

# Promotion of CSR

The Mitsubishi Logistics Group utilizes the "Guidance on social responsibility," complies with the "seven principles of social responsibility" (see the chart on the right) in the practice of its social responsibility and strengthens various activities categorized under the seven core subjects of social responsibility (see the chart on the right). The Mitsubishi Logistics Group streamlines an integrated mechanism (with components such as philosophy, principles, policies, systems, dialogue and confirmation) to ensure that a socially responsible corporate culture exists within the Group and is conducted through the practice of CSR-based activities.



## Seven Principles of Social Responsibility



(Source: Edited by the Company based on the "Guidance on Social Responsibility (JIS Z 26000)")

## Seven Core Subjects of Social Responsibility and Their Expressions in the Group



(Source: Prepared with partial modification by the Company based on the "Guidance on Social Responsibility (JIS Z 26000)" chart)

## Manifestation of The Three Principles of Mitsubishi's Business Management Philosophy and the Code of Conduct, etc.

### Mission, Vision, Sense of Values, Principles and the Code of Conduct

#### The Three Principles of Mitsubishi's Business Management Philosophy ("Sankoryo")

The Mitsubishi *Sankoryo* is a managerial creed articulated by the fourth president of the Mitsubishi organization, Koyata Iwasaki. The spirit and values of this Sankoryo remain alive and current today as a basic philosophy of an internally and externally open group being shared by the constituent Mitsubishi Group companies that are independent from each other.

#### The Three Principles of Mitsubishi's Business Management Philosophy

##### "Shoki Hoko"

Corporate Responsibility to Society

Strive to enrich society, both materially and spiritually, while contributing toward the preservation of the global environment.

##### "Shoji Komei"

Integrity and Fairness

Maintain principles of transparency and openness, conducting business with integrity and fairness.

##### "Ritsugyo Boeki"

Global Understanding through Business

Expand business, based on an all-encompassing global perspective.

#### Code of Conduct

We have established the following Code of Conduct to realize our corporate philosophy (see page 2: Top Message) based on the spirit of the Three Principles of Mitsubishi's Business Management Philosophy.

#### Code of Conduct

We engage in business activities to secure appropriate profits and promote steady growth, appropriately compensating our employees and stockholders while contributing to the realization of an affluent and sustainable society.

1. We shall comply with laws, ordinances and rules that enable us to honestly and fairly carry out business activities without deviating from social norms.
2. We shall appropriately disclose corporate information in a timely manner to enhance broad communications with society.
3. We shall continue to have no contact or relations with any antisocial forces that might pose a threat to the public order and safety of civil society.
4. We recognize the importance of environmental issues and shall actively cooperate with diverse activities for environmental preservation.
5. We shall provide people with safe, high-quality and socially valuable services, and endeavor to conduct social contribution projects as a "good corporate citizen" while taking into account coordination with local communities and international society.

(Established on December 16, 1997, and revised on August 29, 2005) Each subsidiary shall establish its own Code of Conduct in compliance with this Code of Conduct.

#### Environmental Policy

The Mitsubishi Logistics Group has formulated the Environmental Policy to clearly present its Group-wide stance on consideration of the global environment based on our Code of Conduct.

#### Environmental Policy

The Mitsubishi Logistics Group recognizes the importance of environmental issues, promoting activities for environmental preservation through corporate activities that are friendly to the environment while contributing to the realization of a sustainable society.

1. We comply with laws and regulations relating to the environment.
2. We endeavor for the training and enlightenment to raise the awareness of executives and employees about the environment and positively commit ourselves to environmental preservation activities with the recognition that involvement in environmental issues is indispensable to our corporate activities.
3. We strive to restrict our environmental impact by efficiently utilizing the resources and energy that are essential to our business activities, implementing eco-friendly logistics equipment and facilities, purchasing eco-friendly goods and promoting the reduction of waste volume and recycling.
4. We regularly verify our initiatives regarding environmental issues to continually improve our involvement.
5. We make the Environmental Policy known to all parties affiliated with the Group and disclose it publicly. (Established on December 29, 2006)

#### Environmental Voluntary Plan

We have formulated the MLC (Mitsubishi Logistics Corporation)-Group Environmental Voluntary Plan as "concrete guidelines" regarding the Environmental Policy to review and implement specific measures in view of "measures to cope with future tightening of regulations" and "maintaining and ensuring the competitive edge of our businesses."

The Company promotes Group-wide environmental measures including appropriate responses to laws and regulations based on this plan.

#### Our Declaration of Quality

Our Group has formulated "Our Declaration of Quality" to be an enterprise that grows by gaining the trust of stakeholders including customers in accordance with the Code of Conduct.

#### Our Declaration of Quality

Mitsubishi Logistics Corporation works hard to ensure that our corporate activities help to create an affluent and sustainable society. Providing services that are safe, high quality and of benefit to society is one of the most important pillars supporting our corporate activities. It is with this in mind that we strive continuously for quality improvement.

1. We always think from the customer's standpoint and listen to the customer with sincerity, working to provide quality services that will win the trust and satisfaction of all our customers.
2. We abide by the relevant laws and regulations, and by conducting periodic inspections and implementing improvement efforts daily in the areas of safety and quality, our Group-wide quest is to achieve constant quality improvement.
3. We value communication and endeavor to provide an energetic work environment in which each member of the Company can be motivated by sincerity and pride to strive for quality improvement. (Established on September 1, 2008)

**Management plan (2013–2015) (Basic Policy)**

Mitsubishi Logistics Group has formulated the following four items of Basic Policy to reinforce foundations for its growth potential and profitability. The Group intends to increase its corporate value and achieve future growth by executing each of these diverse measures in accordance with the Basic Policy.

**Basic Policy**

1. Expand logistics business activities in response to globalization.
2. Reinforce and expand the foundations of real estate business activities.
3. Improve the quality of Group services.
4. Strengthen crisis management including countermeasures against natural disasters and thoroughly implement global environmental measures.

The outline of the management plan is as follows:

**1. Ideal image**

The management plan has defined the ideal image of the Group to be pursued as a corporate group in compliance with the four-item Basic Policy. (☞ see page 3: Top Message).

**2. Plan period**

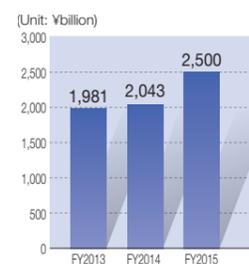
FY2013–FY2015 (covering three years)

**3. Performance targets**

Figures of consolidated business results

	Revenue	Operating income	Ordinary income	Net income
Actual results for FY2013	1,981	121	141	85
Actual results for FY2014	2,043	114	144	91
Targets for FY2015	2,500	155	165	102

Consolidated revenue



Consolidated operating income

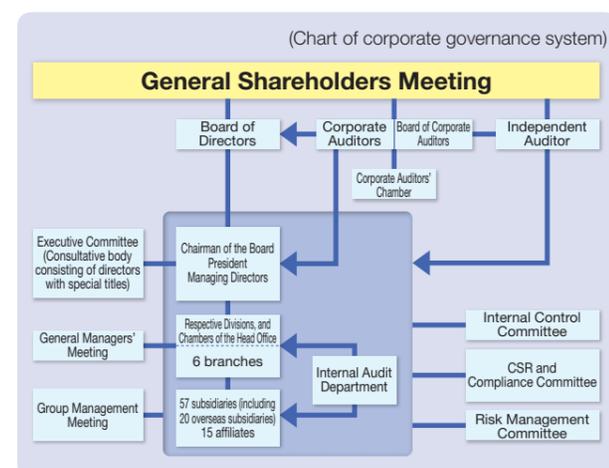


**4. Investment plan**

During the plan period, the Group plans to make investments totaling ¥60.0 billion (¥22.0 billion in logistics, ¥33.5 billion in real estate and ¥4.5 billion in disaster countermeasures and global environmental measures).

**In-house Decision Making**

**Corporate governance system**



**Responses to Stakeholders' Expectations**

**Stakeholders recognized by the Mitsubishi Logistics Group**



**Promotion of CSR for every employee**

**CSR & Compliance Handbook**

The Group prepared the Mitsubishi Logistics Group CSR & Compliance Handbook (63 pages in A5 format) to nurture the awareness of each employee on CSR and compliance. The handbook was distributed to all executives and employees within the Group in January 2012 for their daily reference.



CSR & Compliance Handbook

We position the handbook as a starting point to help them address small questions and significant issues in their routine business operations.

**CSR and Compliance Awareness Survey**

The Company and domestic Group companies provide Web-based surveys on awareness based on the Mitsubishi Logistics Group CSR & Compliance Handbook and the Environmental and Social Report to disseminate the understanding of CSR and compliance. The surveys aim to increase employees' awareness by providing occasions in which every employee thinks of familiar issues and finds the answers.

**Training on CSR and Compliance**

As measures to address the status of compliance with the Code of Conduct and any issues noted in the internal audit results, we endeavor to establish good working environments by disseminating and entrenching our corporate philosophy and the Code of Conduct and promoting CSR.

As for compliance, we hold training sessions concerning compliance with the Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors with an emphasis on the methods for managing and handling relevant documents, and the obligations and prohibitions of the main subcontracting enterprise.

Actual performance data on the CSR and compliance awareness survey and the training on CSR and compliance can be viewed on Mitsubishi Logistics' Web site in "Extended version."

HOME>CITIZENSHIP>Environmental and Social Report>Extended version

**Emphasis on communication**

**Timely and appropriate news releases**

As the Group emphasizes the principles of social responsibility such as accountability and transparency in organizational decision making, news releases on business activities are disclosed at the appropriate time and in the appropriate manner.

You may view the news releases on the actual performance data on Mitsubishi Logistics' Web site in "Extended version."

HOME>CITIZENSHIP>Environmental and Social Report>Extended version

**Information disclosure**

Our IR information site is open on the Company's Web site. We strive to transmit information by providing "Management planning and policy," "Stock information," "IR calendar," "Financial data" and "IR information" (Flash report, Annual report and Results briefing).

For the convenience of foreign shareholders and investors, English-version sites are also available to disclose significant information thereto.

**Dialogue between shareholders/investors, analysts and top management**

**Easy-to-understand shareholders' meetings**

When we hold a shareholders' meeting, we strive to provide easy-to-understand information for the convenience of attending shareholders by using video business reports with narration.

**Results briefing**

Company holds results briefings twice a year (May and November) for investors and analysts. In addition to the explanation of the settled accounting results, the top management of the Company explains management policies and the progress of management plans, conducts Q&A and transmits a variety of management information. We are active in encouraging dialogue with market players not only through transmission of the information desired by investors and analysts but also by integrating the feedback of useful views therefrom in our actual business judgment.



アナリスト説明会

You may view the materials for the results briefing on Mitsubishi Logistics' Web site in the IR Information page.

HOME>INVESTOR RELATIONS>IR Information>Presentation

**Internal reporting system**

To ensure early detection of actions that violate legal ordinances or corporate regulations, as well as actions that are in danger of violating such rules, the Mitsubishi Logistics Group has established a corporate ethics help line (Contact: CSR-Compliance Team, General Affairs Division) as an internal whistleblowing and consultation mechanism to reinforce compliance management.

To raise the degree of recognition and encourage use of the system, at the time of the "Check of the Compliance of the Code of Conduct" in November 2014 we checked whether all executives and regular employees of the Group were familiar with our internal reporting system and whether they intended to use the system. Consequently, it was confirmed that almost all the respondents expressed an affirmative opinion, suggesting widespread recognition of the system.

## Confirmation of major CSR activities

The Group is committed to CSR activities so that socially responsible behavior will be disseminated among employees as a voluntary corporate culture.

We summarize hereunder the setting of “Objectives/Goals,” the planning of “Activity process” and the confirmation of “Achievements/Results” with regard to major CSR activities that are categorized under the Seven Core Subjects in accordance with the “Guidance on Social Responsibility” guidelines.

▶ Checklist for the confirmation of major CSR activities

Core subjects	Tasks	Objectives/Goals	Activity process (Plan)	Achievements/Results	Division/Chamber/ Branch and/or Group companies in charge
<b>Organizational Governance</b>	Promoting the realization of our corporate philosophy and strategies Review of goals, standards, etc.	Reinforce CSR and compliance	<ul style="list-style-type: none"> <li>Disseminate the corporate philosophy and the management plan.</li> <li>Deliberate how to promote CSR at the CSR and Compliance Committee.</li> </ul>	<ul style="list-style-type: none"> <li>Briefing meetings on our Management Plan held at each branch by Managing Director in charge of personnel and planning.</li> <li>Worksite meeting held every month (dissemination of our corporate philosophy and our Management Plan).</li> <li>Mar. 2015: Held the CSR and Compliance Committee meeting (for CSR promotion).</li> </ul>	General Affairs Division Personnel Division Planning & Business Coordination Division Other Divisions, Chambers and Branches
<b>Respect for Human Rights</b>	Improvement of the awareness of human rights	Respect human rights	<ul style="list-style-type: none"> <li>Strive to disseminate the awareness of respect for human rights among all employees by establishing a dedicated promotion system.</li> <li>Conduct education on human rights.</li> </ul>	<ul style="list-style-type: none"> <li>FY2014 Human Rights Enlightenment Training held with 39 participants.</li> <li>Delivered lectures on human rights upon request from the Industrial Federation for Human Rights, Tokyo.</li> </ul>	Personnel Division
<b>Appropriate Working Environment</b>	Rewarding and friendly working conditions	Demonstrate every employee's personality and competence, undertake necessary security procedures, and support the coexistence of employees' working life and home life	<ul style="list-style-type: none"> <li>Streamline the personnel system in the pursuit of creating worksites where employees can demonstrate their personality and competence.</li> <li>Execute industrial safety and health-related measures to maintain and enhance employees' health.</li> <li>Promote a work-life balance to support the sound development of the next-generation children.</li> </ul>	<ul style="list-style-type: none"> <li>Self-declaration once a year and interviews for appraisal conducted three times a year.</li> <li>Conducted “Health Promotion” seminars and annual health checkups.</li> <li>Beneficiaries of the child-care leave system: 8; beneficiaries of the care leave system: 27.</li> </ul>	Personnel Division
	Ensuring the security of workers	Ensure the security of workers	<ul style="list-style-type: none"> <li>Work on industrial safety and health-related activities among operating bases in an aim to prevent occupational disasters.</li> <li>Promote the prevention of occupational disasters and conduct periodic disaster prevention drills and meetings in the Port and Harbor Operations Business.</li> </ul>	<ul style="list-style-type: none"> <li>Monthly convening of Industrial Safety and Health Committee.</li> <li>Number of serious occupational accidents in the Port and Harbor Operation Business: zero.</li> </ul>	Personnel Division Harbor Transportation Business Division Branches
	Human resources development and training	Develop competent human resources who meet the requirements of global human resources and who can manage global operations	<ul style="list-style-type: none"> <li>Endeavor to develop human resources that can contribute not only to corporate growth but also to social development.</li> </ul>	<ul style="list-style-type: none"> <li>FY2014 onsite logistic capability training with 91 participants.</li> <li>Training for young staff at subsidiaries and affiliates held with 15 participants.</li> <li>Training for employees engaging in the real estate business for the first time held with 8 participants.</li> </ul>	Personnel Division
<b>Environmental Conservation</b>	Reduction of CO <sub>2</sub> emissions as a measure for reducing climate change	Further reinforce environmental countermeasures	<ul style="list-style-type: none"> <li>Promote the construction of Disaster-Resistant and Eco-Friendly Office Buildings, which focus on ensuring business continuity in case of a disaster and considerations for the global environment.</li> <li>Enhance the shift of existing lighting devices to LED lighting by utilizing governmental subsidy funds.</li> </ul>	<ul style="list-style-type: none"> <li>Sept. 2014: The Nihonbashi Dia Building (Disaster-Resistant and Eco-Friendly Office Building) completed.</li> <li>FY2014: The Nihonbashi Dia Building and the Kobe Harborland commercial facility complex umie MOSAIC received the Good Lighting Award 2014.</li> <li>FY2014: The existing lighting devices (more than 2,800 units in total) at our warehouses was changed to LED lighting.</li> </ul>	Technical Division Real Estate Division Branches
	Use of renewable resources	Preserve resources by reducing the environmental impact	<ul style="list-style-type: none"> <li>We promote the implementation of large-scale solar power generation facilities in existing facilities in line with the government's policy of enhancing the use of renewable energy.</li> <li>Expand the use of “i-MiEV,” Mitsubishi Motors' electric vehicles.</li> <li>Promote the reduction of waste.</li> </ul>	<ul style="list-style-type: none"> <li>FY2014: Solar power generation facilities with total energy output of 1,560 kW started operation at the Tosu Warehouse (in June), the Rokko Cold Storage Warehouse (in October) and the Sendai Warehouse (in December).</li> <li>FY2014: Five “i-MiEV” electric vehicles introduced.</li> <li>Feb. 2015: The Eitai Dia Building was certified as a “Top Level Facility” under the Tokyo Metropolitan Environmental Security Ordinance.</li> </ul>	Technical Division Branches Nagoya Branch
	Contribution to the recovery of the eco-system	Global environmental measures from biodiversity perspectives	<ul style="list-style-type: none"> <li>Conduct reforestation through volunteer activities and donations as a partner of reforestation of Kanagawa Prefecture.</li> </ul>	<ul style="list-style-type: none"> <li>Reforestation activities called off due to bad weather.</li> </ul>	General Affairs Division Tokyo Branch Yokohama Branch
<b>Fulfillment of Sincere and Fair Business Activities</b>	Prohibition of unfair advantage in competition and promotion of fair and open competition	Reinforce CSR and compliance Upgrade information security management	<ul style="list-style-type: none"> <li>Hold training sessions for the compliance of the Act against Delay in Payment of Subcontract Proceeds, etc., and the prevention of insider trading.</li> <li>Distribute information security questionnaires to disseminate the awareness of security.</li> </ul>	<ul style="list-style-type: none"> <li>FY2014: Compliance with the Act against Delay in Payment of Subcontract Proceeds, etc.; Number of participants: 1,826 (Web-based check).</li> <li>FY2014: Prevention of Insider Trading Course; Number of participants: 40.</li> <li>Number of respondents to the FY2014 Information Securities Questionnaire: 2,679.</li> </ul>	General Affairs Division Information Systems Division
<b>Provision of Safe, Quality and Useful Services</b>	Provision of socially and environmentally beneficial high-quality services	Improve service quality	<ul style="list-style-type: none"> <li>Take specific initiatives for quality improvement at each of the operating sites, subsidiaries and affiliates.</li> <li>Reestablish our information systems for warehousing and distribution center operations to improve the quality of logistics.</li> </ul>	<ul style="list-style-type: none"> <li>Regular quality improvement conference held.</li> <li>Quality education at monthly safety conferences and information exchanges at regular conferences with customers conducted.</li> <li>Mar. 2014: A new warehousing and distribution center operations system (G-MIWS) implemented at the Aomi Office, Tokyo Branch.</li> </ul>	Planning & Business Coordination Division Warehousing and Distribution Business Division Tokyo Branch
	Promotion of disaster measures to maintain service functions	Maintain infrastructure in case of disasters	<ul style="list-style-type: none"> <li>Perform joint drills for earthquake countermeasure.</li> <li>Deepen people's understanding of the logistics of relief supplies in case of large-scale disasters.</li> <li>Pursue additional designations of our facilities as relief supplies and materials facilities, which is a concept primarily advocated by the Ministry of Land, Infrastructure, Transport and Tourism.</li> </ul>	<ul style="list-style-type: none"> <li>Mar. 2015: Head Office and the Tokyo Branch jointly performed an earthquake countermeasures drill (with approximately 50 participants).</li> <li>Participated in FY2014 disaster logistics training, which was sponsored by the Ministry of Land, Infrastructure, Transport and Tourism.</li> <li>Two of our facilities were additionally designated as relief supply and material facilities, bringing the total to 11.</li> </ul>	General Affairs Division Kobe Branch Warehousing and Distribution Business Division Nagoya Branch
<b>Coordination with Local Communities and International Society</b>	Contribution to the community's cultural activities	Contribute to cultures in local communities	<ul style="list-style-type: none"> <li>Hold supporting events for reconstruction from the Great East Japan Earthquake.</li> </ul>	<ul style="list-style-type: none"> <li>Aug. 2014: Held the “Tohoku Marché” and the “Charity Ennichi (Street Fair).”</li> <li>Nov. 2014: Conducted the “Yokohama F-Marinos Charity Auction.”</li> </ul>	Real Estate Division Yokohama Dia Building Management Corporation
	Contribution through donations, etc.	Support to victims of disasters	<ul style="list-style-type: none"> <li>Raise and provide relief funds for disasters that happen in Japan and overseas.</li> </ul>		General Affairs Division Other Divisions, Chambers and Branches Group companies