to introducing WHILL Inc.’s short-range mobility devices to reduce the physical burden on workers and improve productivity, Nippon Express is also jointly developing electric mobility solutions for warehouse operations with WHILL in order to create a warehouse environment where even individuals with limited mobility can move and work independently. By integrating next-generation mobility devices with AGVs (Automated Guided Vehicles) and AMRs (Autonomous Mobile Robots), Nippon Express has created an environment in which individuals with limited mobility can perform warehouse tasks such as picking.

It has also partnered with companies that provide universal design solutions informed by diverse employee perspectives and has promoted awareness and readiness for embracing diverse employees and work styles through participation in the Universal Manners Certification program (between March and August 2024, 66 employees obtained Level 3 certification and 22 obtained Level 2 certification).

Aim of the NX Universal Harmonious Work Warehouse Project

Going forward, Nippon Express will expand this initiative to multiple locations and build NX Universal Harmonious Work Warehouses that can accommodate an even greater level of diversity. It also aims to transform the know-how gained through this initiative into solution services in the future. By continuing to leverage digital transformation (DX), we will revitalize our organization through the active participation of diverse talent, strengthen the recruitment of job-ready personnel, and strive to enhance corporate value.

Utilization of Cutting-Edge Logistics Technologies

At Nippon Express Co., Ltd., we are also working to automate warehouse operations, including receiving and shipping, internal transport, sorting, packing, and inspection, across a wide range of industries and products with the goals of improving storage efficiency, productivity, work quality, and labor savings. Specifically, Nippon Express is enhancing its ability to respond to recent environmental changes and uncertainties by combining human-driven improvement with advanced technologies. It has also designated target sites for promoting automation to introduce cutting-edge automation functions.



▲ Automated logistics equipment

Social Value

Stable Social Systems (uninterrupted supply chains)

● Initiatives for Drone Use

Nippon Express Co., Ltd. will utilize the insights gained from demonstration experiments conducted up to FY2024, and will work toward social implementation from 2025 onward, starting with remote islands and depopulated areas, assuming actual transportation and delivery operations.

At the same time, we will consider collaborations and joint proposals with other companies as we work to expand these initiatives.

Nippon Express Co., Ltd. will also conduct surveys and research on large-scale drones, and work on infrastructure development, including constructing drone ports, from the perspective of making effective use of its sites, aiming for drone use in operations starting in 2026.

● Integrated Management and Optimization System for Logistics Facilities (WES)

Nippon Express Co., Ltd. is working to visualize work processes within logistics centers by implementing a Warehouse Execution System (WES), which is an integrated management and optimization system for logistics facilities, into its in-house warehouse management system, NX-GLOW. This initiative promotes the optimization of personnel allocation and enables the digitization of facility layouts into digital maps. By visualizing inventory movement, Nippon Express is achieving optimal inventory placement that takes storage and operational efficiency into account.

● Efforts for Digitizing Tasks Related to Receiving and Shipping

In addition, to enhance and automate manual inbound and outbound operations in international maritime transportation, rail container transportation, and truck-based transportation, Nippon Express is conducting joint research with a variety of vendors. It is also participating in a government-led working group aimed at standardizing pallet sizes and operational practices, continuing its efforts to improve logistics efficiency.

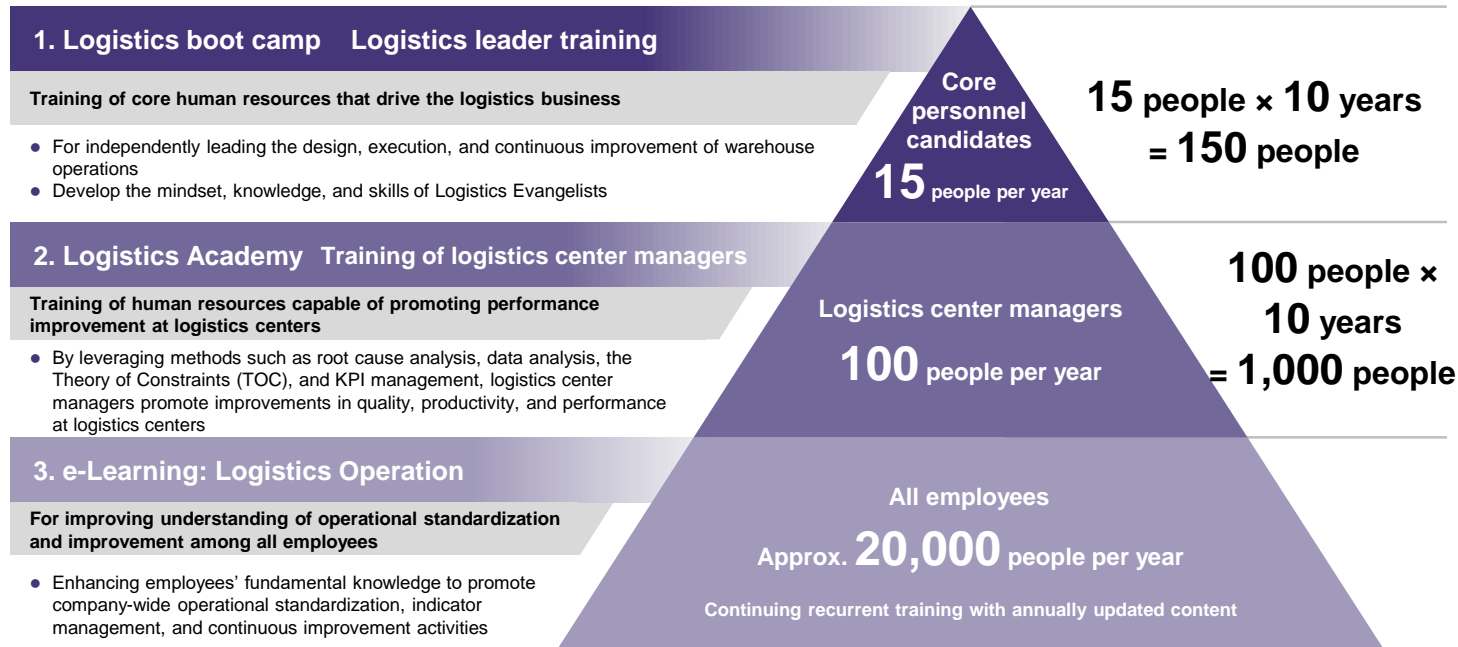
● Training of Core Human Resources Working at Logistics Sites

Nippon Express Co., Ltd. continuously implements training programs such as Logistics boot camp, which develops core human resources who take the initiative in promoting the design, execution, and continuous improvement of warehouse operations, and Logistics Academy, which trains managers who drive quality and production management at logistics centers. Through these programs, Nippon Express is systematically working to develop logistics human resources, while also advancing initiatives aimed at improving productivity, saving labor, and increasing efficiency at logistics sites.

Logistics Human Resources Training

Human Resource Training: A three-tiered training program is implemented to systematically train logistics human resources

Through the acquisition of knowledge and practical application, employees gain analytical, design, and execution skills, thereby promoting the strengthening of the logistics business



Social Value Relationships with Customers

Relationships with Customers

Customer Service Policy

NX Group is committed to achieving sustainable corporate growth and the maintenance and improvement of its service quality. To support the enhancement of customers' lives through logistics, we will continue to strive to offer high-quality services that satisfy customers by responding sincerely to customer feedback and always earning their trust.

Commitment to Customers

Nippon Express Co., Ltd. has introduced a customer consultation system (VoCS) that allows the entire company to share customers' inquiries, opinions and requests directed to its website.

The inquiry page on the website is periodically redesigned so that customers can submit inquiries more easily. These improvements have led to further inquiries from customers. We will compile the opinions and requests received from customers into a database to keep up with changes in social and economic conditions as we endeavor to develop new products and improve our service quality.

Inquires/Requests Received (FY2024)

| | |
|-----------|------------------|
| Inquiries | 12,868 incidents |
| Requests | 318 incidents |

Pharmaceutical Logistics

Nippon Express Co., Ltd. offers pharmaceutical logistics services having received Good Distribution Practices (GDP) certification. In addition to stringent quality control, we are committed to ensuring compliance with the Business Action Plan (BCP), from procurement, manufacturing, and sales of pharmaceuticals, providing End to End support for the entire supply chain. In addition, by promoting the acquisition of GDP certification at major NX Group forwarding sites outside of Japan and constructing a global and safe and reliable supply network, we are contributing to the improvement of the value of pharmaceuticals and people's health through transportation.

Customer Satisfaction Survey

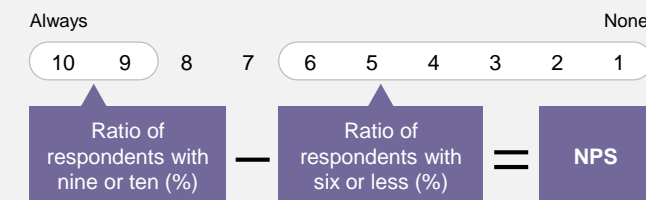
Nippon Express Co., Ltd. has been asking customers who make use of its removals services to respond to a survey about those services. The opinions we receive from this survey will be utilized in making future business improvements and developing products in the hope that these will lead to greater customer satisfaction and improved service quality.

Also, NPS calculated from the survey responses is used as a KPI for moving quality. From 2019 when NPS was first introduced until now, the annual figures have risen, which means an improvement in moving quality has been made. In 2025, we were given the top overall place among moving companies in the Oricon® Satisfaction Survey for four consecutive years.

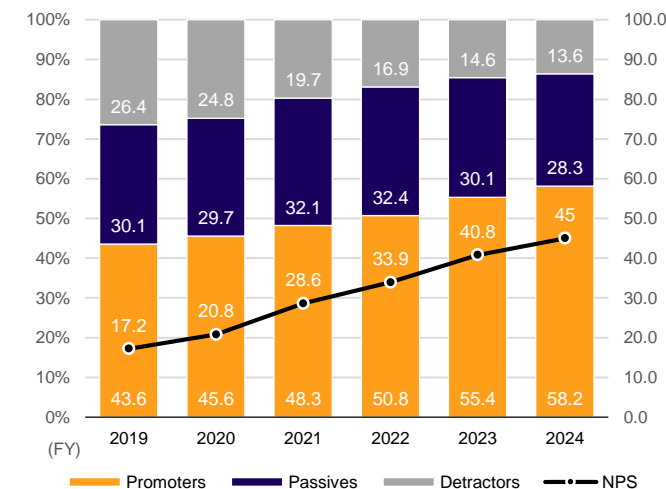
In addition to the overall ranking, we placed first in all seven individual categories, receiving a very high evaluation.

NPS:

Abbreviation for Net Promoter Score. An index to measure customer loyalty. We quantify how much love or trust there is toward the company or brand and use it as an index for quality of moving.



Survey Results and NPS by Year



Social Value Initiatives for Protecting Personal Information

Initiatives for Protecting Personal Information

Personal Data Protection Policy

NX Group handles a variety of personal information, including customer information, as necessary for business.

NIPPON EXPRESS HOLDINGS, INC. and each NX Group company have established a Personal Information Protection Policy, and we comply with rules and regulations as well as other norms pertaining to the protection of personal information, while simultaneously working on the establishment of rules and appropriate implementation systems that match our corporate philosophy and businesses.

In particular, major Group companies in Japan, including Nippon Express Co., Ltd., have acquired the PrivacyMark, demonstrating to customers and business partners that they handle personal information appropriately, while engaging daily in the protection and management of personal information.

Initiatives for Protecting Personal Information

Instilling Awareness of Personal Information Protection Management

To raise employee awareness of the importance of personal information protection, NX Group conducts training programs and awareness-raising activities on this topic across its group companies.

NIPPON EXPRESS HOLDINGS, INC. and Nippon Express Co., Ltd. conduct e-learning aimed at training employees about personal data protection once a year on personal information protection for sales and administrative staff members. In FY2024, approximately 19,000 employees participated in this training.

Each of our Group companies regularly conducts training on personal information protection in various formats, including e-learning and in-person sessions, based on the laws and regulations of each country as well as internal company rules. In addition, the NX Group Compliance Handbook, which is distributed to all employees across the Group, includes rules related to the protection of personal information, thereby promoting efforts toward personal information protection throughout the entire Group.

Certifications Received Relating to the Protection of Personal Information by NX Group Companies in Japan

Certifications Received Relating to the Protection of Personal Information (Acquisition of PrivacyMark)

- Nippon Express Co., Ltd.
- NX Shoji Co., Ltd.
- NX CAREERROAD CO., LTD.
- NX Okinawa E-Technology Co., Ltd.
- Okinawa NX Air Cargo Service Co., Ltd.
- NX Wanbishi Archivist Co., Ltd.
- NX Cash Logistics Co., Ltd.
- NX TC Lease & Finance Co., Ltd