

Corporate Social Responsibility

The Yamato Group believes that its sustained growth is largely contingent upon not only business profitability, but also fair and proper management as a business group with operations that require a high degree of social interaction.

With the interests of all stakeholders in mind, the Group actively conducts Corporate Social Responsibility (CSR) activities from the perspectives of safety, the environment and society, in line with the Yamato Group Corporate Philosophy at the heart of the Group's business, with the aim of becoming a respected company admired the most and trusted by society.

Safety

Promoting the Deployment of See-T Navi

See-T Navi is a proprietary telematics system encouraging safe and environmentally friendly driving that Yamato Transport developed and began deploying in March 2010.

This system, which records an extensive array of driving performance data, enables Yamato Transport sales drivers to self-inspect their driving performance and make improvements. The data from this system can also be used to individually instruct sales drivers, and has functioned as a strong support for safe driving habits within the Group.

In May 2011, the Japan Federation of Freight Industries awarded the See-T Navi system a Prize for Technology Developed to Reduce the Environmental Impact of Freight Transport at its 12th Freight Industry Environmental Awards. As of March 31, 2013, there were 29,947 Yamato Transport delivery vehicles throughout Japan equipped with the See-T Navi system.

Environment

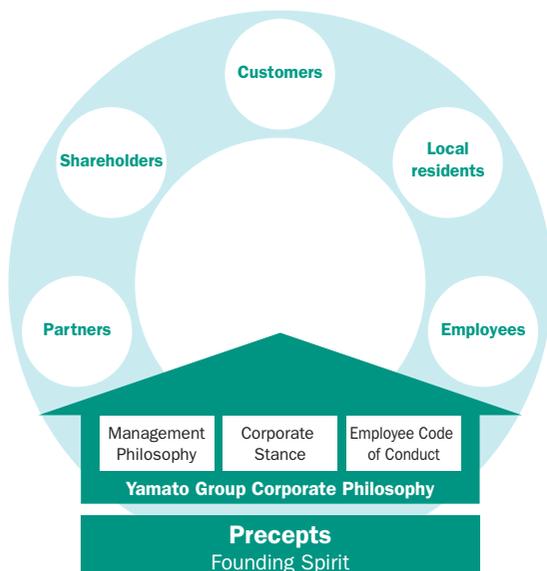
Active Deployment of Low-Emission Delivery Vehicles

The Yamato Group is actively engaged in activities for protecting the environment.

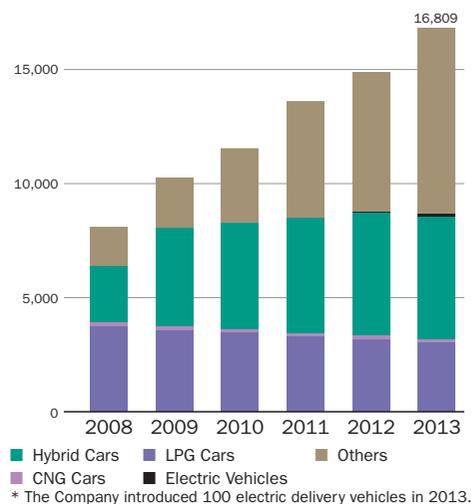
In the fiscal year ended March 2013, the Group engaged in a wide range of initiatives for reducing CO₂ emissions during pickup and delivery that included the deployment of electric vehicles and the use of streetcars.

Yamato Transport added 100 light commercial electric vehicles to its fleet between 2011 and 2012 in coordination with local municipalities in districts associated with the FutureCity Initiative and other progressive environmental programs, and in districts requiring special environmental measures, such as areas around World Heritage sites.

Diagram of Yamato Group Corporate Philosophy



Changes in the Number of Low-Emission Vehicles



As a result, the accumulative total of low-emission vehicles at Yamato Transport had reached 16,809 vehicles, or approximately 39% of the entire fleet.

In a similar vein, we have continued to actively introduce low-emission vehicles. As of March 31, 2012, we had added 37 hybrid vehicles and 1,901 low-emission vehicles to our fleet.

Satellite Centers Eliminate Use of Vehicles for Parcel Delivery

The opening of more satellite centers reduces the delivery area assigned to each sales driver. This change not only enables drivers to provide more detailed services to each customer, but also helps to curb increases in the number of vehicles required to keep pace with increased parcel volume.

Yamato Transport is promoting the development of these satellite centers, which enable the pickup and delivery of parcels without the use of motor vehicles, apart from the occasional mini-vehicle, in mainly urban districts and densely populated residential areas.



Building-Town Promotion Office Established –Combining In-Building Logistics with Area Logistics to Support Urban Development–

As more large-scale commercial buildings have been developed across the country, there has been increasing demand for ways to raise logistics efficiency within the buildings, reduce the impact on the surrounding environment, and augment security measures.

Yamato Transport has provided services to enhance the convenience and peace of mind of the tenants of such commercial buildings through in-building logistics and has successfully reduced CO₂ emissions and improved area safety levels by reducing the number delivery trucks in operation.

And, in November 2012, the company established the new Building-Town Management Promotion Office. This office is in charge of establishing centralized parcel collection and delivery systems for commercial buildings combining in-building and area logistics, and integrating these systems with urban development that goes beyond the buildings.

Society

Safety Classes for Children

The Group places top priority on respect for human life in carrying out its operations. This is reflected in a number of initiatives the Group implements.

One such initiative is the Company's program of safety classes for children, which we have been holding nationwide since 1998 to teach them ways to protect themselves from traffic accidents.

In the fiscal year ended March 31, 2013, 201,333 children participated in 1,945 of these classes held throughout Japan. Since the program began, roughly 2.16 million children have taken part in classes that have been held approximately 20,000 times.



Taught entirely by Yamato Transport employees, the classes employ various means to teach children about traffic safety.

The Group also held its first safety class for children overseas in China.

Actively Employing People with Disabilities

The Yamato Group, primarily through the Yamato Welfare Foundation, promotes various activities for the realization of a society in which people with disabilities can enjoy the world of work and the act of independently earning a living.

Such support for helping people with disabilities gain their independence includes active employment at the Swan Bakery, which produces and sells bread, and as couriers for our *Kuroneko Mail* service. In addition, the Yamato Welfare Foundation operates a support facility where people with disabilities can receive training in vocational skills and knowledge.



External Praise

June 2012:

13th Environmental Grand Prize for Distribution —Special Environmental Award for Distribution

“Pickup and delivery system utilizing streetcars with a low carbon footprint”

(YAMATO TRANSPORT CO., LTD., Keifuku Electric Railroad Co., Ltd.)

Sponsor: Japan Federation of Freight Industries

December 2012:

2012 Environment Minister’s Award for Global Warming Prevention

—Implementation of Countermeasures

“Promotion of environmental preservation activities under the “(N)ecology “(black cat ecology) catchphrase”

(YAMATO TRANSPORT CO., LTD.)

Sponsor: Ministry of the Environment

January 2013:

16th Nikkei Environment Management Survey* 3rd Place (Distribution industry)

(YAMATO HOLDINGS CO., LTD.)

Sponsor: Nikkei Inc.

* Environment Management Survey: A ranking of the extent companies have struck a balance between environmental initiatives and enhancing business efficiency, based on evaluating items such as the internal framework for promoting environmentally-sound management, measures to prevent global warming, and the recycling of resources.

March 2013:

Key Firm of Integrity Award* for Excellence

(YAMATO HOLDINGS CO., LTD.)

- Under the basic credo of “I belong to Yamato,” all employees participate in the Group’s management.
- Making the most of management resources comprising business bases throughout Japan, sales drivers, employees and the Company’s information network, the Yamato Group is collaborating with local governments, residents and companies to revitalize communities and provide support for senior citizens, among others initiatives.
- Voluntary support activities of Group employees in the immediate aftermath of the Great East Japan Earthquake were worthy of commendation.

Sponsor: Key Firm of Integrity Award Advisory Panel

Co-sponsors: Japan Corporate Governance Network IntegreX Inc.

* Key Firm of Integrity Award: Awards for companies selected for their excellence in a survey of corporate social responsibility (CSR), corporate ethics, compliance, internal control and other pertinent criteria.