



EXPRESS YOUR BUSINESS



We Find the Way

 **NIPPON EXPRESS**

English



Nippon Express Group Corporate Philosophy

Our Mission

Be a Driving Force for Social Development

Our Challenge

Create New Ideas and Value that Expand the Field of Logistics

Our Pride

Inspire Trust Every Step of the Way

We Find the Way

Nippon Express 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.

Our focus is never on whether or not we can do something.
Instead, it's on the excitement of how we will tackle the task in front of us.

Our work is almost scientific.
We make observations, formulate a hypothesis, make predictions and then test them.
We continue this process until we find the best way to accomplish any project - large or small.

We believe that logistics drives a more vibrant society, and we will continue to exercise innovative thinking as we open new roads to serve our customers.



Building a high-quality logistics system in Asia





We Find the Way

Episode 1

The future of ASEAN logistics as seen from cross-border transport

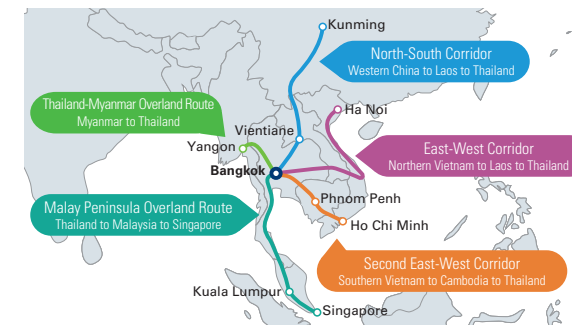
Southeast Asia has developed since the early 2000s to become the “world’s factory”. Today, the region is experiencing rising internal demand spurred on by economic growth, transforming it into a “consumer market”.

The international flow of goods has also grown from mainly exports from Asia to Europe and North America to include demand for regional logistics services within Southeast Asia. In particular, the Greater Mekong Subregion (GMS) has seen the spread of industrialization to neighboring countries following the high concentration and advancement of Thailand’s manufacturing industry. This is expected to spur on demand for supply-side logistics within ASEAN.

With an eye toward the future of logistics in the region, Nippon Express offers cross-border truck transport in ASEAN with hubs in not only the major global markets of Malaysia and Singapore, but also CLMV (Cambodia, Laos, Myanmar and Vietnam), where further growth is expected. We are now advancing transport within the region by setting up hubs in key logistics centers and obtaining a GMS cross-border transport license from Thailand’s Ministry of Transport.

In addition, we are expanding logistics hubs for distribution-side logistics of consumer goods and building a logistics infrastructure tailored to the unique market characteristics of each country. This includes providing high value-added logistics services such as cold chain and Halal logistics solutions.

ASEAN is experiencing rapid growth as a consumer market thanks to its population of more than 600 million. This region demands a reliable logistics system to keep the economy going, and Nippon Express will pave the way to make new logistics solutions a reality in responding promptly to the world’s needs.



Contributing to health with rigorous quality controls



We Find the Way

Episode 2

Building a supply network for pharmaceutical logistics

Pharmaceutical logistics has a direct impact on people's lives and health. In addition to strict quality controls not only during manufacturing but also in storage and in transit, pharmaceuticals require a consistent, stable supply system, which necessitates business continuity plans (BCP) for such contingencies as natural disasters.

In 2018, Japan's Ministry of Health, Labor and Welfare released a Japanese version of Good Distribution Practices (GDP) to ensure quality from market release to arrival at medical institutions and pharmacies. Following this, with the aim of building a new pharmaceutical supply network, Nippon Express is establishing pharmaceutical distribution centers compliant with GDP guidelines in Eastern Japan, Western Japan, Kyushu, and Toyama, to complement existing hubs at Narita and Kansai airports for the import and export of ingredients and finished products. Heretofore, pharmaceutical companies have concentrated in Tokyo and Osaka but, by connecting the cooperative delivery networks of six hubs in Japan, we will make it possible to respond flexibly to business continuity contingencies in disaster-prone Japan.

Furthermore, Nippon Express has a consistent quality control system covering all logistics processes associated

with procurement, manufacturing and marketing in the pharmaceuticals supply chain to mitigate risks such as temperature excursion. Also, we are optimizing all aspects of pharmaceutical distribution by adopting new schemes such as cooperative warehousing and shipping, and round use of delivery vehicles.

Safeguarding pharmaceutical logistics is the same as saving the lives of the people who need pharmaceuticals. This is why Nippon Express will continue to evolve its logistics quality and achieve a supply network that safely and reliably delivers pharmaceuticals in a sustained manner.



Supporting the 24/7 automotive industry





We Find the Way

Episode 3

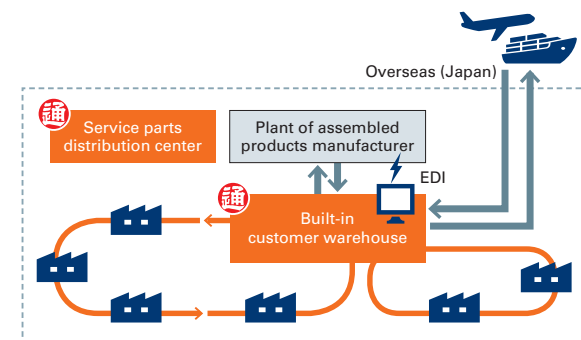
Delivering reliable logistics solutions for the production line

Manufacturing a single vehicle requires the assembly of some 30,000 parts. Nippon Express operates warehouses near automaker plants in Asia, North America, Mexico and Europe, where we provide logistics services closely linked to production to supply parts to production lines operating 24/7.

We have trained sales reps and operators with in-depth knowledge of automakers' supply chains whom we assign worldwide to manage the worldwide supply of parts. We help automakers achieve smooth production and sales processes by developing and implementing business models in tune with changes in the industry. It is vital that systems be developed without shutting down production lines that need timely parts supply. The optimal transport method differs by the procurement volume and lead time for each development phase of a new vehicle. Nippon Express's strength can be found in its flexible logistics operations that can change transport mode to suit any need, from the emergency shipment of irregular parts for prototypes to stable supply after the start of mass production, transport of manufacturing equipment, and maintenance work for this equipment. In addition, we

have reinforced our BCP system for emergencies to ensure stable parts procurement by providing multimodal transport services, even when transport routes are changed due to a disaster.

Nippon Express's mission for the automotive industry is to achieve optimal logistics that sustains continuous production systems 24/7 by further raising transport efficiency, because the automotive industry demands efficiency and productivity.





***Transporting over 1,000-year-old
national treasure Buddhist statues***

We Find the Way

Episode 4

Sophisticated and specialized transport for cultural properties

Horyuji Temple in Nara is a UNESCO World Heritage Site. In January 2014, Nippon Express was contracted to transport a small wooden standing statue of Jizo Bosatsu, designated a national treasure in Japan, for display at the exhibition “Horyuji—Prayers and Their Images” organized to offer prayers for recovery from the Great East Japan Earthquake. This statue, carved from a single piece of wood from the head to the lotus blossom base, is believed to have been made in the Heian period (794–1185). Seven experts from Nippon Express’s Fine Arts Business Division took part in this assignment.

This division handles various works of fine art, and has broad knowledge of materials, production methods, and historical background. The division has been involved with the packing, transporting, customs clearance, unpacking, and displaying of multiple fine art pieces, including World Heritage works.

Among cultural properties, the transport of Buddhist statues carries the highest degree of difficulty because of the highly detailed designs and carvings. During the process, the entire team needs to be aware of the statue’s most vulnerable parts. Wrapping is carried out with the utmost care using Japanese paper and/or specially-made white paper developed in-house that does not cause chemical changes. Work is carried out with bare hands because the fibers of gloves could damage

the statue. The greatest care is used throughout the process.

In addition to the skills of highly experienced staff, another strength offered by Nippon Express is its sophisticated transport methods. We have special vehicles for carrying fine art that have a temperature and humidity control system and air suspension, and a dedicated warehouse with specialized air conditioning and security. Transporting irreplaceable cultural properties is a job where failure is not an option. Despite the high pressure environment, people from the Fine Arts Business Division take the utmost precautions and get items where they need to go with the utmost care and attention, knowing there is nothing Nippon Express cannot transport.



Nippon Express's Business Fields

Nippon Express provides one-stop logistics services as a consultant connecting people and businesses around the globe.

**Suppliers
(Japan/Abroad)**



Logistics Consulting

We provide consulting services for the total optimization of supply chains, from planning logistics strategy for customers to improving logistics in each process of their business.



Domestic Transport



Mode-specific Transport Services



Global Logistics



Logistics Solutions

We help customers to address their logistics challenges by harnessing our worldwide network and our in-depth know-how in advanced logistics.

Global Supply Chain Management



IT Systems for Logistics



We achieve the optimal logistics tailored to goods and industries by employing various modes of transport. We also have a wealth of experience in office relocations and moves along with transporting specialty items that require expertise and technical prowess.

and Forwarding



**Industry-specific
Transport
Services**



**Specialized
Transport
Services**



**Logistics
Center Design**

Our customers have access to Japan's largest warehouse square footage and network for use as their own procurement, supply-side and/or international shipping hubs. We accommodate various customer needs centered on our logistics centers.



**Delivery
Destinations
(Japan/Abroad)**

Green Logistics



Logistics Consulting

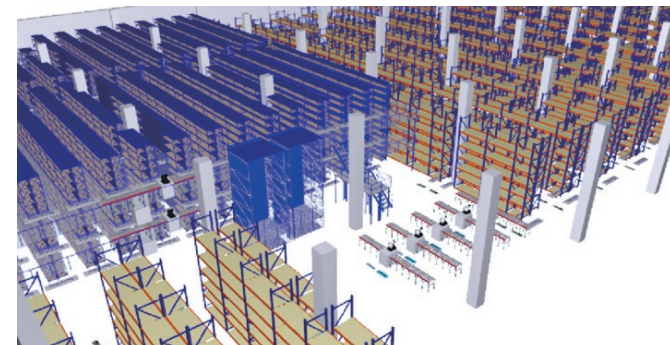
Helping customers optimize their logistics as logistics professionals

Logistics is becoming even more complex and evolving in many ways as a result of the globalization of business. Nippon Express provides consulting services using the collective strengths of the Nippon Express Group in order to resolve challenges in the supply chain and build the most efficient logistics system possible. Since our founding, our strength has been establishing a track record and know-how in connecting people, business and communities through logistics. This has also provided us with the chance to analyze vast volumes of data from research into logistics inside and outside of Japan. We support the total optimization of customers' logistics, from operational improvements on the frontline, such as reducing logistics costs and making tasks more efficient, to support for management strategies, such as business strategy formulation that includes supply chain optimization and overseas expansion.



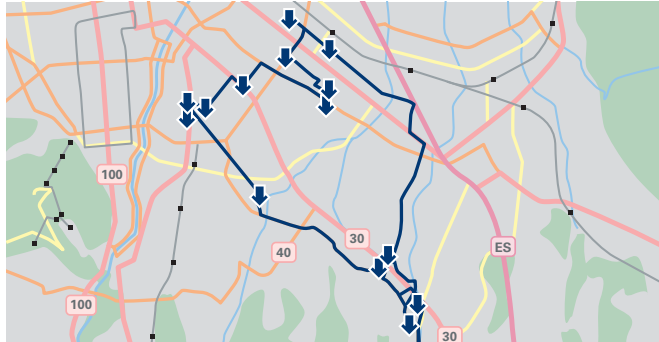
Supply chain optimization

To facilitate the smooth flow of goods, we propose improvements for optimizing the entire supply chain after identifying challenges through investigation and data analysis. Our proposals include designing and building logistics systems, consolidating and optimizing hubs, and building logistics centers (site selection, warehouse design, etc.).



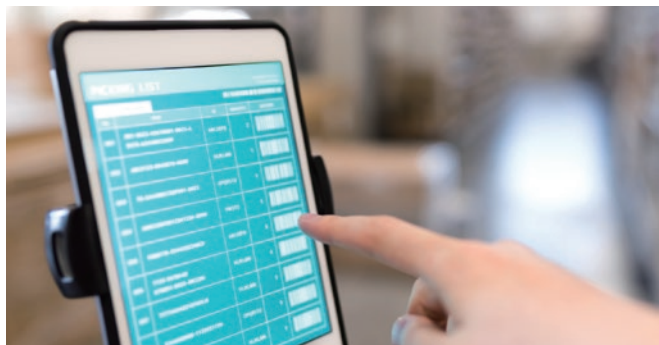
Logistics planning

We not only design the most efficient storage layout for goods but also calculate the necessary loading/unloading equipment and staff using simulations. In addition, we support the planning, design and introduction of operations with minimal staff levels using automation. We propose continuous frontline improvements by analyzing KPI of daily operations after the start of operations.



Improving delivery networks

With its expansive transport network, Nippon Express uses various forms of data and know-how to propose more efficient ways of transport, such as optimized route simulations and cooperative delivery analysis, taking into account product characteristics, delivery location and delivery requirements. We help to improve networks not only in Japan but internationally as well.



Optimization of logistics IT systems

We build optimal IT systems tailored to customers' business scale and commercial distribution that centrally manage and visualize information on inventory, receiving/shipping, and transport worldwide. We also accommodate system development customized for purpose, such as productivity or various KPIs needed for business evaluation. This positions us to facilitate customers' business operations.

Development and introduction of cutting-edge technology

Nippon Express is actively working to develop and introduce cutting-edge technology for labor-saving advances on the frontlines of logistics. With worker shortages becoming a problem, we are working alongside various materials handling companies and start-ups to help further increase productivity and grow customers' businesses. We have experience both in Japan and internationally introducing warehouse shipping preparation work at night by automated guided forklifts (AGF) and automated guided vehicles (AGV) that convey cargo to designated spots while detecting obstacles along the route with a 3D camera. In addition, we are also involved in Japan's autonomous driving initiative (participating in a highway-based truck platooning demonstration).



Unmanned AGF handling cargo until final delivery



Demonstration testing of unmanned platooning vehicles using three trucks

Mode-specific Transport Services

Offering integrated transport in Japan and worldwide combining ground, ocean, and air solutions



Ground freight

We deliver cargo related to all necessities of life using a nationwide network and agile operations in a speedy, reliable and safe manner. Nippon Express's truck transport gets cargo to its destination safely by using combination transport to meet logistics needs that are moving towards small lots and higher-frequency shipments. We also utilize smart delivery systems that increase delivery efficiency and lower costs, such as milk runs and consolidated transport. Furthermore, we support all aspects of customer operations by providing services for irregular, oversized cargo, high-value cargo, customized transport, and a recycling service for confidential documents.



Railway freight

Railway transport is an eco-friendly mode that produces one-tenth the CO₂ emissions of truck transport. Transport efficiency increases with distance and cargo weight, while on-time reliability and eco-friendliness are other benefits. For these reasons, railway transport is garnering attention as the focal point of modal shifts. Nippon Express has offices at around 120 container handling stations nationwide in Japan, resulting in multimodal integrated transport services using trucks for collection and delivery. We offer a range of container sizes from six-foot containers developed in-house for small-hot cargo up to 31-foot containers with the same capacity as a 10-ton truck. These containers are used to carry all forms of cargo based on customer needs.



Visit the Nippon Express website for further details.

Nippon Express utilizes its know-how and established network to take advantage of all forms of transport, including truck, railway, ocean, and air, in providing integrated transport services from Japan to the world and between other points internationally.

Our mission is to safely and reliably deliver cargo to its destination, understanding its unique characteristics and

freely combining transport methods based on delivery date, distance, weight, cost and the environment, while responding carefully to the increasingly sophisticated and diverse needs of customers. Nippon Express's various modes of transport help achieve this and support the logistics side of customers' businesses.



Ocean freight

Ocean transport, which enables the long distance transport of large volumes of cargo at a low cost, is a highly systematic and stable mode of transportation with fixed arrivals and departures. It is also expected to play a role in facilitating modal shifts because it produces about one-sixth the CO₂ emissions of truck transport. Nippon Express operates a fleet of seven high-speed vessels with scheduled sailings on domestic feeder routes connecting eight major ports nationwide. Outside of Japan, we provide services to and from Japan as well as cross-trade cargo transport. Developing containers in-house is among the enhanced transport services we offer to meet various transport needs.



Air freight

Air transport connects every part of Japan and the world in a safe and reliable manner at high speed. Nippon Express's air transport commands a wide-area service network covering every corner of Japan, enabling next-day delivery to all major cities nationwide. We are also able to accommodate same-day deliveries, next-morning deliveries, and cargo requiring special handling. We offer integrated international air transport between Japan and destinations worldwide using a global network with more than 1,000 routes. We carry out customs clearance operations using in-house processors and provide assembly and disassembly services at our in-house Container Freight Stations (CFS).

Responding accurately to global logistics needs using our worldwide network



Americas

Nippon Express has operations in the United States, Canada, Mexico, Brazil, Colombia, and Panama, offering network services connecting the Americas. We provide cross-border transport services in the closely intertwined economic sphere of the US, Mexico and Canada, and support the active automotive industry in each country. In addition, we have a transloading service where containers arriving by sea at the Port of Los Angeles are transferred to tractor trailer or train, and we forward LCL cargo quickly across the United States using a cross-dock method. Through these services, we deliver a full range of supply chain management support to customers.



Europe

Nippon Express has hubs in major European countries, including Germany, the Netherlands and the UK, along with Eastern Europe, Russia, and the UAE. Harnessing the know-how and resources of Group companies with a track record in apparel logistics mainly for high fashion, we offer integrated logistics services from international transport to product warehousing and delivery to markets. Furthermore, we aim to increase our presence in lifestyle logistics that includes fashion items and home furnishings. We have also opened offices in Kenya and Morocco in Africa, and are actively working to expand into emerging regions based on market needs.



East Asia

We have built up a logistics network in the closely intertwined economic sphere of China, Hong Kong, Taiwan and South Korea. With subsidiaries mainly located in major cities, we are moving ahead with diversifying transport modes and expanding domestic and regional logistics solutions. In China, where domestic demand is large, Nippon Express offers supply-side logistics and sales-side logistics for electronics and automotive parts using mainline transport connecting major cities and a trucking network complete with a delivery network in each city. We are now expanding our networks, including SS7000, a ground transport network from Shanghai to Singapore, and Eurasia Train Direct, a transport service that uses railway routes to connect China and Europe.



South Asia and Oceania

Nippon Express has subsidiaries or branch offices in nine ASEAN countries, including Singapore, Thailand, and the Philippines, as well as in India and Australia, among other countries in the region. The Southeast Asia and South Asia regions have diverse logistics needs given their unique cultures. Here, we have built a cross-border transport network connected by various transport routes and modes. In India, we offer milk run services for the efficient consolidation and delivery of automotive parts along with just-in-time (JIT) logistics. We are supporting developing countries and regions through logistics by obtaining GDP certification for pharmaceutical logistics and expanding temperature-controlled transport services.

Europe

Asia

Africa

Eurasia Train Direct

Eurasia Train Direct is the name given to Nippon Express's cross-border transport service traversing the Eurasian continent (between China and Europe) using a block train called China Railway Express to connect the two regions. Door-to-door transport is provided using a Southern Route through Kazakhstan and a Northern Route through Mongolia and Russia to connect cities in China with cities in Europe across a distance of 10,000km. This service can also be connected with Japan and South Asia, expanding our network together with air and ocean transport modes.

- Russia (Trans-Siberian Route)
- China to Europe (Northern Route)
- China to Europe (Southern Route)

Global Network ● Nippon Express's international presence

Visit the Nippon Express website for further details.



XB3300 (cross-border transport between Canada, the United States, and Mexico)



SS7000 (cross-border transport between Shanghai and Singapore)



We have established a trucking route that spans some 7,000km from Shanghai to Singapore via Vietnam, Laos, Thailand and Malaysia. Using this route, we are now expanding our ground services network connecting the Greater Mekong Subregion (GMS).

South America

With automakers expanding in Mexico and related parts manufacturers opening shop there as well, we offer truck transport services connecting key auto industry regions across a 3,300km distance from Canada (Toronto) to the United States (Midwest and South) on to Mexico (Monterrey).

• **Borderless Rail**
Using railway transport from Marion, Ohio, a center of the automotive industry, we are the first Japanese logistics company to provide a cross-border consolidated cargo railway service to Mexico (San Luis Potosi).

• **Borderless Truck**
We consolidate cargo from across the United States to Laredo, Texas near the Mexican border and then transport it into Mexico (San Luis Potosi) by truck.

Industry-specific Transport Services

Providing tailored services for the logistics needs of advancing industries

Today, as industries advance and globalization speeds up, an efficient logistics platform has become an indispensable tool for growing and developing a business. Nippon Express utilizes its global network and track record in handling cargo for a variety of industries to achieve transport services tailored to the logistics needs of these industrial sectors. We build logistics platforms for each that include specialized facilities for inventory or supply, specialized warehouse management systems (WMS), quality controls compliant with laws and industry guidelines, and specialized containers and packing materials developed in-house, to provide a full range of support for the logistics needs of customers' businesses.

*1 AS9120 A quality management standard in the aerospace industry. Nippon Express was the first Japanese forwarder to obtain this certification in 2011. Since then, we have acquired the same certification at sites mainly in the United States, as well as in the Chubu Region and Narita, which are important hubs of Japan's aerospace industry.

*2 AOG AOG stands for Aircraft on Ground, indicating that an aircraft is waiting on the tarmac unable to engage in flight operations. This state receives the highest-priority response in terms of various aircraft upgrades or repairs for damages incurred while in service. Nippon Express has established a system for supplying parts 24/7/365 to accommodate sudden orders from airlines to aircraft manufacturers.



Automotive

We deliver supply-side logistics services with built-in customer warehouses in Asia, North America, Mexico, and Europe to serve the globalizing automotive industry. We support the entire production system by connecting parts manufacturers and assembled products manufacturers, combining procurement methods such as milk runs that facilitate collection and delivery agency services at warehouses.



Aerospace and aviation

We provide services encompassing all aspects from procurement of materials to supply-side logistics and the supply of repair parts for maintenance work. We leverage our in-depth know-how to offer a full range of support, including accurate parts operations based on AS 9120 ^{*1} and customer quality certifications, our own proprietary efforts to reduce transport costs, and solutions for AOG ^{*2}.

Visit the Nippon Express website for further details.



Precision equipment

From smartphones to servers, Nippon Express capitalizes on its long-standing expertise in precision equipment logistics to provide a full range of solutions tailored to such equipment, including transport, warehousing, packaging, and setting. Our high-quality seamless logistics services support the world's telecommunications infrastructure.



Fashion

We provide seamless overseas procurement, delivery and cross-trade cargo transport connecting suppliers with brick-and-mortar stores both in Japan and internationally. We meet and exceed the logistics demands of fashion companies and distributors/retailers highly sensitive to trends based on our efficient warehouse operations handling a vast array of SKUs and our commitment to continuous improvement.



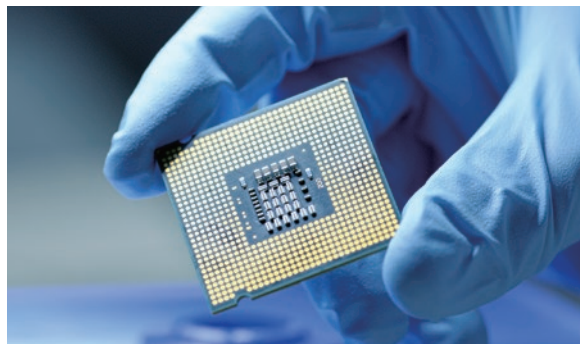
Food

We ensure the safety and condition of foods during shipment across Japan and around the world using our global network and various transport modes. We also transport foods such as seafood, fruits and vegetables that require temperature control to maintain freshness. We have obtained Halal certification both in Japan and abroad and we are now moving to develop a Halal-compliant logistics infrastructure.



Pharmaceuticals

We deliver pharmaceuticals and medical devices in a safe and reliable manner using our rigorous in-house quality controls. We coordinate optimal transport methods by product, including drugs or devices undergoing clinical trials that require a high level of security and certain pharmaceuticals that require temperature control or vibration countermeasures.



Semiconductors

The supply chain of semiconductors is complex and broad, requiring global logistics services. The Nippon Express Group provides seamless solutions for semiconductor manufacturers, from procurement to production and sales, using its global network and the semiconductor know-how of Nittsu NEC Logistics.



Other industries

We provide solutions to a broad range of industries including rolling stock, construction materials/equipment, steelmaking and non-ferrous metals, sundries and daily goods, and beverages, not to mention a wide range of chemical industries from materials to finished products. Our extensive track record and know-how in each field enables us to deliver global logistics services.

Specialized Transport Services

Characterized by our ability to get the job done, even for the most challenging cargo

Since its founding, Nippon Express has safely and reliably handled cargo for countless customers. During this time, we have also established a track record and know-how for particularly challenging transport, such as office relocations, heavy haulage, erection and installation, cash transport, and the transport of national treasures and other works of fine art. This field of specialized transport services has become our strength. To accommodate the needs of transporting cargo that is delicate or that requires strict safety or security controls, we have trained our staff, established specialized facilities, and developed our own transport system to ensure the highest level of quality. Nippon Express's specialized transport is characterized by our ability to get the job done, responding to the high-level needs of customers using our solid track record and reliable technology.



Visit the Nippon Express website for further details.



Moving and relocation

Nippon Express operates the largest number of storefronts for moving in the industry and offers a wealth of experience and a variety of transport modes to meet the moving needs of customers. We assist people moving overseas, including expatriate workers and their families, to facilitate a seamless transition to their new home. We also cater to businesses of all sizes and industries, from moving offices and entire buildings to assisting with office layout changes.



Heavy haulage and construction

In its capacity as a heavy haulage and construction company that provides services in the transportation, erection and installation of heavy cargo, Nippon Express has established a track record of transporting and installing oversized equipment, including power plants and other factories both in Japan and overseas. In addition, we provide transportation for LCD or semiconductor manufacturing equipment as well as bulk delivery for high-tech production lines.



Security transportation

Since we launched this business in 1965, we have prided ourselves as a pioneer in the security transport of valuables, having earned the largest market share in Japan. We ensure safe and secure transportation of customers' valuables by dispatching advanced security teams consisting of highly-trained guards, GPS, and advanced security devices in providing transportation between financial institutions as well as cash collection and delivery services for large retail stores and restaurants.



Fine arts transport

We transport works of art, including cultural properties in Japan and overseas, having established a solid reputation internationally. We offer safe and dependable transportation of artwork based on each piece's unique characteristics by harnessing the company's experience and expert techniques developed over half a century in the business. We operate specialized vehicles equipped with air suspension and air-conditioners as well as a specialized warehouse with high security and temperature and humidity controls.



Collection and transport of PCB waste

We are licensed to collect and transport hazardous PCBs (polychlorobiphenyls) and offer collection and transport to treatment facilities and storage spaces. All workers handling PCBs have been trained to understand these substances as well as proper safety procedures. In addition, we implement safety management and strictly observe the law by conducting thorough measures to inspect and prevent leakages in our daily work processes.



Security services

We offer a wide range of services for security transportation using our proprietary transport system and equipment to ensure the safe and secure arrival of customers' items, from valuables that require the highest level of security to personal data, confidential information and exam questions. With our complete security system, we aim to deliver peace of mind to our customers.

Logistics Center Design

Logistics centers that boost the added value of products and increase precision

Offering the largest warehouse floor area and network in Japan, our logistics centers not only handle conventional inventory management but also provide strong support services for customers' business operations. We contribute to enhanced quality and efficiency through value-added services that offer IT systems (PO/SO management, loading and unloading, inventory management, track and trace, etc.) and distribution processing tailored to industry and line of business (inspection, packaging, price labeling, sorting for delivery by store, etc.). These facilities serve as control towers for logistics using various modes of shipping.



Visit the Nippon Express website for further details.

DC Distribution Centers



Receiving

Products received from suppliers are inspected, sorted by category, and placed in their respective storage locations. Inventory status from receipt to shipping is managed using our warehouse management system (WMS).

TC Transfer Centers



Receiving and inspecting

We inspect products delivered from suppliers. Our transfer centers (TC) do not carry inventory and instead mainly focus on sorting and delivery. This is why it is important for all departments to communicate promptly. All processes from receiving to shipping are managed using our warehouse management system (WMS).



Storage

We provide services that include management by product number, quantity, arrival date, and supplier as well as inventory reports, in a storage environment suited to the needs of products, such as air conditioning, light shielding, and security. Among additional options available are bonded storage and business management, as well as VMI and temperature and humidity control.



Distribution processing

We offer distribution processing services that include picking products in inventory, assembling and packaging them, and affixing labels or stickers according to customer needs. We also provide additional value-added services such as electrical inspection, kitting, and x-ray inspection based on product characteristics.



Shipping

Products that have completed a shipping inspection are shipped on to the next delivery location (manufacturer, consumer, business, etc.) using various transport modes. Traceability is also provided from the procurement of raw materials and parts to the manufacturing process. We offer cooperative delivery and JIT delivery to comply with recipient requirements.



Sorting, inspecting, shipping

We sort cargo according to destination and, after a pre-shipment inspection, we deliver it by truck. We also offer cross-docking where we immediately sort and ship cargo after receiving it from multiple suppliers at the logistics center. We combine the latest shipment information and vehicle dispatch system to ensure cargo is tracked every step of the way.



Document and media storage service

We store and manage office documents and media using a rigorous security system. We operate a document storage center that stores business documents and provide a security shelter service, from pick-up to storage and disposal using chemical dissolution, for electronic recording media that contains personal data or other important information.



Other services

(rental warehouses, logistics equipment, etc.)

We provide a broad range of support for operations inside logistics centers. This includes a specialized/rental warehouse service that proposes the right facility or logistics equipment to suit customer needs from warehouse facilities operated by Nippon Express. We also provide consulting services for logistics improvement and outsourcing.

Global Supply Chain Management

Nippon Express's global solutions achieve total optimization of complex cross-border supply chains

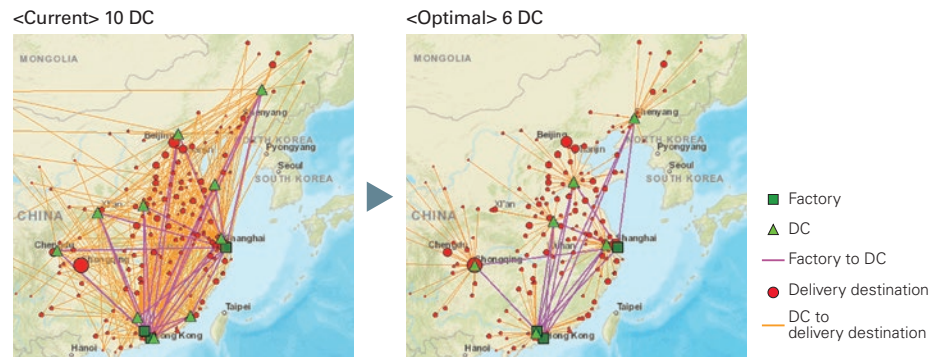
Visit the Nippon Express website for further details.



As the globalization of business advances, building or adapting a supply chain that optimizes processes from raw materials procurement to sales is now considered an important issue for companies. Nippon Express quickly analyzes the optimal hub system and delivery network to propose high-performance solutions or provide logistics services utilizing its platforms around the world to address the logistics needs of customers.

Optimal location focused on logistics costs

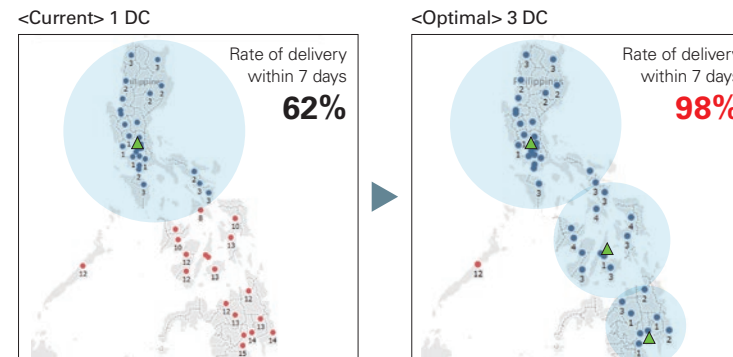
As customers expand sales activities overseas, they face the challenge of adding and restructuring logistics hubs to cope with this growth. As a result, we utilize customers' past shipment results and future forecast data to select the right candidate sites for logistics hubs, in order to minimize logistics costs such as those for transport and delivery along with site operations. We also identify the right number of hubs and the right places to deploy them.



Logistics costs lowered 18% by reducing scale from 10 to six hubs

Optimal location focused on lead time

We analyze the optimal layout for supply chains with a focus on lead time, taking into account the current status of deliveries. We identify the right numbers and locations of hubs with an eye on logistics costs and inventory allocation, while upholding the lead times demanded by customers. We are able to analyze not only domestic logistics in a single country, but also cross-border hubs, depending on customers' future sales strategy.



Rate of on-time deliveries rose 36% by increasing scale from one to three hubs

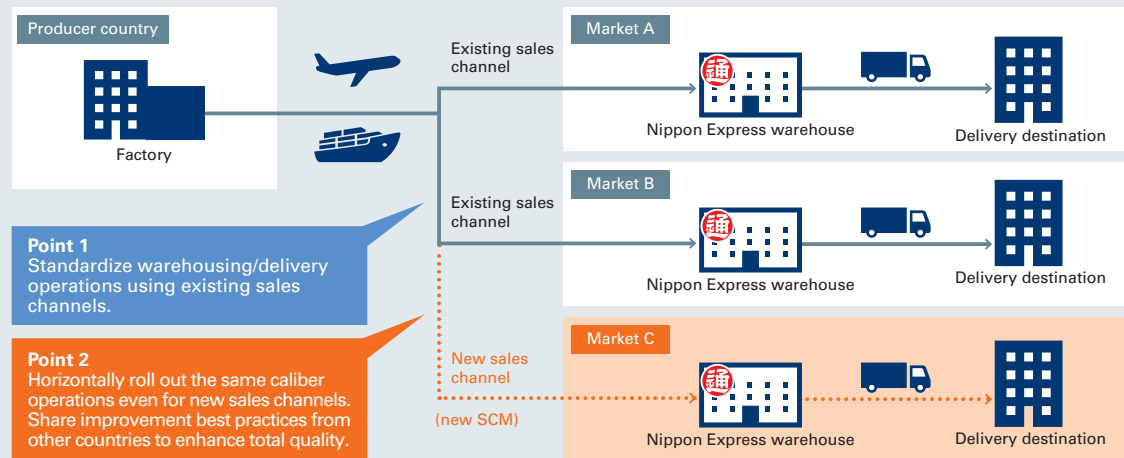
Solution Case Study

Globally standardized operations

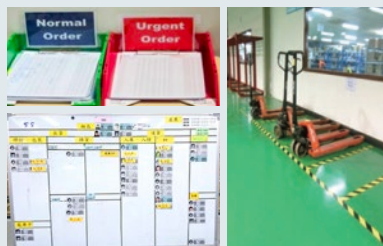
Nippon Express delivers high-quality uniform logistics services supporting customers to expand their global supply chains.

Example of building a new supply chain following the global expansion of business

We identify customers' unique needs and then establish and standardize high-quality storage and delivery operations. In addition, even when customers are expanding sales networks to new overseas markets, we can easily build the needed logistics infrastructure, provide logistics services of the same caliber, and contribute to the further growth of these customers' global business operations.



Case study of warehouse operation standardization



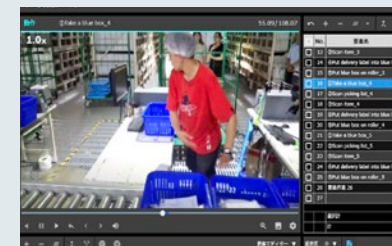
Visualization and establishment of tasks



Staff training program



Video manual for training



Establishment of standard tasks using movement analysis

IT Systems for Logistics

Supporting customers' global logistics needs using proprietary systems that combine our wealth of experience and know-how

Visit the Nippon Express website for further details.



Nippon Express develops and operates its own proprietary IT systems that meet diverse logistics needs, such as streamlining logistics operations, reducing costs, and shortening lead time. We provide IT systems that harness our experience and know-how, including a global portal site that can monitor progress across the entire supply chain and logistics center systems (WMS) based on scale and needs. These systems provide powerful support to customers' operations.

v-PROCESS (Global Supply Chain Process Management System)

This is a one-stop global service that provides visualization of information in real time across a supply chain, including the progress of procurement inside and outside a specific country and the status of cargo transport. Businesses are connected and progress is monitored using management points unique to each customer, making it possible to check the latest situation online in a speedy manner. Inquiries are possible by tag number or unit of progress, easily shedding light on complex international transport.



NEWTON (Worldwide Information System)

As a logistics support system focused on logistics centers, NEWTON is used for a wide range of situations, from small-scale single hubs to large-scale multi-hub networks. With warehouse support functions related to storage, receiving and shipping management as its main feature, the system also offers external connectivity, export-import system connectivity, and a delivery support function. This system supports the products we handle for customers and optimizes logistics operations.





Solution Case Study

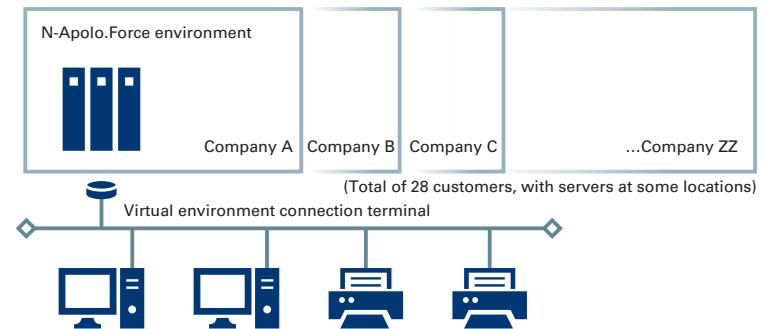
Logistics center management using NEWTON

NEWTON was introduced at a logistics center for cooperative delivery of foods, increasing work productivity

Before

An inventory management system for each customer was used at a logistics center handling cargo for multiple customers, which made it possible only to ascertain work status for individual customers and not work progress for the center as a whole.

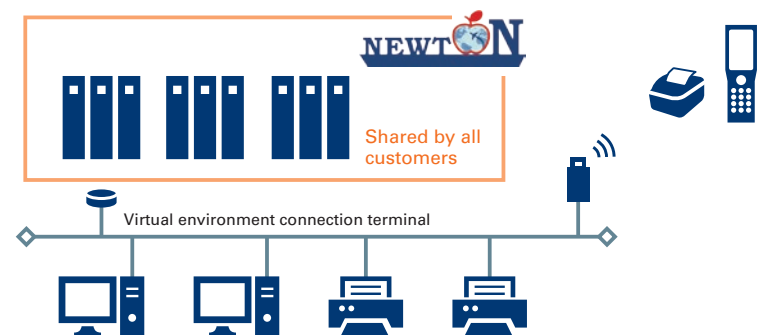
In addition, the center performed visual checks of a daily average of 90,000 cases received and shipped without using handy terminals. As a result, reducing work time and ensuring work quality were challenges. Moreover, there were other issues posed by the existing system, including handling operating system version upgrades.



After

After standardizing the field operations of all customers and upgrading NEWTON, the global standard warehouse management system, migration was completed. At the same time, we introduced wireless handy terminals and mobile labelers. These standardized work quality, eliminated personalized work, and improved work productivity. Furthermore, it is now possible to ascertain work progress across the entire center.

Moreover, we were able to lower operating costs by reducing risk from operation system version upgrades, and minimizing overtime work of staff and wait times of drivers.



Solutions

Green Logistics

Nippon Express provides unique eco-friendly logistics services to protect the environment of tomorrow

Visit the Nippon Express website for further details.



Logistics impacts the environment more than we imagine. Mitigating environmental impacts is a challenge that logistics companies must undertake. Nippon Express provides a host of green logistics services, from services for making modal shifts, streamlining transport, and reducing CO₂ by reusing materials to environmental conservation services such as recycling and industrial waste processing.

Modal shift

The Nippon Express Group is working in many ways on modal shift to promote collaboration and cooperation between customers and logistics providers to shift from mainly truck transport to railway and ocean transport. Modal shift reduces environmental impacts and raises the efficiencies of transport, while also serving BCP purposes.



Recycling and conservation-minded services

We provide recycling of paper from offices, recycling of used home electronics from consumers, and conservation-minded moving services that reuse packaging materials for moving multiple times.



Cooperative delivery services

Cooperative delivery services raise the overall efficiency of logistics by transporting products of multiple customers from the same category in bulk. This eliminates unnecessary delivery costs and curbs CO₂ emissions as well. This form of delivery is environmentally friendly and offers excellent cost performance.



Solution Case Study

Improved parts procurement of automaker using modal shift

Procurements scheduled separately were centrally managed using milk runs.

This led to the introduction of modal shift and a significant reduction in CO₂ emissions.

Prior issues

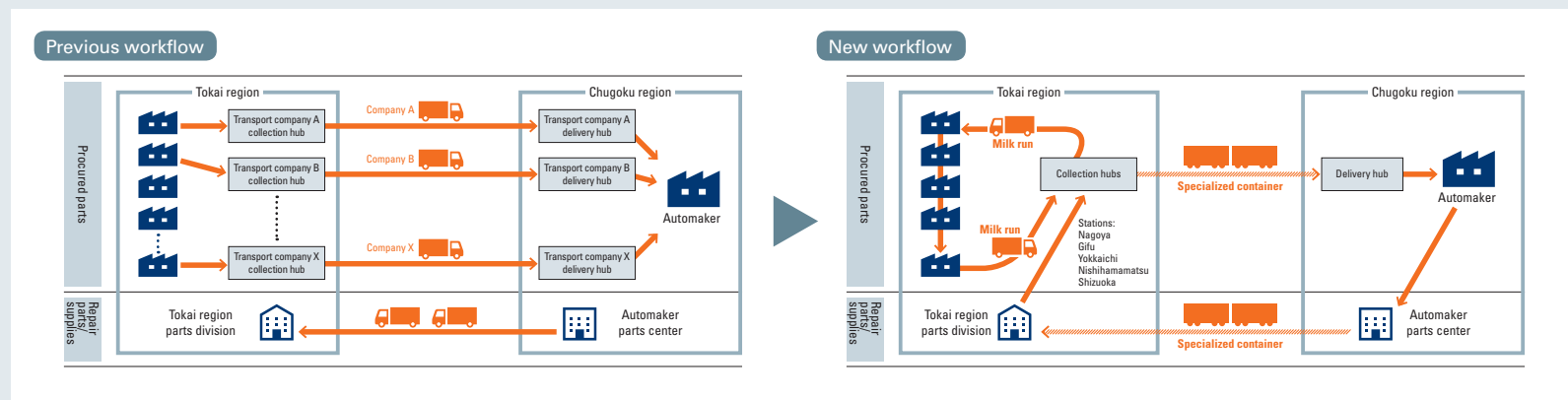
An automaker in the Chugoku region had been transporting parts from the Tokai region to its assembly plant for final assembly using trucks arranged by each individual parts maker. Therefore, it did not have enough cargo volume to justify a modal shift from truck to railway containers. In addition, even when partially using 31-foot railway containers equivalent to a 10-ton truck for one-way transport, containers used regularly were forwarded empty from the Chugoku region to the Tokai region, resulting in operating inefficiencies.

Areas of improvement

We introduced a milk run system for parts procurement in the Tokai region and, by consolidating shipped parts at a single location, we were able to regularly secure the cargo volume needed to change mainline transport from truck to railway. Meanwhile, the forwarding of railway containers was used to transport repair parts for major sales companies in the Tokai region from areas nearby the final assembly plant. This raised the efficiency of containers through round-trip transport and significantly reduced CO₂ emissions.

Effects

By combining streamlined parts procurement using milk runs and a modal shift to railway transport, CO₂ emissions were reduced by more than 30%. This case study was adopted for the Green Logistics Partnership Promotion Project, receiving a government subsidy for the introduction of facilities.



ESG-oriented Business Management



The Nippon Express Group contributes to society through logistics, creating a brighter tomorrow in everything we do. Under its Corporate Philosophy, the Nippon Express Group is committed to giving back to customers and society through its businesses, and actively pursuing ESG-oriented business management aimed at resolving social issues.

Nippon Express's ESG-oriented Business Management

Focus on reducing CO₂ emissions as a logistics company

E Environment

- Switch to LED lighting
- Switch to eco-friendly vehicles

[Contributions through business]

- Promote modal shift and cooperative delivery
- Efforts for conservation-minded sales



Transform into a company that truly makes employees happy

S Social

- Promote diversity
- Innovate work styles

[Contributions through business]

- Designated public institution during disaster
- Contribute to local communities by providing employment and resolving social issues



Build a mechanism underpinning the sustainable enhancement of corporate value

G Governance

- Thorough safety, compliance and quality practices
- Evolve global governance with an eye to adopting a holding company structure
- Capital policy (ROE 10%)
- Information disclosures



Visit the Nippon Express website for further details.



Social Contribution Activities

The Nippon Express Group recognizes its social and public mission as a logistics company and, as a good corporate citizen, we actively engage in social contribution activities rooted in the development of society and culture through various communication opportunities with communities and society.



Disaster relief

Nippon Express transported disaster relief supplies to areas affected by natural disasters following the Great East Japan Earthquake (2011), the Kumamoto Earthquake (2016) and the torrential rains of July 2018.



Forestation

Nippon Express has established “Nippon Express Forests” and, with the cooperation and guidance of local city offices and forestry cooperatives, employees and their families take part in forestry activities focused on tree planting and weeding.



Traffic safety classes

Nippon Express holds traffic safety classes for local elementary schools in order to promote dialogue with communities, increase traffic safety and boost employees' awareness of safety.



Sports promotion

Nippon Express has an amateur baseball team that has produced a number of professional baseball players, along with a kendo club, a judo club, a sumo club and a golf team. These five sports teams represent Nippon Express. The baseball team holds baseball clinics every year for children.



Gathering of oceanographic data

Nippon Express's domestic feeder ship *Himawari 8* that operates between Tokyo and Hokkaido carries observation equipment for VOS Nippon to collect data used for oceanographic forecasting and research.



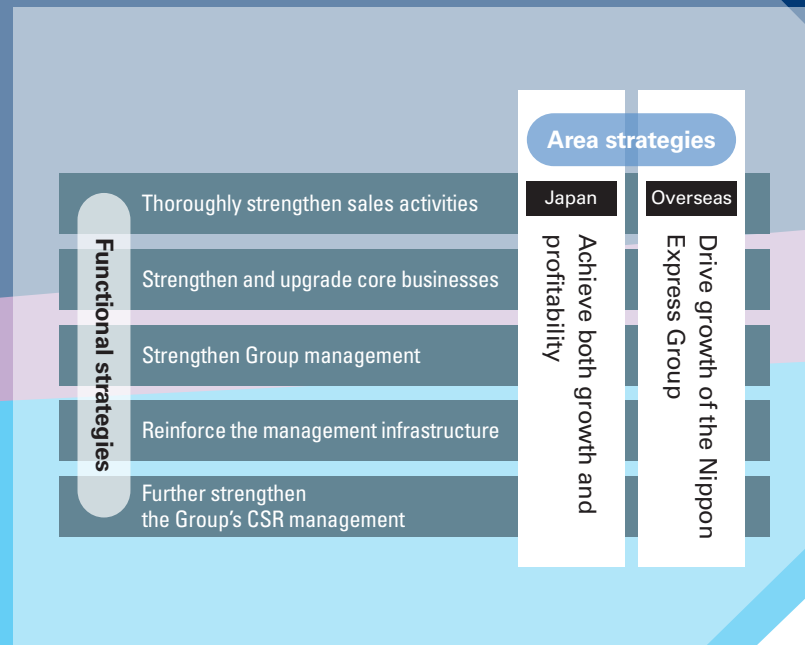
Workplace visits and workplace hands-on learning

Nippon Express hosts workplace visits and workplace hands-on learning by junior high and high school students. Through discussions and experiences with us, participants foster awareness of the workplace, which enables us to contribute to the development of human resources for the next generation.

Nippon Express Group Business Plan 2023 “Dynamic Growth”

The Nippon Express Group launched a five-year business plan in 2019 aimed at a new long-term vision (2037 Vision). We will achieve dynamic growth together with stakeholders in order to boost our presence in global markets.

Nippon Express Group Corporate Strategy 2018 — New Sekai-Nittsu —



Nippon Express Group Business Plan 2023 “Dynamic Growth”

Business growth strategy

Growth strategy for core businesses

Strategy to enhance domestic businesses in Japan

Efforts to implement our long-term

Inorganic growth strategy

Reinforcing functions to support challenges

Establishing ESG-oriented business management to realize sustainable

Nippon Express Group Business Plan 2023 Management Goals

Numerical targets (Fiscal 2023 Targets)

Revenues	2.4 trillion yen
Operating income	100 billion yen
Operating income ratio	4.2%
Net income	63 billion yen
Overseas sales	600 billion yen
ROE	10%
Forwarding volume	Ocean cargo: 1.3 million TEU Air cargo: 1.4 million tons

Numerical targets by segment (fiscal 2023)

Segment	(billion yen)		
	Sales (revenues) (*)	Operating income (**)	
Logistics	Japan	1,340	62.0
	Americas	135	7.2
	Europe	160	6.4
	East Asia	170	5.1
	South Asia & Oceania	135	6.3
Heavy Haulage & Construction	54	4.5	
Security Transportation	76	1.1	
Logistics Support	530	14.4	

*Before elimination of intersegment transactions

Long-term vision growth image
(■ Japan domestic sales ■ Overseas sales)

2024
and Beyond

Achieve Long-term Vision (2037 Vision)

Business growth A logistics company with a strong presence in the global market

Customers and society

A company that contributes to achieving a sustainable society through logistics

Shareholders

A company that achieves sustainable growth by establishing corporate governance

Employees

A company whose employees come from a variety of backgrounds, are proud of their work, support customers and society, and play active roles

Values to be changed

Creating new value through innovation

Values to be sustained

Safety, Compliance, Quality ***We Find the Way***

**Nippon Express
Group Corporate
Philosophy**

Our Mission: Be a Driving Force for Social Development
Our Challenge: Create New Ideas and Value that Expand the Field of Logistics
Our Pride: Inspire Trust Every Step of the Way

vision

development and improve corporate value

Origin and History of Nippon Express

Since its foundation, Nippon Express has supported the development of society by connecting people, business and communities through the transport of goods.

Looking ahead, we will continue to tackle the challenge of creating new value from logistics by continually evolving to match changes taking place in society.



Visit the Nippon Express website for further details.

Nippon Express's predecessor company Riku-un Moto Kaisha established

Sousuke Sasaki, the manager of Izumiya, a courier service provider in Edo, launched Riku-un Moto Kaisha as a logistics company. Mergers with other providers established the precursor of Nippon Express today.



1872

Origin

Company name changed to Naikoku Tsu-un K.K.

The company name was changed to Naikoku Tsu-un K.K. after restructuring the logistics network under government protection.

1875

1928

Nippon Express Co., Ltd. established

Nippon Express Co., Ltd. was established on October 1 in accordance with the Nippon Tsu-un Kabushiki Kaisha Act as a semi-government transportation enterprise, taking over the business of the private company Kokusai Tsu-un. 2017 marked the company's 80th anniversary.

1937

Company name changed to Kokusai Tsu-un K.K.

Naikoku Tsu-un acquired and merged with Kokusai Unsou, Meiji Unsou, and Kokusai Tsu-un (formerly Godo Unsou), and renamed itself Kokusai Tsu-un K.K.

1950

Test transport of Nippon Express-style containers and start of fine artwork transport service

Nippon Express-style containers were small and collapsible, and utilized in many applications. Moreover, the transport of fine artwork was officially started with the transport of Japanese antique art for an exhibition at the de Young Museum in San Francisco.

1951

Listed on stock exchange and reestablished as a private company

Transformed from a semi-government enterprise to a private enterprise after the Express Business Act came into effect.

History

1958

Nippon Express USA, Inc. established

The company's first overseas subsidiary. The first New York expatriate representative served as vice president.



First expatriate representative dispatched to New York

Launched the company's first overseas representative office by borrowing desk space from the American company REA two years after the start of collaboration. The representative conducted quality assurance on services provided by the American agency, including air and ocean cargo forwarding, overseas moving and travel.

1964

Provided services for the International Exposition in Osaka

Won the contract as the designated transporter and customs broker to transport, move, install and disassemble exhibits and retail products from foreign countries. We were also in charge of transporting the face part of the Tower of the Sun sculpture, which still stands as a symbol of the event.



Provided services for the Tokyo Summer Olympics

Designated as the official carrier for the Olympic Games. Besides the transport of competition equipment, luggage, and pigeons for release at the opening ceremony, the company was also asked to set up practice courses for marathon and cycling, as well as fabricate containers for transporting injured racehorses.

1970

1974

Relocation of the Tokyo Metropolitan Government

Relocation was carried out using 3,500 2-ton trucks' worth of materials and 6,500 personnel, capturing the imagination of the mass media.



1991

Transported the Mona Lisa

Transported the world famous artwork, which had never been taken off its premises aside from its trip to the United States, to the Tokyo National Museum in Ueno.



Transported relief supplies as a designated public institution following the Great Hanshin-Awaji Earthquake

Mobilized a total of 3,200 trucks and 225 cargo ships to transport relief supplies. Logistics becomes recognized as a lifeline that is as important as waterworks and gas.



1995

Museum of Logistics opened

The Museum of Logistics was opened as a new museum in Minato Ward, Tokyo, with the core of its holdings coming from the Historical Materials Room previously located in Nippon Express's Head Office Building. It showcases general information on logistics as well as maintains and displays corporate documents.



1998

Transported Subaru Telescope for the National Astronomical Observatory of Japan

Transported nearly all cargo related to the Subaru Project. The world's largest main telescope mirror was imported from Germany and brought to the summit of Mauna Kea on Hawaii Island at an elevation of 4,200m using a specialized trailer.



1998

Head office functions relocated to a new building built in the Shiodome area, Tokyo

The new head office was built in the Shiodome area, the birthplace of Japan's railways, also considered the starting point of our business, with the ideas of "creating a space that inspires intellectual creativity", "erecting a people- and environmentally-friendly building" and "contributing to the surrounding neighborhood".



2003

Provided transportation support for EXPO 2005 AICHI JAPAN

We provided logistics support to the preparation of EXPO 2005 AICHI JAPAN as the designated transporter. The popular "Mammoth" exhibition was successfully brought to the event from Siberia via refrigerated cargo transport using our comprehensive logistics capabilities.



2005

Nippon Express marked its 50th anniversary overseas
Awarded both the Logistics Environment Award and the Logistics Enlightenment Awareness Award

Made a modal shift from trucks to railway for the transportation of automotive parts. Received the Logistics Environment Award for both CO₂ reduction and shortened lead time. At the same time, the company was recognized for its training program on industrial waste treatment and received the Logistics Enlightenment Awareness Award.

2008

Transported relief supplies for the Great Eastern Japan Earthquake

Delivered relief goods around the clock using all modes of transport on land, sea, and air. The equivalent of 6,810 trucks' worth of goods were transported.



2011

Foreign business locations topped 500

2014

2015

Tokyo C-NEX opened

The company's largest distribution center, Tokyo C-NEX offers easy access to the city center and is located within 30 minutes of a railway container hub, an airport and a port, making it an ideal location as a distribution base.



2017

Overseas employees exceeded 20,000

2017

Relocation of Tsukiji Market

Tsukiji Market closed after 83 years of history as the kitchen of Japan and was relocated to Toyosu. Approximately 5,300 2-ton truckloads of items were moved in 4.5 days.



2018

Corporate Message Established "We Find the Way"

A new corporate message was established in commemoration of the company's 80th anniversary. It embodies the strong desire and confidence of Nippon Express to make customers' dream a reality.

We Find the Way
 **NIPPON EXPRESS**



<https://www.nipponexpress.com/>

