

We Find the Way



We Find the Way

COMPANY PROFILE 2022



Creating New Value Through Logistics and Contributing to Sustainable Societies

Nippon Express Holdings, Inc President, Chief Executive Officer and Representative Director

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been transitioned to a holding company structure in January 2022 and made a new start as Nippon Express Holdings, Inc. The environment surrounding the logistics industry worldwide continues to be severely impacted by the COVID-19 pandemic, creating instability and increasingly unpredictable conditions, even as the industry also faces pressing needs to mount

The Nippon Express Group is pleased to announce that it has



Goals, digital transformation and a steadily growing list of other critical challenges.

Against this formidable backdrop, Nippon Express is determined to redouble its efforts to realize the long-term vision set forth in its current business plan of becoming "a logistics company with a strong presence in the global market." Toward that end, we are restructuring our management system to achieve even speedier decision-making and maximize our value as a corporate group.

In conjunction with this transition, we have also been introduced NX as our new group brand, likewise changing our corporate group name the Nippon Express Group to the NX Group. Since its inception in 1937, the group has grown its business internationally from Japan and has striven through logistics to connect people, companies and regions and thereby contribute to the advancement of society. Under this new brand, we will be marshaling our group-wide strength to evolve into an even more powerful corporate entity while generating new value from the logistics domain.

The NX Group will continue keenly endeavoring from a long-term perspective to implement sustainable management and to shine as an even more trusted corporate presence in the eyes of its customers and society in the years to come. This will be accompanied by the dynamic pooling of our group's strengths to create further growth and greater corporate value. As we undertake this transformation, we look forward to your continued and invaluable understanding, support and guidance in helping us attain our objectives.

The NX Group Corporate Philosophy

Our Mission Be a Driving Force for Social Development

Create New Ideas and Our Challenge

Value that Expand the Field of Logistics

Our Pride **Inspire Trust Every Step of the Way**

Since our founding, the NX Group has employed its logistical strengths to connect people, businesses, and regions throughout the world. In so doing, we have continuously supported social development.

While our mission never changes, we advance continuously to meet the world's changing needs. Making no compromise in safety and maintaining a deep focus on environmental issues, we continuously strive to deliver innovative solutions at the next frontier of logistics. We will forever take pride in our ability to inspire trust and answer the call of society.

Every move we make is aimed at advancing society and bringing

an enriched life to future generations.

The NX Group Corporate Message

We Find the Way

The NX Group brings customers' possibilities to reality. There are often many solutions, but only one way is the way. We use our determination to find the best way to overcome hurdles and take our customers across the finish line.

We

Our unified strength makes us unique, driving everything we do on the frontline and in the together to become an unstoppable force.

Find

Every client, project, and task is different, and sometimes we have to innovate to achieve our of individuals with specialized skills that work verb "find" in its present form tells a story of a between individuals and businesses. company willing to dig deeper for the best results.

the Way

Sure, there are many solutions, but there's only one best way. We don't find a way or some way; we find background to deliver unparalleled logistics goals. Our work demands exploration and thinking the best way, and we do it with passion and services. The word "we" speaks to a complex system outside the box. It's how we find the best way. The perseverance. Our efforts build connections to and

Establishing a New Group Brand Identity

To respond to rapid changes in the social environment and in technological innovation, as well as to provide more advanced and higher quality services to customers in Japan and overseas, the NX Group (and our group companies) has decided to introduce a new unified group brand identity from January 4, 2022 as part of an effort to strengthen our brand.

About the New Group Brand Symbol



<What the Symbol Represents>

- •The symbol is "NX," a shortened form of the new holding company, Nippon Express, which has become a trusted name in Japan and overseas.
- •This symbol will serve as a banner for group branding as we evolve in Japan and overseas through our united efforts, striving to achieve our group vision of becoming a logistics company with a strong presence in the global market.
- •The symbol embodies our corporate message, We Find the Way, and expresses our strong desire to support the development of businesses, industries, and society. *Long-term vision: Vision for the year 2037 as described in the NX Group Business Plan 2023 "Dynamic Growth"

Completion of the NX Group Building

Completed in September 2021 as the general headquarters of NX Group.

Location: 2 Kanda-Izumicho, Chivoda-ku, Tokyo



The NX Group Value Creation Engine

~Solving Social Issues Through Logistics~

To support lives through social infrastructure logistics, contributing to sustainable societies by seeking a proactive understanding of the logistics and social needs of the times.

A history of supporting lives through social infrastructure logistics

Building a strong social infrastructure and pursuing efficient supply chains

Building a Global Network

In response to the recovery and growth of the Japanese economy, as well as the globalization of our customers, we have built a land, sea, and air logistics network in each region and country of the world, providing solutions that optimize global supply chains.

Services Tailored to Industry Characteristics

The NX Group provides solutions to industrial issues through our understanding of industrial characteristics and our strengths in logistics, including advanced transportation technologies and relationships with multiple companies.





Contributing to Sustainable Societies

We maintain global and social environments that are the foundation for social development through logistics

Industry-Specific Platforms

We build platforms that combine logistics and advanced technologies to provide solutions that solve industrial issues, tailored to the current state and characteristics of each industry.

Creating New Business Domains Through DX

With the objective of contributing to sustainable societies through backcasting based on future changes and social issues, we form hypotheses leveraging the use of digital technologies that lead to new business fields, which will form the future pillars of our company. At the same time, we aim to commercialize these new businesses by creating value in collaboration with other companies.

Creating Businesses That Contribute to the Environment of a Carbon-Neutral Era

We provide solutions that meet customer needs to reduce CO₂ emissions in their logistics processes. Our efforts include bringing visibility to not only our own emissions, but also to emissions across logistics processes of the supply chains of our partners and customers.

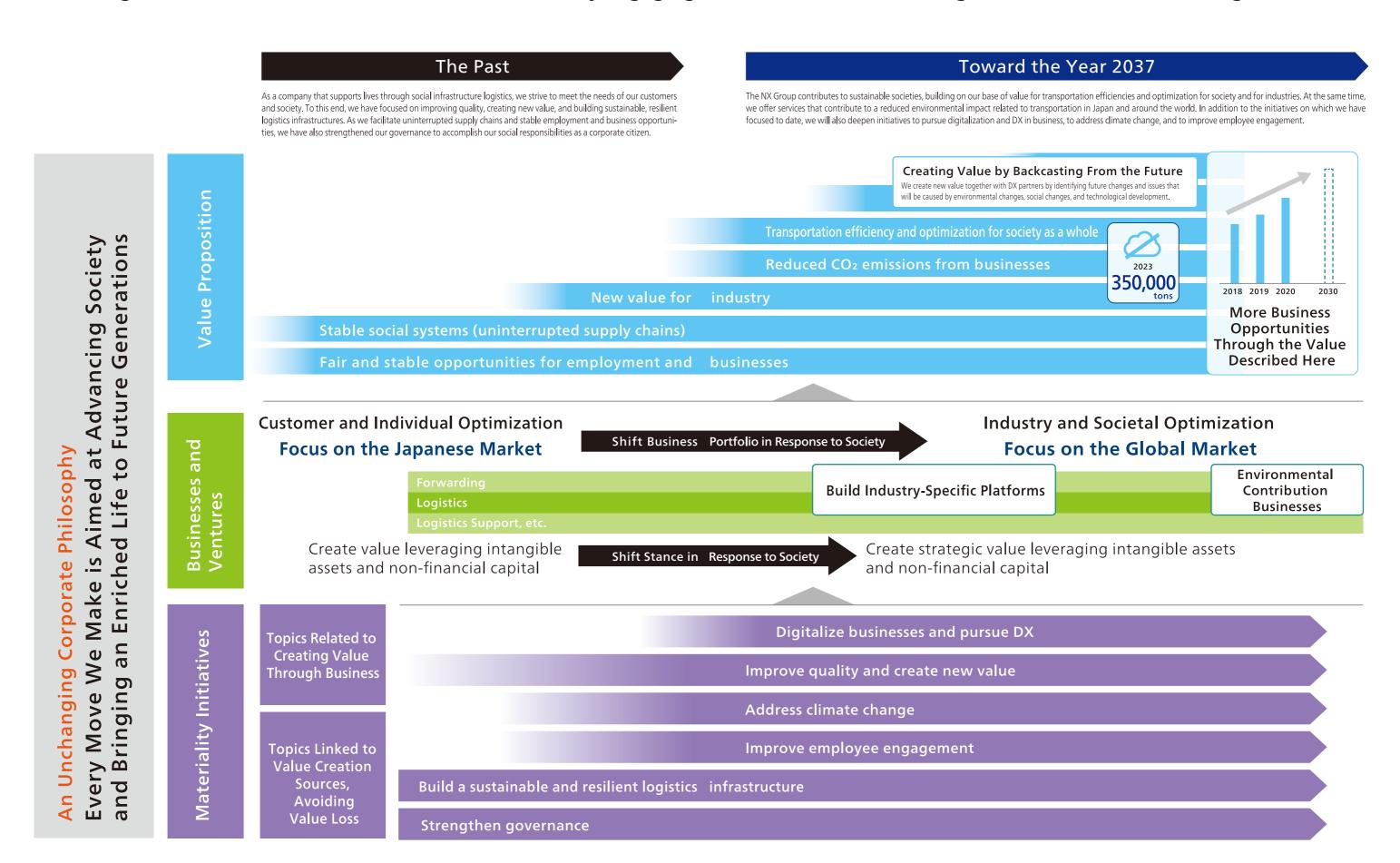
Corporate Philosophy

Every move we make is aimed at advancing society and bringing an enriched life to future generations

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The NX Group Value Creation

We strengthen our businesses and business foundations by engaging with materialities, creating new value toward achieving our vision



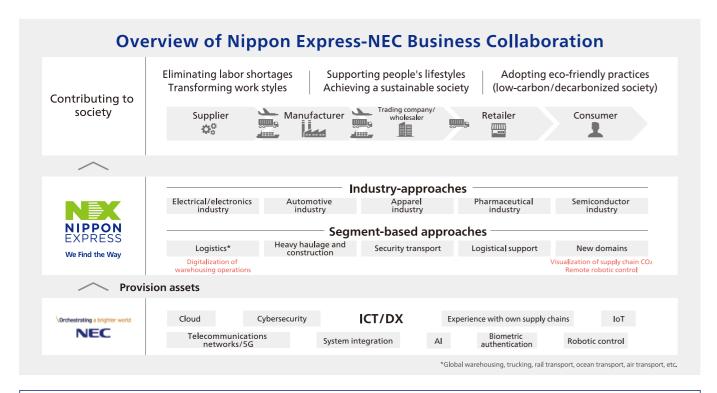
The NX Group's Value Creation Actions

The NX Group and NEC conclude business tie-up agreement on joint value creation through DX

New initiatives launched to resolve social issues through business

Recent years have seen the logistics industry confronting increasingly serious labor shortages due to declining birthrates and shrinking populations as well as changes in work styles, complicated supply chains and digitalization. On the environmental front, reducing CO₂ emissions has become a major social issue, and companies are being called on to help bring about decarbonized societies in line with declarations made by Japan and other countries to achieve carbon neutrality by 2050.

To meet the demands of society for ever more sophisticated logistics, the two companies launched an exploratory project for value co-creation in October 2020 and more recently signed a business tie-up agreement. By combining the NX Group global logistics network and logistics know-how with NEC's state-of-the-art AI, IoT and other digital technologies and integration capabilities to resolve social issues through new businesses, they hope to play a critical part in realizing a sustainable society.



Discovering and Creating New Business Via Collaborative Creation of Value with NEC Three Endeavors for Achieving a Sustainable Society: From Digitalization to DX NX Group is endeavoring on a collaborative creation of value with IT corporations through the short-term solution of digitalization and mid-term solution of DX (digital transformation), in order to solve social issues through new businesses and to contribute to the achievement of a sustainable society. Time scale **Endeavors** Issues to Resolve Maximizing warehouse performance, contributing to the resolution of labor shortages, and Digitalization of workers' creating an environment where workers can work safely and with peace of mind knowhow and tacit Short-term As a long-term goal, achieving zero accidents and optimizing staffing in logistics settings as a knowledge whole, including transportation and delivery Making possible the creation Offering labor by utilizing AI and remote-controlled robots in places where manpowered of a society where people can work was difficult to deliver, such as industries with worker shortages, locations with poor Mid & long support each other regardless working environments, dangerous areas, on the other side of the world, to resolve labor of the distance between them shortage issues and avoid safety and health risks in the workplace Visualization and reduction of Contributing to the achievement of a carbon-free society through our efforts in the Mid & long CO₂ emissions in distribution visualization and reduction of CO₂ emissions, not only within our own logistics processes processes but that of the entire supply chain, including our partners and customers

Commencement of the "ONE-STOP NAVI" service able to provide an aggregated search of the optimal transport modes in Japan

"ONE-STOP NAVI" is a service that enables the instantaneous comparison and consideration of the available transportation modes anytime and anywhere, by simply entering the pickup and delivery locations, the number of units and the weight using a PC, smartphone or tablet. Using our strength as a comprehensive logistics business operator, the Company proposes the optimal transportation mode to the customer using our own transport network based on various considerations such as the freight, lead time as well as CO₂ emissions.

In particular, CO_2 emissions can be accurately calculated by calculating the different pickup and delivery distances for each transportation mode using distances linked to map data. This scheme is the first in the logistics industry to receive third-party verification (from SGS Japan Inc.) and the resultant CO_2 emissions data can be used for official procedures for administrative institutions and others. We support the visualization of CO_2 and initiatives for reducing customers' CO_2 emissions.



Safety Initiatives

The NX Group Izu Training Center

The NX Group Izu Training Center, completed in October of 2021, is where NX Group employees receive training in skills that ensure safety and quality. We will continue to improve our safety and quality in order to have a presence that is trusted and sought after by society.



Social Contribution Activities

Forest Growing Activity

The NX Group has established the NX Group Forest, where employees and their family members can, with support and instruction by the local municipal office and forest owners' cooperatives, perform forest growing activities such as planting trees and weeding.



Promotion of Sports

There are five active sports clubs in the NX Group: kendo, judo, sumo, golf, and baseball, the last known for its prominence among corporate baseball clubs and as a club to which many professional baseball once belonged. The baseball club holds baseball lessons for children every year.



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The NX Group and Logistics Supporting the Advancement of Society

1872 ~ Wartime and Postwar Reconstruction 2010 ~ Environmental and Social Sustainability Rapid Economic Growth and **Growth and Rising Uncertainty** Manufacturing Industry Globalization in the Service Industry Establishing a nationwide domestic Establishing a global Maintaining supply chains in Japan Sustainable development transport network and land, sea, air supply chain network and overseas; diversifying our services of society and business intermodal transport Major Initiatives of the NX Group Our company was founded as a consolidation of early modern As Japan entered a full-scale economic recovery in the 1950s, we launched an At the time of the Great Hanshin-Awaji Earthquake in 1995, we were the only Global warming and other environmental problems became more prominent in transportation and communications companies, nationalized to international forwarding business in cooperation with Japanese companies trucking company designated as a public organization under the Basic Act on the beginning of the 1990s. As a leading company in the transportation ensure the smooth supply of goods during the war. After the war, expanding overseas. In 1962, we established our first local subsidiary in New York, Disaster Management. In the immediate aftermath, we established a disaster-reindustry--an industry that accounts for 20% of Japan's CO_2 emissions, we took the the company underwent a reorganization, and in 1950, we listed U.S.A., Nippon Express USA Inc. In the 1970s, Japan's industrial structure shifted sponse headquarters and fulfilled our duties by carrying out emergency transporlead in addressing the issue of exhaust gas emissions. We established a dedicated department, and in 1993, we formulated a basic philosophy for global environour shares on the stock exchange, transitioning from a nationalized to an export-driven economy, while the Asian nations began to emerge, signaling tation of relief supplies and other goods from Japan and overseas in cooperation $% \left(1\right) =\left(1\right) \left(1\right)$ a change in the world situation. In response, we established a policy to strengthen with relevant government agencies. Since that time, we have endeavored to carry mental conservation. We pursued environmentally friendly transportation entity to a private entity our presence in international transport, solidifying our international transport We began as a railway forwarding company handling items from out our mission to support social infrastructure logistics, formulating crisis through low pollution vehicles, saving resources used in packaging materials, small carriers. From there, we expanded our truck transportation systems and in 1973, establishing an Asian subsidiary in Singapore, among other management regulations and establishing a crisis management committee in improving efficiency through joint deliveries, and using modal shifts from network throughout Japan. We were among the first to form measures. Subsequently, we established a firm foothold in the Americas, Europe, preparation for emergencies. In the aftermath of the Great East Japan Earthquake truck-based to rail- and ship-based transportation. In addition to environmental alliances with shipping companies and airlines in Japan and abroad, and Hong Kong. In the 1990s, we began to expand actively into China, Southeast in 2011, we used all available means of transportation by land, sea, and air to conservation activities through our business, we also engaged in resource establishing an intermodal transportation system that combined Asia, and India. cope with the widespread disruption of road and rail networks. recycling and ecosystem conservation. land, sea, and air transportation in an organic manner. 2037 Vision A logistics company with a strong presence in the global market The NX Group Operational Plan 2023: A Discontinuous "Dynamic Growth" The Nippon Express Group Corporate Strategy 2018 New Sekai-Nittsu The Nippon Express Group Corporate Strategy 2015 **Innovation and Moving Forward** The Nippon Express Group Corporate Strategy 2012 **Towards New Growth** Revenues * Overseas sales prior to fiscal 1998 have been omitted, since overseas sales accounted for less than 10% of revenues **Overseas Revenues** 1872 1880 1930 1950 1960 1970 1980 1990 2010 2013 2016 2019 2020 2021 (FY) 2000 1872 Riku-un Moto Kaisha established (predecessor 2011 Transported relief supplies and other items in the wake 1964 Transportation for the Tokyo Olympics, 1995 Transported relief supplies and other items as a designated public of the Great East Japan Earthquake of Nippon Express) Transported the Venus de Milo institution in the wake of the Great Hanshin-Awaji Earthquake 2013 Established Nittsu NEC Logistics, Ltd. 1937 Nippon Express Co., Ltd. established 1970 Transportation for the Japan World Exposition in Osaka 1997 Launched recycling transportation business 2014 Established Nittsu Panasonic Logistics Co., Ltd. 1957 Nippon Express shares are listed on the stock 1972 Transportation for the Sapporo Winter Olympics 1999 Began full-scale operations of internet order deliveries 2015 Converted Wanbishi Archives Co., Ltd. to a subsidiary 2002 Fleet of low-pollution vehicles exceeds 1,000 vehicles exchange, marking a fresh start as a purely 1974 Transported the Mona Lisa 2017 Opened Tokyo C-NEX 2009 Transported national treasure Asura statue of the Kofukuji Temple private company 1985 Transportation for the International Exposition in Tsukuba, Japan 2018 Conducted Tsukiji Market relocation work 1959 First use of 300-ton trailers for transportation 1990 Transportation for the The International Garden 2010 Transferred parcel delivery service business transferred Completion of the NX Group General Headquarters and Greenery Exposition to Japan Post Co., Ltd. 2022 Established NIPPON EXPRESS Holdings, Inc. The beginning of NX Group's new structure 1957 Began international air freight forwarding 1962 Established Nippon Express USA. Inc. 1992 Overseas offices exceed 200 locations 2013 Acquired Italian logistics company Franco Vago S.p.A. as a subsidiary 1973 Established NIPPON EXPRESS (SINGAPORE) PTE., LTD. 2014 Overseas offices exceed 500 locations consolidation business 1994 Established Shanghai Express International Co., Ltd. 1959 Dispatched first representative to New York 1977 Established Nippon Express (Nederland) B.V. 2001 Overseas workforce exceeds 10,000 employees 2015 Overseas workforce exceeds 20,000 employees

1981 Established Nippon Express (U.K.) Ltd., and Nippon

Express (Deutschland) GmbH

2006 Established Nippon Express (St.Petersburg) LLC

2007 2007 Established Nippon Express (India) Private Limited

Nippon Express (St. Petersburg)

2.000.000

1,500,000

1,000,000

2017 Opened Kenya and Morocco branches in Africa

2018 Acquired Italian logistics company Traconf as a subsidiary

2020 Acquired MD Logistics, LLC and MD Express, LLC, a logistics company in the U.S.