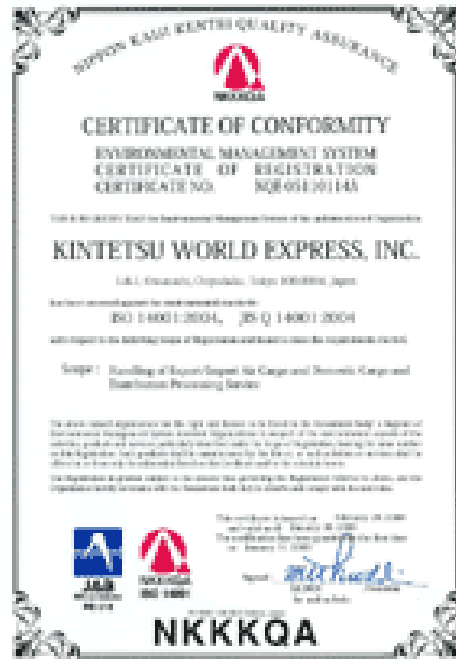




# Green Initiatives

*“As a total logistics provider, we aim to contribute to the development of a global society while using resources wisely, promoting harmony with nature, and taking steps to preserve the global environment.”*



*As of March 2010, KWE is ISO14001 certified at 6 locations in Japan and 8 locations overseas*

# Green Initiatives and Efforts

1. LED lights & Skylight added at newer offices. (New)
2. Plans to invest in electric fork-lift instead of gas operated (New)
3. Recycle paper / packaging materials, plastic, wood, cardboard, etc.
4. Assigned cups for drinks, reducing waste, limited plastic bottle usage, etc.
5. Limited air conditioning usage through use of time control thermostats
6. Request truck engine shut-off during loading / unloading
7. On-demand lighting at WH, offices
8. Turn off all PCs after business hours and weekends
9. Recycle old computers, monitors, parts
10. Promote efficient use of data center applications, hardware, and services to reduce power consumption



# KWE Efficient Technology Use

KWE efficiency improvement efforts, initiated in 2008, to improve server utilization and reduce overall energy consumption, through more efficient data center operation:

## Server Consolidation and Virtualization

- KWE utilizes virtualization software from VMware to run multiple applications on fewer, more efficient servers
- Servers in operation at KWE's Americas Data Center have been reduced by 50% since January 2008
- Average application server utilization has increased from 12% to 75%

## Eliminate redundant and under-utilized legacy applications and associated hardware

- Analysis of global application inventories revealed multiple opportunities to decommission applications and environments rendered redundant or obsolete by newer systems, but still consuming energy

## Implement power-management on all Data Center servers

- Implemented on all Intel and Unix servers, and configured, based on purpose, to initiate automated stand-by/sleep cycles during defined periods of low or no activity

## Designate industry accepted measurement approach

- The Power Usage Effectiveness (PUE) metric, devised by The Green Grid consortium, has been selected as KWE's internal data center efficiency measurement standard, based on its broad industry adoption

Make energy efficiency and environmental impact an integral part of planning for KWE's upcoming AMDC relocation in Q1-2010

### KWE Global Data Center Consolidation AMDC - Dallas

|   | Jan-08 | Nov-08 | Jun-09 |
|---|--------|--------|--------|
| Number of Servers                             | 250    | 180    | 120    |
| Racks Required                                | 25     | 18     | 12     |
| Average Server Utilization<br>(% of capacity) | 12%    | 45%    | 75%    |



# “Going Green” Creating a Sustainable Supply Chain

## Impact / Opportunity

- Reduce environmental impact while increasing operational efficiencies
- Reduced costs in energy, operations & facilities, supply and overall supply chain and logistics
- Increased competitive advantage through cost savings



## KWE Initiatives

- ISO 14001 certification for 6 KWE Group locations in Japan and 8 other locations overseas
- KWE actively utilizes our positive influences and calls upon our trading partners, affiliated companies and vendors to cooperate in these efforts as well
- Please refer to KWE Policy list next

## Energy Conservation

- KWE has features in its buildings to automatically turn off lights, manage heating, air conditioning and other conservation measures. Fluorescent lights and energy efficient machinery are used wherever appropriate and possible

## Reducing Carbon Dioxide Emissions

- KWE works at reducing gasoline consumption in company vehicles by using hybrid cars, avoiding idle and driving in energy efficient ways. One of our criteria for selecting KWE group companies and other business partners are their certifications in ISO 14001 and making efforts to sustain the environment. KWE also restricts exhaust emissions from company trucks and forklifts.

## Recycling

- We observe the “3Rs” of waste disposal; recycle, reuse or reduce. KWE will reuse wooden pallets for shipping cargo when feasible and broken or unusable pallets are made into wood chips. Recycling practices include paper, glass, aluminum cans, plastic bottles, cardboard boxes, batteries, CDs and toner cartridges.

## Cleanup Campaign

- In 2006, KWE Japan initiated cleanup campaigns in the areas surrounding our Narita Branch and has since expanded this campaign to include similar activities surrounding several other branches. Kintetsu World Express Delivery Co, Ltd (in the Kanto, Central and Kansai areas) and Kintetsu Logistics Systems, Inc. (in the Kanto area) are authorized to collect and transport industrial waste.

## Team Minus 6%

- “Team Minus 6%” is a national project aimed at achieving the goal of reducing greenhouse gas emissions by 6% (based on 1990 levels), which Japan promised the world under the Kyoto Protocol. KWE actively participates in Team Minus 6%, which is committed to all initiatives to fight global warming.