

Safety



Safety Measures to Support Business Continuity

Materiality

- Safety and peace of mind

Major Initiatives

- Ensuring road safety
 - Introduce rules, equipment, and systems
 - Spread safety awareness among employees

Value Created

- Creating safe cities
- Ensuring health and safety of employees
- Providing a sense of security and well-being

Contributions to the SDGs



Basic Approach

The Yamato Group owns a large number of vehicles and uses public roads as its principal place of business. For that reason, the Group's operations have a major impact on society, and thus we place significant importance on ensuring the safety of communities. Additionally, since traffic safety is considered to be a part of the occupational safety of the employees who drive our vehicles, it is recognized as an important issue for the Yamato Group, which operates its business through its more than 220,000 employees.

Based on the corporate stance of respecting human life and ensuring safety, the Group thoroughly adheres to its philosophy of placing safety first and business second to position respect for human life as a priority at all times. General freight automotive transportation operators of a certain business scale are required to establish safety management regulations and report them to the "minister" of Land, Infrastructure, Transport and Tourism. Group companies subject to this obligation have established safety management regulations in accordance with this law. The Group places particular emphasis on "promoting safety management systematically and continuously through the leadership of top management," as indicated in the law, and is promoting initiatives to this end.

Safety Management Structure

Based on the Yamato Group's Safety Management Regulations, each Group company has established a safety management structure.

Guided by the leadership of its top management, the Group has set up an organizational management structure involving a collaboration between those on the transportation front lines and those in administrative divisions, in order to enhance the effectiveness of its transportation safety management.

Also, in regard to important information on such matters as serious transportation-related accidents, the Group maintains a framework for sharing such information with Yamato Holdings, which oversees the Group, in an effort to promote transportation safety on a Groupwide level.

■ Safety-Related Performance (Domestic Consolidated Subsidiaries and Swan Co., Ltd.)

| Item | Fiscal year ended March 31, 2017 | Fiscal year ended March 31, 2018 | Fiscal year ended March 31, 2019 |
|---|----------------------------------|----------------------------------|----------------------------------|
| No. of serious traffic accidents*1 | 3 | 1 | 1 |
| No. of serious work-related accidents*2 | 0 | 1 | 1 |

*1 Deaths from traffic accidents (including accidents where driver was responsible)

*2 Deaths from work-related accidents

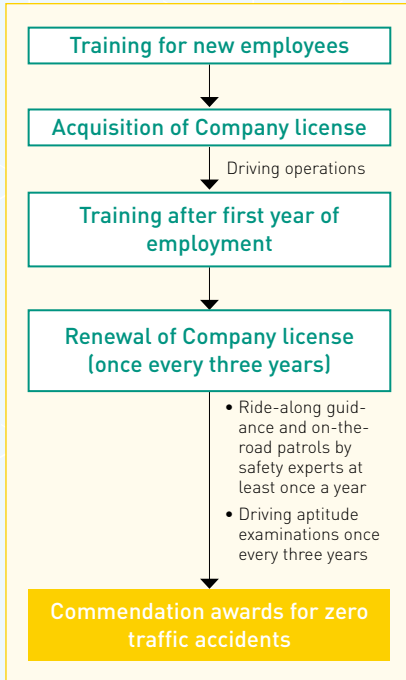
Driver Aptitude Examination

Automotive transportation operators are required to have their drivers take an aptitude examination that is recognized by the Ministry of Land, Infrastructure, Transport and Tourism. The drivers of the Yamato Group undergo driver aptitude examinations on a regular basis. These examinations consist of two types: mandatory examinations, including examinations after being hired, age-specific examinations, and other specific examinations, and voluntary examinations, including general examinations. In addition to the mandatory examinations, Group drivers take voluntary examinations once every three years to ensure safe driving.



Safety Measures to Support Business Continuity

■ Outline of Internal Education



Guidance from a safety expert



Commendation awards for zero traffic accidents

Training of Sales Drivers (Yamato Transport)

To develop excellent sales drivers who strictly practice safe driving, the Group provides them with detailed guidance on a daily basis. Yamato Transport sales drivers hired after a rigorous aptitude examination and receive training upon joining the Company that includes safety training and other forms of training for approximately one month. After acquiring their Company license, they are able to engage in driving operations for the first time. They continue to hone their driving skills through training sessions for one year after joining, regular ride-along guidance, and on-the-road patrols by safety experts, as well as a driving aptitude examination held once every three years.

Enhancing Training for Safe Driving through the Use of Data (Yamato Transport)

Yamato Transport is gradually equipping all pickup and delivery vehicles with in-vehicle terminals* that gather a variety of operating data, such as speed, parking location information, road images, and driving routes created through information obtained from GPS antennas. By visualizing and analyzing operating data that is centrally managed through these in-vehicle terminals, safety experts and other personnel can gain a more detailed understanding of the driving characteristics of sales drivers and realize preventative-type training for safe driving that is tailored to each driver's driving characteristics. In this way, we are further strengthening initiatives toward safety and security.

* All pickup and delivery vehicles are scheduled to be equipped with in-vehicle terminals during the fiscal year ending March 31, 2021

Contest to Enhance Safety Awareness and Techniques

With the aim of improving the driving safety of its professional drivers, maintaining Companywide safety awareness, and improving driving techniques, Yamato Transport has been holding the Yamato Transport Nationwide Safety Meet annually since 2010. At the Eighth Annual Yamato Transport Nationwide Safety Meet held in 2018, 38 sales drivers and 13 operational managers took part after advancing through the preliminary rounds at regional and other branches to compete with each other on driving techniques and the knowledge necessary for safe driving.

Moreover, Yamato Autoworks, which operates our vehicle maintenance business, holds a contest for competing on maintenance techniques and customer service skills. The contest improves the safety awareness, techniques, and knowledge of the participants by competing in areas such as the safety and accuracy of maintenance techniques, maintenance speed, skillfulness of cooperation with colleagues, customer service skills, and knowledge of insurance.

Commendation Awards for Zero Traffic Accidents That Recognize Professional Drivers Dedicated to Safe Driving

The Yamato Group's philosophy of placing safety first is underpinned by its drivers who demonstrate safe driving on a daily basis. Yamato Transport, Yamato Home Convenience, Yamato Global Express, Okinawa Yamato, Yamato Multi Charter, and Yamato Box Charter annually recognize and reward outstanding drivers who continue to drive safely without causing any accidents.

Further, Yamato Transport presented awards for excellence in safety to 3,135 centers that achieved zero accidents and zero disasters throughout the year.

▶ For more detailed information, please see the CSR section of our website. <https://www.yamato-hd.co.jp/english/csr/index.html>