

SATO's value creation: The big picture

Our solutions that tag, feed and make use of data track the status and movement of things and people in society. We help the world run smoothly and achieve circularity and sustainability.

Our business environment

Changes in society
Health crises
Natural disasters
Shifting demographics

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- Digital transformation
- Industry 4.0
- Demand for safety and security
- Uneven labor market
- Demand for sustainable practices

The world around us

New technologies

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- IoT
- AI
- Wireless/5G
- Sensing
- Robotics

How we do business

Business domain: Tagging

Core IT systems/Big data

Auto-ID solutions

What we do

- Make use**: Analyze data to identify and solve problems for businesses
- Feed**: Collect and feed on-site data into IT systems in real time
- Tag**: Accurately associate things with data

Raw materials → Parts and other inputs → Production → Distribution → Sale → Consumption → Disposal

Optimize supply chains

Recycling, Take-back, Disassembly, Material recovery

Business model

DCS & Labeling + **Tagging for Sustainability**

Giving things/people at a customer's site their own IDs to improve productivity

Giving everything over an entire supply chain its own ID so they connect with the world

Our sustainability framework

Core competency
Genbaryoku Page 33

Corporate motto
あくなき創造
Akunaki sozo — Ceaseless Creativity

SATO Values
Mission, Vision, Credo

A Our value proposition Page 37

B Fundamentals of our value creation Page 38

C Environmental responsibility Page 46

D Corporate governance, risk management Page 49

Value we create

For customers, economies and societies

- Ensure accuracy
- Save labor
- Save resources
- Offer reassurance
- Enable sustainable practices
- Build emotional connections

Tagging offers value for society when we help raise productivity, improve traceability and enable real-time operational visibility.

For the company

Higher corporate value

- Higher earning power Page 26
- Higher corporate sustainability Page 34

We enhance corporate value when we gain the trust of customers, business partners and other stakeholders through tagging and hone our genbaryoku.

Our future

Society that supports well-being and diverse values

Tagging for Sustainability
We give every 'thing' its own ID so it connects with the world

Better distribution of resources to reduce waste

Relevant SDGs