

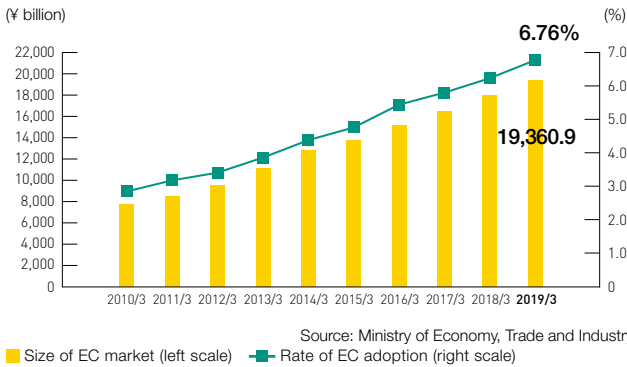
Creating the Best Solution for the "EC ecosystem"

EC adoption is accelerating in all industries, to the point where everything is available through EC, regardless of the product or service. The Yamato Group has launched a new delivery service, *EAZY*, which connects EC users, EC operators, and delivery service providers in real time using digital information. In addition, we will strive to provide optimal solutions through collaboration with partners, such as supporting the creation of a supply chain for EC operators, from receiving orders to shipping and delivery, and expanding locations for EC users to receive products.

Background to the Promotion of Initiatives

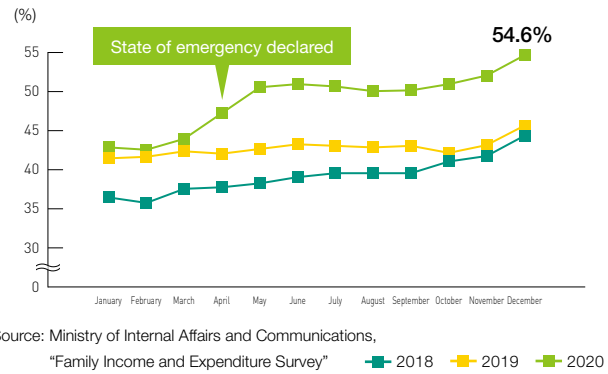
▶ Rapid Growth in the Domestic EC Market

While the size of the EC market in Japan appears to be increasing, the rate of EC adoption is low in comparison with other countries so there is room for growth.



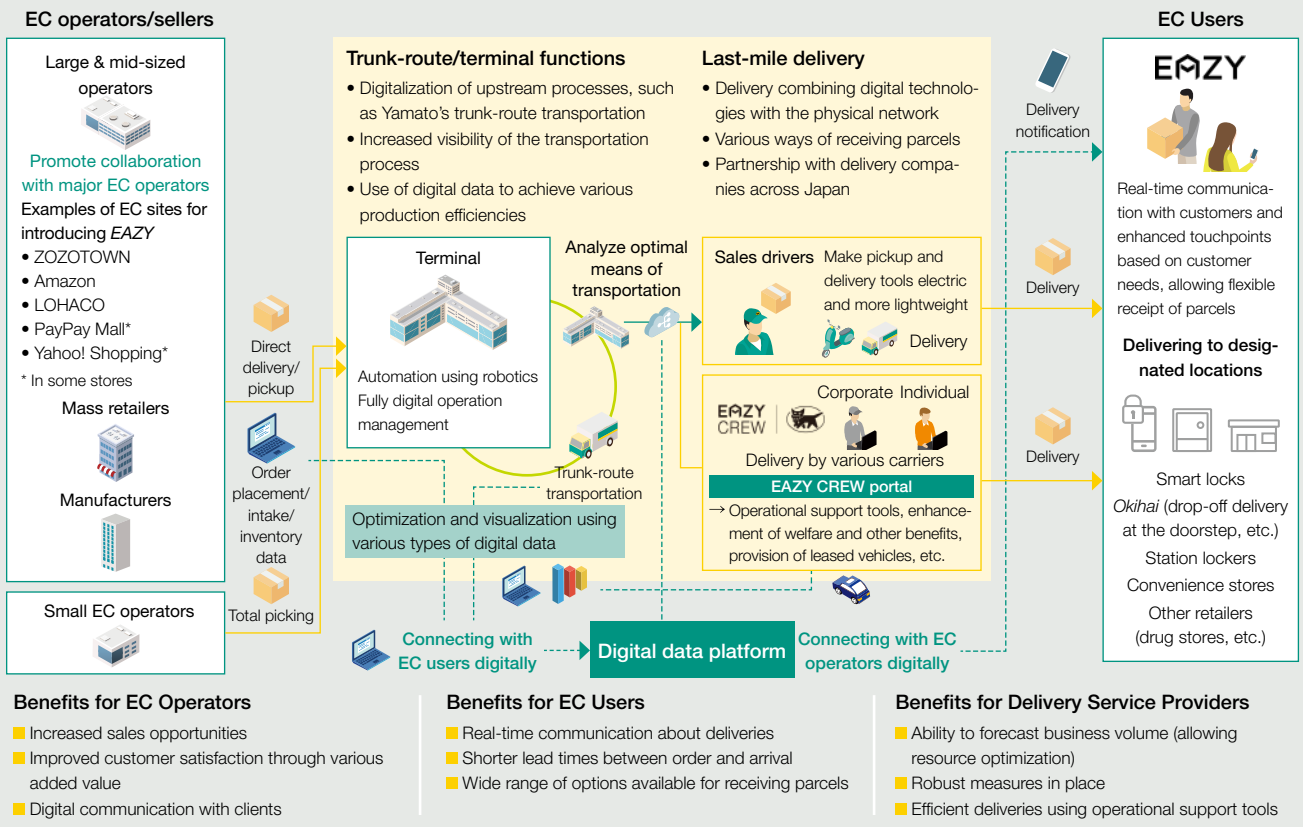
▶ Percentage of Households Using EC

Consumption from people staying at home under the first state of emergency declared by the government triggered an increase in EC users, including the elderly who previously had low usage rates.



Utilize the High Growth Potential of EC to Achieve Sustainable Growth for the Yamato Group

▶ Creation of a New "Delivery System" That Connects EC Operators and Consumers



Connecting with EC operators digitally → Digital data platform ← Connecting with EC users digitally

Benefits for EC Operators

- Increased sales opportunities
- Improved customer satisfaction through various added value
- Digital communication with clients

Benefits for EC Users

- Real-time communication about deliveries
- Shorter lead times between order and arrival
- Wide range of options available for receiving parcels

Benefits for Delivery Service Providers

- Ability to forecast business volume (allowing resource optimization)
- Robust measures in place
- Efficient deliveries using operational support tools

Initiative

Launch of *EAZY*—A New Delivery Service for the EC Market



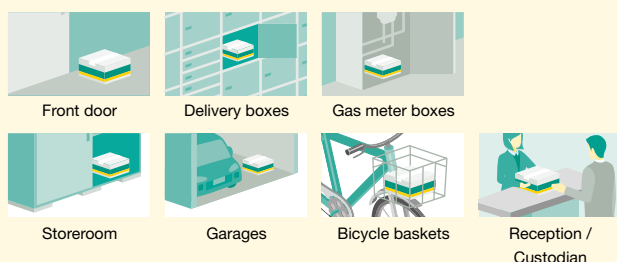
At Yamato Transport, we launched a new delivery service for EC operators, *EAZY*, in June 2020. By connecting EC users, EC operators, and delivery service providers in real time using digital information, *EAZY* thoroughly enhances the convenience, safety, and efficiency, of purchasing, sending, and receiving parcels. *EAZY*

therefore acts as a new service that will help realize sustainable growth in the EC domain. Through this service, in addition to regular face-to-face receipt, EC users are able to receive parcels at a wide range of designated locations.

We have started to offer *EAZY* via ZOZOTOWN and ZOZOTOWN in PayPay Mall, which are online fashion shopping websites operated by ZOZO, Inc. From fall 2020, we will gradually roll out this service to new EC operators.

Features of *EAZY*

1. Responding to diversifying needs for non-face-to-face delivery



2. Receiving location can be changed right up until you receive parcels
3. Providing real-time delivery completion notice to customers
4. Collaborating with external partners for more efficient deliveries



Initiative

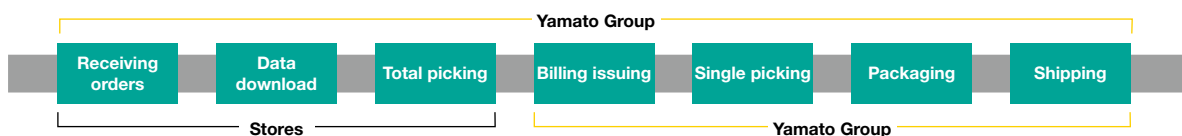
New Logistics Services in Collaboration with Z Holdings Corporation

In June 2020, we began offering new logistics services geared toward the stores of the online shopping malls Yahoo! Shopping and PayPay Mall in collaboration with Z Holdings Corporation. These new services consist of a “Fulfillment Service,” where we conduct all operations on behalf of stores, from receiving orders to shipping and delivery, and a “Pick & Delivery Service,” where we perform certain functions for stores. Through the provision of these services, we aim to shorten lead times from ordering a product to receiving it, reduce the burden

of logistics-related work at stores, and optimize logistics costs. We also aim to further enhance the level of convenience for purchasers. Furthermore, by linking data and designing logistics in line with the operation of Yahoo! JAPAN, the time and effort involved in interactions between each individual company and logistics operators will be significantly reduced. This will allow these services to be introduced and operated smoothly.

In the future, we will conduct demand forecasts by utilizing and analyzing the data we cultivate through these services. These forecasts will help us further shorten lead times and reduce costs by moving inventories to the optimal area of consumption in advance.

Fulfillment Service The Yamato Group conducts all operations from receiving orders to product storage, picking, packaging, shipping, and delivery.



Pick & Delivery Service The Yamato Group provides services for picking, packaging, shipping, and delivering goods shipped on the day after the total picking is made by a store.

Initiative

Launch of New Receipt Service for EC Products

Together with Duddle Parcel Services Ltd., we launched a new receipt service for EC products in November 2020. This service introduces Duddle’s “Click & Collect System” at participating stores as locations for receiving the products sent by EC operators who have already been using *EAZY*. Participating stores can launch this service by simply installing a specialized terminal. This will also expand locations for EC users to effortlessly receive parcels according to their lifestyles.

New Service Flow

