

Fulfillment of Sincere and Fair Business Activities

We earn trust from society by fulfilling our responsibilities regarding ethical activities. By conducting fair and open competition in our activities, we can showcase our compliance to society. To fulfill our sincere and fair business activities, we recognize the issues of appropriate management of information and compliance with laws and regulations such as the Act against Delay in Payment of Subcontract Proceeds, etc. and the insider trading prevention law and strive to establish a foundation of trust from society.



Prohibition of unfair advantage in competition and promotion of fair and open competition

We conduct training concerning compliance with the Act against Delay in Payment of Subcontract Proceeds, etc. and the prevention of insider trading.

In March 2015, we conducted training concerning the Act against Delay in Payment of Subcontract Proceeds, etc., covering the Company and its domestic group companies. Approximately 1,826 employees who are in charge of implementing the Act against Delay in Payment of Subcontract Proceeds, etc., and related associates from each division attended the training and learned the purpose of the law, the scope of applications, responsibilities and prohibited matters using related questions on our Web site. In February 2015, we conducted training related to the prevention of insider trading for a total of 40 new employees and verified their understanding using related questions on our Web site.

Also, in March 2015, we conducted training related to the Act against Delay in Payment of Subcontract Proceeds, etc., at our Tokyo, Osaka and Fukuoka branches. A total of 113 employees who are responsible for or in charge of implementing the Act against Delay in Payment of Subcontract Proceeds, etc., from each branch and affiliated company learned and discussed the purpose of the law, the scope of applications, responsibilities and prohibited matters based on the gist of the in-house manual and case studies presented in the manual.



▶ Actual performance data on the training concerning thorough compliance with the Act against Delay in Payment of Subcontract Proceeds, etc. and prevention of insider trading can be viewed on Mitsubishi Logistics' Web site in "Extended version."

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We focus on information security to provide high-quality and secure services for customers.

To provide the best services for our customers, the Company formulated various rules related to information systems. We have disseminated our information security policy to all employees.

To ensure the smooth business activities of the Company, we formulated specific compliance matters as to the use and management of our in-house network. Also, we appoint a LAN manager from each branch's information system section and OA promotion staff from the relevant section of each division that uses the network, ensuring safety and the effective use of our in-house network.

In fiscal 2014, we conducted a questionnaire with regard to Web site information security in August 2014 (answered by 1,444 persons), in September 2014 (427 persons) and in November 2014 (808 persons), thereby raising the awareness of information security among the cumulative 2,679 people who answered the questionnaire.



▶ Actual performance data on execution of questionnaire with regard to Information Security can be viewed on Mitsubishi Logistics' Web site in "Extended version."

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Management of Information Security

1. Security of customer information (personal information)
2. Security of intellectual property rights
3. Confidentiality obligation
4. Compliance with laws and regulations, obligation of compliance with regulations and penalties
5. Management of information assets
6. Formulation of security measure standards (Development standard, management standard, outsourcing standard)
7. Monitoring and supervision
8. Protecting systems from computer viruses
9. Access authority control
10. Information security education

Management of Network Security

1. Management of connection to ML-net (In-house network)
2. Rules for e-mail use
3. Rules for dispatching information
4. Rules for connection with networks outside the Company

Also, part of the operations of the Tokyo Branch trunk room office and Dia Systems Corporation (our subsidiary to develop and manage our information system) both acquired ISO27001 certification, an international information security management system standard, and receive periodic evaluation by a certifying organization-approved third-party organization, thereby attesting to our efforts to improve our information security.

Provision of Safe, High-Quality and Useful Services

To fulfill our mission as a logistics and real estate business operator relied on by society, we intend to promote measures to focus on disasters to continue to provide socially and environmentally useful and high-quality services and maintain service functions even during emergencies.



Provision of socially and environmentally beneficial high-quality services

We will continue to promote the improvement of quality, aiming to be a company that enhances the quality of our customers' products.

The Mitsubishi Logistics Group continues to promote its various efforts tenaciously to improve the quality of services to get acknowledged by customers as a constantly reliable partner.

● We aim for high quality from the customers' perspective.

To become a corporation that is continuously chosen by customers, we conduct business activities based on ideas and actions from the customers' perspective. To achieve customer satisfaction, we have broadened the framework of quality enhancement to include the quality of operations, business duties and the corporation itself. Moreover, to ensure trust from customers, we will build on our efforts at ensuring good quality to become a corporation that can boast "quality" as its strength.

● Our Quality Declaration has been disseminated. We put up an "Our Quality Declaration" notice at each worksite, distributed the "Our Quality Declaration" cards to all employees of the Mitsubishi Logistics Group and explained about it during stratified trainings, etc., to further disseminate the information.

● We connect employee satisfaction to customer satisfaction.

To offer high-quality services to customers, we regard Employee Satisfaction (ES) as an indispensable element. We strive to enhance the motivation of each employee.

We believe that creating a good work environment where employees can engage in business activities with confidence and contact customers with a smile will eventually lead to Customer Satisfaction (CS).

The Warehousing Business Division has quality management groups.

At the Warehousing Business Division, for the purposes of maintaining and improving the quality of business activities of the entire Division, the Head Office and all branches have a quality management group. We complete operational documents and share information on various measures. We will continue to aim to enhance customer satisfaction.

Each operating site and affiliated company conducts specific quality improvement measures.

To offer high-quality services, the Mitsubishi Logistics Group conducts daily efforts to improve the quality at each operating site and affiliated company. The content and results of such efforts are horizontally developed across the Group. Some of these measures are as follows.



Warehouse patrol conducted and meetings held by the 4S Activities Promotion Committee

Measures taken at divisions or branches and Group companies

Divisions or Branches and Group companies	Content of measures
Warehousing and Distribution Business Division	Held meetings attended by managers from all the operating bases to share information on improvement of quality.
Tokyo Branch	Determined issues on operational procedures by monitoring the interior of warehousing facilities.
Yokohama Branch	The 4S Activities Promotion Committee patrolled the warehousing facilities and made evaluations on each checklist item.
Osaka Branch	Conducted a campaign to continue zero accidents and commended a group that engaged most passionately.
Ryoso Transportation	Conducted a safety patrol at all the operational sites including the business sites of the delivery subcontractors to prevent accidents and raise awareness of safety.
Kyokuryo Warehouse Co., Ltd.	Conducted a safety patrol inside the premises every day to prevent accidents.
Shinryo Koun Co., Ltd.	Provided full technical training to improve workers' technical capability.
Mitsubishi Logistics China Co., Ltd.	Improved and implemented the human resources development system at all the Group companies in China.
Shanghai Linghua Logistics Co., Ltd.	Collected accident-related information at each division and department, analyzed the tendencies and gave feedback to all managerial staff.
Yokohama Dia Building Management Corporation	Collected information on complaints from customers through outsourced companies and shared the information at meetings with the tenants.
Dia Buil-Tech Co., Ltd.	Newly established the Quality Management Division and formulated a manual for standard procedures of building management operation.

To further improve the quality of logistics operations, we are adopting the G-MIWS (a new information system related to warehouse storage operation and delivery center operation).

As a successor model of the current system, MIWS/MESH (Mitsubishi Intelligent Warehouse System/Mitsubishi Efficient and Speedy Handling System), the Company developed a new system, G-MIWS, of which the first full-scale operation took place at the Aomi Office, Tokyo Branch, in March 2014, followed by the start of operation of the system at the Ohi Office of the same branch in September 2014. Our goal is to complete the installation of the G-MIWS by the end of fiscal 2016. The "G" of "G-MIWS" signifies "global," aiming to expand the Company's logistics business to integrate nationwide and overseas logistics, which is included in the Basic Policy of the Company's Management Plan. Our system is available in English and Chinese for overseas use and is designed to be effective in standardizing operations, improving service quality and reducing costs. By disclosing various types of logistics-related data, we will analyze operations, formulate sales strategies, provide useful information for customers' decision making in a timely manner and provide even higher-quality logistics services than ever to fully support customers' business development from the aspect of logistics.



Office where the G-MIWS was adopted (Ohi Office, Tokyo Branch) G-MIWS screen

VOICE Working to install the G-MIWS system



Naoki Yamaguchi
Group Manager, System Implementation New MIWS Project Promotion Div. Dia Systems Corporation

Following the first full-scale operation, which took place at the Aomi Office, Tokyo Branch, in April 2014, we have been promoting the adoption of the G-MIWS system at all 47 Mitsubishi Logistics operational bases, aiming to complete installation within the first half of fiscal 2017.

For the installation of the system, we are paying attention to the following points:

1. Contribute to customers by improving the quality of our logistics services.
2. Review office operations to achieve "1" above (improve the operational flow and utilize the system).
3. To deepen the understanding of the operation through the installation of the new system, thereby strengthening the capability of the system department.

Although it will take a while to complete the installation of the new system, I would like to continue this effort so the operation of the new system can start smoothly at each operational base.

(Group company of Mitsubishi Logistics)

Promotion of disaster measures to maintain service functions

We are working on crisis-preventive measures and measures to focus on crises promptly and effectively in case of such occurrence.

The basic purpose of our crisis management measures is to predict various crises that can seriously affect corporate management, prevent such crises and, in case of occurrence, focus on the crisis quickly and effectively to minimize damage to human and physical management and restore the normal operational structure quickly. Especially, with an aim to become disaster-resistant in software and hardware, we have developed "Disaster-Resistant and Eco-Friendly Warehouses."

To fulfill our corporate social responsibility, we intend to:

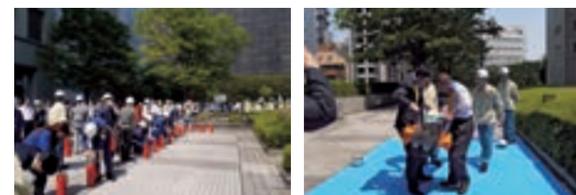
1. Ensure the safety of employees, their families and related people;
2. Preserve corporate facilities (e.g., the Company's warehouses, buildings and facilities) and the freight received; and
3. Strive to quickly restore and continue operation.

To respond to trust in our corporation from society, we will:

1. Strive to avoid adverse effects to stakeholders (customers, shareholders and business partners), and
2. Contribute to the quick stabilization of local communities.

We implemented disaster prevention training.

To take the initial measures to prevent disaster damage from spreading, we organized a self-defense disaster prevention squad for each building. We conducted disaster prevention training at the Head Office on April 25, 2014, raising the preparedness for emergency. In addition, as an emergency measure, we implemented large-scale disaster measure training with mandatory employee participation, thereby reinforcing the disaster countermeasure system. The training involved use of a mobile phone safety confirmation service, restoration from disaster damage, a walking route for entering and leaving the office and using MCA wireless communication. Moreover, by adopting an emergency earthquake and tsunami quick reporting system, we are striving to collect information quickly.



Disaster prevention training led by a self-defense disaster prevention squad (Tokyo Dia Building)

We implemented training for earthquake measures.

In March 2015, via the joint efforts of the Head Office and the Tokyo Branch, we implemented training for earthquake measures in which an executive in charge and approximately 50 employees participated. This training simulated the first few days after the occurrence of an earthquake immediately below the Tokyo metropolitan area, which was newly predicted in December 2013. Through this simulation training, we learned how to make status judgments; verified the liaisons among the Head Office, the branches and the operational worksites; and confirmed the roles of each department and operational site; and integrated information management.



▶ Actual performance data on the training for earthquake measures can be viewed on Mitsubishi Logistics' Web site in "Extended version."

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Headquarters for earthquake measures and training (Head Office) Branch office for earthquake measures and training (Tokyo Branch)

VOICE

Participating in the training for earthquake measures

Hiroyuki Sekiguchi
Harbor Transportation Dept., Tokyo Branch



The training simulated a highly specific emergency situation and had extensive content.

In a situation where issues are incoming one after another, it dawned on me how difficult it is to take the most appropriate measure quickly, which was a valuable experience for me.

At the occurrence of an actual earthquake and my facing an emergency situation, I would like to address the situation fully utilizing this experience.

The Nihonbashi Dia Building was commended by the Tokyo Fire Department.

At the Nihonbashi Dia Building, we worked on measures to cope with earthquakes, flooding and power outages, etc. under the concept of Disaster-Resistant and Eco-Friendly Office Buildings, with a primary focus on customers' security, safety and business continuity. As a result, our aggressive initiatives were highly evaluated, which included improving safety, such as ensuring the functionality of the building as a "property under fire prevention measures" and the launch of disaster-prepared building management and operation, were highly evaluated, and we received a letter of appreciation from the Fire Station Chief of the Nihonbashi Fire Station of the Tokyo Fire Department dated November 11, 2014, for our contribution to improving the safety of "property under fire prevention measures."



Letter of appreciation from the Fire Station Chief of the Nihonbashi Fire Station of the Tokyo Fire Department

We participated in the Disaster Logistics Training given by the Ministry of Land, Infrastructure, Transport and Tourism.

As part of the Disaster Logistics Training initiated by the Ministry of Land, Infrastructure, Transport and Tourism in fiscal 2013, training for logistics for the delivery of support/relief goods was held November 4-7, 2014, targeting logistics administration staff of national and local governments, industry organizations of logistics business operators and logistics business operators from private corporations to prepare for a large-scale disaster. The Company's staff also participated in the training.

Based on the lessons learned from the Great East Japan Earthquake, directions were shown on matters such as selection of support/relief goods logistics bases and conclusion of agreements between municipalities and industry organizations to cope with disasters. Via group discussions, participants gained much knowledge about preparations such as the operational procedures taken by the personnel handling support/relief goods and the information communication methods.

We will continue to work hard to fulfill our public role as a warehousing business operator in cooperation with the government.

We are strengthening our information system crisis management structure to focus on disasters and other crises.

To ensure continuous use of the information system even during an emergency, we established a disaster countermeasures center in the Kansai region to back up data and made our in-house network a duplicate information system. In addition, the Company has formulated a manual focused on information system disasters and other measures as countermeasures taken during operation of such systems against information system disasters and failures.



Disaster countermeasures center in the Kansai region

The Company's 11 facilities are support/relief goods logistics base facilities designated by the Ministry of Land, Infrastructure, Transport and Tourism.

The Ministry of Land, Infrastructure, Transport and Tourism, learning from its reflection on the Great East Japan Earthquake, held an advisory conference, attended by experts, logistics business operators and people related to industry organizations, among others, to compile the "Basic concept on the support/relief goods logistics system," which aims for the efficient and smooth delivery of support/relief goods to afflicted areas at the time of a disaster.

Mr. Watabe, then General Manager of the Warehousing and Distribution Business Division of the Company, assumed a position as a committee member representing warehouse operators, requested by the Ministry of Land, Infrastructure, Transport and Tourism, and actively commented from the perspective of a warehousing business operator. These discussions concluded with the shared recognition that for the delivery of support/relief goods at the time of a disaster, it is essential to fully utilize the expertise and facilities of private logistics operators.

In fiscal 2011, 395 private facilities nationwide, mainly in the Kanto, Tokai and Tonankai regions, where a large-scale earthquake is foreseen in the near future, were designated as support/relief goods logistics bases, including the Company's seven facilities located in the Kanto, Tokai and Hanshin regions. In fiscal 2012, two other facilities of the Company (in Fukuoka and Saga) were newly designated as support/relief goods logistics bases.

In fiscal 2013, the further addition of two warehouses in Tobishima and Honjoh (both in Aichi Prefecture) brought the number of the Company's facilities to 11. We will thoroughly prepare to fulfill our public role as a warehousing business operator so that the designated 11 facilities of the Company can function well during a future large-scale disaster.



▶ Data on our 11 facilities designated as support/relief goods logistics bases can be viewed on Mitsubishi Logistics' Web site in "Extended version."

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Aomi Warehouse No. 1, Tokyo Branch Rokko Warehouse D, Kobe Branch