



July 25, 2023 SATUDORA HOLDINGS CO., LTD. Yamato Transport Co., Ltd.

# SATUDORA HOLDINGS and Yamato Transport Sign Basic Partnership Agreement

SATUDORA HOLDINGS CO.,LTD. (Headquarters: Sapporo City, Hokkaido; Representative Director, President, and CEO: Hiroki Tomiyama; hereinafter "SATUDORA HOLDINGS") and Yamato Transport Co., Ltd. (Headquarters: Chuo-ku, Tokyo; Representative Director and President: Yutaka Nagao, hereinafter "Yamato Transport") have concluded a basic partnership agreement (hereinafter "the Agreement") on July 25, 2023. As a result of this, SAPPORO DRUG STORE CO., LTD. (Headquarters: Sapporo City, Hokkaido; Representative Director, President, and CEO: Hiroki Tomiyama; hereinafter "SATUDORA"), a Group company of SATUDORA HOLDINGS, will collaborate with stores operated by SATUDORA to solve social issues specific to Hokkaido and realize sustainable local communities.



### 1. Background and Objectives

In its medium-term management plan, the SATUDORA Group has set forth a vision of a community-connected business that enriches the future by connecting all people, goods, and things related to the community based in Hokkaido, and is working to solve social issues through business by utilizing its own management resources. The SATUDORA Group has concluded a comprehensive cooperation agreement with the government of Hokkaido to revitalize local communities in the areas of environment, health, human resource development, and pitching Hokkaido's appeal.

In order to contribute to the realization of a sustainable and prosperous society, Yamato Transport actively engages in community-oriented initiatives in cooperation with local companies and local governments.

Hokkaido faces a variety of social challenges, including a declining population as well as an aging society with fewer children. In addition, the vastness of the region and heavy snowfall in winter can make it difficult to maintain a logistics network, especially in rural areas.

SATUDORA HOLDINGS and Yamato Transport, which share a mutual philosophy, have begun a demonstration experiment in November 2021 in which Yamato Transport's Okushiri Sales Office will be used as a SATUDORA satellite store to sell daily necessities and other items. From August 2022, the two entities launched a demonstration experiment to use the collection and delivery vehicles from the Okushiri Sales Office as traveling sales vehicles offering food, daily necessities, and other items. The Agreement, will serve to contribute to the realization of a sustainable community in Hokkaido by launching new initiatives and services in addition to those already in place.

#### 2. Specific Initiative Items in the Agreement

#### 1) Improving customer convenience

The partners are working to improve customer convenience by offering an in-store pickup service that allows customers to pick up their packages at any SATUDORA store, a hands-free shopping delivery service that delivers products purchased at SATUDORA stores to their homes in Hokkaido, and the PUDO Station\*1 open-type courier delivery lockers installed on the premises of SATUDORA stores. Future new SATUDORA stores will be designed in advance to provide space for the installation of PUDO Stations.

\*1 Open-type courier delivery lockers operated by Packcity Japan. These are located at train stations, supermarkets, drugstores, and other locations along common customer pathways, allowing them to conveniently receive and send TA-Q-BIN packages anytime 24 hours a day.

## 2) Supporting shopping environments in small commercial areas

In order to support lifestyles and shopping environments for people living in rural areas where the trade area population\*2 shrinking due to a falling birthrate and aging population, the partners have been conducting a demonstration experiment to establish SATUDORA satellite stores in four Yamato Transport sales offices in Hokkaido\*3, including the Okushiri Sales Office, starting in November 2021.

Going forward, the partners will explore selling private brand products sold by SATUDORA and expand the range of products handled at satellite stores.

- \*2 The population living in a trade area. For businesses dealing in daily necessities, such as a drugstore, the trade area population is those living within a 10-minute travel distance.
- \*3 Demonstration tests have been conducted at the Okushiri Sales Office (from November 2021), Hokkaido Horonobe Sales Office (from November 2022), Tokoro Sales Office (from January 2023), and Omu Sales Office (from February 2023).



Exterior view of the Tokoro Sales



SATUDORA satellite store (in the Tokoro Sales Office)

#### 3) Support for people with shopping difficulties

As an initiative to support people with shopping difficulties\*4, since August 2022, Yamato Transport has been using its delivery and collection vehicles from its Okushiri Sales Office as dedicated mobile sales vehicles. These vehicles are part of a demonstration experiment to sell products\*5 from SATUDORA stores in neighborhoods where people with shopping difficulties live.

In August 2023, a new dedicated mobile sales vehicle will be introduced. This will create an environment enabling more field sales, expanding support for people with shopping difficulties.

- \*4 People in a situation where daily shopping opportunities are not adequately provided due to various reasons such as weakened distribution functions and transportation networks amid a declining population, falling birthrate, and aging population.
- \*5 Food, daily necessities, and others (excluding pharmaceuticals)



A collection and delivery vehicle converted to serve as a



Interior of a dedicated mobile

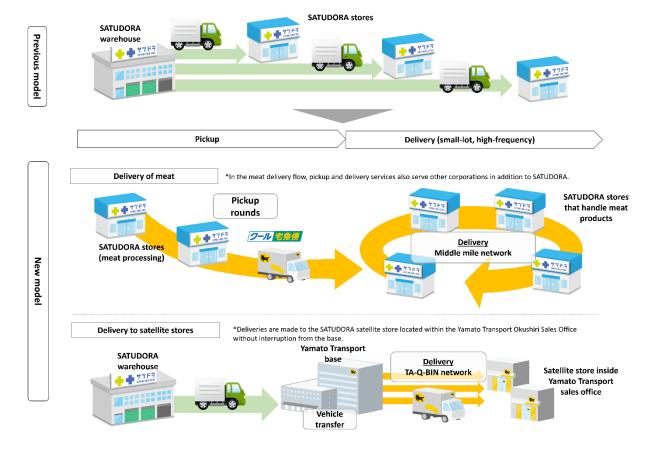
#### 4) Achieving efficient logistics

Until now, delivering products to SATUDORA stores has involved arranging trucks for each individual store.

Now, by utilizing Yamato Transport's transportation and delivery network as part of the delivery flow, it will be possible to deliver meat to SATUDORA stores that handle perishable foods, as well as to make small-lot, high-frequency deliveries to satellite stores.

Going forward, utilizing Yamato Transport's transportation and delivery network will achieve more efficient and reliable delivery of products and contribute to providing a fulfilling shopping environment for local residents.

### Flow diagram



#### 5) Building other related services

The partners will explore the development of further services that leverage the strengths of both companies, with the aim of realizing sustainable local communities.

#### Contact

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