

Japan-US Seminar on Transportation and the Environment

-- CSR and Environmentally-Friendly Logistics --

**Environmental Measures Being
Implemented by Nippon Express**



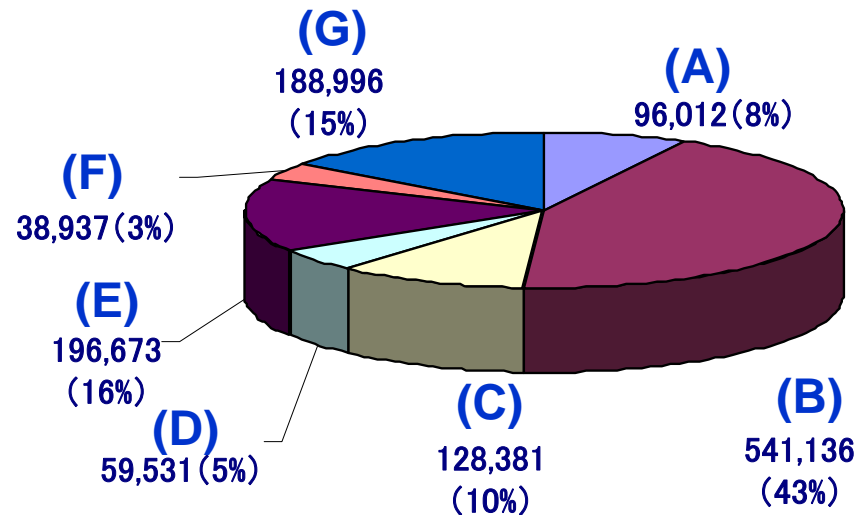
NIPPON EXPRESS

◆ Company Profile

- Capital: 70.175 billion yen
- Freight volume: 397.17 million tons
- Sales: 1,249,667 million yen
- Employees: 38,749
- Business locations:
 - Japan: 1,100
 - Overseas: 285 in 166 cities in 32 countries

- Principal business operations
 - Railway forwarding (A)
 - Motor transport (B)
 - Marine transport (C)
 - Warehousing (D)
 - Air cargo and travel (E)
 - Heavy haulage and construction (F)
 - Incidental and other operations (G)

Sales by segment (million yen)



◆ Basic Philosophy and Environmental Policies

● Transport operations

- Shifts in transport modes
- Improvements to motor vehicles and other transport means
- Improvements to packing materials

① Prevention of air pollution

④ Environmental conservation activities

- Development of environmental management system and monitoring activities
- Employee education on environmental conservation
- Regeneration of natural environment

② Prevention of global warming

Energy conservation

● Office

- Reduction and proper disposal of waste
- Resource conservation and use of recycled goods

③ Waste reduction

Resource conservation

◆ Environmental Investment

《Investments related to environmental conservation in 2003》

(million yen)

Investments		Principal examples	Investment amount
Promotion of modal shifts		Railway containers	171
		Maritime containers	183
		Tractors and towed vehicles for container transport	1,035
Reusable packing materials		<i>Ecology-Pack</i> , netted blankets, special padding, etc.	530
Vehicles	Environmentally - friendly vehicles	CNG,LPG, Hybrid vehicles, ultra-low PM vehicles, etc.	1,809
	Emissions equipment (retrofitted)	Oxidation catalytic converters, DPFs, speed limiters	198
Waste disposal management		Manifest Control Center expenses	45
Promotion of greening		Landscaping at various branches, etc.	102
Total			4,073

(USD 37Million)

◆ Environmental Measures Being Implemented

✧ Promoting eco-driving

«Introducing of digital driving control instruments and proprietary driving control system»

Installing digital driving data recorders in all vehicles by March 2005



Developing driving control system

- Accumulating driving performance data on the Driving Control System Center's servers via an internet using uniform company-wide classifications
- Sharing objective data on fuel costs, idling time, etc.



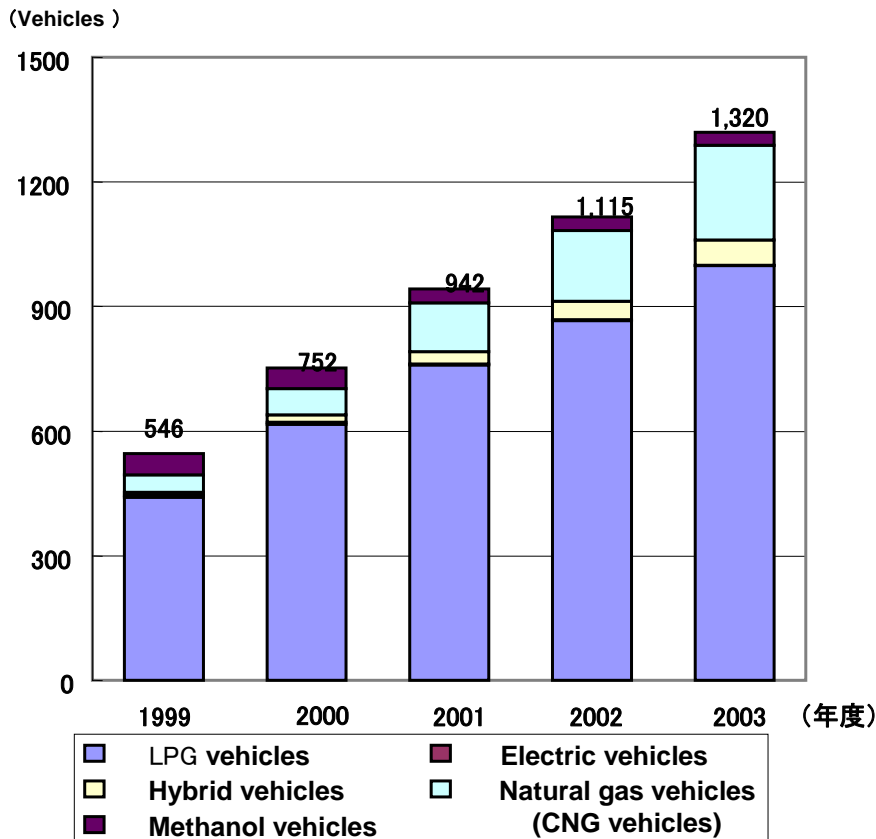
Improving control over driving safety and enhancing environmental conservation activities through driver instruction in eco-driving

✧ Ongoing efforts toward ISO14001 certification

11 Major Operating Stations have received ISO accreditation

✧ Increasing Use of Clean Energy Vehicles

《Number of “clean energy” vehicles introduced》



《Natural gas vehicles》



《Hybrid vehicles》



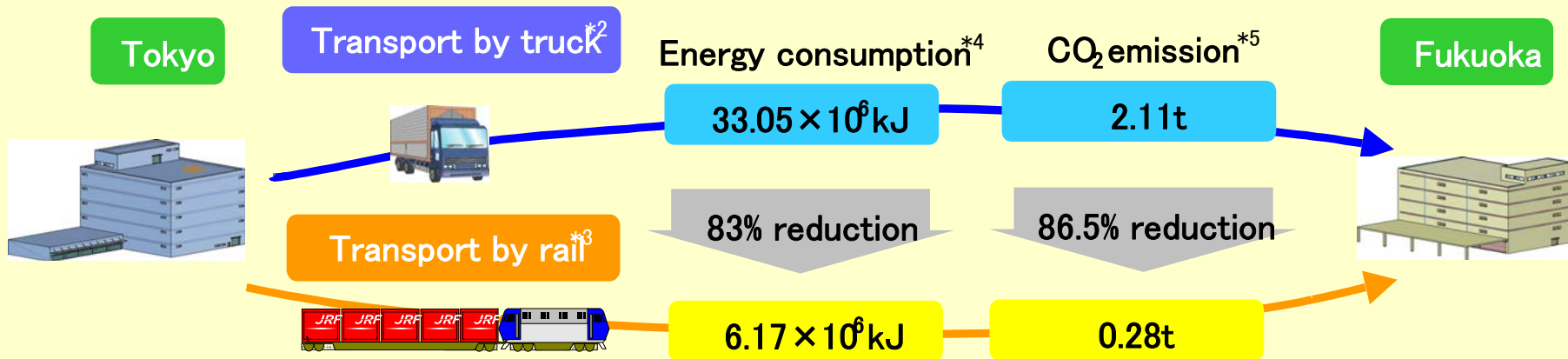
(Vehicles)

vehicles \ year	1999	2000	2001	2002	2003
Methanol vehicles	52	50	33	32	31
CNG vehicles	41	63	117	171	228
Hybrid vehicles	7	18	30	44	61
Electric vehicles	5	5	3	2	2
LPG vehicles	441	616	759	866	998
Total	546	752	942	1,115	1,320

Shift to Energy-Efficient Modes of Transport

<<Shift to Railway Transport>>

Modal shift benefits—rail vs road*1



Type of transport	Freight volume (thousand tons)	CO ₂ reduction (thousand tons)
Railway transport	9207.1	1256.3
Marine transport	2174.5	306.4
Total	11381.6	1562.7