

Press Release

November 15, 2024

NIPPON EXPRESS HOLDINGS, INC.

## **Nippon Express to restructure and tailor management system to regional characteristics**

### **Company-wide organizational reform will include introduction of an in-house company system**

Nippon Express Co., Ltd. (President: Shinjiro Takezoe; hereinafter, “the Company”), a group company of NIPPON EXPRESS HOLDINGS, INC. (President: Satoshi Horikiri), is pleased to announce the following organizational changes to be implemented as of January 1, 2025.

The Company will be pursuing three transformations to achieve the goals of the “NX Group Business Plan 2028: Dynamic Growth 2.0 -- Accelerating Sustainable Growth”, seeking to transform the Company into a customer-oriented enterprise, into a highly profitable company, and into a company that is the choice of customers.

To make these transformations, the Company will be carrying out an extensive reorganization, breaking away from the one-size-fits-all management system prevalent in Japan and putting in its place a management system matched to the characteristics of the areas the Company serves with the aim of optimally and efficiently reallocating management resources and transforming into a corporation that is the choice of all its stakeholders.

#### Key points in organizational changes

- Termination of a region-based system, introduction of in-house company system, and reorganization of business units
  - An in-house company system will be introduced in the Hokkaido-Tohoku and Chugoku-Shikoku-Kyushu areas to manage operations in accordance with the characteristics of each area.
  - The Kanto-Koshinetsu-Chubu-Kansai area will see business units restructured by business and by customer.
- Establishment of head office sales divisions responsible for sales in metropolitan areas and expansion of account sales offices and other sales-related organizations to strengthen sales capabilities

## 1. Transformation to a management system tailored to regional characteristics

The Company will divide its nationwide operations into three areas, restructure organizations to accommodate the differing market characteristics of each area, and build management systems to achieve their respective targets.

- A. An in-house company system will be introduced in the Hokkaido-Tohoku and Chugoku-Shikoku-Kyushu areas to increase the degree of freedom of management.
  - An East Company will be established in the Hokkaido-Tohoku area and a West Company in the Chugoku-Shikoku-Kyushu area.
- B. The Kanto-Koshinetsu-Chubu-Kansai area will be reorganized into business-oriented and customer-oriented business units with the aim of expanding the scope of transactions with customers.
  - Sales organizations will be restructured into account sales business units focusing on sales to specific customers as well as business-specific logistics business units and forwarding business units

## 2. Head Office restructuring

The Company will enhance its sales organizations to bolster sales activities and account management.

- A. The Company will abolish the Sales Strategy Headquarters, the Specialized Transport Business Headquarters, and the Network Headquarters and establish an Account Sales Headquarters and a Business Management Headquarters.
- B. The Company will set up a Chubu Region Sales Management Division and a Kansai Region Sales Management Division to upgrade its ability to sell to customers in each region.
- C. The Company will establish Account Sales Offices in each sales division of the Account Sales Headquarters to serve as company-wide contact points for customers, and will create a dedicated sales structure to quickly identify the needs of specific customers and provide solutions tailored to the characteristics of specific industries.

## 3. Effective date

January 1, 2025

