

Corporate Social Responsibility

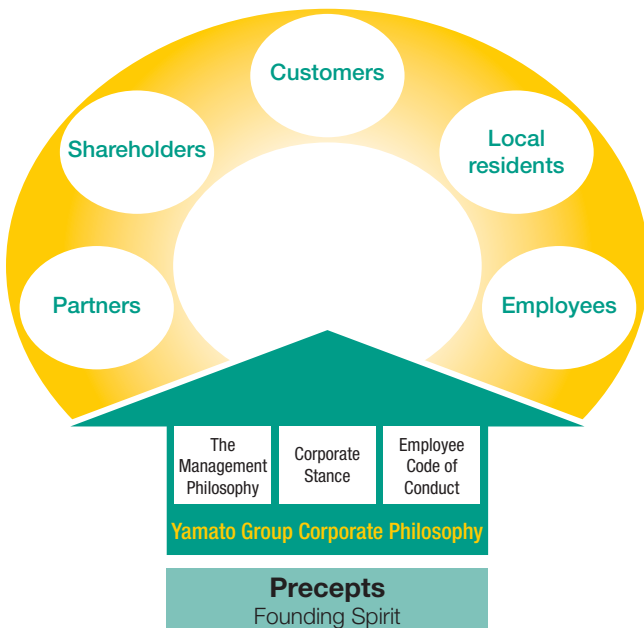
Compliance is one of the top priorities of management at the Group. As such, the Group believes that the company's sustained growth is largely contingent upon not only business profitability, but also proper conduct as a business group with operations that require a high degree of social interaction.

With the interests of all stakeholders in mind, the Group actively conducts social contribution activities to fulfill its Corporate Social Responsibility (CSR) from the perspectives of safety, the environment and society in line with the Yamato Group Corporate Philosophy.

The extensive promotion of CSR management in tandem with business expansion is also an integral part of the "Create Satisfaction Three-Year Plan," the Yamato Group's new medium-term management plan for guiding management policy that we launched in April 2008.

The Group is placing particular emphasis on two elements of the plan—compliance and environmental concerns.

Diagram of Yamato Group Corporate Philosophy



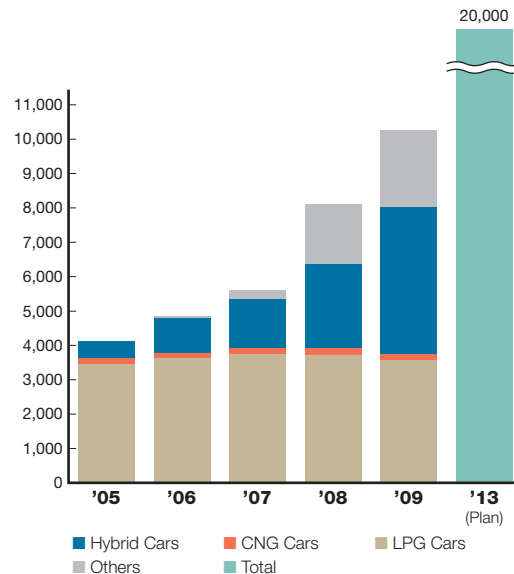
Environment

Deployment of Low-emission Delivery Vehicles

Under its medium-term plan, the "Create Satisfaction Three-Year Plan," the Yamato Group is aiming to reduce its overall CO₂ emission volume to 99% of the levels in fiscal 2007. The Group is striving to reach this goal through a more robust environmental stance, including reductions in fuel usage through the introduction of low-emission vehicles.

As a specific measure for achieving this objective, Yamato Transport is aiming to put 20,000 low-emission delivery

Changes in the Number of Low-emission Vehicles



vehicles into operation by fiscal 2013. In fiscal 2009, we added 2,238 low-emission vehicles, including 1,847 hybrids, to bring the total to 10,240. This number represents 22.4% of Yamato Transport's total fleet of vehicles, which accounts for 87% of the Group's total vehicle fleet.

Opening of Satellite Centers to Reduce Vehicle Usage

As of March 2009, Yamato Transport had a nationwide network of 958 satellite centers for parcel delivery located primarily in urban centers. Parcel delivery from these satellite centers is conducted primarily through the use of handcarts and bicycles with attached trailers, rather than motor vehicles.

The opening of more satellite centers reduces the parcel delivery volume per sales driver for a given delivery area. This lighter load 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. The Group is targeting a network of 1,000 satellite centers across Japan by fiscal 2013.

Society

Safety Classes for Children

The Yamato Group always puts safety first in its business activities. Preventing traffic accidents involving children is an

especially important safety issue. 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. Taught entirely by Yamato Transport employees, the fun and entertaining classes employ various means to teach children about traffic safety. In fiscal 2009, classes were held at 1,539 locations and around 170,000 children participated.

Outside Evaluation

The FTSE Group confirms that Yamato Holdings has been independently assessed according to the FTSE4Good criteria, and has satisfied the requirements to become a constituent of the FTSE4Good Index Series.

Created by the global index company FTSE Group, FTSE4Good is an equity index series that is designed to facilitate investment in companies that meet globally recognized corporate responsibility standards.

Companies in the FTSE4Good Index Series have met stringent social and environmental criteria, and are positioned to capitalize on the benefits of responsible business practices.

