

Value Creation Process

Business Environment / Social Issues

- Diversification of customer expectations and needs
- Rapid progress of EC adoption in various industries
- Declining population and rural depopulation
- Declining working population
- Climate change and resource scarcity

Rising costs due to changes in the external environment

- Now: Impact on infrastructure following uncertain international circumstances
- Future: Labor shortage (2024 problem and 2030 problem)

Our Vision

- **Management Philosophy:**
Contribute to the creation of an enriched society
- Environmental Vision: Connect. Deliver the future via green logistics
- Social Vision: Through co-creation and fair business activities, help create a society that "leaves no one behind"



Sustainable corporate value improvement

Management Resources / Strengths (As of March 31, 2023)

Customer Foundation

- Corporate clients: Yamato Business Members: Approx. **1.60** million
- Consumers: Kuroneko Members: Approx. **56** million

Human Resources

- Employees: Approx. **210,000**
- Sales drivers: Approx. **60,000**

Logistics Network

- Base network: Corporate operation facilities: Approx. **400**
- Transportation and delivery network: Sales offices (TA-Q-BIN): **3,331**
- TA-Q-BIN network: Designated networks (EC logistics, refrigerated and frozen, and corporate)
- International transport (forwarding and cross-border land transportation in Asia)

Information

- Physical and digital customer contact points Data: Sales drivers / sales representatives / guest operators / call center operators / Kuroneko Members / Yamato Business Members, etc.
- Approx. **2.33 billion** parcels a year
- The Yamato Digital Platform (YDP)

Financial Foundation

- Soundness: Credit rating (R&I): AA-

Value Creation Strategies

Expanding value provision to the "End to End" of supply chains

Enhancement of profitability and growth potential through business structure reform to integrate sales and operations

Expansion of Corporate Business Domain

Structural Reform of Network Operations

Promotion of fundamental strategies that support structural reforms

Human Resource Strategy

Digital Strategy

Environmental Strategy

Reinforcement of foundation to improve sustainable corporate value

Strengthening of sustainable management



Strengthening of corporate governance

Output

Financial

Enhancement of financial value

- Medium- to long-term viewpoint*1
- Consolidated operating profit margin: Over **7%** (fiscal year ending March 31, 2027)
- ROE: Over **13%** (fiscal year ending March 31, 2027)

Environmental

Medium- to long-term viewpoint targets

- Greenhouse gas (GHG) emissions*2: **Virtually zero** by 2050
- 48% reduction** by 2030*3

*2 In-house emissions of consolidated companies in Japan and Swan Co., Ltd. (Scope 1 & Scope 2)
*3 Compared to fiscal year ended March 31, 2021

Social

Enhancement of non-financial value

- Medium- to long-term viewpoint*1
- Human productivity*4: **+15%** compared with the fiscal year ended March 31, 2023 (fiscal year ending March 31, 2027)
- Improvement of engagement: Level that exceeds record-high figures in employee awareness surveys*5 (fiscal year ending March 31, 2027)

*4 (Consolidated operating revenues - consolidated subcontracting expenses) ÷ consolidated personnel expenses
*5 For consolidated companies in Japan and Swan Co., Ltd.

Medium- to long-term viewpoint targets

- Serious traffic accidents*6: **zero**
- Serious occupational diseases*7: **zero**

*6 Fatal accidents for which the Company is responsible
*7 Incident involving a fatality

*1 Expectation for beginning of fiscal year ending March 31, 2024