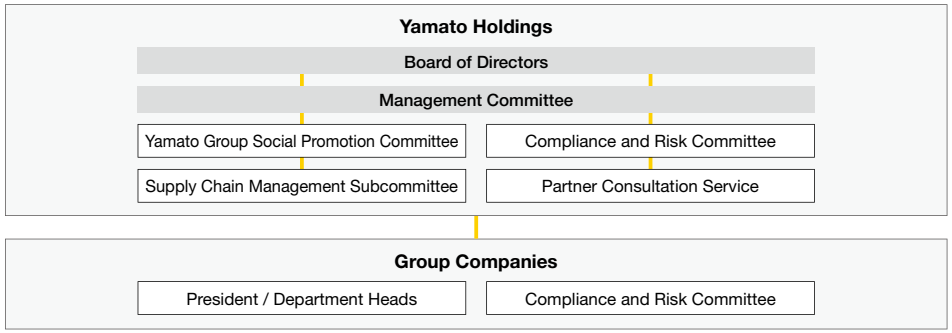
Supply Chain Management (SCM)

The Yamato Group operates its businesses with the support of numerous business partners. Therefore, building a sound and sustainable supply chain is an important issue for us. Based on fair, equitable, and sincere business transactions in accordance with our basic policy, we aim to achieve sustainable improvement in corporate value by fostering mutually beneficial relationships with our partners through environmentally and socially responsible procurement activities, thereby strengthening the resilience of our entire supply chain.

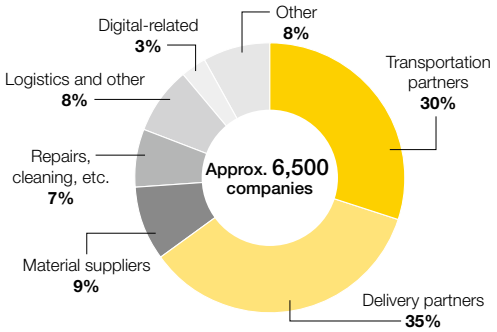
▶ Please refer to our website for our supply chain management policy. https://www.yamato-hd.co.jp/english/csr/society/scm.html

The Yamato Group has approximately 6,500 business partners, more than 60% of which are transportation and delivery partners in the Express Business. The Board of Directors and the Yamato Group Social Promotion Committee are among the venues through which we promote initiatives to reduce risk and enhance supply chain management. We are also implementing measures to ensure fair business practices with our partners, which include conducting partner surveys and establishing a partner consultation service.

Promotion System



The Yamato Group's Business Partners



Scope: Ongoing business partners of consolidated companies in Japan and Swan Co., Ltd.

Close-Up | Human Rights Due Diligence in the Supply Chain (Impact Assessment)

The Yamato Group promotes respect for human rights based on the United Nations Guiding Principles on Business and Human Rights.

In FY2025/3, we initiated systematic, periodic reviews of human rights impact assessments and risk mapping throughout our business operations as part of our human rights due diligence. In the initial year, we assessed our own operations, identified priority issues, and began taking action to mitigate risks. The following year, in FY2026/3, we expanded the scope to our supply chain, conducting impact assessments with the cooperation of 89 key business partners and visualizing potential risks.

The analysis identified four high-risk areas in our supply chain: occupational health and safety, excessive or unreasonable working hours, harassment, and the environment/climate change. We will work together with our business partners to address these issues and make improvements. While prioritizing compliance with legal obligations, we are revising our approach and survey content to better align with the realities of the small and medium-sized enterprises that make up the majority of our partners. We are also strengthening support functions provided by our employees, who serve as the primary points of contact, to establish a collaborative support framework that is in touch with actual conditions on the front lines.

By continuing to engage in dialogue to better understand front-line logistics operations and working together to improve working conditions and establish mechanisms for corrective action, we aim to ensure respect for human rights throughout the supply chain and build a sustainable and resilient logistics network.

▶ Please refer to our website for our Human Rights Policy and human rights due diligence process.
https://www.yamato-hd.co.jp/english/csr/society/human-rights.html

Overview of Initiatives

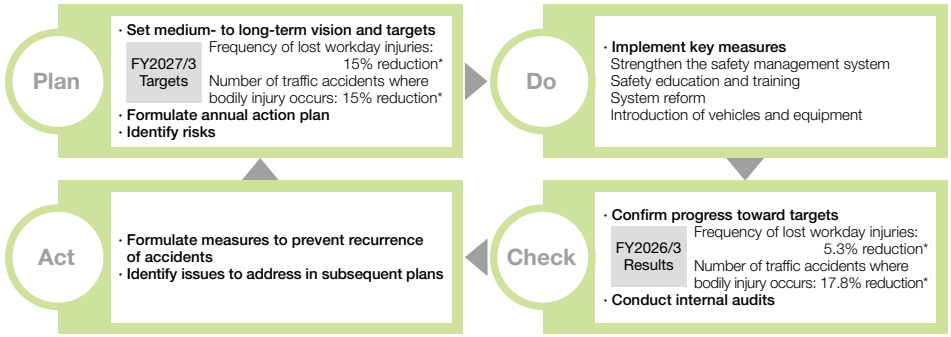
Target		Key Measures	
Business partners	All	Business partner surveys	· Conducted annually to ensure fair business practices · Results reported to management and used in improvement activities
		Establishment of a consultation service	· System established within Yamato Holdings to facilitate the early detection and resolution of problems, including issues that business partners might hesitate to discuss through their regular points of contact
	Key business partners[1]	Briefings for business partners	· Held to build a common understanding of the supply chain management that the Yamato Group aims to achieve
		Business partner surveys (monitoring)	· Identify and assess any issues faced by partners, and engage in ongoing dialogue and consensus-building to enhance sustainability
	Transportation partners	Regular communication	· Monthly partner meetings · Regular price negotiations once every three months[2]
		Dedicated call center for transportation partners	· Established a dedicated contact point for transportation partners, operating 24/7, 365 days a year since June 2024 · Swiftly resolve each case, with respect for the privacy of consultees
		Collaboration with external experts	· Structured a system to monitor, advise, and report to management on the status of various initiatives with transportation partners
Employees		Education regarding sustainable procurement	· Various briefings on topics including reconfirming prohibited activities, addressing such activities if they happen, and the use of contract templates and management tools · Utilizing video learning tools

1. Selected with reference to the Business Partner Guidelines pursuant to the following three criteria in order to improve the level of sustainability efforts throughout the supply chain
(1) Irreplaceable (2) Provides goods and services essential for business continuity (3) Significant transaction value
2. Reference: The Promotion Standards of the Act on the Promotion of Entrusted Small and Medium-sized Enterprises require such negotiations at least once a year.

Safety and Security

The Yamato Group thoroughly adheres to its philosophy of placing safety first and business second, with respect for human life and ensuring safety as one of its corporate stances. Ensuring safety is fundamental to our business operations and a core issue for mitigating management risks that could threaten business continuity. Through continuous investment in facilities and systems, as well as safety management for employees and partners, we prevent traffic and occupational accidents—leading to a more resilient logistics network and enhanced corporate value.

Safety Promotion System



* Scope: Yamato Transport Co., Ltd. (compared with FY2024/3)

Progress and Issues

The Safety Department of Yamato Transport leads the rigorous implementation of a plan-do-check-act (PDCA) cycle, from setting targets and implementing measures to evaluating their effectiveness and incorporating them into future plans. In FY2026/3, the number of traffic accidents where bodily injury occurred and occupational accidents steadily decreased as a result of progress in key measures. However, the frequency of lost workday injuries fell short of the target for the year because total working hours (the denominator used in the calculation) declined substantially due to optimization of staff allocation and working hours, outpacing the reduction in the number of accidents. In light of these results, in FY2027/3 we will further strengthen work environment-related management and promote fundamental safety measures, including creating workplaces that physically eliminate occupational accident risks and leveraging AI and data to prevent accidents.

Workplace Safety: Strengthening Management and Physically Eliminating Major Risks

To prevent occupational accidents at their source, we have established Groupwide standards compliant with the international Occupational Safety and Health Management System (OSHMS). We are further promoting a culture of safety by embedding a framework throughout front-line operations for the systematic and autonomous implementation of the PDCA cycle based on risk assessments.



Based on the results of a risk assessment, we concluded that loading and unloading roll box pallets using forklifts is likely to lead to a serious occupational accident. Recognizing the limitations of safety management that relies on individual skill or attentiveness, we are introducing pallet lifters to replace forklifts. This is expected to physically eliminate the risk of occupational accidents while also boosting productivity and saving labor (as certification is not required to operate these lifters). Furthermore, we have addressed the extreme heat of recent years by introducing our own standards that factor in individual physical condition along with the heat index in order to systematically reduce the risk of heatstroke.

In addition to establishing this management system and improving the work environment, we are enhancing safety by stepping up site inspection patrols conducted by designated Safety Experts to address workplace hazards at an early stage.

Driving Safety: Objective, Data-Based Safety Management



To reduce traffic accidents, the Yamato Group has continuously invested in technology-driven safety infrastructure, including introducing vehicles with safety systems and digitizing daily inspections and roll calls. Since FY2026/3, we have been progressively upgrading the dashcams installed in our fleet of approximately 42,000 pickup and delivery vehicles. By recording data on behaviors such as compliance with stop signs and signs of drowsiness, then using the video footage for a review, we provide detailed guidance tailored to each driver's individual driving characteristics.

In addition, we have established a new Safety Training Center as part of our educational system. Strengthening and standardizing guidance for novice drivers and others at higher risk of accidents has shown results in areas such as reducing accidents during the initial period after drivers begin working independently. Centralizing training has also freed up time for on-site Safety Experts to provide direct guidance to drivers in the field. Investment in the latest technologies and systematic training directly contributes to optimizing operating costs, as fewer accidents result in lower repair expenses and damage-related costs. At the same time, providing a safe work environment helps boost employee engagement. Through its safety initiatives, the Yamato Group creates a sustainable competitive advantage and enhances corporate value over the medium to long term.

Participants in FY2026/3

On-board guidance	48,501
Dashcam footage-based guidance	55,234

Close-Up | The Business of Safety: From Risk Prevention to a Source of Value Creation

In June 2026, we launched e-TranSpot, a new service that supports safety management operations by enabling transport operators to digitize roll-call procedures and providing functions such as GHG emissions calculation. We will ensure that the Yamato Group's safety initiatives go beyond being merely a cost and lead to the creation of new revenue streams and solutions to social issues.

▶ Please see the following news release for more information.
https://www.yamato-hd.co.jp/english/news/2026/pdf/newsrelease_20260609_en01.pdf