The Yamato Group's ESG

Guided by its Core Values, which represent the founding spirit of the Company, the Yamato Group is pursuing business activities under its Management Philosophy of "enriching our society." To realize this philosophy, we seek to increase corporate value and develop a sustainable society through strengthening corporate governance, pursuing sustainable operations from an environmental and social perspective, creating new value, and addressing environmental, social, and governance (ESG)-related issues.

Sustainability Initiatives
Management embodying the Environment and Society

Under its two visions for a sustainable future, the Yamato Group will achieve the next level logistics friendly to the environment, society, and economy by attentively connecting people; resources and data.

▶ Vision: Connect. Deliver the Future via Green Logistics

■ By leveraging cutting-edge connections between data, people, and resources, we will increase the efficiency of transportation and provide delivery that is better for the planet, our lifestyles, and the economy. We will support a strong, smart society by striving toward carbon neutrality and by creating business models based on sustainable resource use and consumption.

Materiality	Priorities	Goal	Value Created
Energy & Climate	**Carbon neutrality**	■ Carbon neutrality by 2050[1]	■ Driving renewable energy growth by stimulating demand ■ Mitigating climate risk such as natural disasters ■ Promoting widespread use of innovative low-carbon technologies ■ Facilitating the availability of low-carbon products
Atmosphere	**Logistics that protect the atmosphere**	■ Reduction of air pollutants from vehicles (reduction of NOx and PM from urban area deliveries)	■ Contributing to the health of local communities by preventing air pollution ■ Utilizing data to optimize transportation, thereby reducing traffic
Resource Conservation & Waste	**Resource efficient logistics and business**	■ Use environmentally friendly materials, and shift to delivery using reusable and minimal packaging	■ Shifting to a circular economy by creating resource recovery networks ■ Improving efficiency and economic gains by leveraging the sharing economy
Resilience of Companies & Society	**Logistics infrastructure that promotes a society in harmony with the environment**	■ Strengthened collaboration to combat environmental changes	■ Foster collaboration to support a sustainable society ■ Improving society's resilience to climate change ■ Promoting a low-carbon society through smart mobility

*1 Emissions from the Yamato Group: Scope1 (direct emissions) and Scope2 (indirect emissions from purchased or acquired electricity and other sourced owned or controlled by us).

▶ **Vision: Through Co-Creation and Fair Business Activities, Help Create a Society That "Leaves No One Behind"*2**

■ As a social infrastructure company, Yamato Group will contribute to improving the quality of life (QOL) of various people, including employees and customers, by reducing and eliminating various inequalities and obstacles in society. We will do this by delivering goods and value to everyone through fair and efficient business processes. By promoting digital innovation and our strengths offline, as well as co-creation with various partners, we will be a leader in solving social challenges and creating a society that leaves no one behind.

*2 To leave no one behind: Basic philosophy of the SDGs

Materiality	Priorities	Goal	Value Created
Labor	**Creating work environments that are fair, worker-friendly, and engaging**	■ Achieve "Decent Work"*3 by 2030 by creating workplaces that are employee friendly and that foster employee engagement	■ Enabling employee work-life balance ■ Promoting physical and mental health of employees ■ Ensuring enough workers to continue stable business activities ■ Providing a model of industry best practices related to labor practices
Human Rights & Diversity	**Creating a vibrant society that respects human rights and diversity**	■ Empowerment of socially vulnerable people	■ Promoting a society where human rights are respected and protected ■ Sparking innovation through diverse ideas ■ Creating job opportunities for diverse individuals, including women and people with disabilities ■ Reducing and eliminating of social inequality and obstacles
Safety & Security	**Ensuring road and occupational safety, improving quality of services and business processes**	■ Establish business processes that can significantly reduce accidents on the road and at worksites	■ Creating safe cities ■ Ensuring health and safety of employees ■ Providing a sense of security and well-being
Data Utilization & Security	**Robust information security, utilization of data from operating vehicles and from transportation for social impact**	■ "Creating Shared Value" by utilizing data	■ Protecting personal data (respecting human rights) ■ Solving environmental and social challenges
Supply Chain Management	**A resilient and sustainable supply chain that considers the environment and society**	■ Build a resilient and robust supply chain and co-creation model	■ Continuing to ensure appropriate and stable business activities ■ Mitigating reputational risks ■ Creating synergy from environmental conservation activities ■ Providing an efficient and robust labor practices model
Community	**Building strong communities through co-creation**	■ Build a business model that accelerates the revitalization of local economies	■ Revitalizing local economies ■ Improving Japan's global competitiveness through regional revitalization ■ Building a foundation for co-creation of a sustainable society

*3 Decent work: Work that ensures dignity, equality, fair income, and safe working conditions

■ **Initiatives to Achieve the SDGs**

The Yamato Group supports international initiatives for building a sustainable society. Toward this end, we became a signatory of the UN Global Compact in April 2014.

The Sustainable Development Goals (SDGs) adopted by the UN in September 2015 represent a set of common targets for the international community to achieve together by 2030. The Yamato Group is now working through its businesses to solve the many urgent social issues facing the world indicated in the SDGs.

SUSTAINABLE DEVELOPMENT G**O**ALS