

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 further becoming a company trusted by society.

Safety

Safety Classes for Children

The Group places top priority on respect for human life in



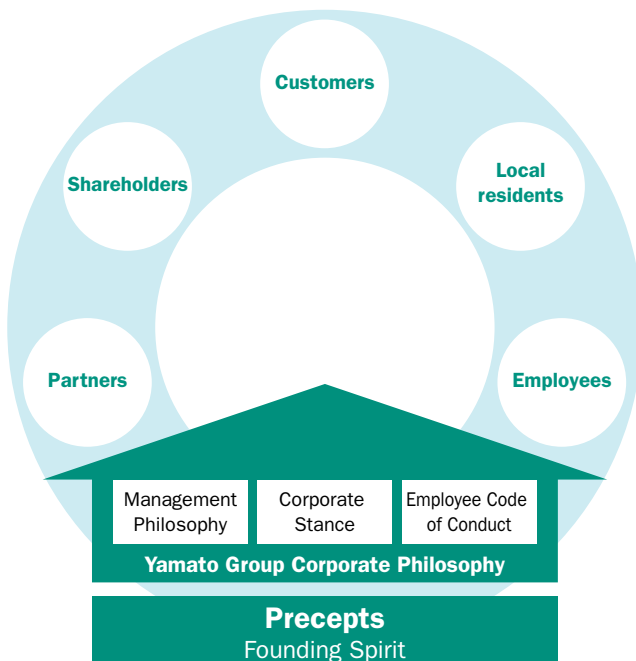
carrying out its operations. This is reflected in a number of initiatives the Group implements. One such initiative is the Company's program of safety classes for children, which we have been holding nationwide since 1998 to teach them ways to protect themselves from traffic accidents. In the fiscal year ended March 31, 2012, roughly 136,000 children participated in 1,285 of these classes held throughout Japan.

Taught entirely by Yamato Transport employees, the fun and entertaining classes employ various means to teach children about traffic safety. Furthermore, this initiative has also begun to spread throughout other companies within the Group.

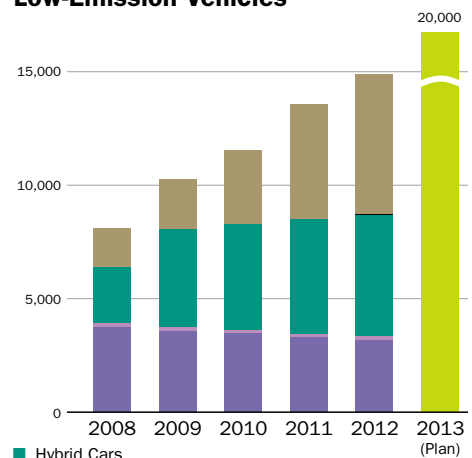
Promoting the Deployment of See-T Navi

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

Diagram of Yamato Group Corporate Philosophy



Changes in the Number of Low-Emission Vehicles



* The Company is planning to introduce 70 electric delivery vehicles in 2013.

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, 2012, there were 25,814 delivery vehicles at Yamato Transport's 69 main centers 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 2012, the Group engaged in a wide range of initiatives for reducing carbon emissions during pickup and delivery that included the deployment of electric vehicles and the use of streetcars.

In a similar vein, we have continued to actively introduce low-emission vehicles. In the fiscal year ended March 31, 2012 we added 327 hybrid vehicles and 1,341 low-emission vehicles to our fleet.

As a result, the accumulative total of low-emission vehicles at Yamato Transport had reached 14,908 vehicles, or 34.2% of the entire 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.

Society

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.

