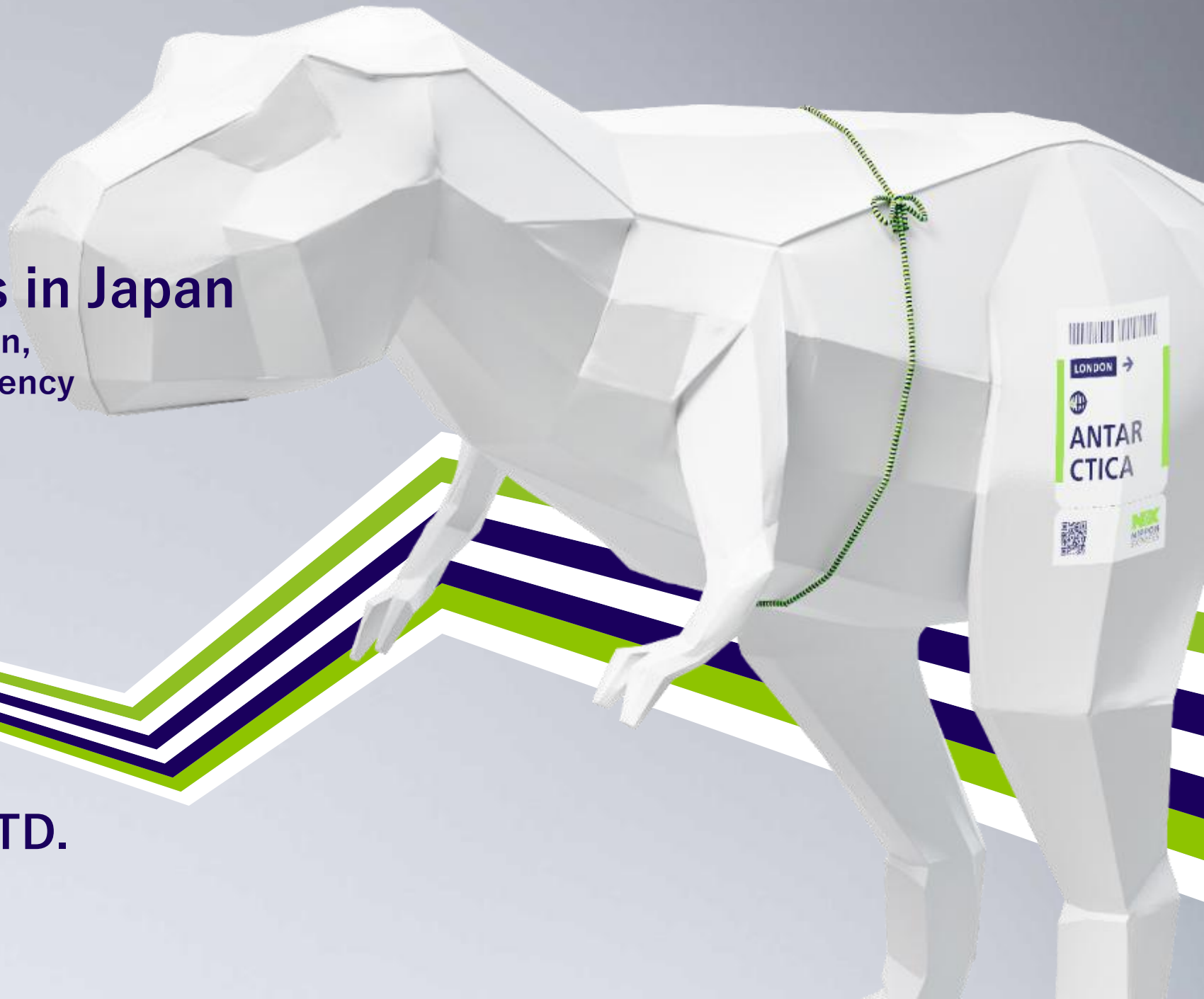




We Find the Way

International Logistics in Japan

— Approaches to Cost Optimization,
Quality Maintenance, and Efficiency



May 7, 2026

NIPPON EXPRESS CO.,LTD.

Forwarding Business Unit

- 1. Company Profile**
- 2. Global Landscape**
- 3. Japan Market Context**
- 4. Strategic Approach**
- 5. Logistics Initiatives in Japan**
- 6. NX solutions & Services**

1. Company Profile

Company Name	NIPPON EXPRESS CO., LTD.	
Established	October 1, 1937 ※100th anniversary in 2037	
Head Office	Kanda Izumi-cho 2 , Chiyoda-ku, Tokyo, Japan ※Relocation from Higashi-Shimbashi 1-9-3, Minato-ku, Tokyo in 2021	
Capital	JPY 70,175 million	
Business Description	Comprehensive Logistics and Related Businesses, Including Automotive, Rail, Marine and Air Transportation, Warehousing, Travel Services, Customs Clearance, Heavy Cargo and Plant Transportation and Construction, Special Transportation, and Information Processing and Analysis	

● Cities with NX GROUP locations (As of March 31, 2024)



*As of Dec 31, 2024

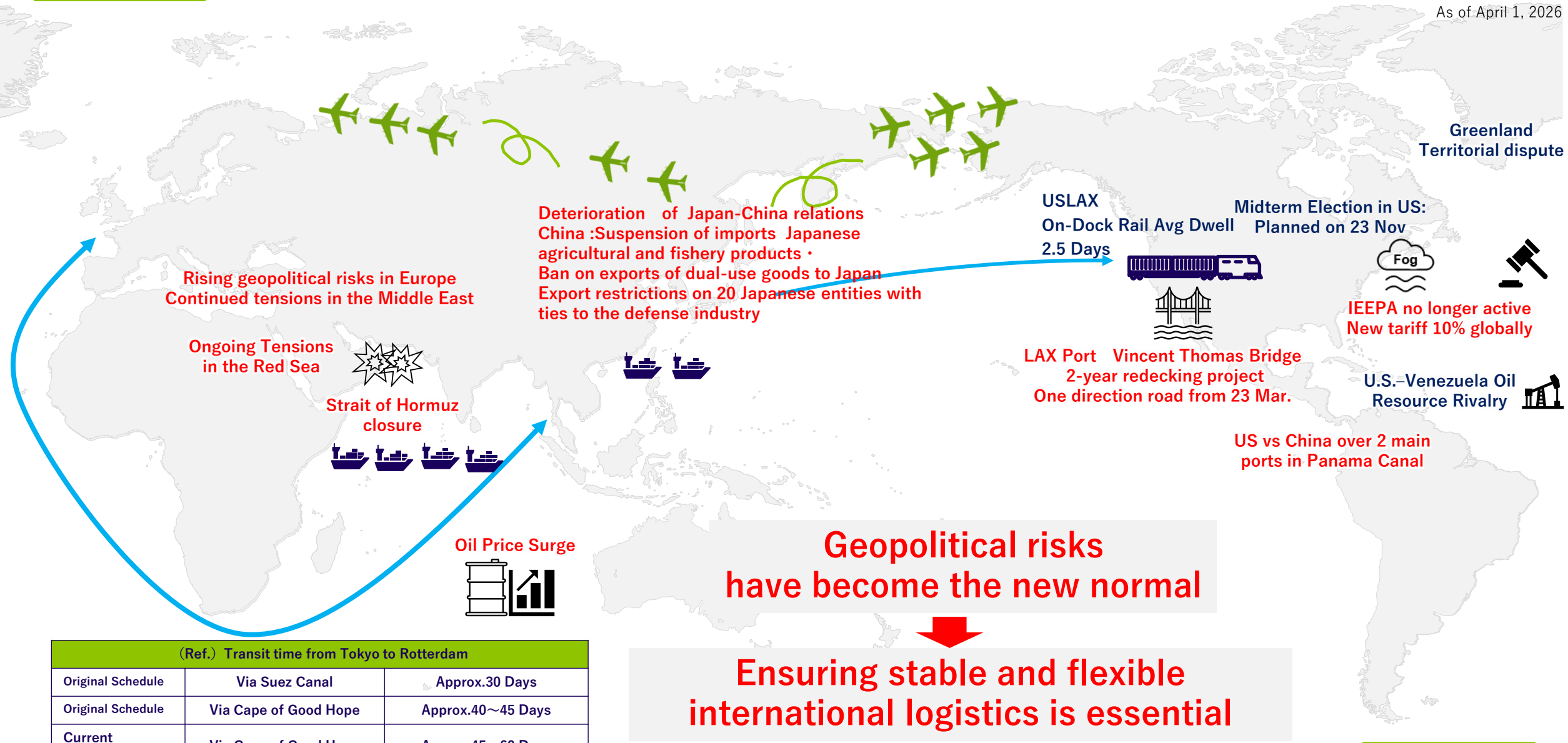
*1 : Armstrong & Associates, Inc. A&A's Top 25 Global Freight Forwarders List 2024

*2 : Number of employees of the NX Group worldwide

2. Global Landscape

Geopolitical Risk

As of April 1, 2026



**Geopolitical risks
have become the new normal**

**Ensuring stable and flexible
international logistics is essential**

(Ref.) Transit time from Tokyo to Rotterdam		
Original Schedule	Via Suez Canal	Approx.30 Days
Original Schedule	Via Cape of Good Hope	Approx.40~45 Days
Current Situation	Via Cape of Good Hope	Approx.45~60 Days

2. Global Landscape

Rising Environmental Awareness



Global

Acceleration of Carbon Neutrality Worldwide under the Paris Agreement

With the adoption of international frameworks such as greenhouse gas emission reduction targets since 2015 and onward to 2020, common long-term global goals have been established.

Common Global Long-term Goal	Increase in average global temperature (compared to pre-industrial levels) Target: Within 2°C Aspirational target: Within 1.5° C
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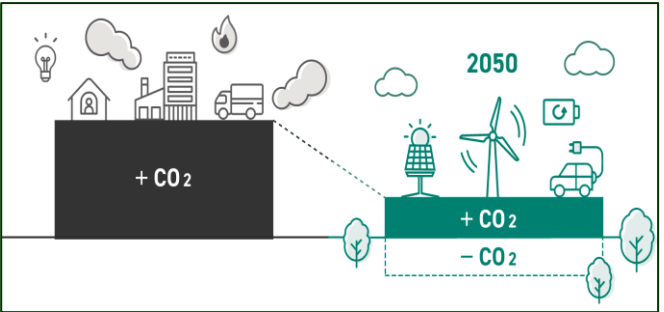
Two Reasons Why Carbon Neutrality Is Being Sought Worldwide

Climate Change Is Becoming More Severe 	Depletion of Fossil Fuels Is a Concern 
---	---

Japan

Japan Is Also Promoting Carbon Neutrality under Government Leadership

In 2020, Japan declared its goal of achieving carbon neutrality by 2050, aiming to reduce greenhouse gas emissions to net zero. Domestically, corporate decarbonization initiatives are being evaluated, and an environment that supports such efforts is being developed. In addition, revisions to the Act on Promotion of Global Warming Countermeasures are expected to further accelerate ESG investment.



Source: Japan Ministry of the Environment – Decarbonization Portal

People & Companies

Expansion of ESG Investment Is Closely Linked to the Spread of Carbon Neutrality

The expansion of ESG investment is driven by growing global concern over climate change and human rights issues, centered around the SDGs. In financial markets, consideration of ESG information is increasingly common, significantly influencing corporate value. As a result, ESG initiatives have become an essential management issue for companies.

Why Carbon Neutrality Is Required of Companies	<ul style="list-style-type: none"> • Requests from supply chain leaders • Revitalization of consumption by ESG-conscious consumers • Growing awareness among younger generations (support for recruitment efforts and improved employee motivation) • Optimization of corporate management (cost reduction through lower energy costs) • Strengthening competitiveness (enhancement of brand value)
--	--

Nippon Express's ESG Management

Contributing to CO ₂ Emission Reduction as a Logistics Company E 環境 Environment <ul style="list-style-type: none"> • Conversion of facility lighting to LED • Transition to environmentally friendly vehicles 	Transforming into a company where employees feel happy and fulfilled S 社会 Social <ul style="list-style-type: none"> • Promotion of Diversity • Innovation in Work Styles
[Contribution through business activities] • Modal shift • Promotion of collaborative delivery • Initiatives for resource-circulation-oriented sales	[Contribution through business activities] • Employment as a designated public institution in times of disaster • Contribution to local communities through addressing social issues
Building a system to support sustainable growth in corporate value G ガバナンス Governance <ul style="list-style-type: none"> • Rigorous Safety, Compliance, and Quality Management • Global Governance Toward a Holding-Company Structure • Capital Policy (ROE Target of 10%) • Information Disclosure 	12 16 17

Source: Nippon Express Company Profile

Source: Sumitomo Mitsui Banking Corporation website
Prepared by our company, based on "What Is Carbon Neutrality?"

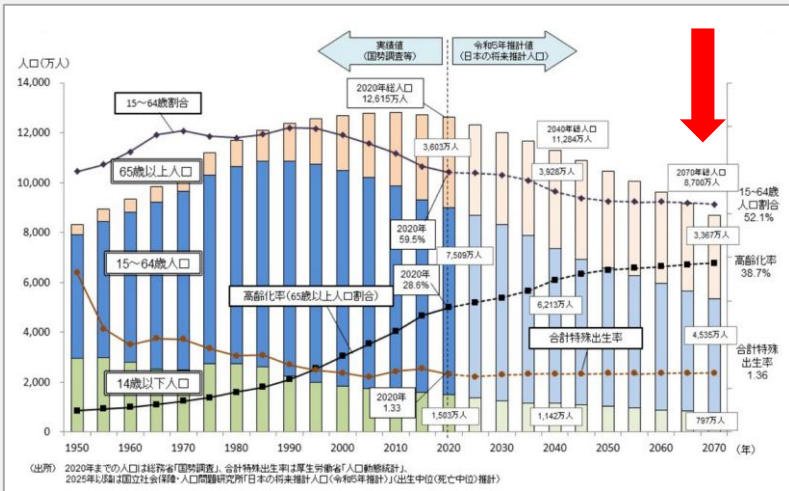
3. Japan Market Context

Population Decline and Labor Shortage

Japan's Population Trends / Fertility Rate & Births

Japan's total population is projected to fall below **90 million by 2070**, with the elderly population accounting for approximately **39%** of the total.

In **2024**, the number of Japanese children born declined **5.7% year-on-year to 686,061**, marking the first time since records began in **1899** that births fell below **700,000**.



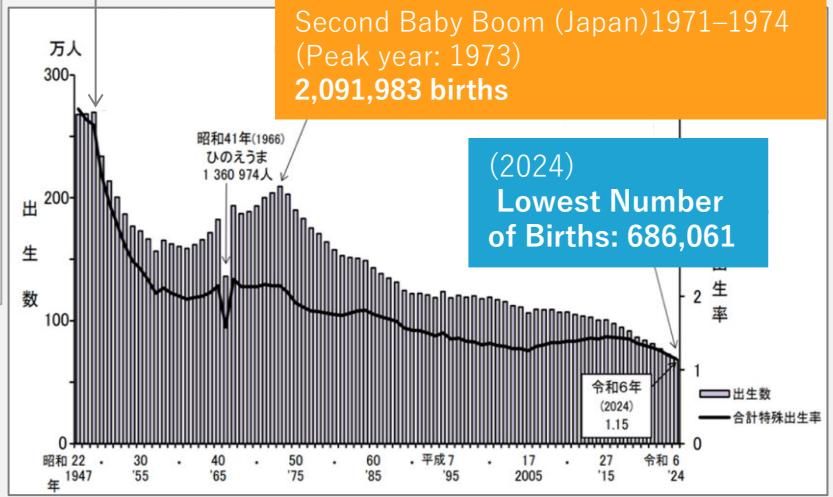
Japan's Population Structure and Future Outlook

Source: Overview of Japan's Population Summary of the Annual Total of Monthly Vital Statistics (Preliminary Figures) for 2024 Future Projections of the Labor Market in 2030

First Baby Boom (Japan) 1947-1949
(Peak year: 1949)
Highest number of births: 2,696,638

Second Baby Boom (Japan) 1971-1974
(Peak year: 1973)
2,091,983 births

(2024)
Lowest Number of Births: 686,061

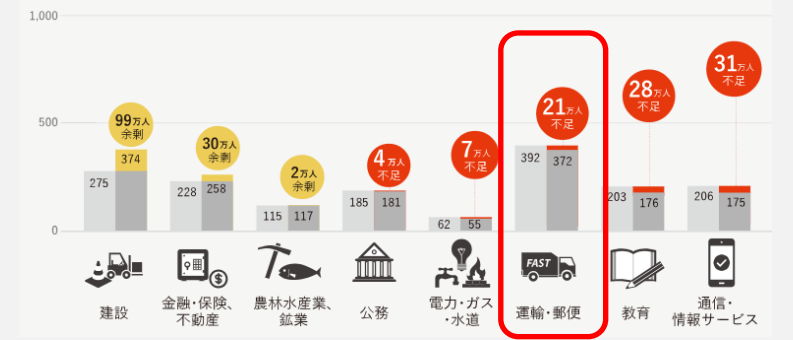


Annual number of births

Labor Shortage

By 2030, there will be a labor shortage of **6.44 million people**.

In the transportation and logistics sector, the shortage is expected to be **210,000 workers**.



the transportation and logistics sector

3. Japan Market Context

Population Decline and Labor Shortage

From April 1, 2024, an upper limit on overtime working hours for truck drivers has been enforced under Japan’s work-style reform legislation. As a result, the transportation and logistics industry is facing a range of structural challenges.

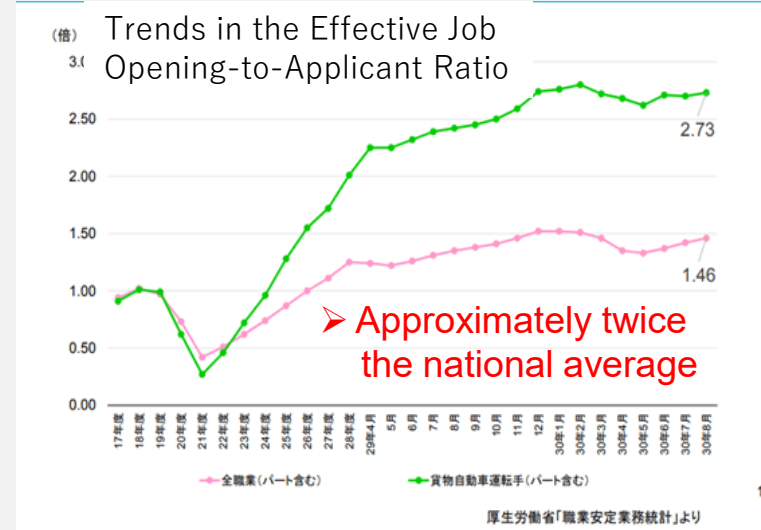
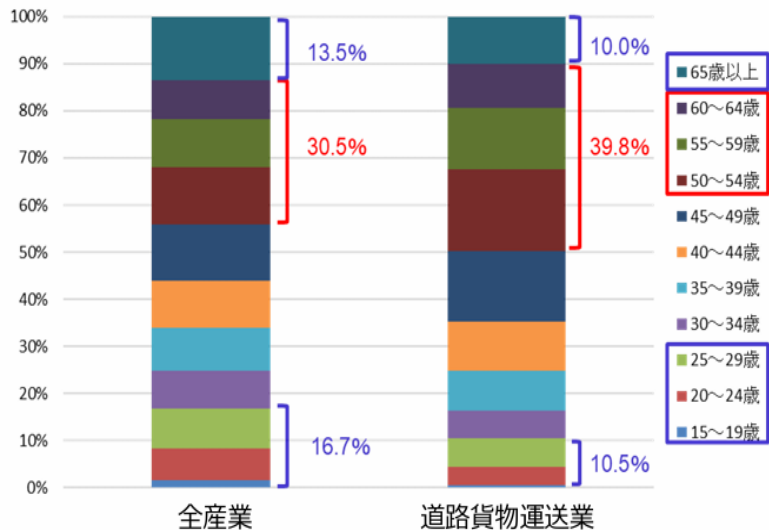
The 2024 Logistics Issue

**Legal Amendment
Cap on Drivers’ Working Hours**

If no countermeasures are taken in response to the “2024 Logistics Issue,” Japan is projected to face a transport capacity shortfall of approximately 35% by 2030.*

Current State of Driver Shortages

- Lower proportion of younger and elderly workers compared with the overall workforce
- High concentration in the middle-aged segment



- Aging driver workforce
- Perception of the job as one of the “3D jobs”: Dangerous, Dirty, and Demanding
- Compliance requirements under the Motor Truck Transportation Business Act
- Due to work-style reforms, it is increasingly difficult to secure drivers for early-morning, late-night, and long-haul operations

Source: Ministry of Land, Infrastructure, Transport and Tourism (MLIT), based on the Basic Survey on Wage Structure by the Ministry of Health, Labour and Welfare, etc. Policy Package for Logistics Reform (based on estimates by NX Research Institute)

3. Japan Market Context

Declining Competitiveness of Japanese Ports

Declining Position of Japanese Ports and Stagnant Volume Growth

Reduced competitiveness on major shipping routes and ports directly weakens national economic strength



《International Strategic Container Port Policy》

The Japanese government invests intensively in the Keihin and Hanshin port areas, aiming to revitalize port competitiveness through three pillars:

Cargo Aggregation, Cargo Creation, and Strengthening Competitiveness

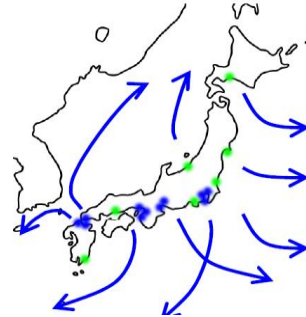
Top Container Ports Worldwide: 1980 vs. 2024

Unit: 10,000 TEU (annual container throughput)

Rank		1980		2024	
Rank	Port	Throughput	Port	Throughput	Throughput
1	New York	194.7	Shanghai	5150.6	
2	Rotterdam	190.1	Singapore	4112.4	
3	Hong Kong	146.5	Ningbo-Zhoushan	3930.8	
4	Kobe	145.6	Shenzhen	3338.0	
5	Kaohsiung	97.9	Qingdao	3087.0	
6	Singapore	91.7	Guangzhou	2607.0	
7	San Juan	85.2	Busan	2440.2	
8	Long Beach	82.5	Tianjin	2329.0	
9	Barcelona	78.3	Dubai	1553.6	
10	Oakland	78.2	Port Klang	1464.5	
11	Seattle	72.8	Rotterdam	1382.0	
12	Antwerp	72.4	Hong Kong	1366.8	
13	Yokohama	72.2	Antwerp	1350.0	
14	Bremen	70.3	Xiamen	1225.5	
15	Keelung	66.0	Tanjung Pelepas	1225.3	
16	Busan	63.4	Los Angeles	1029.7	
17	Los Angeles	63.3	Tangier	1024.1	
18	Tokyo	56.3	Dalian	967.0	
19	Jeddah	56.3	Long Beach	965.0	
20	Baltimore	52.3	Laem Chabang	955.5	
45			Tokyo	470.0	
70			Yokohama	307.5	

《Evolution of Container Port Policies》

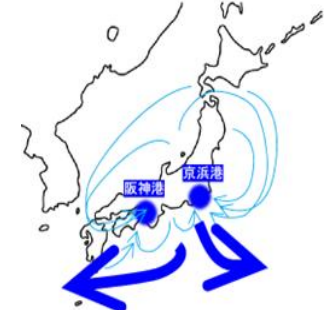
Major International Network Model (1995)



Super Hub Port Strategy (2004)



International Strategic Container Ports (2010)



《International Strategic Container Port Policy》

Cargo Aggregation

- Domestic cargo
- Transshipment cargo
- Streamlining accumulation and connection processes

Cargo Creation

- Strengthening logistics functions
- Simplification and acceleration of cargo handling procedures

Strengthening Competitiveness

- Accommodating larger vessels
- Addressing labor shortages, decarbonization, and cyber risks
- DX and GX initiatives

Source

Japan Ports and Harbors Association

Port and Harbor Bureau, Ministry of Land, Infrastructure, Transport and Tourism (MLIT), Japan



5. Logistics Initiatives in Japan

CLO(Chief Logistics Officer)

Mandatory Appointment of a Dedicated CLO

Enforced in April 2026 under the Revised Act on the Comprehensive Efficiency of Logistics (Logistics Efficiency Act)

Designated shippers meeting specified criteria are required to appoint and register a CLO

**A New Era
Where Corporate Logistics Strategy Matters**

Core Role of the CLO

Develop and execute a company-wide logistics strategy, working across logistics, production, sales, and procurement



POINT 01

Obligations for shippers and logistics operators to make efforts to improve logistics efficiency



POINT 02

The government establishes evaluation criteria and conducts guidance, advisory support, inspections, and public disclosure



POINT 03

Designated large-scale operators are required to formulate and implement mid- to long-term plans. If progress is insufficient, recommendations or orders may be issued



POINT 04

Certain designated shippers and partner operators are required to appoint a Chief Logistics Officer (CLO)

5. Logistics Initiatives in Japan

National Port Policy

《 Cyber Port 》

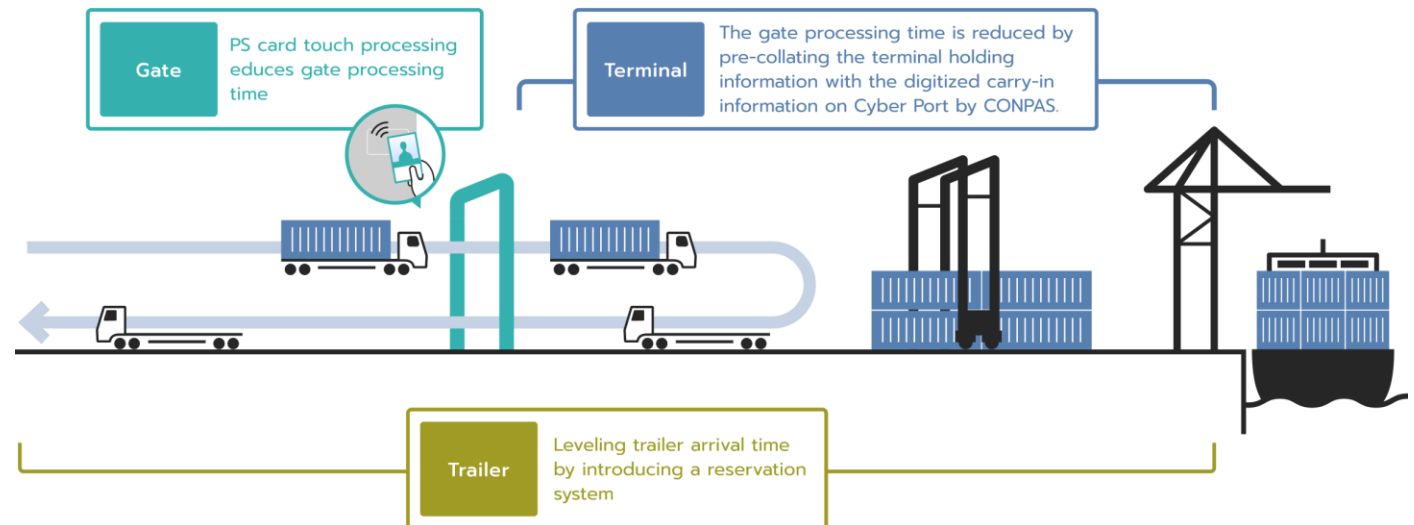
Cyber Port is a platform that aims to improve the productivity of port logistics as a whole by streamlining operations through the computerization of port logistics procedures between private businesses that are conducted on paper, by telephone, or by e-mail.



Source [cyberport_introduction.pdf](#)

《 CONPAS 》

CONPAS is a system designed to improve the efficiency of container logistics by eliminating congestion at the gates of container terminals and shortening the time spent by trailers at the terminals.



Source [About CONPAS | Cyber Port](#)

5. Logistics Initiatives in Japan

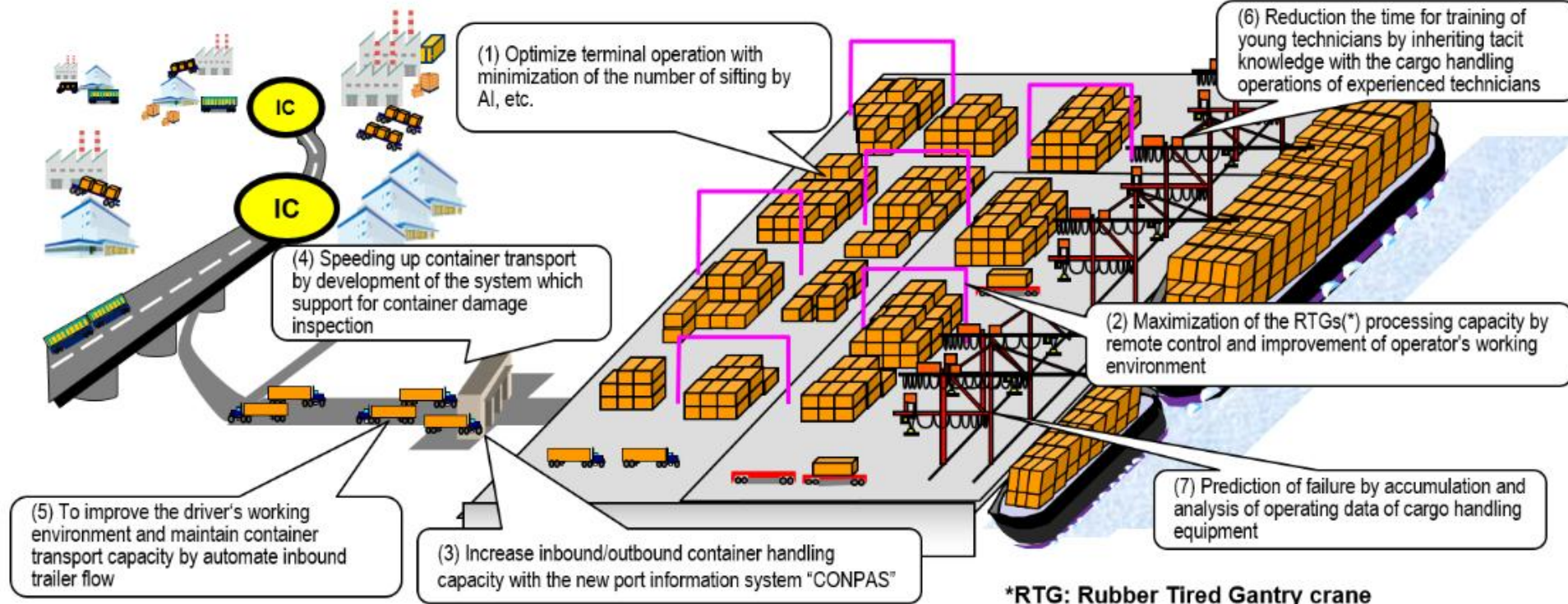
National Port Policy

《 Remote-Operated RTG 》

Increase yard capacity and handling efficiency

Improve working conditions

Convertible to hydrogen fuel cells



Realization of "AI terminals which support human beings" (image)

※This diagram is a conceptual illustration based on the original Japanese policy vision.

Source: Ministry of Land, Infrastructure, Transport and Tourism (AI Terminal Supporting People)

5. Logistics Initiatives in Japan

National Port Policy

Carbon-Neutral Port (CNP)

A national port-led strategy to achieve integrated decarbonization across logistics, industry, and energy, while maintaining environmental performance and international competitiveness.



Onshore power supply to ships at berth
Source: TERASAKI ELECTRIC Co., Ltd



Image of LNG bunkering
LNG fuel supply ship
Source: Central LNG Marine Fuel



Hydrogen fuel cell-powered RTG
Source: Mitsui E&S Co., Ltd

Examples of decarbonization of terminal operation

International Shipping: Goals & Strategy

2023 IMO GHG Strategy

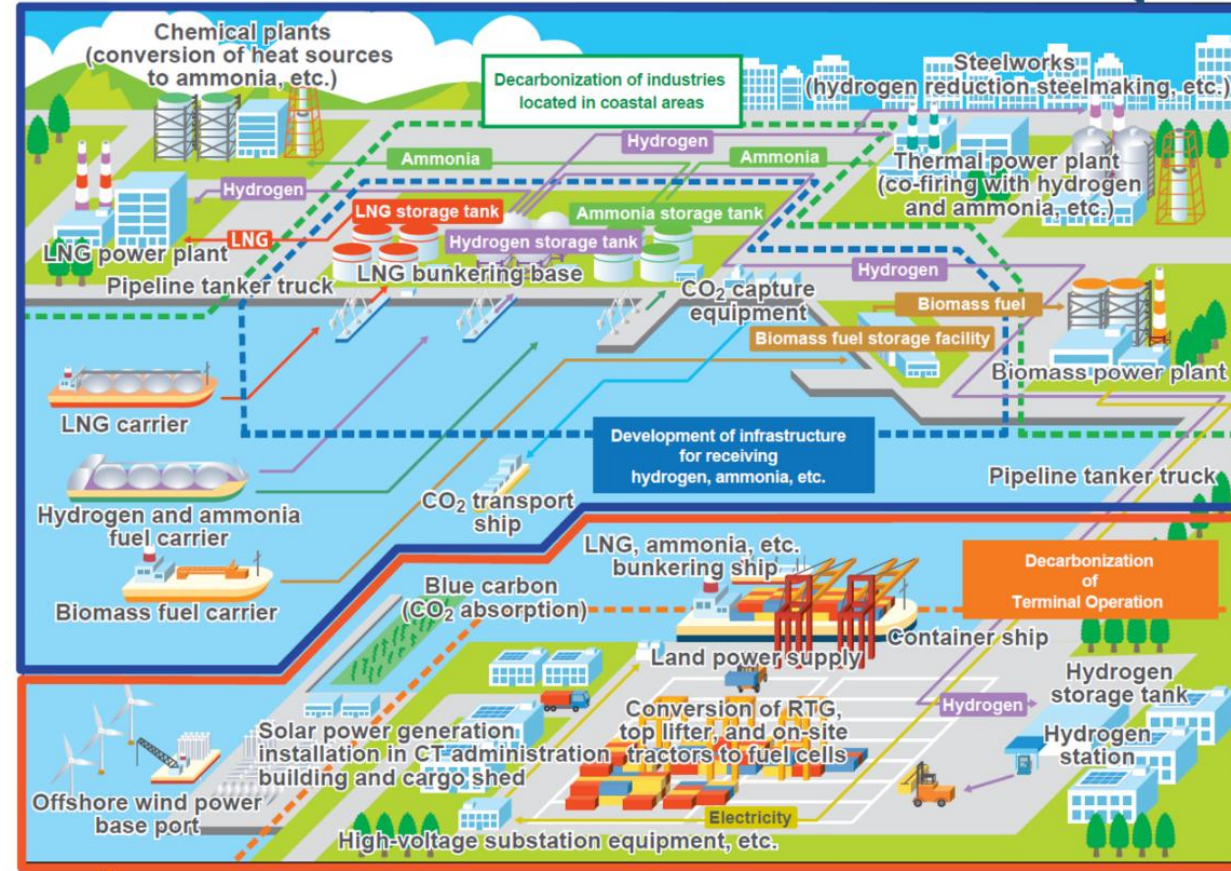
Net-zero 2050 target for GHG emissions

2025 IMO – 83rd MEPC

Agreement in principle on MARPOL amendments

Fuel standard / Market-based measures

Contributing to Industrial Structural Transformation and Strengthening Competitiveness



Developing Competitive Ports Chosen by Shippers and Shipping Companies

Source: Ministry of Land, Infrastructure, Transport and Tourism (Carbon-Neutral Port (CNP) initiative)

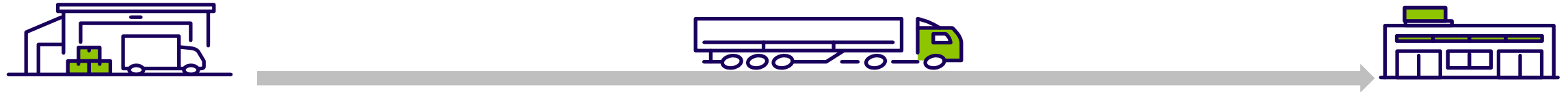
5. Logistics Initiatives in Japan

Inland Transport

Modal Shift

- Shifting freight transport from trucks to lower-carbon modes
- The expansion of multimodal transport solutions combining multiple modes

BEFORE



AFTER

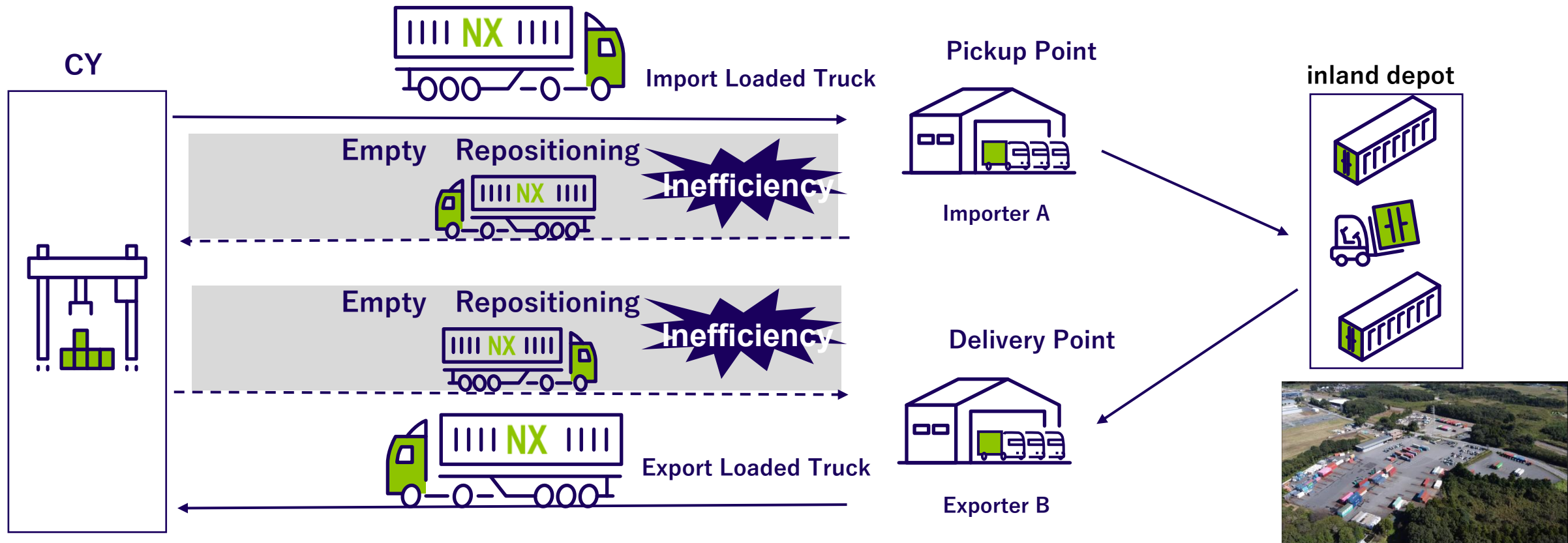


5. Logistics Initiatives in Japan

Inland Transport

Container Reuse

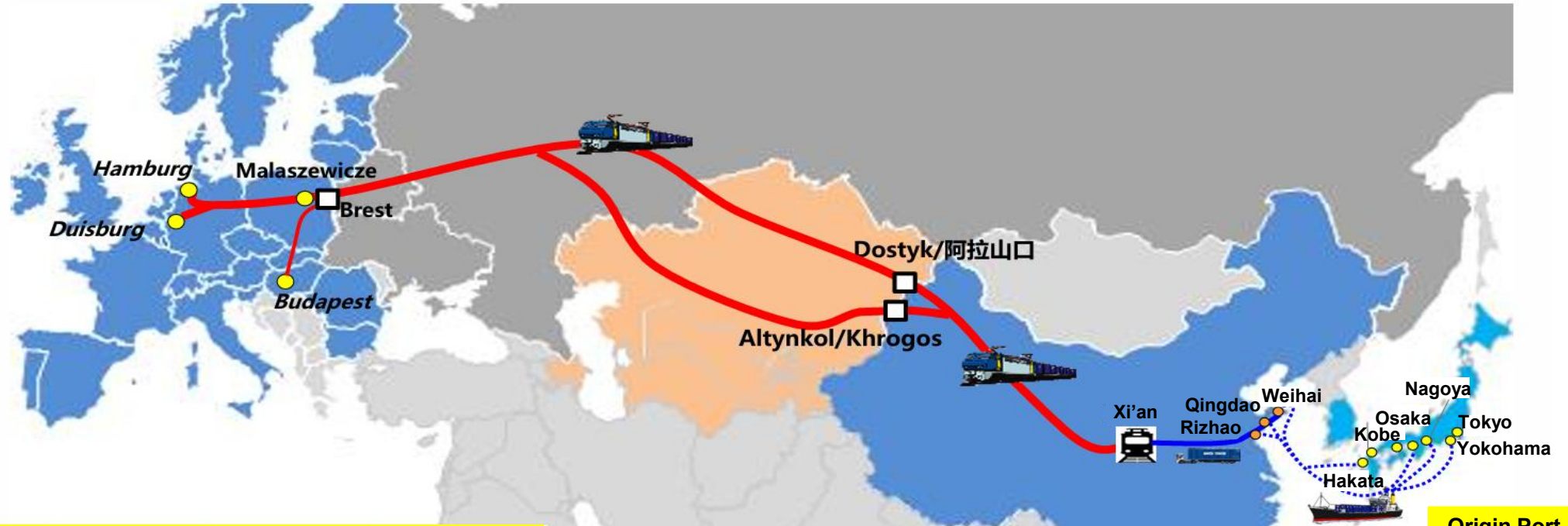
- Reuse imported containers for export, reducing empty repositioning, lead times, and costs
- Using inland depots centered on bonded warehouses for import and export operations further enhances overall efficiency



5. Logistics Initiatives in Japan

Sea & Rail (China–Europe Railway)

- Providing alternative transport solutions to meet increasingly diverse logistics needs
- Providing end-to-end transportation from origin to destination using multiple transport modes



European Origin and Destination Station List			
Country	Station	Westbound	Eastbound
Germany	Hamburg	○	○
	Duisburg	○	○
Poland	Malaszewicze	○	○
Hungary	Budapest	○	○

Xi'an Station

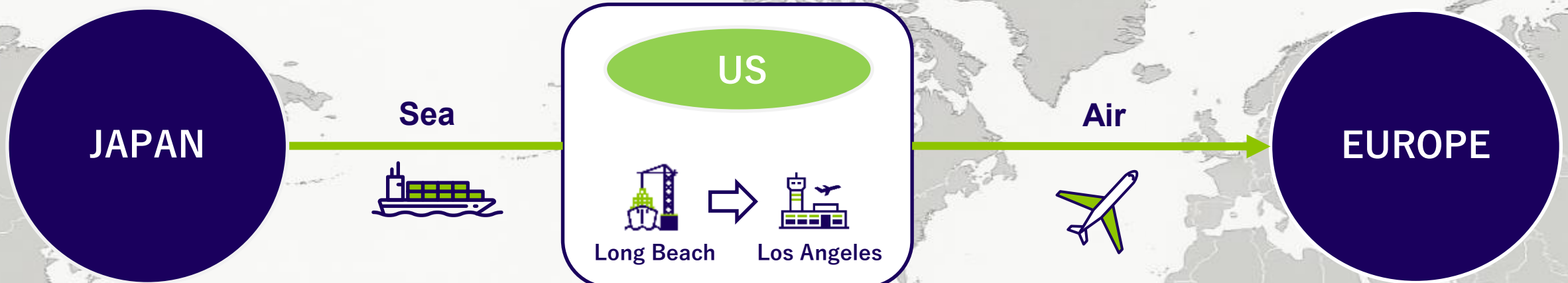
Transit Port
Qingdao
Rizhao
Weihai

Origin Port
Tokyo
Yokohama
Nagoya
Osaka
Kobe
Hakata

5. Logistics Initiatives in Japan

Sea & Air

Sea & Air Solution (Japan to Europe via US)

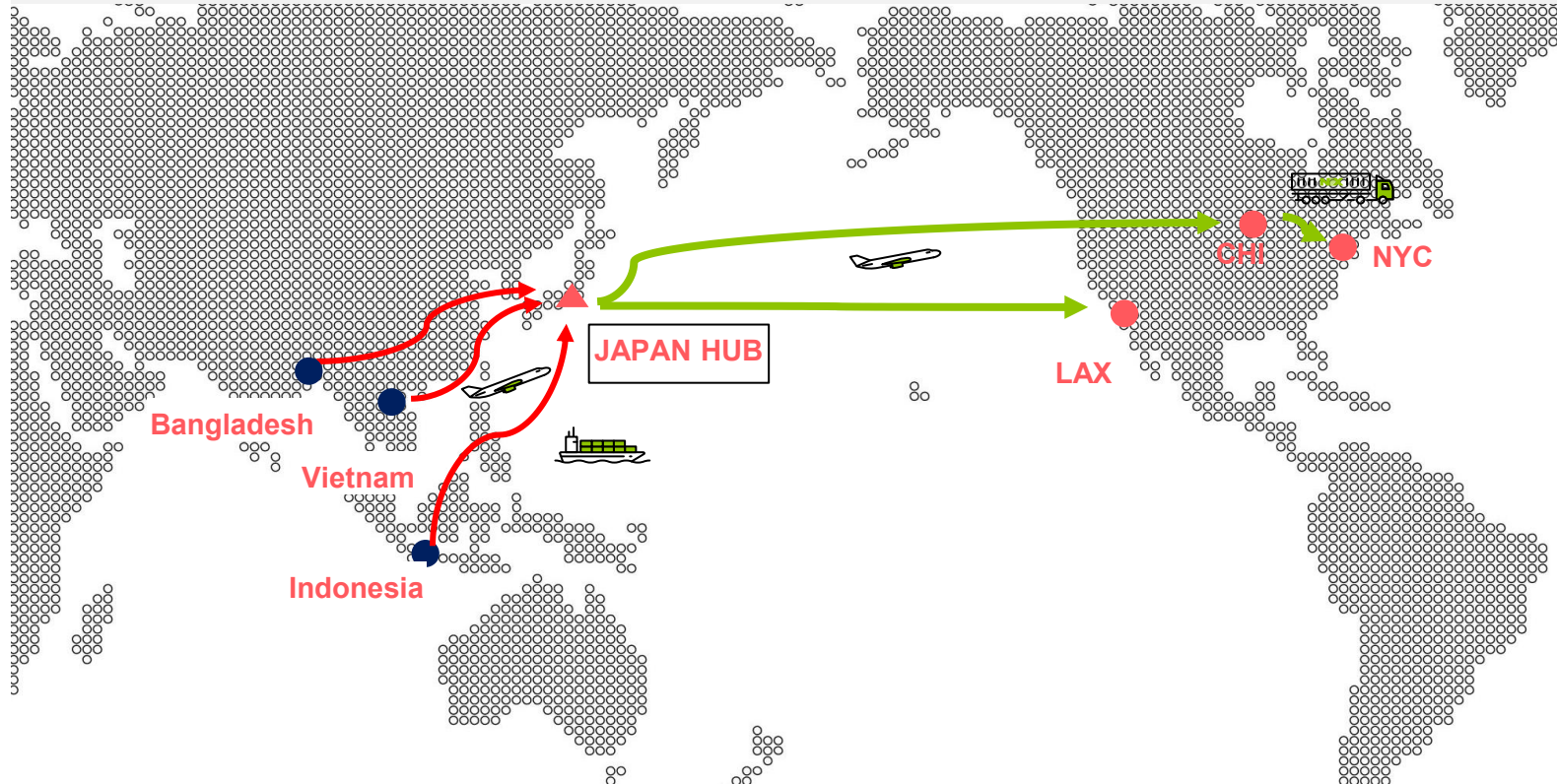
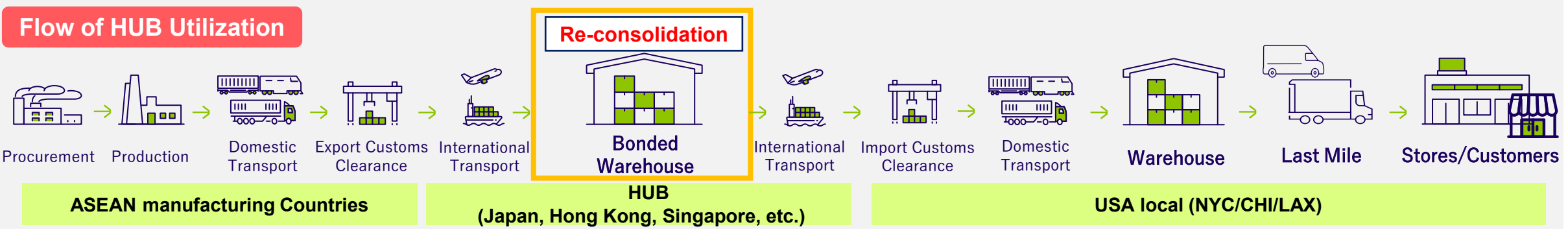


[Service Highlights]

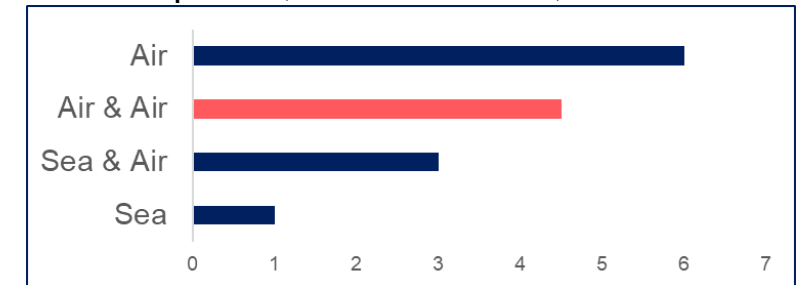
- **Reliable Weekly Schedule** ensures consistent supply chain flow.
- **Transparent Per-KG Pricing** for easy cost management.
- **Half the Lead Time of Ocean Freight** to bypass global disruptions.
- **Extensive European Airport Coverage** reaching all major destinations.
- **Seamless Connectivity** through our integrated network.
- **Full End-to-End Visibility** for comprehensive shipment tracking.

5. Logistics Initiatives in Japan

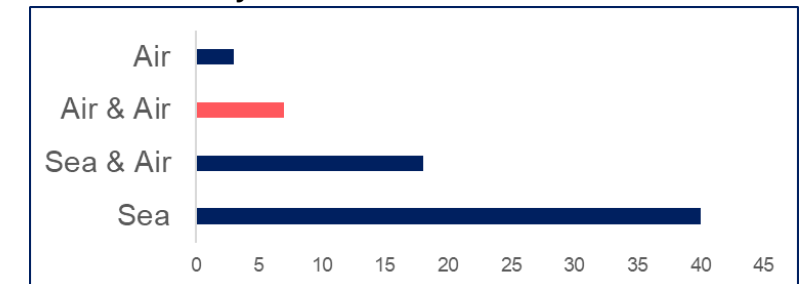
Efficient Transport and Cost Reduction by Air Re-consolidation



Cost Comparison (Relative to Sea = 1.0)



Lead Time (days)

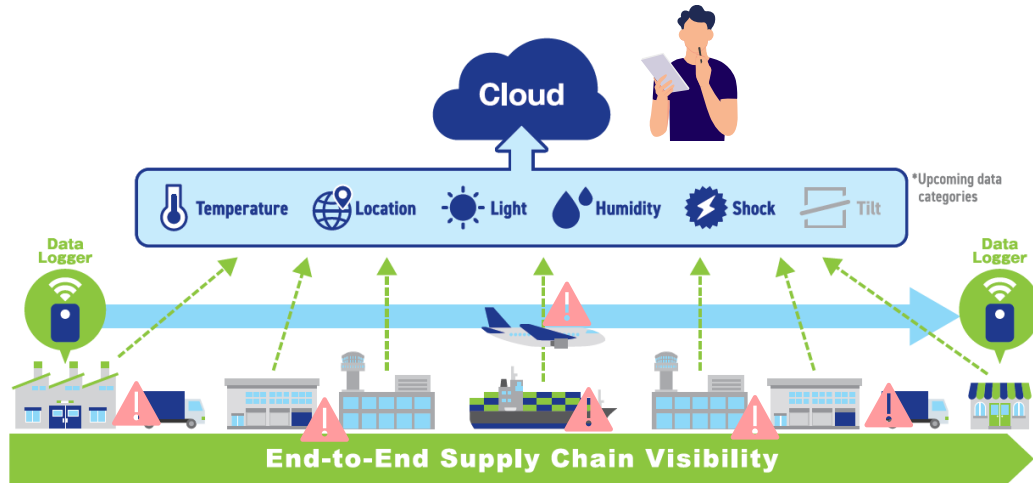


5. Logistics Initiatives in Japan

End-to-End Transportation Visualization Service

Cargo Monitoring Services

Cargo Monitoring Services is a logistics visualization solution. You can monitor the transportation by measuring temperature, location, and other information with real-time data loggers.

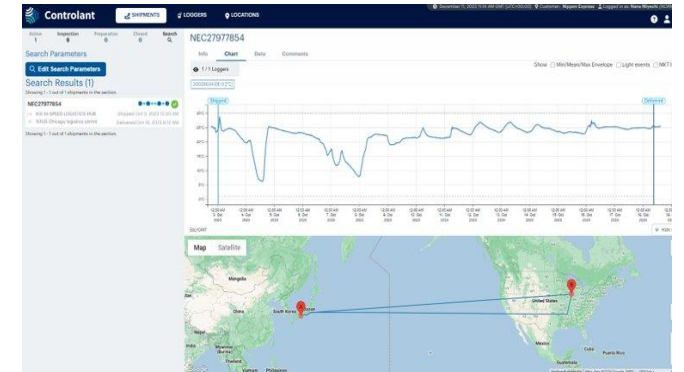


- Users(you) can access the recorded data through the supplier's web platform.
- Multiple logger options are available to meet a variety of measurement requirements.



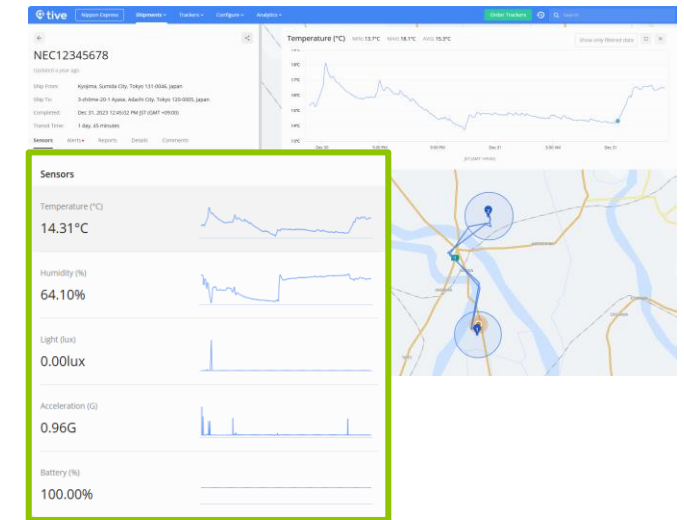
Temperature, Light, Location

- ✓ Compatible with Pharmaceutical industry (GxP, FDA)
- ✓ Single-use, Multiple-use



Temperature, Humidity, Shock, Light, Location

- ✓ Compatible with Pharmaceutical industry (GxP, FDA)
- ✓ Single-use
- ✓ Linking with external trace systems



5. Logistics Initiatives in Japan

Warehouse

AGV (Automatic Guided Vehicle)
AGF (Automated Guided Forklift)
AMR (Autonomous Mobile Robot)



◀ Forklifts equipped with cameras and sensors



▶ Remote-controlled operation, enabling remote work



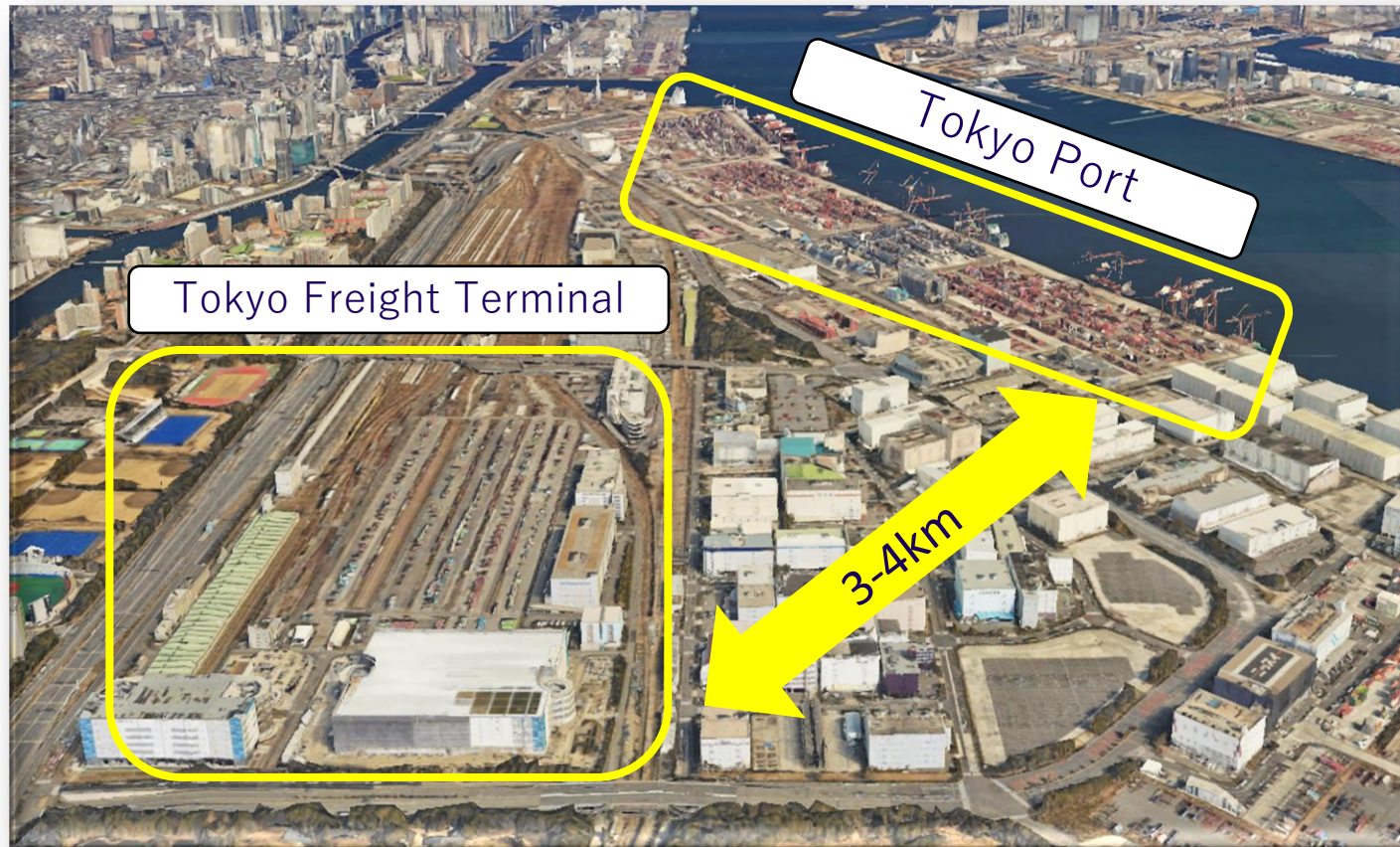
Supports picking operations while operating safely alongside human workers



6. NX solutions & Services

Ocean Container Rail Transport

Tokyo Freight Terminal is located in close proximity to Tokyo Port.
Distance between facilities: approximately 3–4 km
Direct loading onto rail wagons with containers kept intact.



出典：Google Earth. <https://earth.google.com/web/@35.58992055,139.76388337,15.50170764a,1977.8687853d,35v,-0.19507747h,68.34616594t,0.00000001r>, (参照2023-01-06)

【Service Scope】

- **Supported container size:**
20 ft dry containers only
(40 ft containers available on the Tokyo–Morioka route)
- **Dangerous goods: Accepted**
- **Non-acceptable cargo:**
Radioactive materials / Live animals

**NX Group is the only provider
with cargo rail terminals nationwide**
**End-to-end transport fully arranged
by NX Group**

6. NX solutions & Services

NX Direct Feeder

- NX Group provides port handling services at 80 locations across Japan.
- Extensive nationwide port network enabling highly localized support.

NX DIRECT SOLUTION - Sustainable

NX Direct Feeder Service A New Solution to Solve the Logistics Problem of 2024

Optimized for Import Cargo and Domestic Shipping

Nippon Express is offering a new transportation service, "NX Direct Feeder," utilizing regional ports.

This service primarily targets import cargo bound for Japan and contributes to addressing the logistics challenges of 2024 and efforts toward carbon neutrality.

"NX Direct Feeder" is a customized, sustainable logistics service that reduces drayage by utilizing domestic container ships. We propose optimizations for your transportation routes.

CO₂
Land transport time

Tokyo
Yokohama

NX DIRECT SOLUTION - Sustainable

Easier! Closer! Achieving drayage-free transport!

"NX Direct Feeder" is not bound by the ports of use or trade conditions stipulated in annual transport contracts.

While the B/L remains at the designated port of unloading, the NX Group takes responsibility for transporting the goods beyond that point, utilizing domestic container ships and drayage to deliver them to their destination.

■ Features of the "NX Direct Feeder"

Example: Import; BL (Blueprint) is unloaded at Tokyo Port or Yokohama Port; delivery destination is in the Tohoku region.

Shipping company's responsibility for transportation (Departure to Main Port)

NX's transportation responsibilities (domestic container shipping + drayage) (Main Port to Delivery)

Unloading and import customs clearance (at Main Port)

On the BL (Board Line), the fish are connected to the feeder ship "as is, after being fried in Tokyo or Yokohama".

■ Examples of how the new service can be used

Comparison with drayage for the entire delivery route to Yamagata City

Reduce drayage transport time

The round trip from Tokyo Port to Yamagata City takes approximately 10 hours.

The round trip via Sendai Port takes approximately 2.5 hours.

Reduced land transport time by 7 hours and 30 minutes.

Reduce CO₂ emissions

The round trip from Tokyo Port to Yamagata City costs approximately 1.31 tons per FEU.

If it goes via Sendai Port, it will be 0.36t

CO₂ emissions reduced by 0.77t

※実入り(日/周) 船速:24t 想定 空コン船速:4t 想定

6. NX solutions & Services

Kyushu Consolidation (LCL)

- An international ocean LCL service consolidating cargo from Kyushu and Yamaguchi for global export via Tokyo.
- Using direct mainline vessels from the Port of Tokyo, we offer fast, reliable service at competitive prices.
- For domestic transport, we use the NX Group's RORO vessel "Himawari," reducing CO₂ emissions and addressing Japan's 2024 logistics issue.

From Kyushu & Yamaguchi to the World!

High-speed ocean LCL services at highly competitive prices

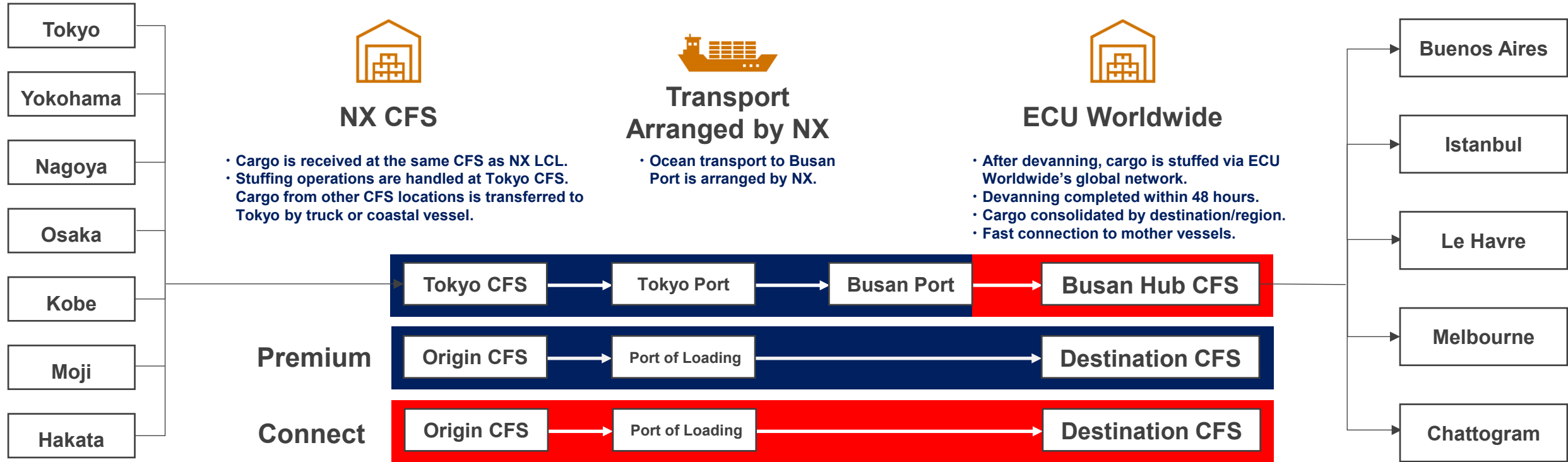
— available nowhere else!

High-Speed Service	After departure from Japan, we use the fastest available direct services to the final destination.
Attractive Pricing	By fully leveraging the NX network, we achieve pricing that is more than 15% lower than conventional options.



6. NX solutions & Services

Pusan Hub LCL



【Origin】

Tokyo, Yokohama, Nagoya, Osaka, Kobe, Moji, Hakata

【Destinations】

Buenos Aires (Argentina), Valparaíso (Chile), Callao (Peru), other destinations in the Americas

Istanbul (Türkiye), Gdańsk (Poland), Le Havre (France), Southampton (UK), other destinations in Europe

Melbourne (Australia), Auckland (New Zealand), Da Nang (Vietnam), Chattogram (Bangladesh), other destinations in Oceania & Asia Total: 33 cities

6. NX solutions & Services

Environmentally Conscious Air Freight Service

NX-GREEN

FORWARDING ~AIR~

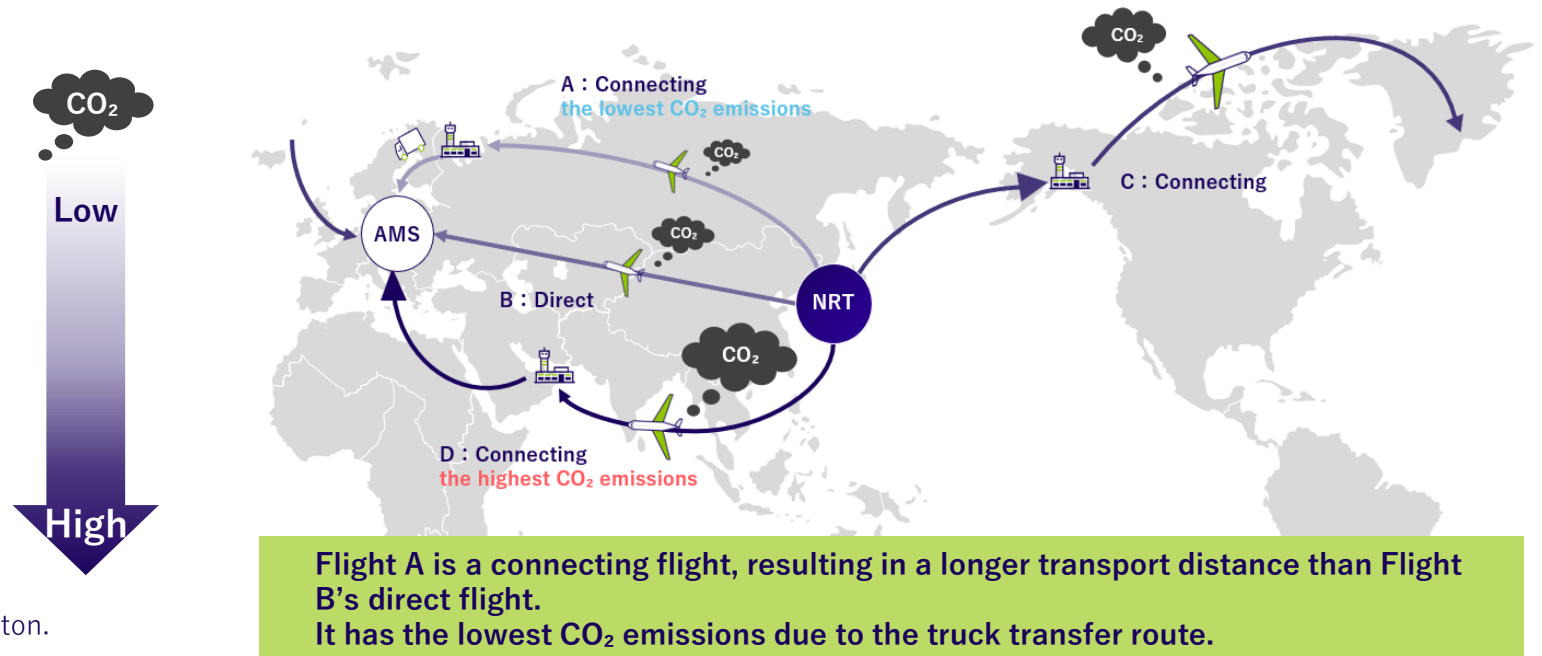
NX-GREEN FORWARDING~AIR~ is an environmentally conscious air freight service that offer you the opportunity to select the optimal transport plan from a new perspective : **"CO₂ emissions."**

- CO₂ emissions in international air transport vary depending on factors such as aircraft type, engines installed, and routing.
- By utilizing NX-GREEN FORWARDING ~AIR~, you can select the most optimal flight from the perspective of CO₂ emissions.

Illustration of CO₂ Emissions

FLT	Route	L/T	Aircraft	Total Distance	Total CO ₂ emissions (*1)
A	Connecting NRT-HEL AMS	2days	A350	9,800km	5.0t-CO ₂
B	Direct NRT-AMS	1day	B777	9,400km	5.4t-CO ₂
C	Connecting NRT-ANC-AMS	3days	B747	12,900km	6.0t-CO ₂
D	Connecting NRT-DXB-AMS	3days	B777	13,300km	9.2t-CO ₂

(*1) Based on an actual cargo weight of 1 ton.



※This diagram is intended to illustrate CO₂ emissions only. Actual flight routes and transportation plans may differ.



NEX NIPPON
EXPRESS

We Find the Way