

Organizational Governance

To ensure socially responsible positive decision making, it is necessary to establish organizational processes to optimally utilize the Group's philosophy, strategies and standards. As for organizational governance, the Group recognizes and strengthens such issues as "Promoting the realization of our corporate philosophy and strategies," "Entrenchment of the compliance of standards, etc.," "Confirmation of the processes of implementation for action plans" and "Review of goals and standards, etc."



Promoting the realization of our corporate philosophy and strategies

Disseminating the corporate philosophy and the management plan (Basic Strategy)

The Group has expressed the goal of "contributing to the realization of an affluent and sustainable society" in its corporate philosophy (see page 2: Top Message) to make its intent of strengthening social responsibility known to every party concerned within the Group.

To facilitate this goal, the Company formulated in its management plan the following Basic Strategy and Detailed Strategy (excerpt) and endeavors to disseminate it at worksite meetings and other occasions.

Basic Strategy and Detailed Strategy (Excerpt)

1. Reinforce risk management centering on natural disaster countermeasures.
2. Strengthen global environmental measures.
3. Create a corporate culture in which all executives and employees are eager to behave positively by thinking independently.
4. Promote personnel development fostering expertise and global perspectives.
5. Strengthen initiatives to revitalize organizations by drawing on diversified human resources.
6. Improve the quality of services.
7. Reinforce in-house education and the check system in the pursuit of thorough compliance.

In executing the Basic Strategy and the Detailed Strategy above, the Group complies with the seven principles of social responsibility under the Guidance on Social Responsibility. The Group companies have stipulated the Code of Conduct in line with the seven principles, and their employees strive to self-check and confirm their behavior by using the CSR & Compliance Handbook.

Review of goals, standards, etc.

Deliberating at the CSR and Compliance Committee (meetings held in March)

To promote CSR activities in the Group, the CSR and Compliance Committee was established in September 2006.

In fiscal 2014, the committee met in March and deliberated on the reports and revisions regarding CSR activities in accordance with the Guidance on Social Responsibility, which is used as the basis for the Environmental and Social Report, as well as on the improvement of compliance based on the self-check of the status of complying with the Code of Conduct.

Entrenchment of the compliance of standards, etc.

Disseminating the awareness of compliance

The Group endeavors to disseminate the awareness of compliance based on corporate ethics in every employee through the employee's self-check on the status of complying with the Code of Conduct, which was formulated as the social norms for employees in executing their duties, as well as by thoroughly promoting training on compliance.

The self-check on the status of compliance previously targeted the Company and domestic Group companies. Effective from fiscal 2013, the scope of the self-check has been extended to cover overseas Group companies using English texts.

 Actual performance data on the compliance situation of the Code of Conduct may be viewed on Mitsubishi Logistics' Web site in "Extended version."

HOME> CITIZENSHIP>Environmental and Social Report>Extended version

Business processes are confirmed via internal audit

The internal audit of the Company is performed mainly by the Audit Division in accordance with the internal audit regulations and the internal audit plan. The audit operation is supported by branch auditors and audit assistants positioned at Head Office and respective branches. The purpose of the internal audit is to precisely grasp the status of corporate affairs and the financial position so as to be of help for management's prevention of fraud, errors and faults, and rationalization such as improvement of business operations and raising operating efficiency. The Audit Division reports the results of audits regarding the Company and subsidiaries to the management team. The General Affairs Division supports the follow-up checks on any issues noted in the audit results, if any, and reports the results to the management team.

The Audit Division keeps close contact with the corporate auditors and provides them with internal audit information to cooperate with the corporate auditors' audits.

Confirmation of the implementation of action plans

Confirming the appropriateness of operations via internal control

The Board of Directors of the Company resolved the "Basic Policy on the Improvement of an Internal Control System" to ensure the appropriate execution of duties by executives and regular employees and the appropriateness of corporate affairs.

Furthermore, the Company improves the systems necessary for ensuring the appropriateness of financial reporting and prepares and submits the Internal Control Report regarding the evaluation of the effectiveness of internal control relating to financial reporting in accordance with the Financial Instruments and Exchange Law.

Confirming the process for bonded operations, etc., under the Authorized Warehouse Operators' Program

The Authorized Warehouse Operators' Program is a system for certifying managers of bonded warehouses and bonded factories as authorized warehouse operators after they meet set conditions concerning compliance and other regulations, in accordance with the Authorized Economic Operator (AEO) guidelines of the World Customs Organization (WCO). These authorizations ensure preferential treatment such as implementation of simplified procedures requiring only notification to build bonded warehouses, exemptions from permit fees, etc. Mitsubishi Logistics received approval as an authorized warehouse operator from the Director-General of Tokyo Customs in April 2008. We will further enhance compliance activities in customs-related processes and all other import/export services in our sincere attempt to provide highly reliable and dependable logistics services for our customers.

Meanwhile, Monryo Transport Corporation and Keihin Naigai Forwarding Co., Ltd., both of which are Group companies, acquired certification as Authorized Customs Brokers as of September 25, 2012, and June 9, 2014, respectively. An Authorized Customs Broker is a customs clearance operator subject to various preferential privileges, which is authorized by the customs office to arrange for security management and compliance regarding cargo. Both companies intend to improve customer services by leveraging their qualification for preferential declaration. We will work to compatibly ensure higher security and more trade facilitation in the field of international logistics.



Worksite meeting (Minamihonmoku)



Worksite meeting (Fukuoka Branch)



Worksite meeting (Tokyo Branch)



Worksite meeting (Osaka Branch)