



NEWS RELEASE

May 21, 2024

Yamato Holdings Co., Ltd.

Established a New Company to Provide an Open Platform for Joint Transportation and Delivery to Build a Sustainable Supply Chain

Seeking to standardize and streamline logistics across industries with
standardized pallet consolidation and relay transportation

Yamato Holdings Co., Ltd. (Headquarters: Chuo-ku, Tokyo; Representative Director and President: Yutaka Nagao, hereinafter "YHD") is pleased to announce that on Tuesday, May 21, 2024, it has established a new company, Sustainable Shared Transport Inc. (hereinafter "SST"), which will provide an open platform for joint transportation and delivery, connecting shipper companies and logistics companies to build a sustainable supply chain. SST is scheduled to launch business operations during fiscal year 2024.



1. Background and Objectives

The logistics industry faces a variety of increasingly serious challenges, such as addressing climate change and what is called the "2024 problem" in Japanese logistics, where there is a concern of lacking transportation capacity. Logistics is an element of social infrastructure that supports individual lifestyles and economic activities, and is therefore under pressure to transform in significant ways toward greater efficiency. However, because systems, standards, and business practices differ by industry and sector, only partial action by a handful of shipping companies and logistics operators offers limited potential impact.

In February 2024, the Yamato Group formulated its Medium-Term Management Plan "Sustainability Transformation 2030 ~1st Stage~," in which it aims to create new logistics and new values alongside a range of different partners to help bring about a sustainable future. In 2018, we also served as

Program Director in the Smart Logistics Services portion of the Cabinet Office's Strategic Innovation Promotion Program ("SIP"), and formulated the Logistics Information Standard Guidelines*1 with the aim of realizing total optimization logistics that uses information to bridge the entire supply chain. In addition, we served as a board member of the Japan Physical Internet Center, and have collaborated and consulted with a variety of stakeholders, including not only in the logistics industry but also related ministries and agencies and shipper companies.

Now, in the interest of streamlining logistics through joint transportation and delivery spanning several companies, YHD has newly established Sustainable Shared Transport Inc., a company that will provide an open platform for joint transportation and delivery with the participation of many stakeholders, including shipper companies and logistics companies. Utilizing the Yamato Group's partnerships with approximately 1.6 million corporate customers and more than 4,000 logistics companies, as well as its expertise in building transportation and delivery networks and operations, which it has developed through TA-Q-BIN, the Group aims to secure stable transportation capacity and build an environmentally friendly and sustainable supply chain.

*1 Guidelines to promote the standardization of information about transportation planning and shipping

2. Overview of SST

Company Name	Sustainable Shared Transport Inc.
Location	2-16-10 Ginza, Chuo-ku, Tokyo
Paid-in Capital	350 million yen
Established	May 21, 2024
Representative	Shigeyuki Takano, Representative Director and President
Business Lines	<ul style="list-style-type: none"> · Provision of transportation and delivery services centered on standard pallets · Management and operation of an open platform for joint transportation and delivery, etc.
Shareholder Composition	Yamato Holdings Co., Ltd., 100% ownership

3. Business Overview of SST

(1) Provision of an open platform for joint transportation and delivery

SST's supply-demand matching platform for logistics serves to link information from shipping companies (e.g., shipment planning, packing style, cargo volume) with information from logistics companies (e.g., route planning), among others. Transportation and delivery are handled not only by the Yamato Group, but also by logistics companies who have registered their resource information on the platform. Fujitsu Limited (Headquarters: Kawasaki-shi, Kanagawa; CEO: Takahito Tokita) is

serving as the joint architect building SST's platform, to be available for use around winter 2024. Fujitsu was also behind the logistics and commercial distribution data infrastructure for SIP. By limiting external platform access and preventing industry peers from viewing private data on the platform, SST provides safe, secure, and smooth joint transportation and delivery.

(2) Establishment of sustainable regional logistics networks

SST's platform enables joint transportation consolidating multiple logistics networks in a single region. It improves loading and utilization rates and creates sustainable intra-regional logistics by having local logistics companies efficiently handle intra-region delivery and pickup for multiple companies, whereas they had traditionally been responsible for trunk line transportation with low loading ratios and long working hours.

(3) Provision of stable transportation and delivery services with high loading ratios

By using standard pallets, semi-trailers, and double-coupled trucks, as well as by ensuring on-time operations, the platform enables stable transportation with high loading ratios. In addition, transportation through relay points reduces the burden on drivers and improves utilization rates. In fiscal year 2024, 40 routes are planned per day between Tokyo, Nagoya, and Osaka.

Expected Impact

- Ensuring sustainable and stable transportation: 80 daily routes (by the end of fiscal year 2025)
- Reducing GHG emissions: 42.2% reduction (by the end of fiscal year 2025)^{*2}
- Improving working environment and compensation for drivers, etc.: 65.1% labor savings (by the end of fiscal year 2025)^{*3}

^{*2} Calculated using the improved ton-kilometer method based on emissions from 80 daily routes at the end of fiscal year 2025

^{*3} Annual driving hours are estimated based on transportation volume from 80 daily routes at the end of fiscal year 2025



4. Looking Ahead

SST plans to raise capital through a third-party allocation of new shares during fiscal year 2024, and will solicit investments from a wide range of stakeholders, not limited to shippers and logistics companies. Its aim is to build an open platform that provides great public benefit with participation from many and various shipping and logistic company users, and to expand its business alongside this process.

Contact

For corporate stakeholders:

Sustainable Shared Transport Inc.

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Reference

Yamato Group sets Medium-Term Management Plan "Sustainability Transformation 2030 ~1st

Stage~"

URL : https://www.yamato-hd.co.jp/english/news/2023/pdf/newsrelease_20240205_en02.pdf