

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 most loved and trusted by society.

Safety

The Yamato Group, which uses public roads in carrying out its business, believes ensuring the safety and security of people from local communities is of paramount importance. With a philosophy of "Safety First, Sales Second," we endeavor to drive safely and focus on measures to promote safe transportation, and put respect for human lives as our greatest priority at all times while undertaking duties.

Review of the Year Ended March 2014

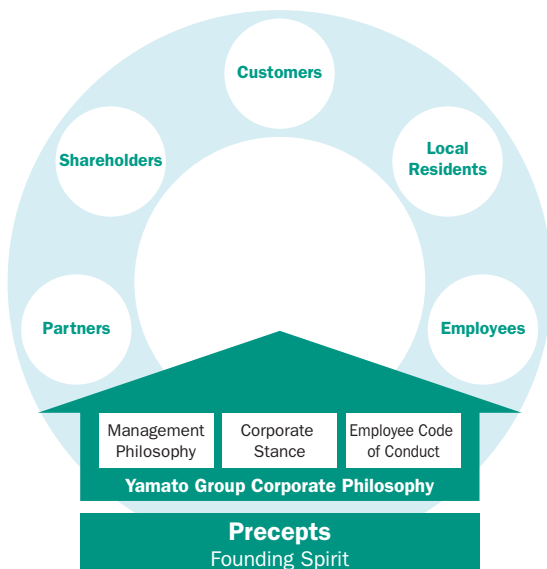
Deploying See-T Navi in Delivery Vehicles

See-T Navi is a proprietary telematics navigation system encouraging safe and environmentally friendly driving that Yamato Transport developed and deployed 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 246 Safety Instructors, safety specialists posted nationwide, can use data from this system for individual instruction, and the system has functioned as a strong support for sales drivers and safe driving habits.

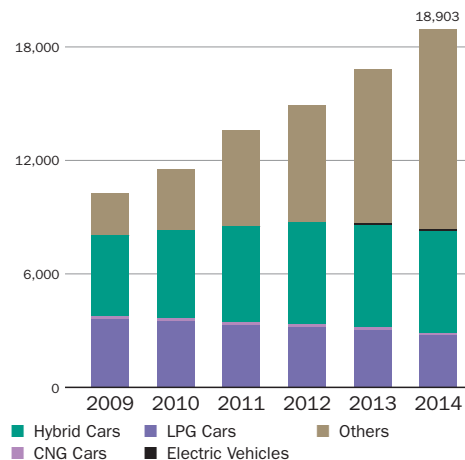
Constructing a Driver's License Management System using IC Card Licenses

Yamato Transport always conducts visual inspections of documentation such as driver's licenses before drivers drive, but has also constructed a system using IT that matches drivers with the details on their license and license categories. Thorough compliance is supported by managing driving duties from the IT aspect.

Diagram of Yamato Group Corporate Philosophy



Changes in the Number of Low-Emission Vehicles



Holding Safe Driver Contests

Yamato Transport holds Driver Contests to further enhance safety awareness and driving skills, not only in Japan, but also overseas in Malaysia and Singapore with Yamato Transport (M) Sdn. Bhd. and Yamato Transport (S) Pte. Ltd.

Maintaining Safety in Vehicles

Yamato Autoworks operates *Superworks* vehicle maintenance factories open 24 hours a day, 365 days a year at 22 bases inside Japan, greatly improving work efficiency and with more than 60% of maintenance operators possessing vehicle inspection qualifications.

Environment

The Yamato Group has adopted the catchphrase of Necology for the environmental preservation activities in which it engages as a corporate social responsibility, and to ensure individual employees are aware of the need to protect the environment as they go about their daily duties. Packing, carrying, and delivering during transport are a matter of course, but Yamato takes a thoroughly ecological approach to a variety of other initiatives to build an environmentally friendly distribution system. Yamato provides these types of products and services with the aim of working together with communities to contribute to making a better society.

Review of the Year Ended March 2014

Reducing CO₂ Emissions

The Yamato Group uses carts and trolleys to avoid using vehicles for deliveries to the greatest possible extent and is shifting toward low-emission vehicles when it does have to use them. In the fiscal year ended March 2014, Yamato Transport added approx. 21,000 low-emission vehicles, making up 41.5% of the entire fleet.

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 Future City Initiative and other progressive environmental programs, and in districts requiring special environmental measures, such as areas around World Heritage sites.

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, mainly in urban districts and densely populated residential areas.

Yamato Transport is also promoting a modal shift toward railway and water-based transport, joint transport with other companies, and other methods of efficient transport.



Kuroneko Yamato Environmental Classes

Environmental classes are held to teach children about the importance of the environment. Yamato Transport held 241 classes in the year ended March 2014, attended by 20,700 children.

Society

The Yamato Group values the dialogue with each stakeholder, is aware of the social responsibilities that it must fulfill, and aims to be a company that achieves sustained development together with society. It uses its business and social contribution activities to solve issues local communities are facing.

Review of the year ended March 2014

Safety Classes for Children

We have held safety classes for children since 1998. Held all over Japan, these classes seek to teach children ways to protect themselves from traffic accidents. In the fiscal year ended March 2014, classes were held on 2,013 occasions and around 224,000 children participated. Classes were held overseas as well.



Promoting CSV Entrenched in Communities

Based on the belief of Creating Shared Value (CSV), which is the creation of values together with local communities through business, joining with local governments across the country in Project G (Government) the entire Yamato Group promotes developments including support watching over the elderly, shopping support, and emergency transport at times of disaster. As of the end of June 2014, we had been involved in a total number of 550 cases and concluded agreements with 110 local governments.

The *Music TA-Q-BIN Kuroneko Family Concert* has been held 283 times and attended by over 410,000 people.

Recognized by the Ministry of Health, Labor and Welfare as a Company Supporting Child-Raising

Certification was awarded to Yamato System Development Co., Ltd. in fiscal 2012 and Yamato Transport and Yamato Logistics Co., Ltd. in fiscal 2014.

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.

