

NNR Global Logistics **Sustainability Report 2025**

NNR Global Logistics, a Division of Nishi-Nippon Railroad Co., Ltd.





To Stakeholders

Global logistics is an indispensable infrastructure that supports the world economy as well as people's lives. As a freight forwarder and core component of this infrastructure, we at NNR Global Logistics contribute to the development of international community by meeting diverse needs on a daily basis.

In recent years, as global issues such as climate change, human rights issues, and resource depletion have become more apparent, the logistics industry is expected to play an increasingly important role in advancing sustainability. With a mission to provide value to society through international logistics, NNR Global Logistics is working to reduce environmental impact, ensure safe and reliable transportation, and improve transparency across the entire supply chain. We regard these initiatives not merely as operational improvements, but as responsible actions toward achieving a sustainable society.

We are pleased to announce the publication of our Sustainability Report as a supplement to our Integrated

Report. This report details NNR Global Logistics' ESG-related initiatives in order to provide comprehensive information to our stakeholders. Particular focus is placed on the high-quality services NNR Global Logistics delivers. Key themes include reducing greenhouse gas emissions, expanding environmentally responsible services in ocean and air transport, improving work environments, and promoting responsible logistics in collaboration with our partners.

We will continue to look ahead to the future of logistics and pursue creating sustainable value.

We hope that this report will help to deepen our dialogue with you and further strengthen our relationship of trust.

We sincerely appreciate your continued support and understanding.

**Senior Managing Executive Officer,
Head of NNR Global Logistics, Nishi-Nippon Railroad Co., Ltd.**

Keiichi Utaka



CONTENTS

01 Introduction	01 Message from the Senior Managing Executive Officer
	02 Table of Contents/ Editorial Policy
	03 History of NNR Global Logistics
	04 NNR Global Logistics Business
	06 NNR Global Logistics: A Statistical Overview (Fiscal Year Ending March 2025)

07 Special Features	07 Special Feature 1 Delivering Reliable, High-Quality Logistics – Initiatives of the Quality Management
	09 Special Feature 2 Safeguarding the Future of TecSology: Advanced Logistics for Semiconductors – Specialized Transport for Semiconductor Manufacturing Equipment
	11 Special Feature 3 Taoyuan Logistics Center – Enhancing Sustainable, Integrated Logistics

14 Sustainability Management	14 NNR Global Logistics Sustainability Policy
	15 Sustainable Management Promotion Structure
	16 Material Issues
	18 KPIs and Action Plans

20 Environment	20 Environmental Management
	23 Information Disclosure based on TCFD Recommendations
	24 NNR Global Logistics UK Limited's Initiatives

25 Society	25 Quality Management
	27 Supply Chain Management
	28 DX Promotion
	30 Talent
	33 Human Rights
	34 Information Security

35 Governance	35 Compliance and Risk Management
----------------------	-----------------------------------

37 Information on NNR Global Logistics Organizational Information	37 NNR Global Logistics ESG Data
	38 Organizational Information

Editorial Policy

This report, the NNR Global Logistics Sustainability Report 2025, aims to cultivate a shared understanding among stakeholders about NNR Global Logistics' role in fostering a sustainable society and the direction of our business.

Reporting Period

April 1, 2024 – March 31, 2025
(Focusing primarily on the fiscal year 2024 results, supplemented by select updates from the fiscal year 2025)

Organizations Covered

NNR Global Logistics, a Division of Nishi-Nippon Railroad Co., Ltd., and Group companies
(1 company in Japan, 4 companies outside Japan)

Guidelines Referenced

- GRI Sustainability Reporting Standards
- Ministry of the Environment, Japan Environmental Reporting Guidelines, 2018 Edition

*The future outlook and other forward-looking statements in this report are based on information currently available to NNR Global Logistics and certain reasonable assumptions; they are not a guarantee of achievement. Actual results could differ materially due to various factors.

History of NNR Global Logistics

Our international logistics business originated in 1948 when we obtained airline agency qualification from GHQ (General Headquarters, the Supreme Commander for the Allied Powers) and began handling air cargo. For over 70 years since then, we have expanded our business operations and established locations worldwide. Currently, we have overseas offices in 119 cities across 28 countries and regions, contributing to building a sustainable society through our global services.



1908	▶ Kyushu Electric Railway, one of the predecessors of Nishi-Nippon Railroad, is established and registered
1942	▶ Under wartime consolidation policies for transportation businesses, five companies merged and named Nishi-Nippon Railroad
1948	Started airline agency business (Concluded agency contract with Pan American Airways)
1957	Three companies established Japan Aircargo Consolidators Ltd. (JAC) to handle consolidated shipment services
1961	Opened New York liaison office
1971	Established NNR Air Cargo Service (USA) Inc. (now NNR Global Logistics USA Inc.)
1980	Opened the Baraki Logistics Center
1983	Launched a standalone consolidation service handling shipments from origin to destination Joined World Air Cargo Organization (WACO)
1984	Renamed the Air Cargo Division to Air Cargo Business HQ and opened Tokyo and Kansai sales divisions
1985	Started ocean freight business
1993	▶ Established Corporate Philosophy
1997	Certified for ISO 9001 (Quality Management System)
1998	Opened the Narita Logistics Center
2001	Established the Global Sales Division
2004	Unified overseas group company names under the NNR Global Logistics brand
2005	▶ Opened the Rinku Logistics Center
2006	▶ Established the Nishi-Nippon Railroad Group CSR Promotion Committee (now the ESG Promotion Committee)
2008	Renamed Air Cargo Business HQ to NNR Global Logistics
2009	Certified as an AEO Authorized Warehouse Operator
2011	Certified as an AEO Authorized Customs Broker
2012	Established the Ocean Sales Division and the Logistics Sales Division
2014	▶ Adopted the new corporate message “Connecting your dreams” Certified as an AEO Authorized Logistics Operator
2022	▶ Formulated the long-term vision “NNR Group CYD Vision 2035” Opened the Fukuoka Logistics Center
2023	Formulated the NNR Global Logistics Sustainability Policy
2024	Opened the Kanto Logistics Center

▶ : Nishi-Nippon Railroad milestones

NNR Global Logistics Business



NNR Global Logistics has an overseas network spanning 119 cities in 28 countries and regions. It offers comprehensive international logistics services, including multimodal transport centered on air and ocean freight and logistics services such as inventory management. Our commitment to delivering high-quality, secure and reliable services, while promoting eco-friendly logistics throughout the supply chain, enables us to fulfill the diverse transportation requirements of our global customers.

International Air Freight

As an air freight forwarder, we have secured strategic global contracts with multiple major airlines, ensuring cost advantages and access to routes worldwide. We offer services catering to wide-ranging customer needs, including the transportation of general cargo, precision devices, hazardous materials, temperature-controlled shipments, and more.

PICK UP NNR's Own ULD*1 Intact Service

This service transports customer cargo using containers and pallets specially designed for loading onto aircraft from the warehouse at the origin to the CFS at the destination. Operations conducted at NNR Global Logistics facilities, with NNR staff at both the origin and warehouse, ensure consistent, high-quality transport.

*1 ULD : Unit Load Devices, equipment (specialized containers or pallets) for aircraft loading

International Ocean Freight

As a Non-Vessel Operating Common Carrier (NVOCC), we offer door-to-door ocean export/import transport. We also have a procurement department dedicated to ocean freight that can arrange competitive rates, cargo collection, and domestic transport. Our ocean freight service has steadily expanded, ranking 42nd globally in the 2023 Ocean Freight Forwarders Ranking by Armstrong & Associates, Inc.

PICK UP Buyer's Consolidation

Goods from multiple suppliers are packed together in one container for shipping to receivers overseas. This approach reduces logistics costs and enables optimization of inventory levels. Consolidating at the origin also allows for centralized management and operational efficiency improvements.

Customs Clearance

Export/import customs clearance for ocean and air cargo requires preparing customs paperwork based on various regulations varying by country/region and examination by a licensed customs specialist. With abundant expertise and experience in customs clearance and related procedures, NNR Global Logistics' customs specialists ensure proper import/export processing based on the latest information, including legal revisions. Also, by leveraging IT (customs systems + AI-OCR), we have boosted declaration efficiency for swift processing. Additionally, we provide study sessions to address customers' inquiries and questions about customs, working to deliver safe and reassuring customs services. Under the Authorized Economic Operator (AEO) program (see page 27), NNR Global Logistics is a certified customs broker with systems established for cargo security management and compliance.

Domestic Transport in Japan

Leveraging a diverse fleet of vehicles belonging to Nishi-Nippon Railroad Group companies Nishitetsu-unyu Co., Ltd. and Nishitetsu Logistics Co., Ltd., we safely and reliably transport everything from ultra-precision equipment to general cargo. We are also advancing the adoption of environmentally friendly EV vans.



Logistics Services

NNR Global Logistics operates six logistics centers in Japan, serving as vital hubs in our customers' supply chains, connecting Japan with the rest of the world. We pack and ship boxes, from as small as one IC, and provide third-party logistics services, including inspections, kitting, online inventory information provision, and more. Moreover, our general and bonded warehouse spaces are integrated, a strength enabling inventory management of exports and domestic cargo in one warehouse, reducing costs and delivery times.

Our Narita Logistics Center (Shibayama, Chiba Prefecture) and Rinku Logistics Center (Izumisano, Osaka Prefecture) in Japan and seven logistics centers outside Japan are certified CLASS A under TAPA* standards for security management of high-tech products.

* TAPA (Transported Asset Protection Association)

TAPA is a non-profit association established to prevent losses from theft and missing cargo during the storage and transport of high-tech products. It establishes Facility Security Requirements (FSR), its unique security standards for logistics facility, and operates a certification scheme for logistics facilities that meet these requirements. CLASS A signifies logistics facilities meeting the highest security requirements.

IT Solutions

We provide a variety of IT solutions that contribute to the optimization of customer supply chains. For all companies today, rapid transport and proper inventory management are important concerns not only for the improvement of profitability, but also for the advancement of decarbonization initiatives. NNR Global Logistics supports customers through transport services tailored to their needs by offering a cargo tracking system that provides real-time location data on cargo in transit regardless of country, a warehouse management system that ensures timely and accurate inventory information control, shipping/receiving control, and more. Our data centers strictly and securely manage customer information with robust measures against information leakage and large-scale disasters.



PICK UP Ornamental Plants Transport

Japanese flowers, known for their high quality and variety, are highly valued in international markets. However, ornamental plants transport poses various technical and cost challenges, including maintaining freshness and handling with care, making it a field with much room for future growth. NNR Global Logistics staff, led by dedicated personnel trained in ornamental plants transport, reliably perform quality inspections and sampling while preserving freshness in the process of transporting ornamental plants overseas. In the import process, we provide integrated services from plant quarantine and customs clearance to sorting, packaging, and domestic delivery arrangements, ensuring smooth and accurate delivery to final destinations.

Ornamental plants NNR Global Logistics arranged transport for



Floriade Expo Amsterdam - Almere 2022



The International Horticultural Exhibition EXPO 2023 Doha Qatar

NNR Global Logistics: A Statistical Overview (Fiscal Year Ending March 2025)

Financial

Operating Revenue



¥154.94 billion

Countries/Regions of Operation



28 Countries / regions,
119 Cities in overseas

(As of March 31, 2025)

Air Cargo Volume/Shipments



Air Exports **103,000** tons
Air Imports **321,000** shipments

Ocean Cargo Volume

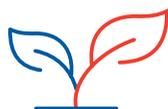


Ocean Exports **112,000** TEU*
Ocean Imports **146,000** TEU

*TEU: Twenty-foot Equivalent Unit, indicates the number of containers converted to the unit of 20-foot containers.

Non-Financial

Environment



CO₂ Emissions (Scope 1+2)
1,513 tons

(Japan only)

Human Resources



Number of Employees
3,506

(Japan: As of March 31, 2025, Overseas: As of December 31, 2024)

Diversity



Percentage of Female Employees
46.3%

(Japan: As of March 31, 2025, Overseas: As of December 31, 2024)

Quality



AEO Certifications Acquired
3 types^{*1}, **15** locations^{*2}

*1 Authorized Warehouse Operator, Authorized Customs Broker, and Authorized Logistics Operator
*2 Overseas subsidiaries (As of March 31, 2025)

New Sustainability Initiatives (FY2024)

Environment

- Began generating solar power in Japan

Social

- Transitioned to short-term overseas assignment system

Governance

- Established Overseas Legal Department and strengthened governance at overseas subsidiaries



Delivering Reliable, High-Quality Logistics

— Initiatives of the Quality Management Department



Hitomi Morinaga

Assistant Manager AEO Section,
Quality Management Department,
Administration Division

Kae Nakajima

Manager,
Quality Management Department,
Administration Division

Our Quality Management Department Supports High-Quality Services

NNR Global Logistics' Quality Management Department is dedicated to maintaining and improving the quality of services provided to our customers, and each day we strive to fulfill this mission. As part of this effort, we obtain, maintain, and manage various certifications, such as ISO 9001, EN 9120, AEO, TAPA FSR, and CEIV Lithium Batteries to maintain and improve quality, comply with laws and regulations, and ensure safety. These certifications are proof of the reliability of our international logistics operations and are the foundation for the sustainable growth of NNR Global Logistics.

The Commitment That Underpins Our High-Quality Services

The Quality Management Department places great importance on balancing customer satisfaction and legal compliance. While pursuing greater customer satisfaction, it is important to comply with the laws and regulations governing logistics operations. At times, we may offer advice regarding customer requests, or refuse shipment if there is a possibility of legal violations. These are important decisions that ultimately protect customers from risk.

With this in mind, we are constantly developing and reviewing our internal rules, and providing training to employees. Many of the members of the Quality Management Department have experience in other departments and understand both in-the-field work and quality control. Serving as a bridge to NNR Global Logistics' frontline operations, we continue to devise ways to communicate complex standards and rules in ways that are easy to understand for those working on the ground.



A meeting in the Quality Management Department



Routine Quality Management Activities

The Quality Management Department conducts internal audits not only based on certifications such as ISO and AEO, but also specifically targeting the transport of dangerous goods. As part of ISO and AEO internal audits, employees from other departments are invited to participate as auditors, helping to enhance knowledge and awareness throughout the company.

Furthermore, through annual customer satisfaction surveys, we collect customer feedback and undertake initiatives that go beyond merely addressing issues to analyze and further build on NNR Global Logistics' strengths.

Education and Human Resource Development

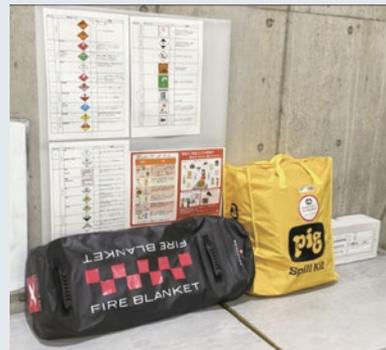
We have strengthened our training framework to enhance quality. We conduct annual education and training on AEO and dangerous goods transportation, focusing not just on the transfer of knowledge but also on practical content using actual accident and near-miss case studies. Furthermore, regarding the transportation of dangerous goods, in addition to periodic training, we also create news-style educational materials to provide an environment where employees can learn about dangerous goods transport on a daily basis.

Acquisition of CEIV Lithium Batteries Certification

In recent years, demand for lithium batteries has increased rapidly due to factors such as the adoption of electric vehicles. The transportation of lithium batteries, however, requires a high level of safety. NNR Global Logistics has long engaged in the transportation of lithium batteries, but to ensure more reliable handling and provide greater assurance to our customers, we made the decision to obtain the CEIV Lithium Batteries certification established by the International Air Transport Association (IATA).

To acquire the certification, we formed a working group with members selected from the Quality Management Department as well as departments involved in each stage of transportation. It was necessary to meet over 200 requirements to obtain the certification, but by leveraging and improving existing systems, we established a safe and solid handling framework.

As one member of the working group stated, “We didn’t do anything special. This certification just goes to show that the same quality maintenance system our employees have consistently adhered to has always been on the right track,” and our acquisition of CEIV Lithium Batteries serves as clear evidence that NNR Global Logistics’ steady efforts are yielding tangible results.



Preparing posters and fire prevention equipment for proper dangerous goods handling



CEIV Lithium Batteries certificate



Connection to Sustainability

The activities of the Quality Management Department may not directly contribute to environmental sustainability, but they play an important role in supporting business continuity through educational activities and the establishment of operational procedures. Long-term efforts are especially essential in fostering compliance awareness, and we view ongoing education as part of NNR Global Logistics’ sustainability efforts.

The Quality Management Department is also notable for women’s empowerment. Although there are no special systems in place, a culture of expressing one’s own opinions and taking the initiative in one’s work is deeply rooted in the section, and this leads to a sense of fulfillment.

Future Outlook

Going forward, we will be even more proactive in communicating our certifications and initiatives to deepen our customers’ understanding of NNR Global Logistics and strengthen their confidence in our services. We will also acquire certifications in line with customer needs.

In addition, we will work to simplify internal rules and make them easier to understand, and create an environment in which employees can devote more time to customer service.



Safeguarding the Future of Technology: Advanced Logistics for Semiconductors

— Specialized Transport for Semiconductor Manufacturing Equipment



Social Context and the Role of NNR Global Logistics

Semiconductors are a fundamental technology that supports all manner of industries in modern society, including smartphones, automobiles, and medical devices. In recent years, concerns over geopolitical risks and supply network fragmentation have made the stable supply of semiconductors an extremely important international issue. Against this backdrop, NNR Global Logistics has pursued high quality, safety, and security in the transportation of semiconductor manufacturing equipment for some 30 years, contributing to the improved reliability of the global supply chain. Being precision instruments, semiconductor manufacturing equipment require highly specialized expertise for transportation, as even slight vibrations or temperature changes can affect quality. We are deeply aware of the responsibility this involves, and are constantly improving our transportation processes and introducing the latest technologies.

High-Quality Semiconductor Manufacturing Equipment Transportation Service



Our semiconductor manufacturing equipment transportation service delivers high quality in the following areas:

Traceability	Delivery management using cloud-based project management tools and location management using GPS-equipped trucks enable real-time shipment tracking.
Vibration control measures	The latest trucks outfitted with air suspension are used to minimize vibration (for domestic transportation, in collaboration with Group company Nishitetsu Logistics Co., Ltd.)
Utilization of KPIs	KPIs are established and monitored from origin customs clearance to final delivery to maintain high transportation efficiency.
Temperature control	Shipments are arranged with temperature control tailored to individual needs.
On-site approach	Thorough quality checks are conducted on site by our staff.
System for promoting quality improvement	We have established a system to ensure that the principles of quality, health, safety, security, and the environment (QHSSE) are instilled from key control towers in each country all the way to the endpoints, with Japan as the primary control tower.
Strengthening of partnerships	We build strong and reliable relationships with partners such as airlines, warehouses, and trucking companies to ensure transport quality and safety.

Achievements

In fiscal 2024, we transported approximately 900 tons of semiconductor manufacturing equipment. We maintained a damage incidence rate below 0.5%, and our on-time delivery rate remained high. Our customers appreciate our reliable shipping quality.



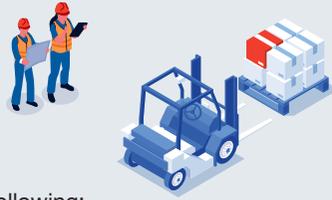
Nishitetsu Logistics supports clean room loading/unloading

Quality Management System

NNR Global Logistics has established an organizational system to maintain and improve transportation quality. We promote quality assurance and continuous improvement through the following initiatives:

Education system	Employees systematically acquire the knowledge and skills they require through initial and periodic training.
Standard operating procedure manuals	We have established standard operating procedure manuals tailored to our customers and product characteristics, thereby standardizing operations.
Check system	In addition to human verification, system-based checks prevent human error and enhance operational reliability.
ICT utilization	To accelerate operations and enhance accuracy, we have introduced various ICT systems and are promoting work automation. Data is utilized throughout the entire workflow, from upstream to downstream, to prevent errors.
Improvement activities	Based on customer and frontline employee feedback, we implement the PDCA cycle and horizontally deploy improvement measures across countries to drive continuous quality improvement.

Voice from the Frontline



Regarding the challenges of transporting semiconductor manufacturing equipment, one of our supervisors stated the following:



Semiconductor manufacturing equipment is extremely delicate, and even slight impacts or temperature changes can affect quality, making careful handling more critical than for ordinary cargo. To prevent damage, we constantly refine our methods through trial and improvement and strive to ensure safe transportation.

To improve quality, we rigorously implement measures to control vibration and temperature, emphasizing an on-site approach. Through direct on-site verification and discussions with frontline employees, we identify areas for improvement and promptly implement changes across our global teams.

One memorable example involved a situation where the location of the shipment needed to be confirmed. Even though it was outside normal business hours, our staff coordinated swiftly with all relevant parties and successfully located the cargo in a short period of time. The staff member also talked about an experience where, after strictly adhering to the delivery deadline for an urgent shipment and personally overseeing the delivery, the customer expressed gratitude by saying, “We were truly grateful to have trusted this shipment to NNR.”

Talking about job satisfaction, the supervisor shared the following:



I feel a sense of fulfillment being able to contribute to society through managing transportation that supports the semiconductors essential to our lives. One of the most rewarding parts of my work is collaborating closely with local teams on bidding projects, developing strategies, and seeing them all the way through to the transportation trial. Successfully winning the contract after that process brings a unique sense of accomplishment.

The workplace is energetic and driven by a young team, with strong information sharing and a well-established culture of collaboration. Members with diverse backgrounds share their knowledge and insights to enhance the skills of the entire team. We aim to raise the overall quality across NNR Global Logistics by spreading the learning gained here, including the hands-on handling experience acquired during overseas business trips.

Relevance to Sustainability

NNR Global Logistics’ semiconductor manufacturing equipment transportation operations promote initiatives focused on quality, health, safety, security, and the environment (QHSE).

Environment	We promote the use of reusable packing materials, paperless operations through the use of ICT, and the reuse of ULD materials. We optimize transportation routes to reduce fuel consumption and recommend the use of SAF* as appropriate.
Society	Through high-quality transportation and robust safety management, we enhance customer satisfaction and build long-term relationships of trust.
Human capital	We are committed to creating a work environment where employees can work with pride, fostering a culture of safety through QHSSE education, and supporting employee development through work.

* SAF: Sustainable Aviation Fuel, produced from sustainable resources such as plants and waste oil. (See page 21 for details)

NNR Global Logistics has contributed to enhancing the reliability of the global supply chain on the strengths of its quality management system and its expertise in semiconductor manufacturing equipment transportation. Going forward, we will continue to build strong collaborative partnerships with our customers and key stakeholders, including airlines, warehouse operators, and trucking companies. We will also continue to prioritize QHSSE— including in the areas of environmental impact reduction, digitization, safety, and security— to provide safe and secure transportation services, thereby contributing to the realization of a sustainable society.



The members of the Semiconductor Specialized Department



Taoyuan Logistics Center

Enhancing Sustainable, Integrated Logistics



NNR Global Logistics Taiwan Inc. (NNR Taiwan) opened its Taoyuan Logistics Center in northern Taiwan in November 2024. This logistics center is located near major transportation hubs and enhances both the efficiency and quality of international logistics. Situated just 6 km from Taiwan Taoyuan International Airport and with easy access to the ports of Taipei and Keelung as well as science parks throughout Taiwan, the logistics center serves as a strategic hub connecting domestic and international supply chains to meet customers' needs.

Facility Overview and Specifications

The key facility specifications are summarized below.

Item	Details
Total floor area	4,219.04m ²
Number of docks	12 (9 equipped with dock levelers)
Ceiling height	9.5m
Warehouse type	Non-bonded, non-hazardous materials
Storage temperatures	Room temperature and below 25°C
Storage methods	Pallet racking (5-tier), floor stacking
Pallet size limit	W 110 cm x D 120 cm
Pallet loading height	160-165 cm (including pallet)
Maximum loading weight per pallet	1,000kg

The temperature-controlled area is designed to store precision instruments and temperature-sensitive products, and is supported by a highly reliable quality management system.

Sustainability Initiatives

The logistics center has achieved paperless operations with the introduction of a warehouse management system (WMS), and warehousing and shipping operations, inventory control, and quality management have been digitized to improve operational efficiency and accuracy.

Key Features

- Automation of warehousing, shipping, and inspection process using barcodes
- Enhanced traceability through image-based recording function
- Real-time inventory tracking and history management
- Online access for customers to check inventory status and work progress
- Improved delivery efficiency through system integration with multiple carriers



These features enable the logistics center to operate sustainably, simultaneously improving operational accuracy and reducing environmental impact.



Waste Management

Industrial waste generated in the facility is properly handled and collected by specialized contractors. General waste is also thoroughly sorted and disposed of separately by contractors.

In addition, the logistics center strives to reduce waste. Paper and PE film that would otherwise become waste are collected by contractors to be recycled, and materials such as pallets and cardboard boxes are reused as much as possible.



Energy-Saving Measures

The facility also strives to reduce energy consumption, and has implemented the following measures.

- Turning off warehouse lighting during lunch breaks and non-operating hours
- Installing motion sensors for toilet lighting
- Stopping dock fans during lunch breaks
- Reducing outside air infiltration by installing insulated wall panels and double doors
- Reducing power usage with the use of inverter-type air conditioning systems certified as the maximally efficient class 1 by Taiwan's Energy Administration in the Ministry of Economic Affairs
- Installing LED lighting throughout the facility



Through these efforts, the Taoyuan Logistics Center aims to improve energy efficiency and reduce overall power consumption.

Dedication to Quality and Safety

NNR Taiwan has obtained ISO 9001, AS9100D, AEO, and other certifications to provide stable and reliable quality services in air, ocean, and land transportation. NNR Taiwan is particularly well-equipped to handle the high-quality transportation and storage of precision and production equipment, meeting the needs of the manufacturing and high-tech industries in Taiwan and beyond.

The Taoyuan Logistics Center is also outfitted with a variety of forklifts for safe and efficient operations.



Future Outlook

Aiming to realize sustainable logistics, the Taoyuan Logistics Center, in collaboration with NNR Global Logistics' worldwide network, will support the development of international logistics based in Taiwan, strengthen its environmental efforts and quality management, and build a system to meet the diverse needs of customers.



NNR Global Logistics' Sustainability Initiatives

■ Sustainability Management	14
■ Environment	20
■ Society	25
■ Governance	35
■ Information on NNR Global Logistics/ Organizational Information	37



Sustainability Management at NNR

NNR Global Logistics Sustainability Policy

For the Nishi-Nippon Railroad Group, sustainable management means practicing our corporate philosophy. In other words, it means contributing as “a good corporate citizen” to the sustainable development of local communities. This entails continually meeting the expectations of various stakeholders, including local communities, customers, and employees, as we conduct our business activities.

In June 2023, we established the NNR Global Logistics Sustainability Policy to clarify our social responsibilities as a member of the Nishi-Nippon Railroad Group and further advance sustainable management.

Based on the Nishi-Nippon Railroad Group's*¹ basic policies on sustainable management*², we will help build sustainable societal systems in collaboration with our customers and suppliers by addressing social issues through our global logistics services.



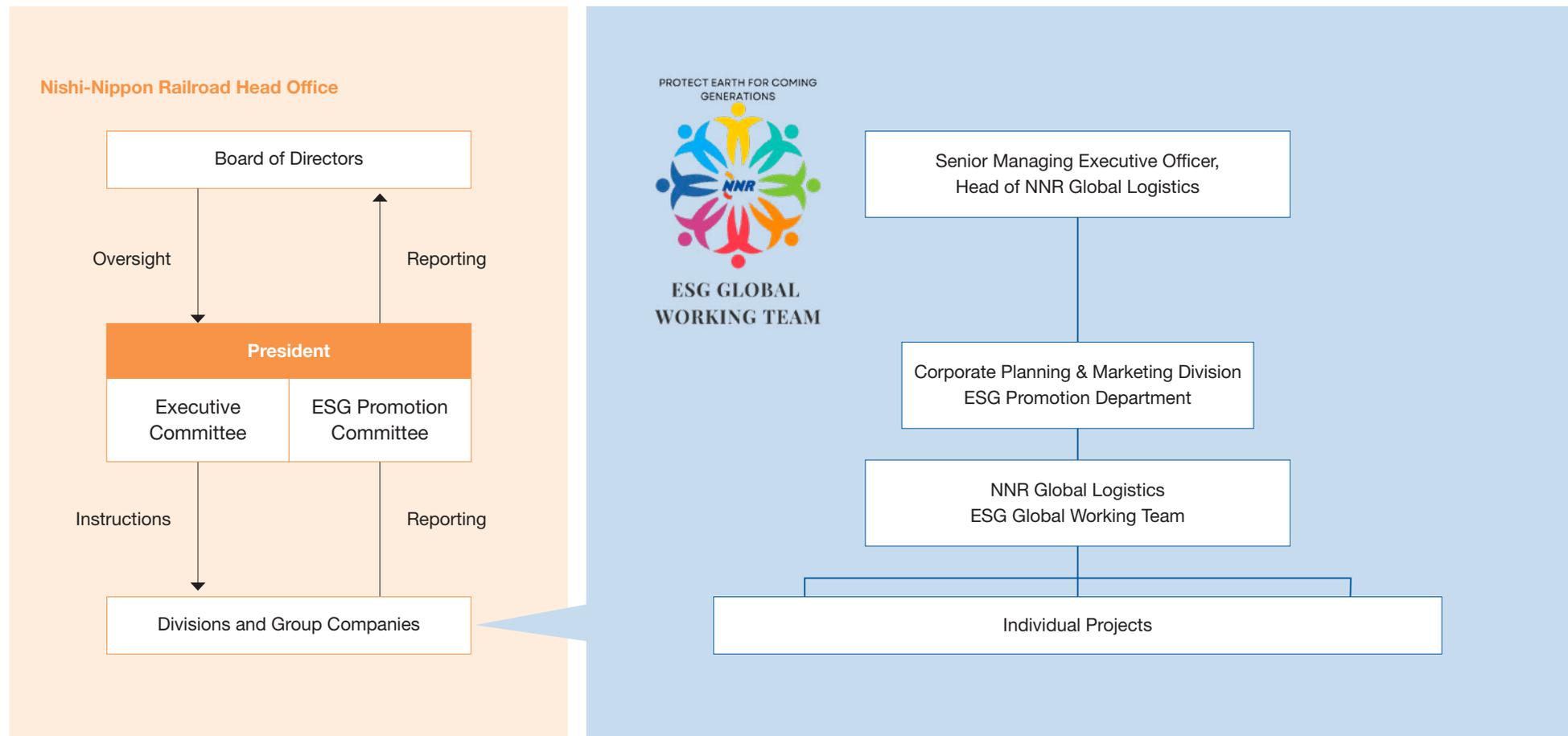
Sustainable Management Promotion Structure

Centered on the ESG Promotion Committee, which comprises the President, Executive Officers, and others, the Nishi-Nippon Railroad Group sets ESG direction and key themes, in addition to deliberating related measures for key themes. At NNR Global Logistics, the ESG Promotion Department of the Corporate Planning & Marketing Division takes the lead in driving activities in coordination with the ESG Promotion Committee. To advance sustainable, ESG-conscious business activities globally, we established the

NNR Global Logistics ESG Global Working Team in July 2023.

Meeting regularly, the team consists of 61 members representing Group companies in and outside Japan (as of September 2025).

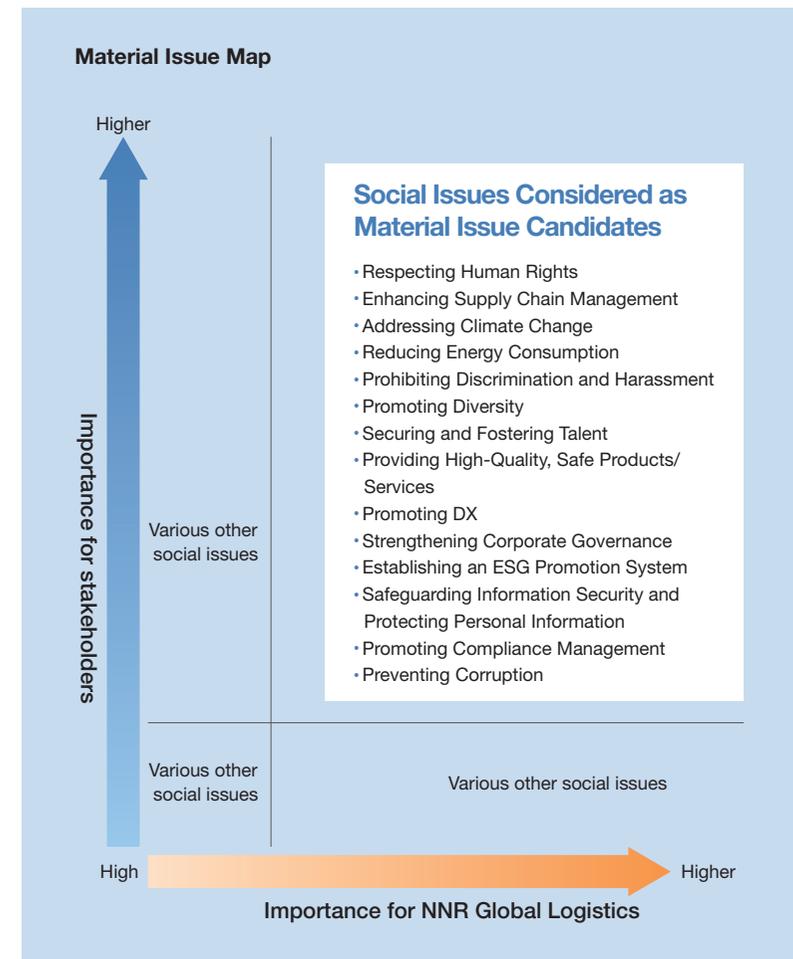
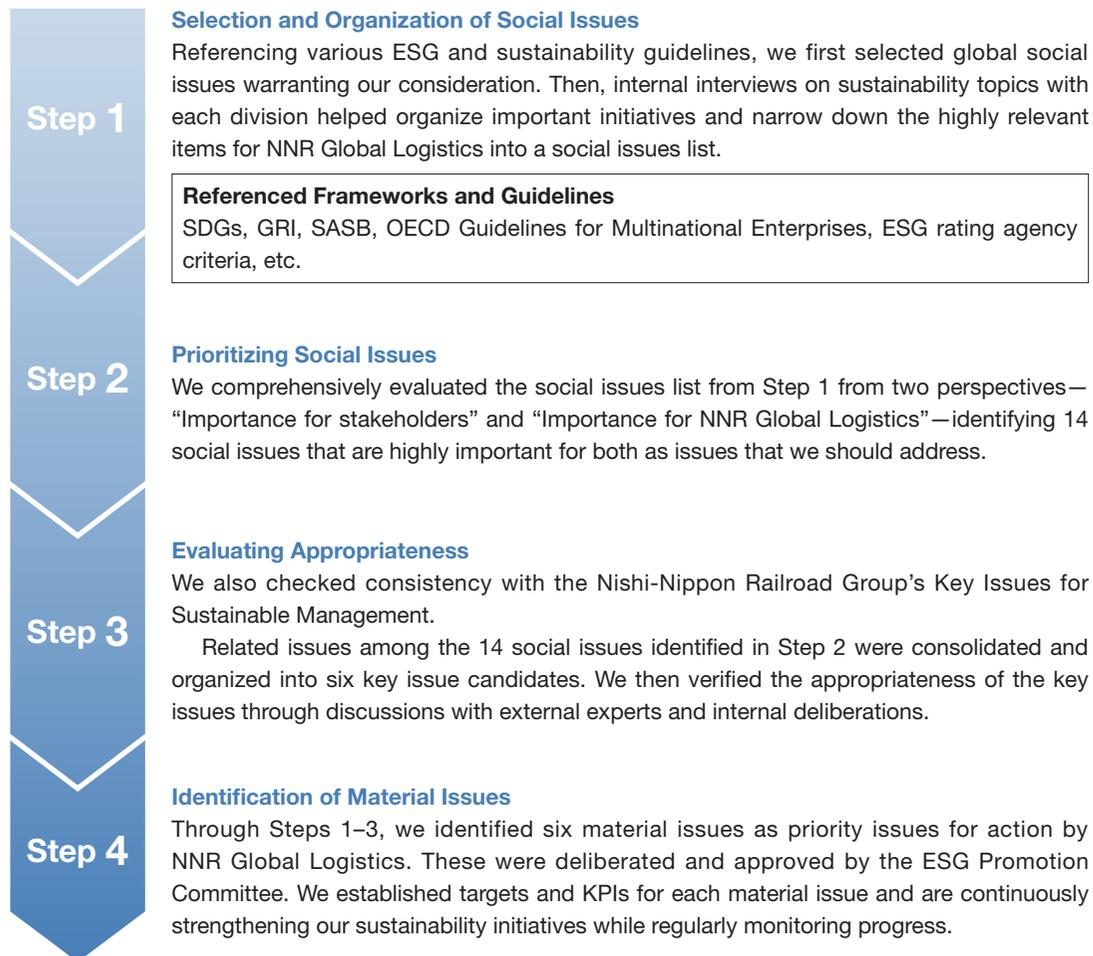
In fiscal 2025, the third year of its activities, the team established targets and an achievement plan for decarbonization, and has been advancing initiatives to address key challenges while strengthening global collaboration.



Material Issues

Identification Process

The Nishi-Nippon Railroad Group is committed to “providing confidence, comfort, and enjoyment” as part of the Basic Philosophy of its Corporate Philosophy. To help realize a sustainable society through business activities grounded in this Basic Philosophy, in 2023, NNR Global Logistics identified priority social issues to address as material issues. We will continue advancing initiatives targeting these material issues as we aim to resolve social challenges and contribute to societal development through our business activities.



NNR Global Logistics Material Issues

Nishi-Nippon Railroad Group* Material Issues			Related SDGs
Promoting business activities in harmony with the environment	Contributing to a decarbonized society across the entire supply chain	To transition to a decarbonized society, it is essential to reduce greenhouse gas emissions in the logistics sector, a significant emitter at each stage of the process. NNR Global Logistics collaborates with partners around the world to pursue decarbonization across the supply chain.	 
Pursuing safety and security	Providing high-quality, safe services	NNR Global Logistics' vital role is to safely and surely deliver customers' goods without harming their value. As the need for this grows amid globalization, we strive to enhance international logistics services accordingly.	 
Helping develop sustainable and lively communities	Innovating logistics services through DX	The logistics industry faces numerous challenges, including coping with driver shortages and improving efficiency. To resolve these, we pursue internal and external operational efficiency gains and logistics optimization through digitalization and also enhance services through digital technology to provide new value to customers.	  
Boosting customer satisfaction	Respecting all human rights	We seek to avoid causing or contributing to adverse human rights impacts and address such impacts if they occur. We also endeavor to prevent or mitigate adverse human rights impacts directly linked to our global international logistics business and trading relationships.	 
Building pleasant and rewarding workplaces	Creating rewarding workplaces where diverse talent can excel	With services spanning the globe, NNR Global Logistics requires diversity in many forms, including diverse nationalities and ethnicities, and the flexibility to meet diverse needs. We aim to secure and cultivate talent with varied mindsets and backgrounds and create workplaces where everyone's strengths are utilized, and collaboration is encouraged.	  
Respecting human rights	Promoting fair and honest business activities	We pursue strengthened compliance controls (including information security) across all bases, including locations outside Japan, along with enhanced sustainability initiatives on a global basis.	 
Engaging in good corporate governance			
Enforcing compliance			

*The Nishi-Nippon Railroad Group consists of 85 companies, 1 educational corporation, and 4 affiliated companies (including Nishi-Nippon Railroad Co., Ltd.)

KPIs and Action Plans

Based on the identified material issues, we have established our direction of effort as action plans.

All departments, related companies, and employees worldwide will work on addressing social challenges through our business based on these action plans.

NNR Global Logistics Material Issues	Action Plans (FY2024 Initiatives)	FY2024 Targets	FY2024 Results	Action Plans (FY2025 Initiatives)	FY2025 Targets
Contributing to a decarbonized society across the entire supply chain	Expanding modal shift <ul style="list-style-type: none"> Expand business through JR rail freight transport services 	Railway container transport in FY2024: 180 containers/year	Railway container transport in FY2024: 57 containers/year	Expanding modal shift <ul style="list-style-type: none"> Expand business through JR rail freight transport services 	Railway container transport in FY2025: 240 containers/year
	Strengthening container round use initiatives using inland container depots <ul style="list-style-type: none"> Reinforce collaboration with container depot businesses, shipping lines, and container trucking companies 	FY2024: 1,500 TEU	FY2024: 1,718 TEU	Strengthening container round use initiatives using inland container depots <ul style="list-style-type: none"> Reinforce collaboration with container depot businesses, shipping lines, and container trucking companies 	FY2025: 1,750 TEU
	Providing service to calculate greenhouse gas (GHG) emissions in international transport <ul style="list-style-type: none"> Launch service to "visualize" GHG emissions in international transport services Cooperate and develop rules with external organizations such as environmental groups 	FY2024: Finalize the calculation method for Scope 3 emissions in international transport	Finalize the calculation method for Scope 3 emissions in international transport	Providing service to calculate GHG emissions in international transport <ul style="list-style-type: none"> Launch service to "visualize" GHG emissions in international transport services Cooperate and develop rules with external organizations such as environmental groups 	Full provision of Scope 3 data for international transport starting from FY2026
Providing high-quality and safe services	Strengthening quality management system <ul style="list-style-type: none"> Strengthen the educational system related to quality Implement quality training for employees 	FY2024: Quality training attendance rate (Conduct individual quality training according to each department's operations)	FY2024: Quality training attendance rate ⇒ Result: 100% achieved	Strengthening quality management system <ul style="list-style-type: none"> Strengthen the educational system related to quality Implement quality training for employees 	FY2025: Quality training attendance rate (Conduct highly effective training according to each individual's duties and level)

KPIs and Action Plans

NNR Global Logistics Material Issues	Action Plans (FY2024 Initiatives)	FY2024 Targets	FY2024 Results	Action Plans (FY2025 Initiatives)	FY2025 Targets
Innovating logistics services through DX	Strengthening the foundation for DX promotion <ul style="list-style-type: none"> Boost sales, improve operational efficiency, and enhance service quality through digital operations, and establish tighter data connectivity with external systems/platforms 	Quantitative targets for DX promotion in FY2024: Reduced operational work hours: 13,000 hours/year Reduced printing volume: 45,000 sheets/year	Quantitative targets for DX promotion in FY2024: Reduced operational work hours: 14,077 hours/year Reduced printing volume: 51,000 sheets/year	Strengthening the foundation for DX promotion <ul style="list-style-type: none"> Boost sales, improve operational efficiency, and enhance service quality through digital operations, and establish tighter data connectivity with external systems/platforms 	Quantitative targets for DX promotion in FY2025: Reduced operational work hours: 16,000 hours/year Reduced printing volume: 55,000 sheets/year
Respecting all human rights	Raising human rights awareness <ul style="list-style-type: none"> Continually implement human rights education/training and awareness activities Reinforce communication with partners (disseminate procurement policy) 	FY2024: Conduct human rights education/training	FY2024: Conducted harassment prevention training through e-learning	Raising human rights awareness <ul style="list-style-type: none"> Continually implement human rights education/training and awareness activities Reinforce communication with partners (disseminate procurement policy) 	FY2025: Conduct human rights education/training
Creating rewarding workplaces where diverse talent can excel	Securing talent with diverse experience Career development respecting employees' wishes Enhancing talent development <ul style="list-style-type: none"> Compare talent management systems and consider implementation Expand follow-up interview targets with the HR department <ul style="list-style-type: none"> Interview Japanese expatriate staff online Interview all second- and fifth-year employees Recruit applicants and conduct interviews 	Implement talent management system	Utilized talent management system (commenced on a one-on-one basis)	Securing talent with diverse experience Career development respecting employees' wishes Enhancing talent development <ul style="list-style-type: none"> Compare talent management systems and consider implementation Expand follow-up interview targets with the HR department <ul style="list-style-type: none"> Interview Japanese expatriate staff online Interview all second- and fifth-year employees Recruit applicants and conduct interviews 	Further leverage the operation of talent management system
Promoting fair and honest business activities	Strengthening risk management and governance at overseas locations <ul style="list-style-type: none"> Conduct internal audits at overseas subsidiaries Implement information security training 	FY2024: <ul style="list-style-type: none"> Internal audits at overseas local subsidiaries Information security training implementation 	FY2024: <ul style="list-style-type: none"> Conduct internal audits at overseas subsidiaries ⇒ Implemented according to plan Implement information security training ⇒ 1,797 participants, 98.5% participation rate 	Strengthening risk management and governance at overseas locations <ul style="list-style-type: none"> Conduct internal audits at overseas subsidiaries Implement information security training 	FY2025: Implement a global whistleblowing system for overseas subsidiaries and adopt the Nishi-Nippon Railroad Group Management Regulations

Environment

Environmental Management

Material Issue

Contributing to a Decarbonized Society Across the Entire Supply Chain

Action Plan (Initiatives for FY2025)

- Expanding modal shift
 - Expand business through JR rail freight transport services
- Strengthening container round use initiatives using inland container depots
 - Reinforce collaboration with container depot businesses, shipping lines, and container trucking companies
- Providing service to calculate greenhouse gas (GHG) emissions in international transport
 - Develop system for Scope 3 calculation in international transport for FY2025

Approach to the Environment

To realize a sustainable society, companies must conduct business operations that consider environmental issues like climate change as their social responsibility.

The Nishi-Nippon Railroad Group has established the [Nishi-Nippon Railroad Group Environmental Policy](#) and promotes environmental management as a united group across all business divisions and companies.

Logistics operations account for approximately 10% of global greenhouse gas (GHG) emissions*, with most dependent on fossil fuels. Therefore, reducing environmental impact in the logistics industry is crucial for achieving a sustainable society.

NNR Global Logistics recognizes that reducing GHG emissions in logistics is an urgent challenge among various environmental initiatives. To fulfill our corporate responsibility as a member of the global community, we will work together with stakeholders to help mitigate climate change and contribute to the formation of a circular economy by continuing to advance efforts, including GHG emissions reduction.

*ITF Transport Outlook 2023

Environmental Management

Environmental Management

The Nishi-Nippon Railroad Group practices integrated environmental management. Supervised by the Nishi-Nippon Railroad's Corporate Planning Division, each division, including NNR Global Logistics, and group companies implement environmental activities based on an Environmental Impact Reduction Plan, carried out by their environmental administrators, promoters, and employees.

At NNR Global Logistics, the ESG Promotion Department of the Corporate Planning & Marketing Division oversees environmental initiatives with specific efforts advanced in each department. Environmental training is provided for all employees, including non-regular staff, to raise environmental awareness. Additionally, the NNR Global Logistics ESG Global Working Team launched in July 2023 has embarked on GHG emissions reduction work encompassing the entire value chain and overseas group companies. Collaborating with various suppliers, we aim to grasp our global Scope 3 emissions by 2025 and will thereafter establish targets and plans to drive concrete measures.

Environmental Impact Reduction Plan

In November 2022, the Nishi-Nippon Railroad Group established the “Nishi-Nippon Railroad Group CYD Vision 2035: Grow in Harmony with You,” a long-term vision with the target year of 2035, clearly laying out a roadmap for achieving carbon neutrality by 2050.

The reduction targets in our 16th Medium-term Management Plan (FY2023–2025) have been set in line with this roadmap. NNR Global Logistics has developed an Environmental Impact Reduction Plan based on this overall group policy and established environmental targets.

16th Medium-term Management Plan Targets and Progress

Initiatives to Realize a Decarbonized Society

	Targets (3-year targets)	Progress (FY2024 results)
Reduction in CO ₂ emissions (total)	vs. FY2013: 16% reduction (by the end of FY2025)	vs. FY2013: -25%
Reduction in electricity consumption	vs. FY2013: 3% reduction (by the end of FY2025)	vs. FY2013: -15%
Reduction in gasoline consumption	vs. FY2013: 69% reduction (by the end of FY2025)	vs. FY2013: -64%

*To calculate CO₂ emissions from electricity, we use the emission factor of 0.37kg-CO₂/kWh published in July 2015 by the Federation of Electric Power Companies of Japan in their Low-Carbon Society Implementation Plan for the Electric Power Industry as the control value.

*To calculate CO₂ emissions from non-electric energy sources, we reference the Ministry of the Environment’s Manual for Calculation and Reporting of Greenhouse Gas Emissions from the base year (FY2013).

*Total: Scope 1+2 emissions

Initiatives for Realizing a Circular Society

	Targets (3-year targets)	Progress (FY2024 results)
Reduction in copy paper usage	vs. FY2014: 7% reduction (by the end of FY2025)	vs. FY2014: -28%
Water consumption reduction	vs. FY2014: 42% reduction (by the end of FY2025)	vs. FY2014: -47%

*Copy paper usage is tallied based on purchase volume (regardless of size).

Initiatives to Realize a Decarbonized Society

Decarbonization of Transportation through Sustainable Fuels

The aviation industry is promoting the use of Sustainable Aviation Fuel (SAF*) as an initiative to achieve carbon neutrality by 2050. The Japanese government aims for a 10% domestic SAF supply by 2030, with demand for SAF rising globally.

In the aviation sector, we participate in ALL Nippon Airways’ “SAF Flight Initiative” to reduce CO₂ from air freight, with shipments to Shanghai (Aug 2023) and Frankfurt (Mar 2024).



Photo provided by ANA Cargo Inc.

Beyond aviation, in the maritime sector, shipping lines are increasingly adopting biofuels and LNG as pathways toward carbon neutrality. Building on these industry trends, several carriers now offer allocation programs that attribute verified GHG reductions from low-carbon fuels to customers’ shipments. Since FY2024, NNR Global Logistics has leveraged CMA CGM’s “ACT with CMA CGM+” to reduce ocean-freight emissions.

*SAF: Sustainable Aviation Fuel, produced from sustainable sources like plants and waste oil, reduces GHG emissions by around 80% compared to conventional jet fuel.



Expanding Renewable Energy Use

We are installing solar panels on the roofs of our facilities as a clean energy source that does not emit carbon dioxide or other greenhouse gases. In fiscal 2024, we commenced solar power generation at the Kanto Logistics Center, Rinku Logistics Center, and Narita Logistics Center. We are also increasing our use of renewable electricity ; in fiscal 2024, we switched approximately 12% of the division’s total electricity usage to renewable energy.



Kanto Logistics Center



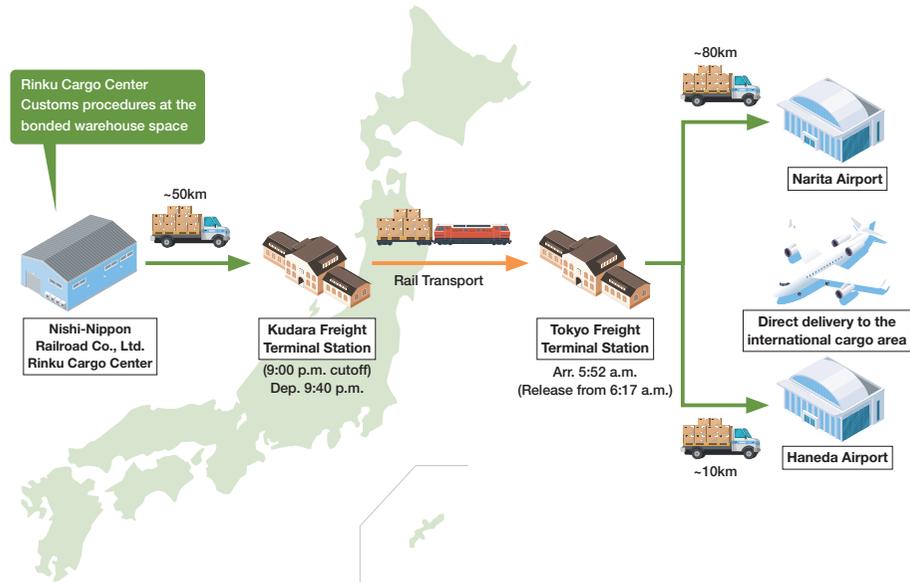
Rinku Logistics Center

	Kanto Logistics Center	Rinku Logistics Center	Narita Logistics Center
Solar power generation (kWh)/year	170,000	331,000	150,000

Modal Shift Initiatives

Modal shift refers to switching cargo transport from trucks and other vehicles to rail and maritime transport with lower environmental impact. Rail transport is estimated to reduce CO₂ emissions by about 90% compared to truck transport over the same distance (according to Ministry of Land, Infrastructure, Transport and Tourism calculations for fiscal 2023). In addition, with the anticipated shortage of truck transport capacity, due to the “2024 logistics issue” and other factors, modal shift is also attracting growing interest in this regard. NNR Global Logistics proposes switching from truck to rail for domestic shipping, especially long-distance transport. Although the number of rail containers handled in fiscal year 2024 decreased by 77% from the previous year due to adverse weather conditions and axle issues, we will continue working to expand rail transport to reduce environmental impact.

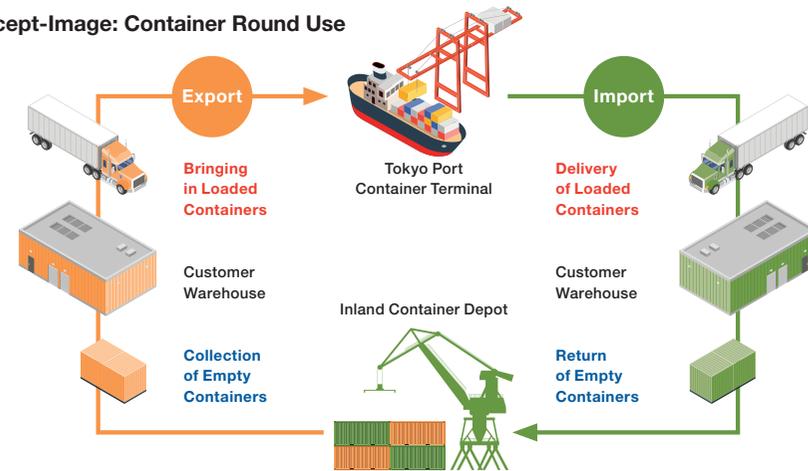
Example of Combined Rail Transport through Modal Shift



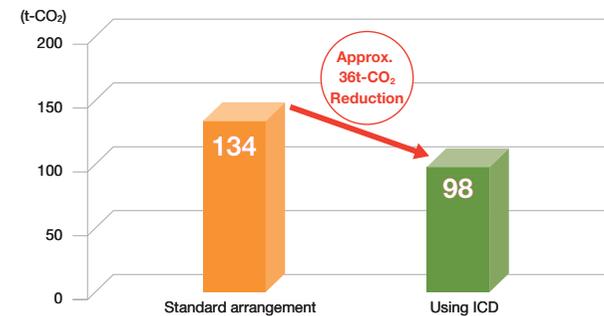
Round Use Through Inland Container Depots

The transportation distance of empty containers can be reduced by picking up or returning empty containers to inland container depots (ICDs) rather than ports before and after import/export container cargo delivery. Reducing transport distances is expected to help decrease CO₂ emissions, alleviate truck driver shortages, and facilitate work-style reforms, enabling strategic measures through container round use. In fiscal 2024, NNR Global Logistics implemented container round use for 1,718 TEU, contributing to an approximately 27% reduction in CO₂ emissions compared with standard arrangements.

Concept-Image: Container Round Use



Estimated CO₂ Emissions Reduction from Container Round Use Usage in FY2024



Information Disclosure based on TCFD Recommendations

In March 2022, we expressed our support for the TCFD recommendations and have disclosed information since June 2024 based on scenario analysis of our international logistics operations aligned with the TCFD framework. We assessed the impacts of both transition risks and opportunities associated with the shift toward a decarbonized society and physical risks and opportunities arising from climate change, assessing them on two- axes approach of likelihood and impact level and examining response measures for risk and opportunity.

Climate-Related Risks and Opportunities in International Logistics Operations

Transition Risks

Type	Content	Significance (Medium to Long Term)	Countermeasures (Direction)
Policy/Regulatory	Increase in delivery costs due to the introduction/strengthening of carbon taxes (Scope 3)	Large	<ul style="list-style-type: none"> Monitor GHG emissions by transport mode Track low-carbon material prices and assess adoption feasibility based on their advantages and disadvantages
Market	Increase in system implementation/development costs due to GHG emissions disclosure requirements	Large	<ul style="list-style-type: none"> Expand scope and improve accuracy of GHG emissions calculations Consider providing customers with GHG emissions data and potential reduction measures
Reputation	Revenue decrease from reduced air transport use due to customer judgment of high environmental impact	Large	<ul style="list-style-type: none"> Monitor trends in domestic SAF production and usage Continue participating in airline SAF programs Expand low-carbon transport measures like modal shift

Physical Risks

Type	Content	Significance (Medium to Long Term)	Countermeasures (Direction)
Chronic	Increase in insurance premium due to changing precipitation patterns, etc.	Large	<ul style="list-style-type: none"> Conduct company-wide BCP review Monitor insurance cost increases and consider revising coverage as needed
Acute	Increase in facility damage and revenue losses due to intensifying extreme weather (repair costs, business interruption)	Medium	<ul style="list-style-type: none"> Regularly review and implement structural and nonstructural BCP measures <p>Structural:</p> <ul style="list-style-type: none"> Continue disaster prevention equipment inspections <p>Nonstructural:</p> <ul style="list-style-type: none"> Consider installing disaster prevention/mitigation equipment, and so on Regularly review the BCP manual Strengthen information sharing with stakeholders Secure backup personnel and establish systems for disasters Identify alternative routes, etc.

Scenario Analysis

The scenario analysis identified transition risks such as concerns about significant cost increases, including delivery charges, arising from the introduction or strengthening of carbon taxes and possible shift away from air transport due to its high environmental impact resulting from changes in customer behavior and consumer preferences. Physical risks included potential facility flood damage and associated operational shutdowns.

Toward achieving a decarbonized society and a 1.5°C world*, we will monitor GHG emissions by transport mode, expand low-carbon transport measures, including continued use of airline SAF programs, promote decarbonization initiatives, and continue developing wind and flood damage-resistant facilities and regularly reviewing our BCP.

*1.5°C world: A scenario based on the international goal under the Paris Agreement to limit the global average temperature increase to within 1.5°C above pre-industrial levels.

Financial Impact Assessment for International Logistics Operations (Projected Annual Cost Changes (2030))

Risk Items	Anticipated Scenarios	Impact Level*		
		4°C	1.5°C	
Transition Risks	Carbon tax introduction/strengthening (Scopes 1 and 2)	(4°C) Carbon tax introduced (low tax rate) (1.5°C) Carbon tax introduced (high tax rate)	▲	▲▲
	Changes in customer behavior/consumer preferences	(4°C) Possible shift away from air transport due to high environmental impact (1.5°C) High likelihood of customers shifting away from air transport due to its higher environmental impact	▲	▲▲
Physical Risks	Intensifying extreme weather	(4°C) Increased damage to business facilities from disasters such as heavy rain, decreased business revenue (1.5°C) Increased damage to business facilities from disasters such as heavy rain, decreased business revenue	▲	▲

* + indicates positive impact on business and finances, ▲ indicates negative impact, number of symbols indicates magnitude of impact.

NNR Global Logistics UK Limited's Initiatives

– Specific Examples of Low-Carbon Logistics –

NNR UK's Modal Shift Initiative

NNR Global Logistics UK Limited (NNR UK) has switched from conventional truck transportation to rail or a combination of rail and truck transportation for the last section of container transportation within the United Kingdom for customers in the northern part of the country. This has enabled a significant reduction in the greenhouse gas emissions associated with land transportation. Some specific examples: for shipments from Southampton or Felixstowe to Sheffield, a reduction of approximately 77% (247 kg CO₂e*) per container has been achieved, and for shipments from London Gateway to Glasgow, a reduction of approximately 24% (151 kg CO₂e) per container has been achieved.

*CO₂e (CO₂ equivalent) is a value that, in addition to carbon dioxide (CO₂), converts greenhouse gases such as methane (CH₄) and nitrous oxide (N₂O) into equivalent amounts of CO₂ based on their global warming potential.



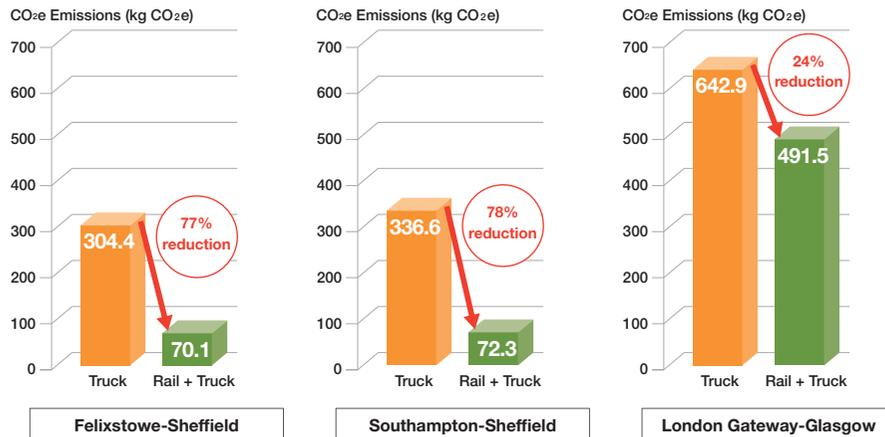
Proposal of an Eco-Friendly Transport Route from Germany to the UK

Responding to the requests of environmentally conscious customers, NNR UK reviewed the existing truck transportation route from Germany to the UK and proposed a new route that would shorten the distance traveled. This initiative reduced CO₂e emissions by approximately 243 kg per transit, for a total reduction of approximately 8 tons of CO₂e over the 12-month period from April 2024 to March 2025. By providing more efficient and environmentally friendly means of transportation compared to traditional methods, NNR UK is contributing to customers' sustainability efforts.

Reduction of CO₂e Emissions in Transportation Management

In addition, NNR UK has introduced a system for reviewing transportation priorities amid limited resources to prioritize shipments that are truly necessary. In an example situation where a customer has reserved 10 containers, NNR UK might prioritize the shipment of only the two essential for inventory replenishment, with the remaining eight being shipped on subsequent vessels from the following week forward. This method has made it possible to reduce CO₂e emissions resulting from unnecessary transportation while ensuring the delivery of important cargo. Furthermore, for cargo that can wait, the company has been able to further reduce greenhouse gas emissions by utilizing more environmentally friendly means of transportation, such as biofuel-powered vessels. This initiative serves as a key model for achieving both logistics efficiency and environmental consideration, providing an example for future sustainable transportation strategies.

Through these measures, NNR UK has promoted low-carbon logistics that is environmentally responsible while meeting customer needs. Going forward, the company will continue to establish efficient and environmentally friendly transportation models and contribute to the adoption of sustainable logistics.



Society

Quality Management

Materiality (Key Issue)

Providing High-Quality, Safe Services

Safely and reliably delivering customers' goods without harming their value is one of NNR Global Logistics' vital roles. As globalization increases, this need continues to grow, and we must further enhance the quality of our international logistics services.

Action Plan (Initiatives for FY2025)

- Strengthening quality management system
 1. Strengthen educational system related to quality
 2. Implement quality training for employees

Approach to Quality Management

Sustainable, customer-attentive services are essential in today's logistics industry. However, we must go beyond providing meticulous, high-quality services that meet customer needs by working with customers to jointly resolve the challenges they face. Moreover, as a global enterprise, fulfilling our social responsibility requires harmonious coexistence with partners, local communities, and the broader society.

To deepen relationships with all stakeholders, NNR Global Logistics emphasizes maintaining and improving customer-oriented service quality and reinforcing its quality management system to provide premier service.

NNR Global Logistics ISO 9001 Quality Policy

We seek to be an organization that meets societal, customer, and employee expectations by delivering high-quality services and achieving sustainable growth.

Keiichi Utaka
Head of NNR Global Logistics (April 1, 2023)

Quality Management System Certifications Acquired

Field	Certification	Number of certified locations
Overall quality	ISO 9001	19 companies (14 countries/regions)
Aerospace management system	EN/AS 9120	6 locations in Japan (incl. head office), 6 locations outside Japan
	EN/AS 9100	3 locations outside Japan

Quality Policy

ISO 9001 is an international standard for quality management systems that promotes customer satisfaction through product and service quality assurance. As of March 31, 2025, NNR Global Logistics has 19 subsidiaries* in 14 countries/regions certified for ISO 9001. Guided by this standard, we strive to continually improve service quality and provide services exceeding customer expectations.

Furthermore, six Japanese and six overseas locations hold EN/AS 9120 certification while three overseas locations hold EN/AS 9100 certification. These are the standards for aerospace and defense quality management systems that augment ISO 9001 with additional aviation/aerospace and defense industry-specific requirements like safety and reliability.

*Includes NNR Global Logistics (Japan) and Nishitetsu Logistics

Quality Management System

With every department in Japan ISO 9001-certified, each NNR Global Logistics location has established a quality management system conforming to the standard and implements the processes below.

Quality Management Targets and Monitoring

ISO 9001 quality targets are specific targets set under the company's quality policy for improving customer satisfaction and quality.

At NNR Global Logistics, the Managing Executive Officer establishes overall targets at the beginning of the fiscal year in April. Individual departments then define specific targets that align with these overall targets for their respective operations. Efforts are made to ensure that targets are achieved, with each department striving to meet its goals. Progress is reported at management review meetings, and top management issues instructions accordingly.

Responding to Incidents Related to Service Quality

If incidents arise concerning service quality, the relevant departments and the department overseeing quality control collaborate on corrective actions. They identify causes and respond appropriately, while establishing a PDCA system to confirm the effectiveness of countermeasures and make continual improvements. We also record incident case studies in a dedicated in-house system for companywide sharing to help prevent recurrences.

Quality Training

To continuously provide customers with high-quality, safe, and reliable services, all employees must be aware of and constantly improve their understanding of quality. NNR Global Logistics provides quality training to acquire ISO 9001 knowledge and a mindset of elevating quality, thereby fostering human resources who understand the importance of quality. Rank-based training sessions, from new recruits to executive staff, cover ISO standards and other topics related to quality. These sessions are initially provided to new hires upon joining the company and are then offered regularly starting from their second year. We also regularly conduct training focused mainly on the importance of compliance, including training on the AEO program and transporting dangerous goods.

Laterally sharing case studies of near misses collected from each department helps prevent accidents.

Improving Customer Satisfaction

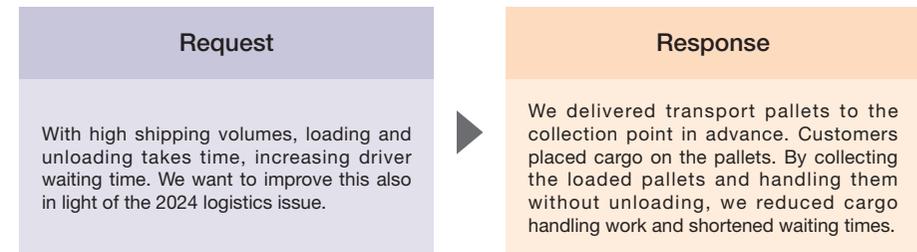
Gathering Customer Feedback

NNR Global Logistics prioritizes customer communication to improve quality, services, and product planning capabilities. We continually gather customer requests, opinions, complaints, and other feedback shared in daily operations and share them internally.

Periodic customer satisfaction surveys are also conducted, and responses are analyzed to enhance services. As per the ISO 9001 system, survey results are announced at internal management review meetings and shared within the company, contributing to improved service quality. We recognize areas that receive high praise as strengths to further polish for offering even better services to our customers.

Example of Reflecting Customer Feedback

Here is an example of a new service proposed and implemented in response to customer requests.



Supply Chain Management

Basic Approach to Supply Chain Management

With increasing focus on corporate supply chain responsibility, international logistics providers operating globally face mounting pressure to establish responsible supply chains as integral members of society. In line with the [Nishitetsu Group Basic Procurement Policy](#), NNR Global Logistics conducts responsible purchasing and procurement that is mindful of society and the environment. We also request understanding and cooperation from all business partners regarding Nishi-Nippon Railroad Group and NNR Global Logistics policies through our [“Requests to Business Partners.”](#)

“Nishitetsu Group Basic Procurement Policy”
“Requests to Business Partners”

https://www.nishitetsu.co.jp/en/sustainability/social_issues/new-group_basic.html



Realizing Responsible Purchasing and Procurement

Purchasing and Procurement System

Guided by the Nishitetsu Group Basic Procurement Policy, NNR Global Logistics has established a sustainable supply chain management system that thoroughly considers matters such as safety, quality, the environment, human rights, and information security. Rules stipulated in internal documents prescribe procedures for partner and supplier management, including their selection and oversight.

Evaluating Suppliers

In addition to service and product quality, supplier selection criteria encompass quality control systems and commitment to legal compliance. Scoring the evaluation results enhances objectivity and transparency behind choices.

Where suppliers fall short of NNR Global Logistics' quality management standards, we request improvements through Business Improvement Requests, providing training or conducting audits where necessary.

Achieving AEO “Triple Crown”



Authorized Warehouse
Operator Certification

Authorized Customs
Broker Certification

Authorized Logistics
Operator Certification

The Authorized Economic Operator (AEO) program aims to balance security and streamlining in logistics. It enables logistics operators certified by the customs director regarding cargo security management and legal compliance systems to enjoy relaxed and simplified customs procedures. In January 2009, NNR Global Logistics was certified as an Authorized Warehouse Operator, followed by an Authorized Customs Broker in February 2011 and an Authorized Logistics Operator in November 2014, becoming the first major forwarder to receive all three certifications available to logistics companies. In acquiring these certifications, we have established systems for balancing security, streamlining and ensuring legal compliance across our supply chain.

DX Promotion

Materiality (Key Issue)

Innovating Logistics Services through DX

Numerous challenges confront the international logistics industry, including increasingly complex global supply chains, environmental impacts like carbon dioxide (CO₂) emissions associated with transportation, addressing labor shortages due to demographic changes and a focus on work-life balance, and improving efficiency. To resolve these, we pursue internal and external operational efficiency gains and logistics optimization through digitalization and also enhance services through digital technology to provide new value to customers.

Action Plan (Initiatives for FY2025)

- Use digital operations to boost sales, improve operational efficiency, and enhance service quality; and establish tighter data connectivity with external systems/platforms

Basic Approach to DX Promotion

In our vision of the future society, we expect further expansion and integration with the digital world. Digital transformation (DX) is an important theme to address societal changes and meet emerging needs. Under its 16th Medium-term Management Plan, the Nishi-Nippon Railroad Group identifies “Strengthen sales and improve operational efficiency by promoting DX” as a critical management strategy. By promoting DX, NNR Global Logistics will seek to resolve various social challenges, including providing new value to customers, improving operational efficiency, creating comfortable workplaces, and contributing to a decarbonized society to satisfy all stakeholders.

Main Initiatives for Promoting DX

Recognizing that IT solutions fitting each customer’s supply chain are essential, NNR Global Logistics has established supportive global services and infrastructure.

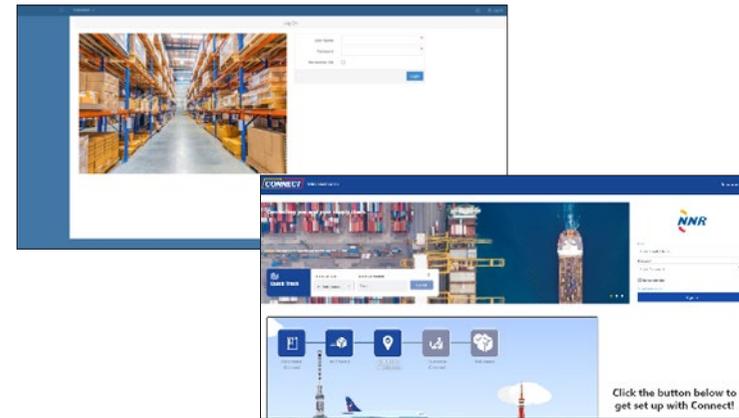
For instance, we participate in consortiums building trade information platforms that connect shippers, airlines, and shipping lines. We also plan and implement integration with and development of various domestic and international platforms to deliver new value creation and enhanced services to customers.

Internally, we also work on improving productivity through business automation using AI, RPA, and other digital technologies.

Enhancing our Customer Portal Website

We have developed a customer portal site that is able to use multiple methods to transmit shipment data such as waybills, customs clearance documents, and invoices to meet our customers’ needs. The portal can also be used by customers to request quotes and arrange shipments. A built-in chat function enables two-way communication, and it is also possible to manage shipments and store shipment document data within the site.

We have also strengthened integration with external trade information platforms to provide a more seamless and user-friendly digital experience for our customers.



Connecting with a Cargo Information Platform

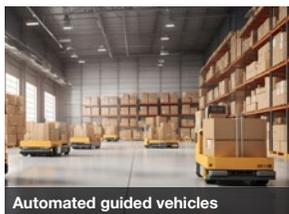
We have strengthened integration between our own in-house NNR PowerNET System and external trade platforms. Transmitting shipment data directly to such platforms makes it possible to reduce our customers' workload.

We have also enhanced trade information platform chat functionality to enable real-time communication, in turn improving operational efficiency and increasing productivity.



Promoting Digitalization, Labor Saving, and Automation in Warehouse Operations

Introducing AI for location management, automated guided vehicles, and driverless forklifts helps enhance warehouse operations by overcoming labor shortages and reduce long working hours and cargo handling time, enhancing warehouse operations.



A Specific Example at NNR Global Logistics UK Limited

Using Data to Increase Logistics Efficiency and Environmental Friendliness

Geopolitical tensions around the Red Sea and the Suez Canal in recent years have caused ongoing delays in ocean freight. As a result, NNR Global Logistics UK Limited (NNR UK) faced increased risks of greater fuel consumption and greenhouse gas emissions due to the use of alternative routes. To help combat this situation, NNR UK introduced their own in-house developed VSmart system. The VSmart system utilizes electronic data interchange (EDI) directly linked to ports to provide accurate real-time shipment tracking. This makes it possible to immediately notify customers of any changes in estimated time of arrival (ETA) or estimated time of departure (ETD), thereby preventing unnecessary cargo storage and transportation as well as increased greenhouse gas emissions resulting from emergency transport.

The VSmart system is built on a cloud-based project management tool and can be flexibly customized to meet individual customer needs and business processes. Previously, confirming and managing shipment information required significant manual labor as well as numerous paper documents. However, with the introduction of VSmart, these operations have been digitalized. This not only significantly reduces paper and printing work, but also improves operational efficiency.

In addition, customers are able to access the VSmart portal directly, allowing them to check ETA changes and shipping delays in real time, as well as to revise and adjust their desired delivery dates via the system. The system reduces the need for extensive email exchanges and significantly improves the overall efficiency of transportation operations while also contributing to a reduction in environmental impact. NNR UK will continue to promote efficient, data-driven logistics operations through the VSmart system and realize environmentally sustainable transportation.

ETA EDIA	PORT	Delivery available from	Delivery by to avoid rent	Delivery Destination	Customer Requested Delivery Date	Customer Requested Delivery Time	Delivery Date vs Last Free Day
29/10/2024	SOUTHAMPTON	31/10/2024	03/11/2024	Delivery Address	01/11/2024	06:15	●
29/10/2024	SOUTHAMPTON	31/10/2024	03/11/2024	Delivery Address	01/11/2024	06:30	●
29/10/2024	SOUTHAMPTON	31/10/2024	03/11/2024	Delivery Address	01/11/2024	06:45	●
29/10/2024	SOUTHAMPTON	31/10/2024	03/11/2024	Delivery Address			●
30/10/2024	SOUTHAMPTON	01/11/2024	04/11/2024	Delivery Address	04/11/2024	20:00	●
30/10/2024	SOUTHAMPTON	01/11/2024	04/11/2024	Delivery Address	04/11/2024	20:15	●

An example VSmart system screen

Talent

Materiality (Key Issue)

Creating rewarding workplaces where diverse talent can excel

With services spanning the globe, NNR Global Logistics requires a range of diversity, including nationalities and ethnicities as well as the flexibility to meet varied needs. We aim to secure and cultivate talent with varied mindsets and backgrounds; creating workplaces where everyone's strengths are utilized and collaboration is encouraged.

Action Plan (Initiatives for FY2025)

- Securing talent with diverse experience
 - New graduate and mid-career recruitment
- Career development tailored to employee's preferences
 - Conducting career interviews
 - Facilitating proactive job rotation
- Enhancing talent development
 - Introducing talent management system
 - Expanding follow-up interviews with the HR department
- Interview Japanese expatriate staff online
- Interview all second- and fifth-year employees
- Recruit applicants and conduct interviews

Promoting Diversity

The Nishi-Nippon Railroad Group is committed to creating workplaces where employees with various backgrounds can all maximize their abilities and work with confidence regardless of gender, age, or other attributes. The success of diverse employees is a source of growth and value creation for the company. Appointments to core positions are made based on individual competence, without consideration of gender, nationality, or whether the person was hired as a new graduate or mid-career hire, to ensure diversity. We also work to enhance initiatives catering to diverse values and life stages.

Promoting the Advancement of Female Employees

The Nishi-Nippon Railroad Group strives to create more female-friendly workplace environments that enable all employees, women included, to succeed while finding fulfillment in their work. As of March 31, 2025, the percentage of female employees at NNR Global Logistics, including overseas locations, is 46% (38% in Japan). Of the employees hired in fiscal 2024 (including new graduates and mid-career hires), women accounted for 63%.

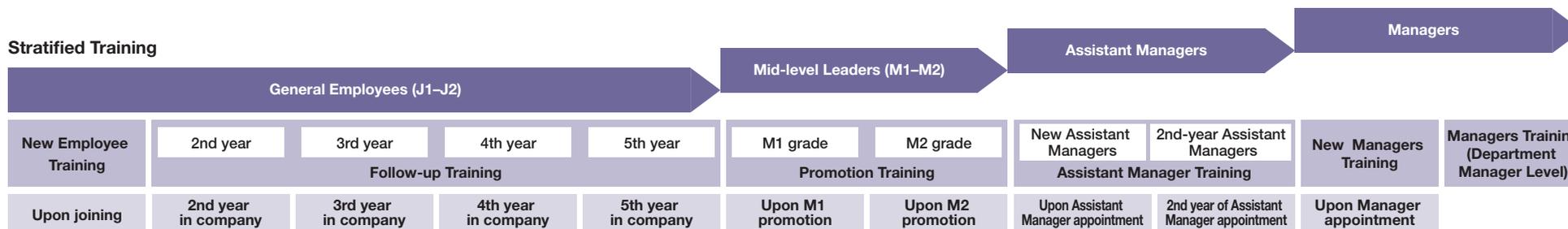
Active Participation of Local Staff

As part of its diversity promotion efforts, the Nishi-Nippon Railroad Group proactively recruits local staff.

Overseas subsidiaries develop and actively promote locally hired talent to strengthen local management capabilities, with some overseas subsidiaries where a locally hired employee has been appointed president.

Initiatives to Strengthen Human Capital

NNR Global Logistics conducts training for each employee specialized to their department and position. Depending on the content, some training sessions are held jointly with the head office in Fukuoka. We also provide e-learning and open college courses.



Short-term Overseas Assignment System

This system sends employees to major cities worldwide to develop excellent talent through hands-on experience with on-site import/export operations, language acquisition, and international perspective development. Until fiscal 2023, we implemented a one-year Overseas Training Program, but in response to requests for extended periods to master operations more thoroughly, we changed it to a three-year assignment system from fiscal 2024. In April 2025, we sent four employees on short-term overseas assignments to the United States, India, the Philippines, and China.

Cumulative number of overseas trainees/short-term assignees: 236

Open College

In 2022, we established “Open College” training sessions to enhance skills and strengthen communication across NNR Global Logistics. These sessions connect with overseas offices via web conferencing to introduce policies, operations, and initiatives of offices in and outside Japan. Q&A sessions facilitate two-way communication and strengthen connections between locations. Through these efforts, we aim to achieve smoother business operations.



Open College session by Ms. Ueda, Netherlands assignee

Support for Self-Development and Self-Directed Career Development

We have established systems to support employees’ self-development and self-directed career development.

IATA Diplomas (Foundational and Dangerous goods)	International qualifications in the air cargo industry. We provide financial support for acquisition and examination fees. We also provide a monetary qualification incentive for each dangerous goods diploma renewal, and qualification allowance to employees engaged in relevant duties.
Customs Specialist	We encourage employees to acquire this national qualification, and provide assistance with the first examination fee. A monetary qualification incentive is provided upon successful qualification, as well as monthly qualification allowance.
Certified Logistics Master	We support internally selected candidates to take courses aimed at fostering logistics and supply-chain specialists.
CASEC (English Exam)	An annual test to maintain and improve English proficiency.
Other correspondence education, e-learning, etc.	We support employees in taking a variety of business-related courses.
Career interviews	Career interviews are given to young employees in their second and fifth years with the company, as well as interested individuals, with the goal of encouraging them to take on new work challenges and improve their work motivation by thinking about their medium- to long-term careers.

Systems Supporting Diverse Work Styles

Supporting Work–Life Balance

The Nishi-Nippon Railroad Group strives to enhance various systems and measures so employees can adopt flexible work styles aligned with their life stages.

At NNR Global Logistics, as of March 31, 2025, 41 employees are using the Shortened Working Hours Program to balance childcare or caregiving with work. In addition, four employees are using the Life Career Leave Program introduced in fiscal 2023, which allows employees to continue working with confidence regardless of various life events.

FY2024 Childcare Leave Uptake Rates at NNR Global Logistics



Occupational Safety and Health Initiatives

The Nishi-Nippon Railroad Group has established a unified management framework to improve the health of employees—the foundation of our business—and the occupational safety and health environment. Every year, Group targets and activity policies are established for health and productivity management, safety, and health to secure employee safety and maintain/enhance employee health. NNR Global Logistics also continually makes improvements to create safe and healthy workplaces.

Health and Productivity Management

Since fiscal 2023, NNR Global Logistics has provided health consultations by contracted public health nurses during periodic employee health checkups. In addition, we offer explanatory sessions about health checkup results for those who want them.

We also convene a monthly Health and Safety Committee within NNR Global Logistics. In addition to monitoring progress on health and safety issues, the committee also arranges workplace visits by industrial physicians and health-related lectures.

Support for International Assignees

NNR Global Logistics places the highest priority on the safety and health of international assignees and has established a comprehensive support framework. Prior to assignment, assignees are given a health examination, and the company covers the cost of vaccinations recommended by the Ministry of Health, Labour and Welfare. We also cover the cost of annual health checkups for both the assignee and their spouse to support ongoing health management. All assignees are enrolled in health insurance at the company's expense, and a system is in place to ensure they can receive necessary medical services.

We are also committed to promoting gender equality, and are expanding opportunities for the overseas assignment of women. In fiscal 2024, we dispatched 18 employees, 22% of whom were women (in fiscal 2023, we dispatched 13 employees, 30% of whom were women). Additionally, through pre-assignment training for international postings, employees acquire essential risk-management skills and the proper mindset for overseas assignments, while also deepening their understanding of compliance and governance. In fiscal 2024, the training participation rate was 100%.

Supporting
the Future
of Young
People

NNR Global Logistics Mexico S.A. de C.V.'s Participation in the Youth Building the Future Program

■ Program Overview

Jóvenes Construyendo el Futuro (Youth Building the Future) is a youth support program promoted by the Mexican government. The program provides vocational experience and skills to young people aged 18 to 29 who are neither in school nor employment, through training at companies and organizations. In particular, it aims to promote the social involvement of young people living in areas where violence and poverty are severe, as well as young people requiring special support.

■ NNR Global Logistics Mexico S.A. de C.V.'s Initiative

NNR Global Logistics Mexico S.A. de C.V. (NNR Mexico) has participated in this program since 2023, and began hiring trainees as full-time employees for the first time by the end of 2024. Human Resources Responsible Misael Mendoza Linares, proposed and promoted to Managing Director the company's participation in an initiative aimed at helping socially vulnerable youth acquire soft skills as well as work experience. Trainees are assigned a one-on-one mentor to provide both technical guidance and support for personal growth.

"I was apprehensive at first, but the willingness of the trainees to grow and the supportive attitude of the staff created a synergistic effect that has had a positive impact on our company culture."

Misael Mendoza Linares, Human Resources Responsible

To date, NNR Mexico has accepted four trainees, two of whom have been hired as full-time employees. Another trainee has gone on to work for another company, and the program is contributing to the career development of young people.



Voices of Participants

Marco Roberto Juárez Morales learned about the program through social media and applied to NNR Mexico as a place where he could put his interest in mathematics to use. Starting with ledger management using Excel, he has acquired knowledge of accounting procedures and taxation. He is currently working on a degree in accounting while also supporting his family financially.

"I have a greater sense of responsibility and am more focused on results. After earning my degree in accounting, I hope to gain a variety of experiences in the future to broaden my knowledge and perspective."



Marco Roberto Juárez Morales
(Accounting Division)

After graduating from university, Alan Alberto Hernández Badillo struggled to find a job due to lack of experience. Through the program, he gained experience in international logistics research work, learned about operational tools, and enhanced his decision-making skills. Currently, he also handles complex tasks such as general communication with customer and coordination process of ocean freight.

"Through my experience of working, I feel that I am growing as a person. I aim to further hone my professional skills and continue developing myself through experience in a wide range of fields."



Alan Alberto Hernández Badillo
(Operations Division)

See our website for the full interviews.

https://www.nnr.co.jp/global_logistics/sustainability/society/workplace/nnr-mexico/en/



Human Rights

Materiality (Key Issue) Respecting All Human Rights

We avoid causing or contributing to adverse impacts on human rights and address any such effects that occur. We also endeavor to prevent or mitigate adverse human rights impacts directly linked to us through our global logistics operations and business relationships.

Basic Policy on Respecting Human Rights

Human rights are rights based on the human dignity inherent in everyone and deserve respect. To respect the human rights of all people involved in the Group's activities, the Nishi-Nippon Railroad Group has established a [Nishitetsu Group Human Rights Policy](#) outlining its fundamental approach and priority themes. The Group expects executive officers, employees, and stakeholders to understand and comply with this policy. We do not engage in any business activities leading to discrimination or human rights violations. NNR Global Logistics' operations rely on relationships with all our global stakeholders. We recognize that human rights initiatives encompassing not just our own company but also our supply chain are essential.

Human Rights Initiatives

Promotion System

The Nishi-Nippon Railroad Group has established a Nishitetsu Group Human Rights and "Dowa" (Antidiscrimination) Issues Promotion Committee to advance initiatives related to human rights issues. NNR Global Logistics has appointed Human Rights Education Promotion Leaders responsible for human rights respect activities. The leaders communicate appropriately with the committee and conduct in-house training and awareness-raising programs.

Establishing a Consultation Service

As an original NNR Global Logistics initiative, we have established an internal consultation service that addresses overall workplace issues, including human rights, working conditions, and work environment, responding to individual stakeholder inquiries from business partners, employees, and others.

Information Security

Basic Approach to Information Security

To safely and securely handle important customer information and the Nishi-Nippon Railroad Group's information assets, we establish regulations, build management framework, and strive to maintain and improve information security.

As NNR Global Logistics shoulders the critical infrastructure of global logistics, we recognize that increasingly sophisticated and complex cyberattacks, information leaks, and other threats pose significant risks. We pursue safe and reliable service provision by strengthening information security countermeasures and implementing thorough management/guidance.

Promotion System

The Nishi-Nippon Railroad Group has established an information security management framework based on ICT Regulations and Information Security Rules. NNR Global Logistics has also independently formulated a business continuity plan (BCP) manual outlining procedures for preventing information security incidents and responding to them should an incident occur. We are working to strengthen our risk and emergency management in information system operations.

Information Security Goals

The Nishi-Nippon Railroad Group's 16th Medium-term Management Plan identifies "strengthening governance in overseas operations" as a key strategy. Incorporating this into action plans, we plan and promote the enhancement of information security countermeasures, management, and guidance encompassing overseas Group companies.

Action Plans (Initiatives for FY2025)

- Review, consider, and establish information security rules and ensure their adoption
- Raise information security awareness and literacy (conducting information security testing, etc.)
- Strengthen overseas site information security

Information Security Enhancement Efforts

Further Strengthening Core Business Systems and Infrastructure

NNR Global Logistics has built an integrated core business system, encompassing overseas Group companies, that is centrally managed and operated from Japan. This system handles important shipment, transaction, and other data globally. External attacks on this system could disrupt operations or lead to leaks of confidential information. Recognizing this significant risk, NNR Global Logistics continually works to enhance information security countermeasures and make improvements.

Infrastructure enhancement measures include formulating and implementing a plan to transition to a next-generation security model.

Enhancing Overseas Information Security

As part of the Nishi-Nippon Railroad Group's key mid-term management plan strategy of "strengthening governance in overseas operations," NNR Global Logistics reviewed and examined information security rules at each overseas Group company in fiscal 2024. We are continuing to create and instill these rules. At the same time, we are also working to develop measures against recent cyberattacks, and to formulate new rules that take into account the relevant requirements.

To reduce security risks, we will create a globally unified high-level information security environment for overseas Group IT infrastructure.

Information Security Training for Employees

To improve employees' information security awareness and IT literacy, the Nishi-Nippon Railroad Group provides annual training to all employees, including overseas staff, through e-learning. We also conduct training against targeted attack emails.



Material from a presentation on information security training at the NNR Worldwide Meeting in May 2024

Governance

Compliance and Risk Management

Materiality (Key Issue)

Promoting Fair and Honest Business Activities

We are dedicated to strengthening compliance controls and sustainability initiatives across all sectors of our business on a global scale.

Action Plan (Initiatives for FY2024)

- Establish Overseas Legal Department to strengthen internal controls
- Implement multilingual compliance self-checks for overseas operations

Basic Policy and Framework for Promoting Compliance

The Nishi-Nippon Railroad Group launched a compliance promotion framework in 2003 with the [Nishitetsu Group Compliance Policy](#), which outlines 15 action guidelines for employees to follow.

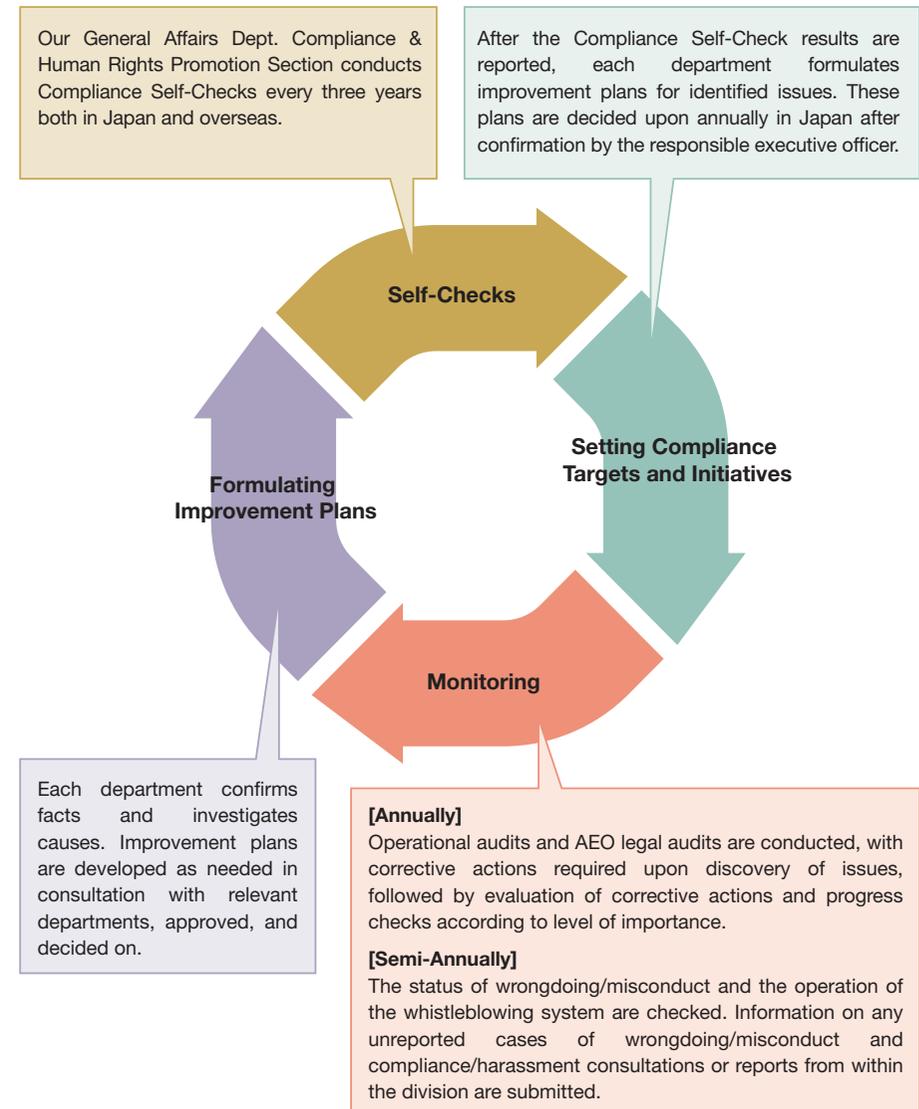
Additionally, a Nishitetsu Group Compliance Manual has been formulated detailing the basic policies, judgment criteria, and standards of conduct for practicing the Compliance Policy and distributed to all employees.

Based on this Compliance Policy and manual, NNR Global Logistics has independently established an NNR Global Logistics Compliance Manual to ensure a correct understanding of compliance policies and principles and guide behavior based on them.

International cargo transport entails great social responsibility. Operators in this business also gain access to critical customer information. Given the importance and particularity of such information, the Customs Business Act requires confidentiality and prohibition of actions breaching trust. Relevant laws and regulations (like the Consigned Freight Forwarding Business Act and the Customs Act) also impose stricter requirements than general laws. NNR Global Logistics and its employees naturally have a responsibility and obligation, as expected by society, to comply with relevant laws, regulations, and social norms.

PDCA Cycle for Compliance

Under the compliance policy and promotion framework mentioned above, NNR Global Logistics follows the cycle below to ensure compliance.



Compliance Training/ Awareness Efforts

We conduct stratified training for new employees, section chiefs, department heads, pre/post-assignment, and company presidents to ensure that all employees understand the importance of compliance and raise their awareness. We have also created Japanese and English versions of the NNR Global Logistics Compliance Manual, reflecting specific examples from international logistics. We announce it to all staff, including overseas group members. Through specific examples, we strive to help everyone understand compliance violation risks as personal concerns.



Risk Management Efforts

Formulating Business Continuity Plans (BCPs)

We have compiled guidelines for action in the event of crises like terrorism, natural disasters, system failures, or misconducts at Japan offices (Kanto/Kansai regions), as well as measures, steps, and procedures for daily preparation into an NNR Global Logistics Risk Management/BCP/Crisis Management Manual and shared it internally.

Risk Management at Overseas Subsidiaries

Overseas subsidiaries also undergo internal audits encompassing accounting, general affairs, and HR using checklists. We audited five subsidiaries in fiscal 2024 and expect to conduct around the same number of audits in fiscal 2025.

The Overseas Legal Department regularly holds workshops on governance and internal controls with individual overseas affiliated companies to provide opportunities for direct dialogue. By developing an effective and sustainable governance framework and ensuring that it is properly disseminated to all overseas employees, we are working to strengthen governance.

At the NNR Worldwide Meeting held in May 2025, we conducted briefings for each company's president. By sharing not only the parent company's management policies but also specific initiatives and future plans, we aimed to deepen their understanding.

Information on NNR Global Logistics

NNR Global Logistics ESG Data

Red : Overall NNR Global Logistics group figures **Orange** : Japan only

Business

		As of March 31, 2025	As of March 31, 2024	As of March 31, 2023
Number of countries and regions with overseas operations		28	28	29
		FY2024	FY2023	FY2022
Operating revenue (millions of yen)		154,941	138,653	231,813
Air cargo volume/ number of shipments	Air exports (thousand tons)	103	95	127
	Air imports (thousand shipments)	321	314	375
Ocean cargo volume	Ocean exports (thousand TEU)	112	99	102
	Ocean imports (thousand TEU)	146	129	140

Environment

	FY2024	FY2023	FY2022
CO ₂ emissions (Scope 1+2) (tons)	1,513	1,667	1,478
Emission factor (kg-CO ₂ /kWh)	0.422	0.457	0.37
Electricity consumption (kWh)	3,394,996	3,344,355	4,118,988
Renewable energy-derived electricity	468,668	235,647	82,303
Renewable energy ratio (%)	12	7	2
Gas consumption (m ³)	16	176	198
Gasoline/Petrol consumption (L)	30,498	30,629	26,325
Diesel consumption (L)	239	0	0
Copy paper consumption (thousand sheets)	18,577	19,866	21,830
Water consumption (m ³)	3,176	3,333	3,470

*For external reporting from FY2023 onward, we use the national average for the power company emission factor, replacing the Federation of Electric Power Companies of Japan's control value.

Human Resources

		As of March 31, 2025 (Overseas as of December 31, 2024)	As of March 31, 2024 (Overseas as of December 31, 2023)	As of March 31, 2023
Number of employees (persons)	Scope			
	Japan/overseas	3,506	3,380	3,351
	Male	1,884	1,837	1,834
	Female	1,622	1,543	1,517
		FY2024	FY2023	FY2022
New graduate hires assigned (persons)	Scope			
	Japan	62	50	43
	Male	27	22	22
	Female	35	28	21
Mid-career hires assigned (persons)	Scope			
	Japan	19	17	27
	Male	3	1	8
	Female	16	16	19
		FY2024	FY2023	FY2022
Short-term overseas assignments/ Training program participants (persons)		4	5	5

Diversity

		As of March 31, 2025 (Overseas as of December 31, 2024)	As of March 31, 2024 (Overseas as of December 31, 2023)	As of March 31, 2023
Percentage of female employees (%)	Scope			
	Japan/overseas	46.3	45.7	45.3
Percentage of female managers (%)*	Scope			
	Japan	3.2	1.9	1.8

*Department head level and above (in Japan)

Work-Life Balance

	FY2024	FY2023
Percentage of male employees taking childcare leave (%)	40	25
Percentage of female employees taking childcare leave (%)	100	100

Certificate (Quality/Environment)

		As of March 31, 2025
Number of ISO 9001 certified entities	Japan sites (companies)	2
	Overseas sites (companies)	17
Number of ISO 14001 certified entities	Overseas sites (companies)	6
Number of EN/AS 9100 series certified locations	Japan sites (sites)	7
	Overseas subsidiaries (sites)	9
Number of AEO certifications (Japan)		3*
Number of AEO certified entities (overseas)		15
Number of TAPA FSR CLASS A-certified sites	Japan sites (sites)	2
	Overseas subsidiaries (sites)	7
Number of TAPA TSR Level 1-certified sites		1
Number of CEIV Lithium Batteries-certified sites		1

*Authorized Warehouse Operator, Authorized Customs Broker, Authorized Logistics Operator

Information Security

	FY2024
Information security training* participants (persons)	1,797
Information security training* completion rate (%)	98.5

*e-learning, etc.

Compliance

	FY2024	FY2023	FY2022
Number of information security incidents (cases)	0	0	0

Organizational Information

NNR Global Logistics A Division of Nishi-Nippon Railroad Co., Ltd.

Headquarters	Mainichi Nihonbashi Building, 2-5 Nihonbashi, 3-chome, Chuo-ku, Tokyo, 103-0027, Japan
Established	November 15, 1948
Head of the Division	Keiichi Utaka, Senior Managing Executive Officer, Head of NNR Global Logistics, Nishi-Nippon Railroad Co., Ltd.
Businesses	Freight forwarding Customs clearance Warehousing

Certifications/ Authorizations	Authorized Economic Operator (Authorized Warehouse Operator, Authorized Customs Broker, Authorized Logistics Operator) ISO 9001 (Quality Management System) TAPA FSR 2020 CLASS A (warehouse/storage facility security certification – highest level) Target facility: Narita Logistics Center, Rinku Logistics Center EN/AS 9120 (quality management system for aerospace and defense organizations) Target sites: Head Office, Narita, Makuhari, Tama, Nagoya, Chubu Centrair International Airport CEIV Lithium Batteries Target facility: Narita Logistics Center
---------------------------------------	--

Industry Groups	The Waco System International Air Transport Association (IATA) Japan Aircargo Forwarders Association (JAFA) Japan International Freight Forwarders Association (JIFFA) Japan Customs Brokers Association Nippon Automated Cargo and Port Consolidated System, Inc., etc.
Number of Sites	Overseas offices: 28 countries/regions, 119 cities (as of March 31, 2025)





NNR GLOBAL LOGISTICS