

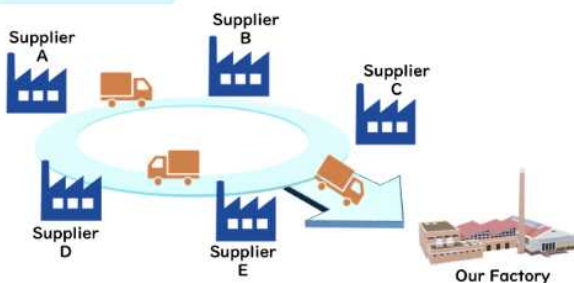
Initiatives of logistics CO₂ reduction

We have been addressing reduction of environmental load by a modal shift and milk run, which is classified in Scope 3, “transportation, distribution” both in upstream and downstream activities out of 15 categories.

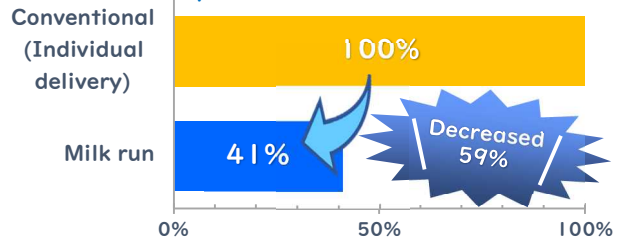
After trying demonstration experiments of milk run with the suppliers in upstream activities since last year, we have observed CO₂ reduction by approximately 60% compared to individual delivery from each supplier. This result led us to implement milk run officially from September of this year.

Currently milk run is introduced by some suppliers in the specific areas, and we plan to increase the number of suppliers to participate as well as expand the targeting areas to promote procurement activities with less environmental load.

Milk run Overview



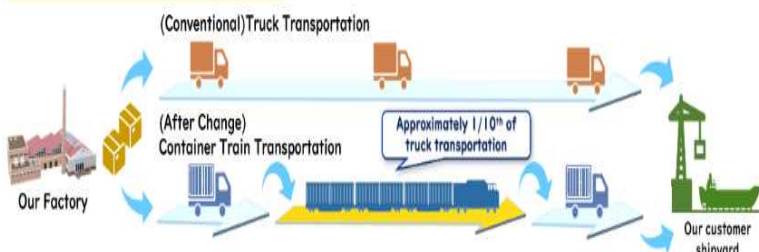
CO₂ emission comparison between individual delivery and milk run



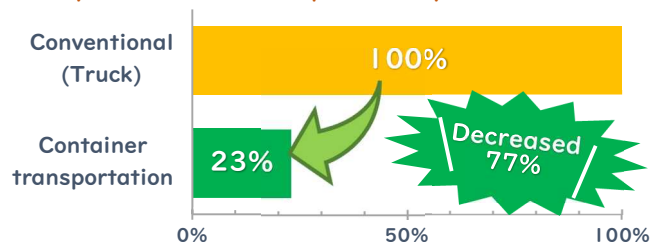
In addition, we promote a modal shift by shipping a part of our products using container transportation system on flatbed trains, with cooperation of Japan Freight Railway Company and Nippon Express Co., Ltd. It started last September and the major part of land transport has been replaced by container transportation system, which resulted in CO₂ reduction by approximately 80%.

From This year, with further support and understanding from our customers, we aim to reduce logistics CO₂ emitted during shipping, owing to promotion of container transportation system.

Modal shift JR container transportation



CO₂ emission comparison between truck delivery and container transportation system



Daihatsu Diesel group believe that it is essential to balance technological innovation and environmental conservation for making people’s life better and richer to achieve a sustainable society. Furthermore, we perceive that addressing reduction of environmental load throughout our business activities is one of our missions to fulfill.

We promise to continuously contribute to realize a sustainable society through interaction with our stakeholders, based upon our corporate philosophy.

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