

Corporate Governance

Basic Position on Corporate Governance

Based on its corporate philosophy, the Yamato Group carries out business activities in accordance with the law and social norms and actively promotes compliance management. Striving to maximize corporate value by

effectively utilizing the management resources of the Group is one of the top priorities of management, and we have implemented measures and bolstered management systems as part of our corporate governance initiative.

Corporate Governance System (As of July 1, 2021)

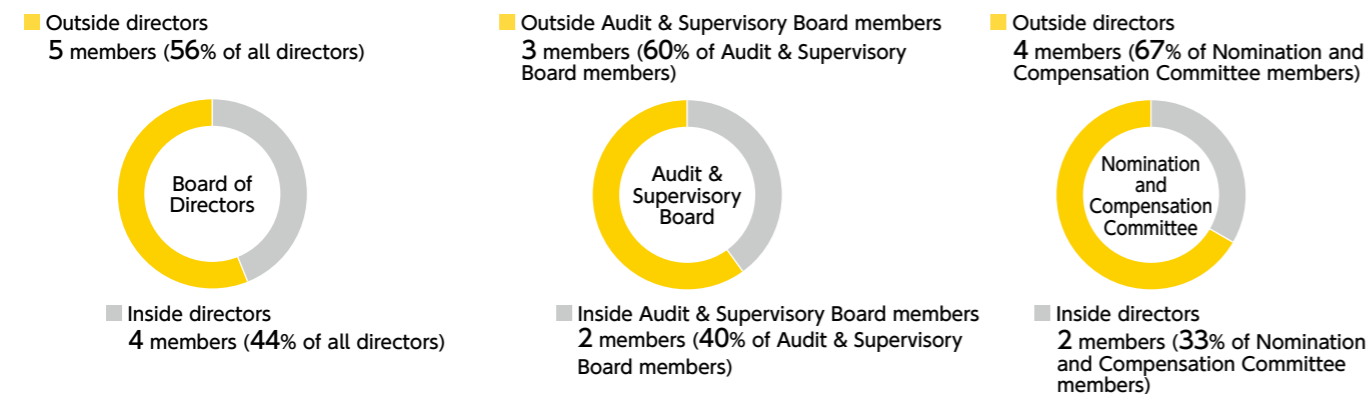
The Company is a Company with an Audit & Supervisory Board. In addition to important management decision-making and the supervision of business execution by the Board of Directors, Audit & Supervisory Board members and the Audit & Supervisory Board, which are independent from the Board of Directors, shall audit the status of the execution of duties by directors.

Board of Directors, the Company established a Nomination and Compensation Committee comprising a majority of independent outside directors. At the same time, the Company has separated the supervision and execution of management and adopted an executive officer system to ensure even more prompt decision-making related to business execution.

Also, to supplement the supervisory functions of the

System	Company with an Audit & Supervisory Board
Number of directors	9
Outside directors	5
Number of Audit & Supervisory Board members	5
Outside auditors	3
Term of directors	1 year
Voluntary advisory committees	Yes (Nomination and Compensation Committee)
Executive officer system in place	Yes
Independent auditor	Deloitte Touche Tohmatsu LLC

Composition of the Board of Directors, Audit & Supervisory Board, and Nomination and Compensation Committee



Change in the Composition of the Board of Directors

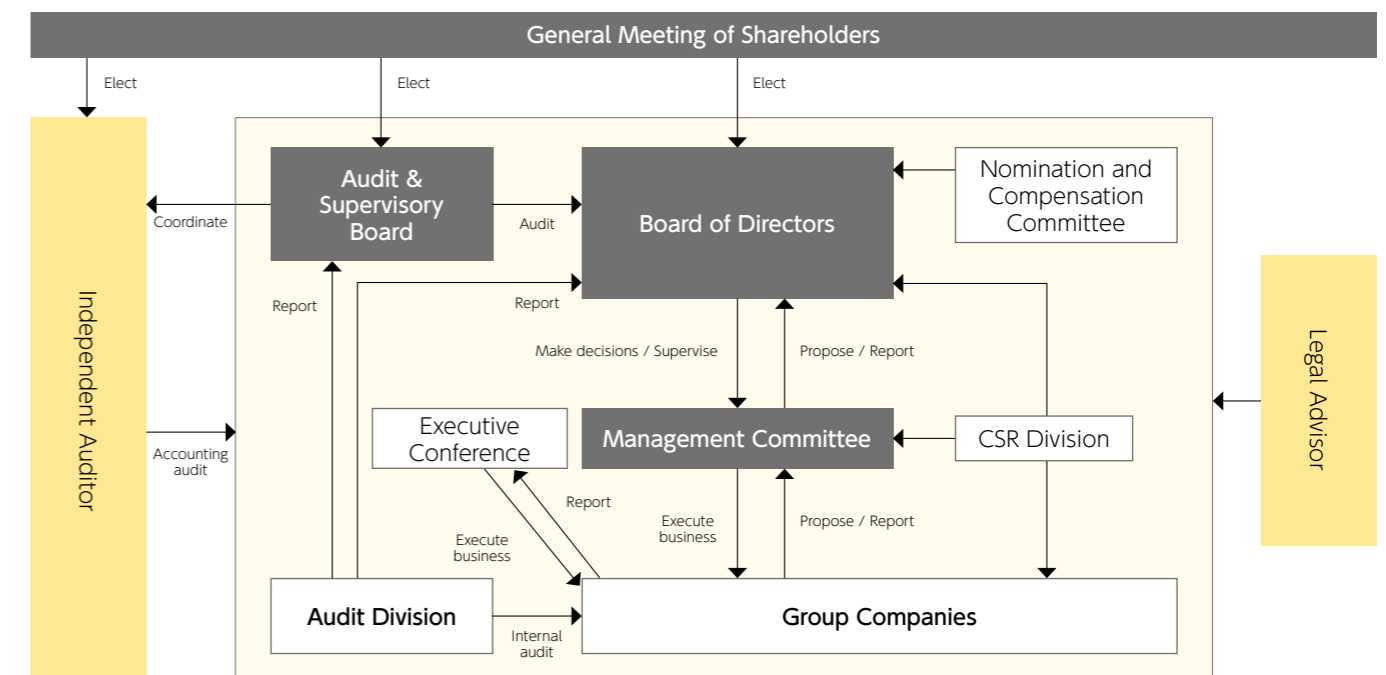


Management Structure

Name	Position	Outside	Nomination and Compensation Committee member	Expertise and experience						
				Corporate management	Marketing and sales	Human resources and labor management	Finance and accounting	Legal affairs and risk management	IT and digital technologies	Global
Masaki Yamauchi	Chairperson of the Board of Directors		○	●	●	●				
Yutaka Nagao	Representative Director, Executive Officer and President		○	●	●				●	
Kenichi Shibasaki	Representative Director, Executive Officer and Vice President*			●			●	●	●	
Haruo Kanda	Director			●		●	●	●		
Masakatsu Mori	Director	○	○	●			●		●	●
Mariko Tokuno	Director	○	○	●	●					●
Yoichi Kobayashi	Director	○	○	●	●					●
Shiro Sugata	Director	○	○	●	●				●	●
Noriyuki Kuga	Director	○		●		●	●			●
Yoshihiro Kawasaki	Full-time Audit & Supervisory Board Member				●	●		●		
Mamoru Matsuno	Full-time Audit & Supervisory Board Member						●	●		
Takashi Yamashita	Audit & Supervisory Board Member	○					●	●		
Ryuji Matsuda	Audit & Supervisory Board Member	○					●	●		
Yoshihide Shimoyama	Audit & Supervisory Board Member	○		●			●	●		

*Representative Director from February 2022

Corporate Governance Framework



Corporate Governance

Efforts to Improve Corporate Governance

Management Strategy

	DAN-TOTSU Three-Year Plan HOP	DAN-TOTSU Three-Year Plan STEP	KAIKAKU 2019 for NEXT100	YAMATO NEXT100 One Yamato 2023
2002-	2011-	2014-	2017-	2020- (YAMATO NEXT100) 2021- (One Yamato 2023)

Board of Directors and Audit & Supervisory Board

- Implemented evaluation of effectiveness of the Board of Directors (June 2016)
- Shortened the term of directors to one year (June 2003)
- Appointed outside directors (June 2005)
- Appointed a female outside director (June 2017)
- Transitioned to a structure in which outside directors made up one-third of all directors (June 2015)
- Transitioned to a structure in which outside directors comprised one-half of all directors (June 2019)
- Appointed outside members as the majority of members on the Board of Directors (June 2020)
- Appointed outside members as the majority of members on the Audit & Supervisory Board (June 2020)

Committees, etc.

- Established the Nomination and Compensation Committee (June 2005)
- Established the Compliance and Risk Committee (August 2006)

Corporate Structure and Other Systems and Initiatives

- Introduced executive officer system (June 2004)
- Eliminated retirement benefit system for corporate officers (June 2004)
- Disclosed ROE target in medium-term management plan (January 2005)
- Introduced performance-linked compensation system (April 2005)
- Transitioned to a pure holding company (November 2005)
- Introduced succession plans (July 2006)
- Established Corporate Governance Guidelines (September 2015)
- Implemented corporate officer training (October 2015)
- Decided to revise officer compensation system and introduce a performance-linked, share-based compensation system (June 2020)
- Abolished advisor position (June 2018)

Concurrent Posts and Main Activities of Outside Directors and Outside Audit & Supervisory Board Members

	Name	Independent officer	Nomination and Compensation Committee	Concurrent posts (As of June 24, 2021)	Overview of reasons for appointment and expected roles	Attendance at meetings of the Board of Directors during the fiscal year ended March 31, 2021
Outside Directors	Masakatsu Mori	○	○	<ul style="list-style-type: none"> Senior Advisor of International University of Japan Outside Director of Stanley Electric Co., Ltd. Outside Director of Kirin Holdings Company, Limited External Statutory Auditor of FAST RETAILING CO., LTD. 	Masakatsu Mori possesses abundant experience and considerable insight as a corporate manager, particularly in the fields of finance and accounting, IT and digital technology, and global business. Accordingly, the Company has determined that utilizing this insight to furnish oversight and advice from a managerial standpoint, particularly regarding matters of management strategy, overall encompassing business execution, business strategy, financial strategy, and sustainability strategy, will contribute to further enhancing our management structure, and for this reason, he has been elected as an outside director.	19 of 19 meetings
	Mariko Tokuno	○	○	<ul style="list-style-type: none"> Outside Director of Happinet Corporation Outside Director of Mitsubishi Materials Corporation 	Mariko Tokuno possesses abundant experience and considerable insight as a corporate manager, particularly in the fields of marketing and sales and global business. Accordingly, the Company has determined that utilizing this insight to furnish oversight and advice from a managerial standpoint, in addition to the standpoint of customers and employees, particularly regarding business execution, business strategy, and human resource strategy, will contribute to further enhancing our management structure, and for this reason, she has been elected as an outside director.	19 of 19 meetings
	Yoichi Kobayashi	○	○	—	Yoichi Kobayashi possesses abundant experience and considerable insight as a corporate manager, particularly in the fields of marketing and sales and global business. Accordingly, the Company has determined that utilizing this insight to furnish oversight and advice from a managerial standpoint, particularly regarding business execution, business strategy, and investment strategy, will contribute to further enhancing our management structure, and for this reason, he has been elected as an outside director.	19 of 19 meetings
	Shiro Sugata	○	○ (Committee Chair)	<ul style="list-style-type: none"> Outside Director of JSR Corporation Outside Director of Yokogawa Electric Corporation 	Shiro Sugata possesses abundant experience and considerable insight as a corporate manager, particularly in the fields of marketing and sales, IT and digital technology, and global business. Accordingly, the Company has determined that utilizing this insight to furnish oversight and advice from a managerial standpoint, particularly regarding business execution, business strategy, increasing productivity, and cost structure reform, will contribute to further enhancing our management structure, and for this reason, he has been elected as an outside director.	19 of 19 meetings
	Noriyuki Kuga	○	—	—	Noriyuki Kuga possesses abundant experience and considerable insight as a corporate manager, particularly in the fields of personnel and labor management, finance and accounting, and global business. Accordingly, the Company has determined that utilizing this insight to furnish oversight and advice from a managerial standpoint, particularly regarding business execution, financial strategy, and corporate governance, will contribute to further enhancing our management structure, and for this reason, he has been elected as an outside director.	15 of 15 meetings

Note: Shiro Sugata took on the role of the chairman of the Nomination and Compensation Committee on June 24, 2021, taking over for Masakatsu Mori.

	Name	Independent officer	Nomination and Compensation Committee	Concurrent posts (As of June 24, 2021)	Overview of reasons for appointment and expected roles	Attendance at meetings of the Board of Directors and/or Audit & Supervisory Board during the fiscal year ended March 31, 2021
Outside Audit & Supervisory Board members	Takashi Yamashita	○	—	<ul style="list-style-type: none"> Representative of Takashi Yamashita CPA Office Outside Director of Shin Nippon Biomedical Laboratories, Ltd. 	The Company has elected Takashi Yamashita as an outside Audit & Supervisory Board member in order to draw on his expertise related to finance and accounting as a certified public accountant with respect to the Company's audit structure.	Board of Directors: 18 of 19 meetings Audit & Supervisory Board: 18 of 18 meetings
	Ryuji Matsuda	○	—	<ul style="list-style-type: none"> Attorney-at-Law of Matsuda Law Office 	The Company has elected Ryuji Matsuda as an outside Audit & Supervisory Board member in order to draw on his sophisticated expertise as a lawyer with respect to the Company's audit structure.	Board of Directors: 15 of 15 meetings Audit & Supervisory Board: 16 of 16 meetings
	Yoshihide Shimoyama	○	—	<ul style="list-style-type: none"> Outside Audit & Supervisory Board Member of NIPPON HUME CORPORATION 	The Company has elected Yoshihide Shimoyama in order to draw on his experience as a member of the Board of Directors and an outside Audit & Supervisory Board member at other companies with respect to the Company's audit structure.	Board of Directors: 15 of 15 meetings Audit & Supervisory Board: 16 of 16 meetings

Board of Directors

Roles and duties

- The Board of Directors shall make important decisions concerning the Company's business and supervise the execution of duties by executive directors and executive officers.
- The Board of Directors shall recognize the medium-term management plan as one of the commitments to shareholders and supervise the effectiveness of strategies, such as the Company's business portfolio and the optimal allocation of management resources, to achieve the goals of this plan. Moreover, the Board of Directors shall sufficiently analyze the initiatives aimed at realizing the goals of the medium-term management plan as well as the extent to which the plan's objectives are being achieved. In addition to providing explanations to shareholders, such analyses shall be reflected in future management plans.
- The Board of Directors shall encourage executive officers to demonstrate a healthy entrepreneurial spirit and to not excessively avoid or curb risk, while at the same time establishing a framework that enables it to ensure accountability.
- The scope of responsibility of each executive officer shall be decided and disclosed by the Board of Directors. Executive officers shall execute business in accordance with internal regulations.

Management

- To allow Board of Directors meeting attendees the opportunity to prepare for meetings in advance, the Board of Directors secretariat shall send agenda items and related materials to directors well in advance of the meeting date and provide explanations in advance as needed.
- The annual schedule of Board of Directors meetings as well as anticipated agenda items shall be decided in advance, and this information shall be provided to directors and Audit & Supervisory Board members.
- The number of issues to be deliberated as well as the frequency of meetings shall be appropriately set, and the time of meetings shall be decided so as to allow sufficient time for deliberations.

- As needed, meetings comprising Board of Directors meeting attendees shall be held for the purpose of exchanging ideas, thereby encouraging lively debate.

Evaluation of effectiveness

To verify the effectiveness of the Board of Directors, the Company surveys all directors and Audit & Supervisory Board members on an annual basis regarding the composition and operational status of the Board of Directors. Based on the survey results, the Company carries out an evaluation on the Board's effectiveness in terms of such matters as the condition of the Board's operation and the state of deliberation held at Board meetings. From the fiscal year ended March 31, 2020, in addition to the survey, the chair (chairperson of the Board of Directors) has begun performing interviews to further enhance the usefulness of the evaluation.

Results of Evaluation for the Fiscal Year Ended March 31, 2021

In the effectiveness evaluation for the fiscal year ended March 31, 2021, the Company received an evaluation that the composition, management conditions, and deliberation conditions of the Board of Directors were largely appropriate as a system where the Board of Directors serves as the oversight function, and that a culture where attendees actively speak up and engage in unrestricted discussions at the Board of Directors meeting had taken hold.

Based on these results, the Company has confirmed that the Board of Directors has been able to display an effectiveness that contributes to securing sound management and achieving prompt and accurate decision-making and business execution, which are the Company's basic policies for corporate governance.

With regard to the medium-term management plan "One Yamato 2023," which was announced in January 2021, the Board of Directors conducted proactive exchanges of views and had exhaustive discussions on the effectiveness of this plan based on the changes to the external environment since the formulation of the transformation plan "YAMATO NEXT100." The Company will regularly monitor

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the progress of the medium-term management plan, including the impact of organizational restructuring, which was implemented in April 2021.

Going forward, the Company will further strengthen corporate governance to improve the soundness of the

Yamato Group's entire management structure while continuously working to maintain and improve the effectiveness of the Board of Directors for the execution of the growth strategies called for in the medium-term management plan "One Yamato 2023."

Audit & Supervisory Board

Roles and duties

- The Audit & Supervisory Board and its members shall exercise their authority proactively, and they shall appropriately state their opinions at Board of Directors meetings as well as to members of senior management.
- The full-time Audit & Supervisory Board members shall attend Board of Directors meetings and other important meetings related to the execution of business, express reasonable opinions, hold effective Audit & Supervisory

Board meetings, and ensure that information is shared and that members work together in a coordinated manner.

- The Audit & Supervisory Board shall regularly hold information exchange meetings for the purpose of sharing information with outside directors, thereby ensuring more robust gathering of information and encouraging teamwork.

Nomination and Compensation Committee

- The Nomination and Compensation Committee shall comprise a majority of independent outside directors and internal directors and act as an advisory body to the Board of Directors. The committee shall deliberate on particularly important matters pertaining to nomination and compensation and present the results of these discussions to the Board of Directors in an effort to enhance management transparency.
- The committee shall deliberate on matters related to the appointment or dismissal of directors, Audit & Supervisory Board members, and executive officers on the basis of

business performance and multifaceted observations and evaluations, verify the validity of such decisions, and present the results to the Board of Directors.

- The committee shall propose several candidates to the Board of Directors, including candidates recommended by the serving representative to the Board of Directors, as successors to the representative director to the Board of Directors, following deliberation and based on multifaceted observations and evaluations of candidates' track records, human nature, and other factors and verification of their appropriateness.

Support Framework for Directors and Audit & Supervisory Board Members

- The Company shall establish a support framework that enables it to provide necessary and adequate information at the necessary time to allow directors to effectively fulfill their roles and duties.
- By participating in key business strategy meetings for the overall Group and by observing key Group business sites, including those overseas, participants are able to better understand the business strategies and provide opportunities to see how these strategies are being advanced.
- As a system to help Audit & Supervisory Board members smoothly perform their duties, employees in the internal audit division shall be appointed to assist Audit & Supervisory Board members.
- Audit & Supervisory Board members shall exercise their authority to perform investigations in accordance with the Companies Act. In addition, if a director or employee discovers a fact that could potentially inflict marked

damage on the Company, they shall immediately report this fact to an Audit & Supervisory Board member, even if there is no request to do so from an Audit & Supervisory Board member.

- If a director or Audit & Supervisory Board member believes it to be necessary, they shall obtain advice from an outside expert at the Company's expense.
- The internal audit division shall regularly hold meetings with the full-time Audit & Supervisory Board members, and provide audit reports in a planned manner to the Board of Directors and the Audit & Supervisory Board, thereby enhancing the provision of information to, as well as bolstering coordination with, outside directors and outside Audit & Supervisory Board members.

Compensation of Directors and Audit & Supervisory Board Members

(Year ended March 31, 2021)

Directors and Audit & Supervisory Board members	Total compensation and other remuneration (Millions of yen)	Total by compensation category (Millions of yen)			Head count of eligible directors and Audit & Supervisory Board members
		Basic compensation	Performance-linked compensation	Non-monetary compensation, etc.	
Directors	284	249	35	—	4
Outside directors	69	69	—	—	5
Audit & Supervisory Board members	48	48	—	—	2
Outside Audit & Supervisory Board members	30	30	—	—	4

Amount of compensation and methods for calculation and determination

1. Basic compensation

The Company's compensation for directors is determined based on the following factors.

- A competitive level of compensation
 - Provide rewards according to roles and responsibilities, as well as performance, and set compensation at an adequate level to secure talented human resources
- A compensation system emphasizing the improvement of corporate and shareholder value
 - Link compensation to business performance so as to motivate directors to achieve performance goals
 - Establish a compensation composition that promotes the sharing of common interests with shareholders by linking it to corporate value over the medium to long term
- A fair and equitable compensation system
 - Ensure that the process for determining compensation is objective and highly transparent

2. Compensation structure

The Company's compensation for directors consists of basic compensation (fixed compensation), which takes compensation levels at other companies and other such factors into consideration, and performance-linked compensation (variable compensation). In addition, compensation for Audit & Supervisory Board members and outside directors consists exclusively of basic compensation due to the nature of their functional roles.

3. Policy for determining basic compensation (fixed compensation)

Basic compensation (fixed compensation) is determined in accordance with rank and title and based on responsibilities, upon having considered compensation levels at other companies and other such factors.

4. Policy for determining performance-linked compensation (variable compensation)

As benchmarks pertaining to performance-linked compensation, the Company uses operating profit to better link compensation to corporate performance and also to achieve greater transparency and objectivity.

5. Policy for determining mix of compensation and other remuneration types for individual directors

The mix of compensation types is such that the higher a director's position, the more weight is assigned to performance-linked compensation. The Company has opted for this approach upon having taken into account compensation levels at other companies, in part because this approach makes it possible to further fuel motivation with respect to achieving performance targets, generating medium- to long-term corporate value, and attaining sustainable growth, and also because the Company seeks to offer competitive compensation levels for recruiting and retaining talented human resources.

6. Timing of delivery and conditions

The Company pays its basic compensation (fixed compensation) and short-term performance-linked compensation (variable compensation) as monetary sums on a monthly basis, encompassing twelve equal installments annually.

7. Authority for decisions on compensation and other remuneration for individual directors

Based on the policy for decisions resolved by the Board of Directors, the Company has assigned Representative Director and President Yutaka Nagao as the authority for making decisions on the amounts of basic compensation (fixed compensation) for individual directors and short-term performance-linked compensation (variable compensation) so that he can assess each of the directors while taking factors such as Companywide business results into consideration. In order to ensure objectivity and transparency, however, the representative director and president is to determine respective amounts of compensation for individual directors, upon having taken into consideration findings reported by the Nomination and Compensation Committee, which is chaired by one of the outside directors, who constitute a majority of its membership, based on the committee's preliminary deliberations regarding amounts of compensation and other remuneration for individual directors along with details regarding the calculation of such amounts.

8. Revision of officer compensation system

The Company identified issues related to the officer compensation system, which were then reported to the Nomination and Compensation Committee and discussed repeatedly in pursuit of the most optimal compensation system. In order to further strengthen the motivation of the Company's officers to contribute to the achievement of performance goals and the creation of medium- to long-term corporate value and sustainable growth, and to realize a competitive compensation level for recruiting and retaining talented human resources, the Company has decided to revise its officer compensation system.

From the fiscal year ending March 31, 2022, the Company's compensation for directors consists of basic compensation (fixed compensation), short-term performance-linked compensation (variable compensation), and medium- to long-term performance-linked compensation (variable compensation). Outside directors receive only basic compensation (fixed compensation).

The Company is to make payment of its medium- to long-term performance-linked compensation under its performance-linked, share-based compensation system (share-based compensation), approved per resolution at the General Meeting of Shareholders held on June 23, 2020. The Company will accordingly make calculations based on performance benchmarks for the fiscal year ending March 31, 2022 and grant points (one point corresponds to one share) in June 2022.

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System for compensation of directors and Audit & Supervisory Board members (from the fiscal year ending March 31, 2022)

Type of compensation		Objective and overview	Performance indicators
Fixed	Basic compensation	Foster prudent execution of duties according to the scope of those duties ■ Compensation levels are determined with reference to trends at compensation benchmark companies.	—
Variable	Short-term performance-linked compensation (incentives)	Set incentives for achieving diverse quantitative and qualitative performance goals ■ The basic amount, which is paid upon the achievement of targets, is set as a proportion of basic compensation according to the scope of a director's duties (with consideration given to compensation benchmarks). ■ Through this system, certain targets are set and compensation is paid according to the level of their achievement. ■ The specific amount to be paid is determined within a range of 0% to 150% of the basic amount, according to the level of achievement of performance targets for the relevant fiscal year. ■ The amount determined in each fiscal year is paid in monthly installments.	Operating revenues, operating profit, profit attributable to owners of parent, etc.
	Medium- to long-term performance-linked compensation (share-based compensation)	Align motivations for improving corporate performance over the medium to long term with the interests of shareholders ■ The basic amount to be paid upon 100% achievement of targets is set as a proportion of basic compensation according to the scope of a director's duties (with consideration given to compensation benchmarks). ■ The number of points (basic points) granted to directors upon 100% achievement of targets is calculated by dividing the basic amount by the average of the closing prices of the Company's shares at the Tokyo Stock Exchange in the month preceding the fiscal year in which the medium-term management plan starts. ■ The specific number of points to be granted is determined within a range of 0% to 150% of the basic points, according to the level of achievement of indicators in the Company's medium-term management plan. ■ In principle, medium- to long-term performance-linked compensation is provided in a lump sum in the form of shares upon retirement.	ROE, TSR, ESG indicators,* etc.

* From the fiscal year ending March 31, 2022, the ESG indicator has been set as "greenhouse gas emissions."

9. Other

A certain percentage of the monetary compensation shall be allocated to the purchase of shares of the Company through the Officers and Executives' Shareholding Association.

Policy on Cross-Shareholdings

The Company has a policy of owning stocks that are deemed meaningful based on comprehensive consideration from a medium- to long-term perspective of the relationship with the Group's businesses, the profitability of the Company, and the potential for creating new business opportunities, among other factors. A decision shall be made every year at the Board of Directors meeting concerning whether to continue holding the stocks based on careful consideration of various factors including previous business transactions with the Company and the market price of the shares, and after verifying the benefits and risks

associated with holding the stocks from a quantitative and qualitative perspective. The Company works to reduce the number of stocks it owns that are deemed to be of little significance.

In exercising the voting rights of shares held, the decision to support or oppose agenda items at the shareholders' meeting shall be made on a case-by-case basis, with consideration given to the issuing company's enhancement of corporate value, the issuing company's compliance framework, and the possibility of a negative impact on the Group's business, among other factors.

Compliance

▶ Strengthening internal control for the Group overall

The Yamato Group has established an internal control system in order to promote a sound corporate culture in the Group as a whole and to enable employees to perform their duties effectively and efficiently without any misbehavior or mistakes. Having stipulated its basic policy on the internal control system in accordance with the Companies Act, each Group company is working on strengthening internal control.

Additionally, in order to respond to the internal control report system pursuant to the Financial Instruments and Exchange Act, we are promoting reviews of business rules and the standardization of operations, checking whether operations have been effectively performed in accordance with the rules, and establishing a system to immediately put improvements in place should there be any shortcomings.

Internal control over the financial reporting of the Yamato Group as of March 31, 2021 was considered valid, and a report was submitted to the Kanto Local Finance Bureau.

▶ Enhancing the whistle-blower system

The Yamato Group has established a whistle-blower system to promptly discover and appropriately respond to law and/or internal regulation violations. In addition to compliance-related issues, such as corruption and human rights violations, the whistle-blower system accepts reports on any action that violates internal regulations and the Group's Management Philosophy. In addition to conventional contact points, such as the president, Compliance and Risk Committee members, and external lawyers, in February 2019 the Group established an independent contact point for Group companies, thereby securing an appropriate structure for whistle-blowing. The Group's whistle-blowing regulations protect the privacy of whistle-blowers and ensure that they do not suffer any unfair treatment as a result of making a report. To create an environment that encourages whistle-blowing, the Group carries out investigations of all reports, whether whistle-blowers are anonymous or provide their real name. When a report is made on an issue, the whistle-blower system works to promptly confirm

the facts, enact the necessary response and corrections, and promote measures to prevent a reoccurrence.

From an operational standpoint, we promote specific response procedures, processing methods, and risk-assessment criteria that are shared on a Groupwide basis. This enables us to prevent the overlooking of major risks by adopting a consistent management flow and response to all reports received. Furthermore, by clarifying the persons responsible for decision-making at the time reports are received and unifying relevant standards, we are improving our level of risk awareness. We prevent the reoccurrence of issues by formulating rules for holding verification meetings internally to ensure that we carry out an appropriate investigation and response. Additionally, we implement the standardized management of whistle-blowing information and the details of responses on a Groupwide basis, thereby allowing us to ascertain Groupwide trends and share examples of actual cases in a cross-organizational manner. Such information and details are reported regularly to the Board of Directors, helping to facilitate improvements across the Group.

To further reinforce our compliance management, the whistle-blower system was registered under the Whistleblowing Compliance Management System (WCMS) (declaration of conformity registration system) of Japan's Consumer Affairs Agency in July 2020.



WCMS symbol

▶ Building solid relationships through survey results

The Yamato Group conducts business partner questionnaires of contractors and suppliers of equipment and other business necessities as an initiative aimed at implementing and realizing its Corporate Stance. The results of these surveys are used to promote improvements and strengthen communication toward the development of strong and lasting relationships with our business partners.

Business Continuity Plan

As a corporate group that offers the *TA-Q-BIN* service as a part of social infrastructure, the Yamato Group has formulated a business continuity plan (BCP) to ensure that it can keep offering services in a steady manner even under unforeseeable circumstances. Based on the experience gained after the Great East Japan Earthquake and other disasters, we are anticipating various emergency scenarios in an effort to reinforce our crisis management system on a Groupwide basis.

We have also established the Yamato Group BCP Basic Policy, which is supported by the three pillars of giving the utmost priority to human life, aiming for the prompt

recovery of operations at each Group company, and meeting the expectations of local community members as a part of social infrastructure. Guided by this policy, we have determined various Groupwide standards and have created a wide range of manuals in accordance with the business continuity of each Group company.

Going forward, we will strengthen our response to dealing with damage from natural disasters such as earthquakes, for which damage is expected to be large in scale, and flooding caused by heavy rain and other factors. At the same time, we will promote extensive examinations of various risks that could impact our business continuity.

Accountability

The Yamato Group considers the explanation of corporate and management data to shareholders, investors, and other stakeholders to be an important corporate governance issue and is committed to the speedy, accurate, and fair disclosure of information. Furthermore, the Group has

established the Disclosure Policy in order to disclose and manage information in a more appropriate manner and enhance the reliability of that information.

The main investor relations activities are listed below.

Item	Number of times	Content
Settlement of accounts meetings for analysts and institutional investors	4	The first-quarter meeting is held by telephone with the chief financial officer. Meetings for the second, third, and fourth quarters are held with the president.
Visits by the president to investors in the United States, Europe, and Asia	1 or more per year to each region	The president or chairman makes regular overseas visits to investors in the United States, Europe, and Asia to explain management policies. Note: Conducted via teleconference from February 2020 onward in light of the impact of the COVID-19 pandemic
Small meetings with the president	2 per year	Creating regular opportunities for direct dialogue with management
Management plan briefings and facility tours	2 or more per year	Creating regular opportunities to promote understanding of business operations Note: Since February 2020, certain briefings and tours have not been carried out in light of the COVID-19 pandemic.
Website for investor relations materials	—	Integrated reports, financial results, news releases, securities reports, and quarterly reports; materials pertaining to settlement of accounts meetings, convocation notices for the ordinary general meeting of shareholders, notices of resolution, and disclosure of voting results. Publication of most important information in two languages—Japanese and English—so that information can be communicated to foreign investors.
Establishment of IR department	—	Responsible for developing IR strategies to initiate dialogue with shareholders and other investors and disclosing information