



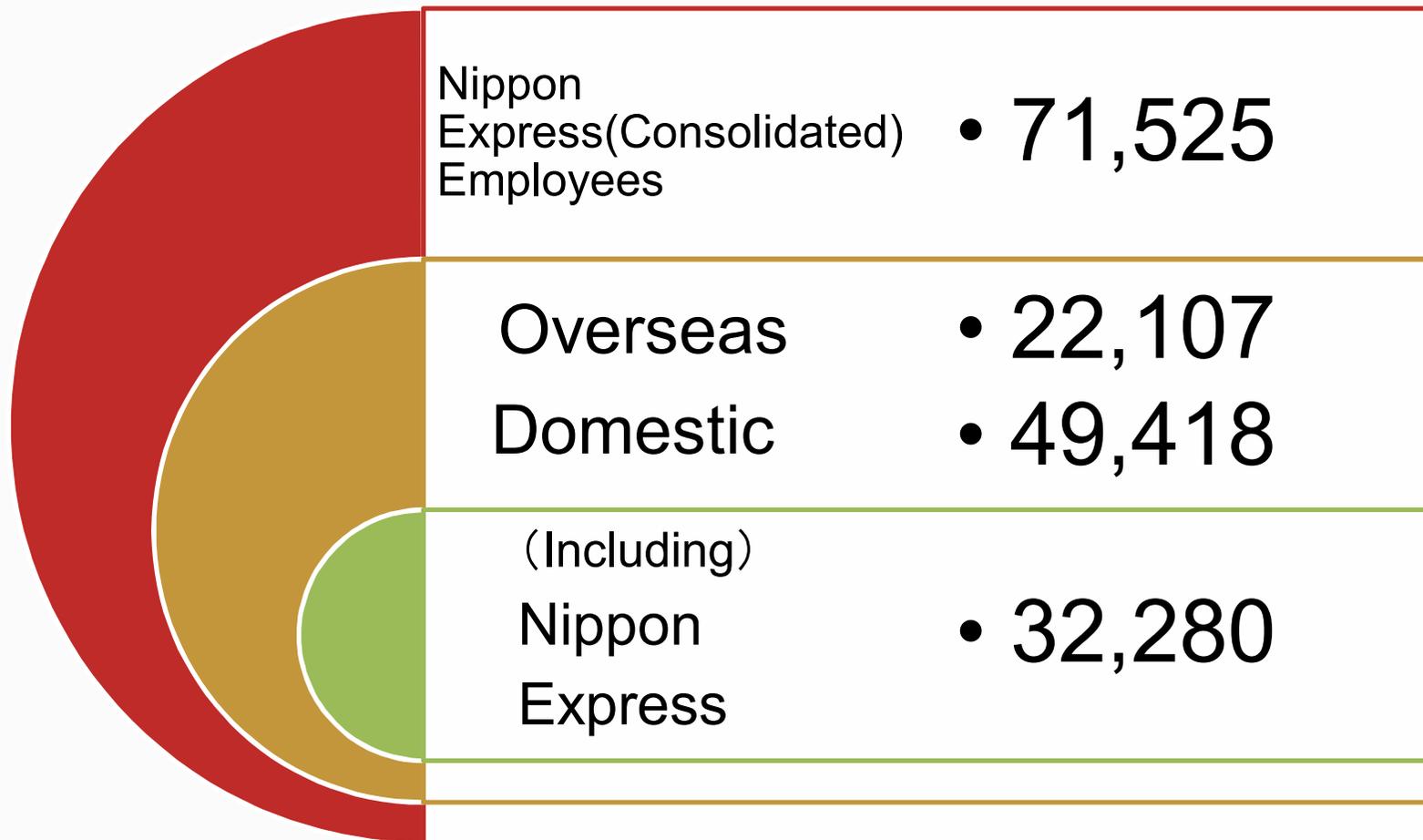
# IR Meetings Materials

Hisao Taketsu, Executive Vice President, COO and Representative Director

June 11, 2019

Nippon Express Co., Ltd.

# Employees As of Ended March 2019



# ESG-oriented business management to realize sustainable development and improve corporate value

## Nippon Express Group Corporate Philosophy



Contributing to customers and society through businesses  
 Contributing for resolving social issues through business



Collaborating and co-creation with stakeholders

Realizing sustainable development and improving corporate values



## Commitment to reducing CO<sub>2</sub> emissions as a logistics company

### E Environment

- Facilitating more use of LED lighting at facilities
- Reducing waste produced by Nippon Express

#### [Contributing through business operations]

- Promoting modal shifts and co-loaded delivery
- Engaging in recycling-oriented sales activities



## Transform the company that makes employees feel satisfied and fulfilled

### S Social

- Promoting diversity
- Working-style innovations

#### [Contributing through business operations]

- Serving as designated public institutions for disaster response
- Contributing to local communities through job creation and resolving social issues



## Establishing a mechanism to support sustainable improvement of corporate value

### G Governance



- Strong commitment to Safety, Compliance, and Quality
- Considering advancing global governance by holding company system
- Capital policies (ROE: 10%)
- Information disclosure

# A Company Aiming for Sustainable Growth

## Labor shortages

- Declining population (working-age population)
- Declining appeal of the distribution industry

## Working-style reforms

- Tightening of regulations on working long hours
- Flexible working styles
- Promotion of work-life balance

## Promotion of diversity

- Supporting career success for women
- Effectively utilizing diverse labor force



**Nippon Express needs to become a place where employees can throw themselves into their work and continually produce new value**

# Concepts of Human Resource Development

Realization of maximum growth and various career opportunities for each individual

Development of human resources to support and create a future global society through logistics



## **Our Mission** (Be a Driving Force for Social Development)

Vitality, leadership, coaching, teamwork, flexibility, tenacity...

## **Our Challenge** (Create New Ideas and Value that Expand the Field of Logistics)

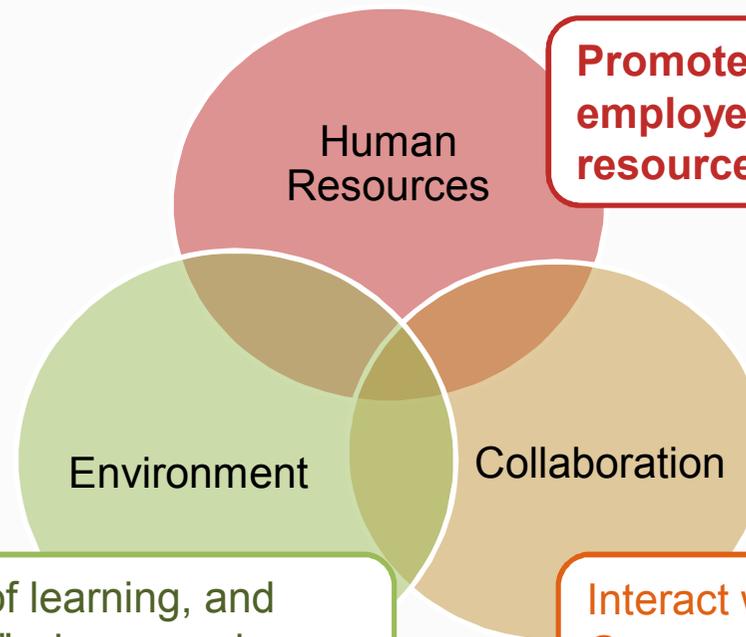
Reform ability, willingness to improve, determination, initiative, strategic sense, expertise...

## **Our Pride** (Inspire Trust Every Step of the Way)

Honesty, sensitivity, presence, quality-oriented, customer-oriented, workplace management...

# Education and Training Policy

Develop “Autonomous Employee” who continue to grow voluntarily and act proactively without fear of change, as members of the Nippon Express Group and in harmony with society through the practice of our corporate philosophy.



Promote the voluntary growth of employees and develop “human resources” through learning

Realize diversification of learning, and create an “environment” where employees can learn when they want to learn

Interact with other Nippon Express Group companies, and strengthen “collaboration” in learning

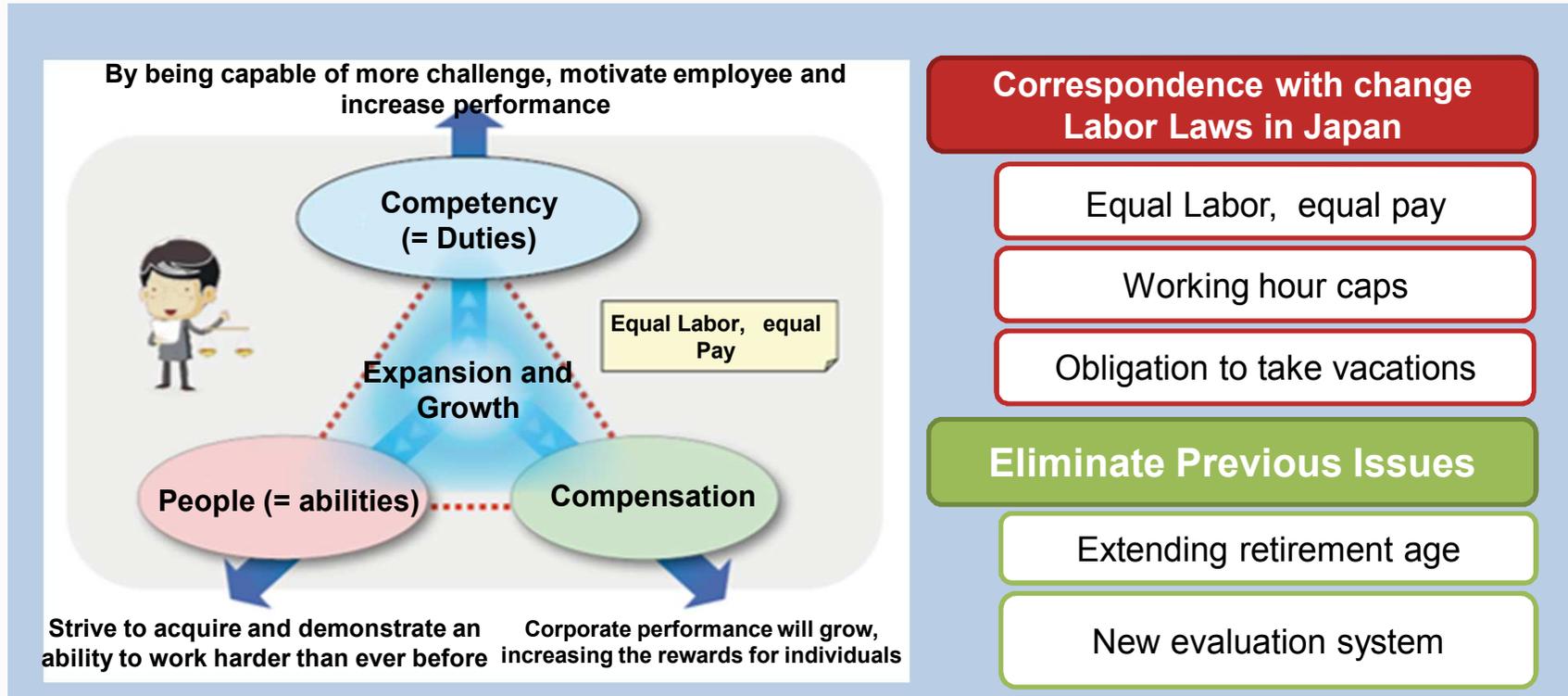
# Human Resource Strategic Innovation

From “Japan Oriented, Nippon Express (non-consolidated)/  
Partial optimization,  
To **“Group management/Overall optimization”**

## Priority Strategies

- **Cultivating core global executive candidates**
- **Securing and cultivating Industrial Professional**

# Aims of Employee System Reforms



# ESG-oriented business management to realize sustainable development and improve corporate value

Transform the company that makes employees feel satisfied and fulfilled



**Social**

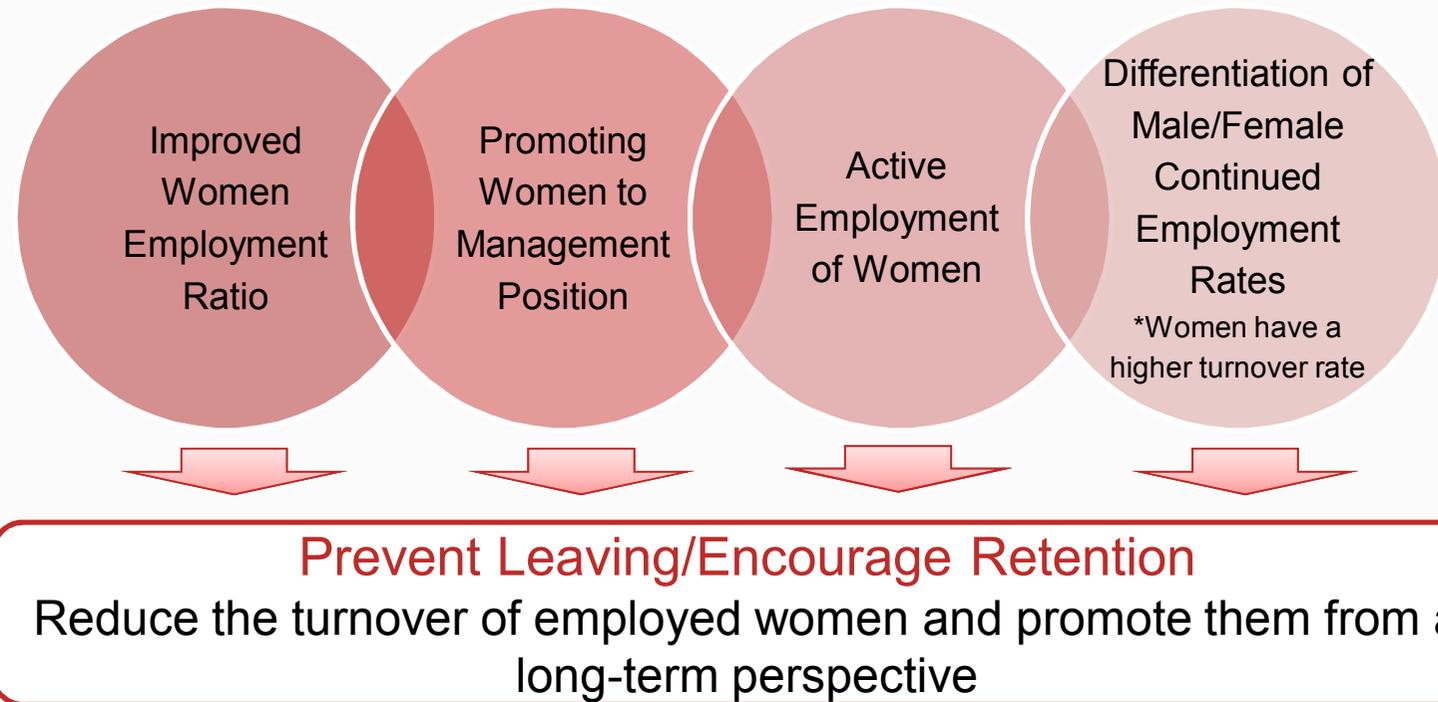
- Promoting diversity
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## **[Contributing through business operations]**

- Serving as designated public institutions for disaster response
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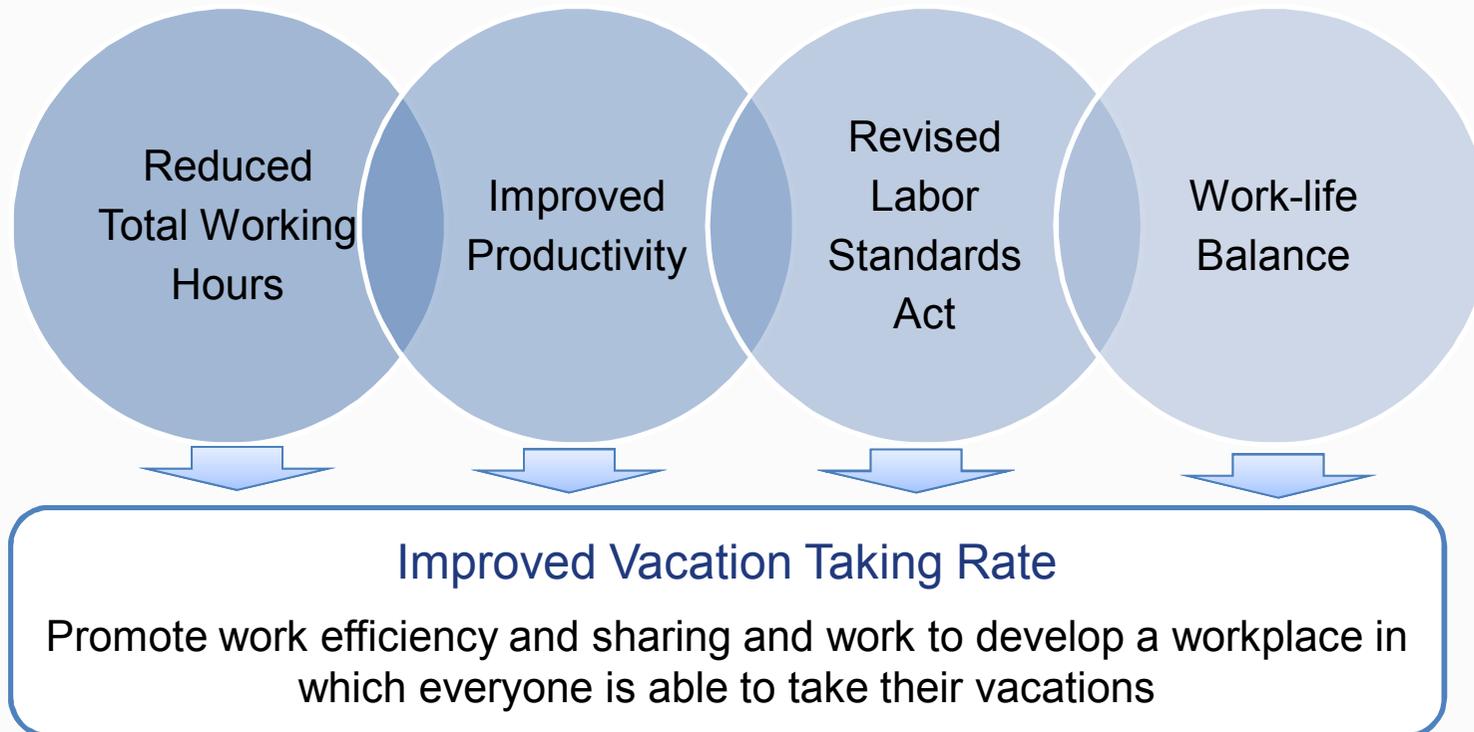
# KPIs for the Promotion of Diversity



**[KPI]** (Nippon Express)

**By FY 2023, establish an employment rate for women around the 8<sup>th</sup> year of employment at the same level as men**

# KPIs for Work-style



**[KPI]** (Nippon Express)

By FY 2023, Target for a doubling of the annual paid leave taking rate compared to FY 2017 (equivalent to 75% of the 20 days maximum legal granted leave).

# Transform the company that makes employees feel satisfied and fulfilled

## ■ Promotion of Diversity

- Develop an environment in which diverse human resources can work
- Promote the activity of women, and enhance the recruitment of Non Japanese employees

## ■ Work-style Innovation

- Work-styles reforms which automonos and continued to create value and maximum performance.
- Flexible working styles
- Reduce long working hours and improve vacation taking rates
- Fair treatment (advance correspondence with equal labor , equal pay)

Mid-career recruitment (various careers)

Efforts to reduce turnover

Expand hiring with Non Japanese employees

**Headquarters Relocation Project**

Expansion of Various Systems

Work-style KPI Management

# Headquarters Relocation Project (Scheduled to move in the fall of 2021)



***We Find the Way***



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