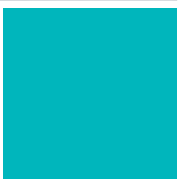
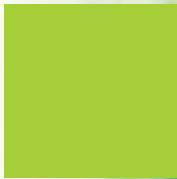




Mitsubishi Logistics
Environmental and Social Report

2014



Editorial Policy

The Mitsubishi Logistics Group (“the Group”) has issued this Environmental and Social Report each year since fiscal 2007 to fulfill its accountability about the effects of its business activities on society and the environment.

To disclose the goals, details and achievements of its CSR activities from the perspectives of the Group’s CSR management, this Report precisely and in an easy-to-understand manner describes the promotion of CSR as well as each of the seven core subjects described in the “Guidance on Social Responsibility” (JIS Z 26000, ISO 26000). This Guidance is a global standard for CSR established by the Japanese Industrial Standards (JIS) and the International Organization for Standardization (ISO).

Boundary of the Report and Reporting Period

| | |
|-------------------------|--|
| Boundary of the Report: | The Report covers Mitsubishi Logistics Corporation (“the Company”) and its group companies. |
| Reporting Period: | This Report covers our business activities for the period from April 1, 2013 to March 31, 2014. To ensure comprehensive disclosure, however, certain relevant information regarding events that occurred prior to and/or after this period have been included. |

Publication Date

December 2014

Reference Guidelines

- JIS Z 26000: 2012 (Guidance on Social Responsibility)
ISO 26000: 2010 (Guidance on Social Responsibility)
- Ministry of the Environment: Environmental Reporting Guidelines (Fiscal Year 2007 Version)
- Global Reporting Initiative (GRI): Sustainability Reporting Guidelines 2006

Contacts for Inquiries Regarding the Environmental and Social Report

CSR · Compliance Team, General Affairs Division,
Mitsubishi Logistics Corporation
Nihonbashi Dia Building, 19-1, Nihonbashi 1-chome, Chuo-ku,
Tokyo
103-8630, Japan
TEL: +81-3-3278-6657
FAX: +81-3-3278-6694

Contents

| | |
|---|----|
| Editorial Policy and Contents | 1 |
| TOP MESSAGE | 2 |
| Introduction of Businesses | 4 |
| Feature Disaster-Resistant and Eco-Friendly Facilities | 6 |
| <hr/> | |
| Promotion of CSR | |
| Manifestation of The Three Principles of Mitsubishi’s Business Management Philosophy and the Code of Conduct, etc. | 8 |
| Promotion of CSR for every employee, emphasis on communication | 11 |
| Confirmation of major CSR activities | 12 |
| <hr/> | |
| Organizational Governance | |
| Promoting the realization of our corporate philosophy and strategies | 14 |
| Review of goals, standards, etc.; Entrenchment of the compliance of standards, etc.; and Confirmation of the implementation of action plans | 15 |
| <hr/> | |
| Respect for Human Rights | |
| Improvement of awareness of human rights | 16 |
| <hr/> | |
| Appropriate Working Environment | |
| Respect for labor-management relations; and Employment and the importance of the employment relationship | 17 |
| Rewarding and friendly working conditions | 18 |
| Ensuring the security of workers | 21 |
| Human resources development and training | 22 |
| <hr/> | |
| Environmental Conservation | |
| Reduction of CO ₂ emissions as a measure for reducing climate change | 25 |
| Use of renewable resources | 26 |
| Contribution to the recovery of the eco-system | 27 |
| <hr/> | |
| Fulfillment of Sincere and Fair Business Activities | |
| Prohibition of unfair advantage in competition and promotion of fair and open competition | 28 |
| <hr/> | |
| Provision of Safe, Quality and Useful Services | |
| Provision of socially and environmentally beneficial high-quality services | 29 |
| Promotion of disaster measures to maintain service functions | 30 |
| <hr/> | |
| Coordination with Local Communities and International Society | |
| Contribution to the community’s cultural activities | 32 |
| Contribution through donations, etc. | 33 |
| <hr/> | |
| Statement Supporting the UN Global Compact | |
| Practice of the UN Global Compact’s 10 principles | 34 |
| Company Profile | 35 |



▶ You may view some of the relevant data presented in this Report on Mitsubishi Logistics’ Web site in “Extended Version.”

http://www.mitsubishi-logistics.co.jp/english/csr/pdf/extended_version.pdf

HOME>CITIZENSHIP>Environmental and Social Report>Extended Version



Mitsubishi Logistics Group focuses on global and engages in sincere and fair business realization of an affluent and sustainable



Akio Matsui
President

Introduction

Mitsubishi Logistics continues to uphold its corporate philosophy, which states, “Engage in sincere and fair business activities to secure stable profits and promote steady growth, appropriately compensating our stakeholders while contributing to the realization of an affluent and sustainable society.” To realize this corporate philosophy, the Group has stipulated the Code of Conduct.

Our Group companies work in cooperation to carry out our logistics business both in Japan and around the world, organically and comprehensively managing each business area through our information network, starting with our core warehousing business, and including overland transportation, port and harbor operations, and international transportation. Our real estate business focuses on leased buildings constructed on company-owned property. Of especial note, the involvement of our logistics operations in every industry countrywide provides a key function in the economic foundation of Japan as a highly public social infrastructure not only in peacetime but also in case of natural disasters or other emergencies. We continue to make the utmost effort to support the daily lives of people everywhere and the business activities of our customers at every level of product procurement, production and sales.

Second Year of the Management Plan (2013–2015)

The current fiscal year is the second year of the Management Plan (2013–2015), which started in April 2013. Stringent circumstances such as the sluggish European economy, the slowdown of Chinese economic growth, the dwindling Japanese population, the rise in the consumption tax rate, the rise in electric power charges and lackluster exports are expected to remain. However, several bright signs are seen overseas such as the recovery of the U.S. economy primarily due to the successful shale gas revolution, as well as the growing expectation of a shift away from

environment-friendly activities activities, contributing to the society.

the protracted deflationary economy in Japan due to the economic strategies called Abenomics. In these circumstances, this plan is designed to move forward with measures that have already been started, without changing the fundamental concept of pursuing growth potential in overseas businesses while basically ensuring profitability in the domestic businesses.

The management plan has defined the ideal image of the Group to be pursued by the conclusion of the plan as a corporate group as follows:

1. To be a reliable logistics service provider that can quickly cope with diversifying customer needs and market changes in Japan and overseas;
2. To be an enterprise with proven reliability that provides safe and comfortable space and trustworthy services to support people's jobs and lives;
3. To support customers' value creation from a customer-based standpoint to realize true customer satisfaction; and
4. To be an enterprise, which practices CSR management that contributes to society, in which every employee has a strong sense of mission and the ability to manage any crisis.

Initiatives for CSR management

With the establishment of our Code of Conduct in 1997, we have clearly demonstrated our stance and approach toward further enhancing our level of adherence to relevant laws and regulations, disclosing appropriate corporate information, promoting and resolving global environmental issues, and providing safe, quality and socially useful services. In addition, the Company approved and declared in May 2014 its support for the UN Global Compact, which is a set of

universally accepted CSR-related principles. The Company considers complying with internationally accepted norms in the areas of human rights, labor, the environment and anti-corruption as fulfilling its social responsibility in its business activities and leading to an affluent and sustainable society. To firmly instill this stance throughout the entire Group, we have clarified that we aim to be an enterprise that practices CSR management in the management plan as described previously and have incorporated such initiatives in specific measures.

Our logistics and real estate business activities are deeply connected to societies. To earn recognition for the value of our existence as a member of society and continue to grow in the future, the Group steadily implements the goals set forth in the plan. In particular, taking into account the increased demand for reducing natural disaster risk stemming from the global increase of natural disasters, we are promoting the construction of Disaster-Resistant and Eco-Friendly Warehouses equipped with reinforced disaster-prevention functions and enhanced global environmental measures, as well as Disaster-Resistant and Eco-Friendly Office Buildings that have similar functions. On the other hand, we intend to implement further initiatives for global environmental measures from the perspective of biodiversity.

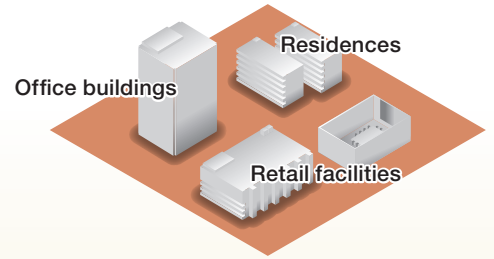
Conclusion

As the Mitsubishi Logistics Group continues to place a top priority on sincerity and fairness, supporting customers' value creation with a focus on global environment-friendly activities while fulfilling our responsibilities to society, we ask for your continued understanding and support.

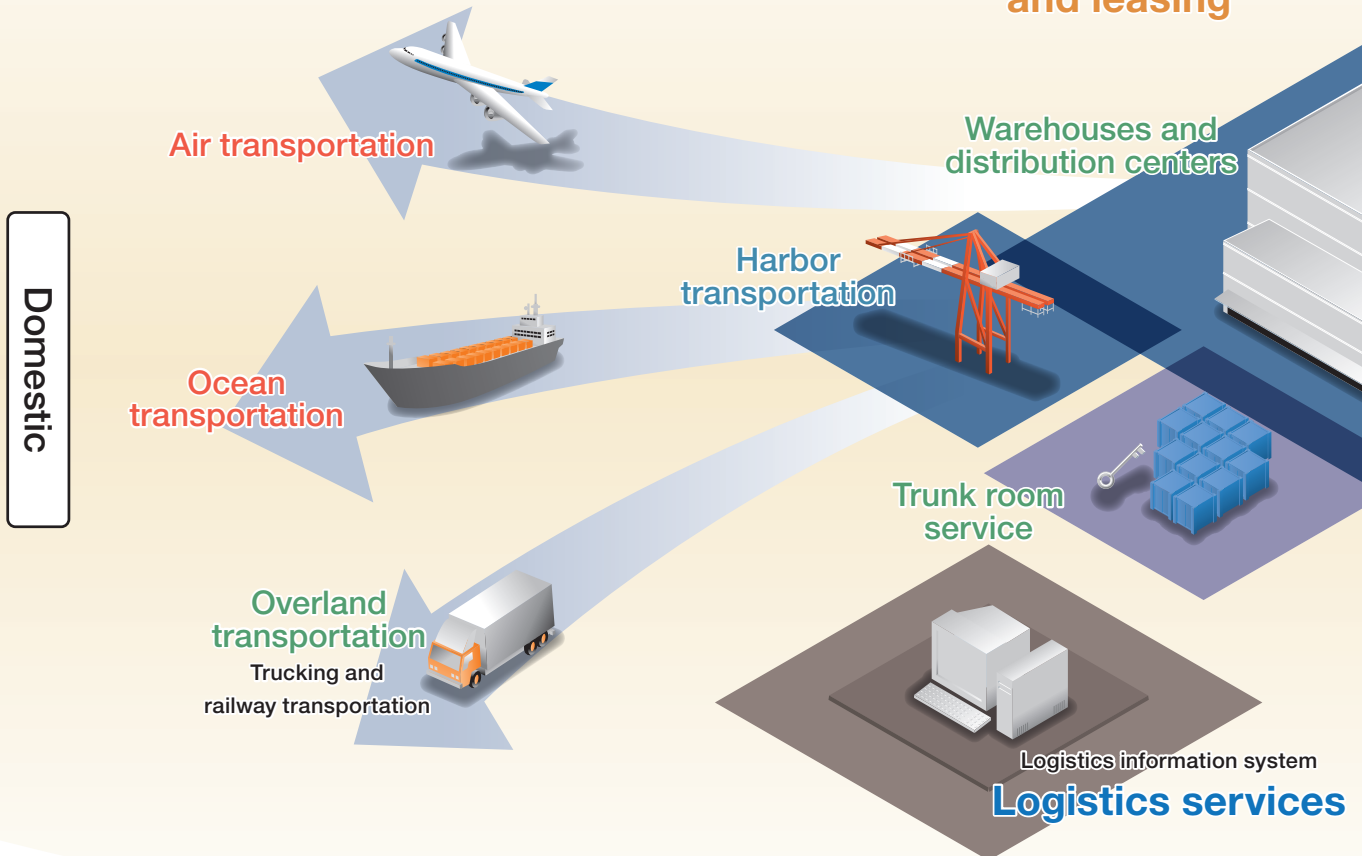


Introduction of Businesses

The Mitsubishi Logistics Group provides high-quality services to support people's affluent lives and corporate activities through the Logistics segment businesses centering on the warehousing and distribution business and the Real Estate segment businesses centering on the leasing of buildings.



Real estate development and leasing



Warehousing and Distribution Business

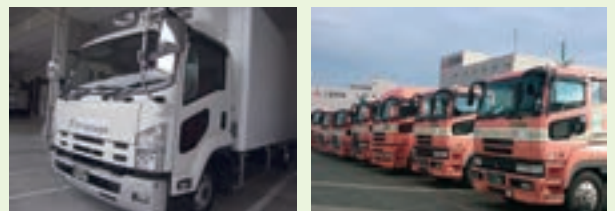
We are able to meet a broad range of customized logistics needs through the full integration of warehouses and distribution centers, which are located at major ports and key inland transportation areas nationwide; our transportation and delivery networks; and the logistics information systems that organically link them. In this business, fixed temperature storage and refrigerated warehouses for pharmaceuticals and fresh and processed foods are sufficiently offered in addition to ordinary warehouses for room temperature storage to ensure the provision of safe and efficient storage/distribution processing/delivery services using our original information technology and the latest facilities.

Meanwhile, we strive to reduce the environmental impact by promoting green management. Furthermore, we are active in the construction of advanced facilities that aim to coordinate with local communities under the concept of Disaster-Resistant and Eco-Friendly Warehouse equipped with a solar power generation system and emergency power generators. One such model warehouse is Misato Warehouse No. 2, which was completed in March 2013.



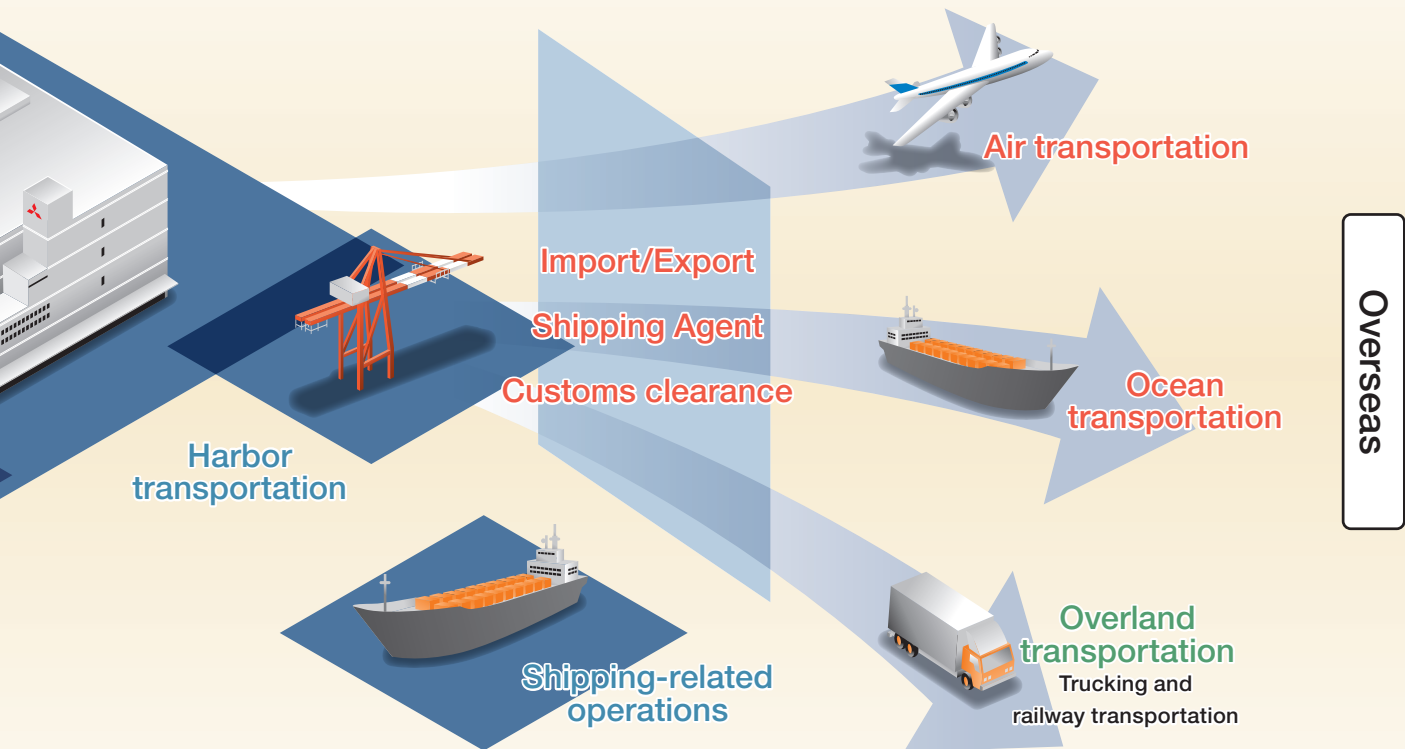
Overland Transportation Business

In Japan, we extend and reinforce the optimal distribution system for each customer through a tactical combination of our national, trunk-line transit network, which is supported by Ryoso Transportation within the Group and excellent local counterparts, and independent collection and delivery services linking local areas. We have expanded our transportation service for small-quantity, joint delivery needs especially for foods and pharmaceuticals. In addition, we offer cargo feature-specific, diversified transportation/delivery services including ocean freight container transportation for exported and imported cargo and the transportation of heavy goods such as plant facilities. Moreover, we endeavor to realize eco-friendly, safe and secure transportation services by drawing on our information technology and promoting green management. Furthermore, with the cooperation with DP Network Co., Ltd., a subsidiary that specializes in the delivery of pharmaceuticals established in November 2011, we strive to realize the further sophistication of transportation quality.



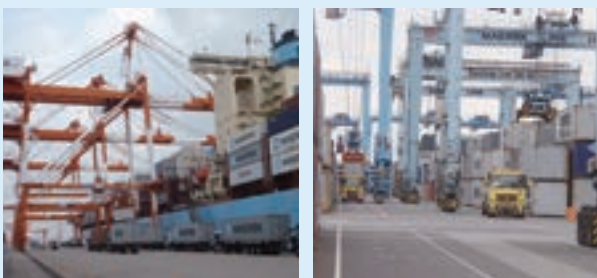
Real Estate Business

We are involved in the real estate business in all six major cities of Japan—Tokyo, Yokohama, Nagoya, Osaka, Kobe and Fukuoka. In addition to the redevelopment of properties based on the optimum application of each property's features and the leasing of approximately 50 real estate facilities (offices, retail facilities and residences), totaling almost 900,000 m² of total floor space, we are involved in the leasing of condominiums. We are also active in developing, Disaster-Resistant and Eco-Friendly Office Buildings, which will help our customers enhance their business continuity and reduce their environmental burden.



Harbor Transportation Business

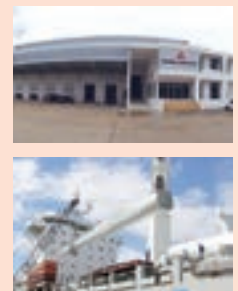
We provide secure high-quality logistics services including container terminal operations for containerized shipments at all major Japanese ports, namely Tokyo, Yokohama, Nagoya, Osaka, Kobe and Hakata, to meet every kind of customer need. We also offer a wide range of other marine shipping related services such as exporting/importing of vessels, ship registration, and agency operations for special ships such as oil-drilling rigs.



International Transportation Business

In response to increasingly diversifying customers' logistics needs, we propose optimum transportation routes door-to-door worldwide tailored to every customer's request by taking advantage of our global network and a variety of transportation means such as vessels, aircraft, railway and trucks. Meanwhile, our overseas operating bases provide comprehensive logistics services such as cargo transportation, customs clearance, storage of goods and LLSP* operations, as well as logistics related support services such as consulting on legal systems and procedures in the respective areas for customers who plan to launch into foreign markets. Furthermore, we intend to not be limited to transport operations but to further promote worldwide our logistics know-how, which the Company has accumulated over its history of more than 120 years.

* LLSP: Lead Logistics Service Provider a leading operator who collectively controls the timely supply of parts or components to the relevant production lines by organizing several logistics service providers.



Disaster-Resistant and Eco-

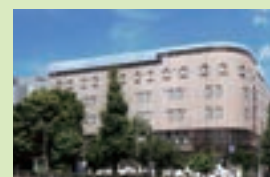
Addressing the various increasing risks, the Group endeavors to fulfill its corporate social responsibility and improve the competitiveness of its businesses by reinforcing risk management centering on natural disaster countermeasures, thoroughly carrying out necessary countermeasures and raising the entire Group's awareness of environmental considerations.

Sheets Used to Cover the Nihonbashi Dia Building Received the SDA Awards

The shatterproof sheets for works that were used during the construction of the Nihonbashi Dia Building received the SDA (Japan Sign Design Association) Awards. The key consideration was that the sheets were designed to complement the cityscape because they were printed with a full-scale photograph of the Edobashi Soko Building, designated as one of the historical buildings selected by the Tokyo Metropolitan Government.



The SDA Awards certificate



Sheets for construction works on which a full-scale photo is printed

Functions of the Nihonbashi Dia Building

[Major disaster-prevention functions]

1. Earthquake-proof performance

Adopting a seismic-isolation structure for the intermediate stories of a building, the building is designed to ensure high earthquake performance 1.5 times superior to the requirements set by the Building Standards Act.

2. Flood-control measures

Electricity rooms are installed on the seventh floor and the rooftop, whereas the equipment rooms such as the underground water-receiving tank are watertight.

3. Power outage measures

Two power supply systems (mainline and standby) are available to receive electricity from two different substations. Two types of fuel may be used for emergency power generators that operate in case of a power outage.

4. Water supply and sewerage system measures

Well water taken from a special well in case of a disaster is drinkable through a filtering device. The discharge water circulating system provides the flushing water required for indoor toilets in case of a disaster.

[Major environmental functions]

1. Photovoltaic power generation system

Photovoltaic power generation facilities that can generate approximately 47 kW of energy are installed on the wall and rooftop surfaces and contribute to reducing CO₂ emissions by approximately seven tons per annum.

2. LED lighting

An advanced energy-saving lighting system, which combines LED lighting for the entire building with daylight control and motion sensors, is adopted.

3. CASBEE

The building has obtained the highest "S" evaluation according to the Comprehensive Assessment System for Built Environment Efficiency (CASBEE) by implementing the energy-saving systems and other measures.

4. Energy-saving performance assessment

The building is expected to acquire the highest evaluation of "AAA" in the Tokyo Metropolitan Government Building Energy Performance Certificate program as it will surpass the standard values in terms of the annual burden coefficient for buildings by approximately -37% and the energy reduction rate for equipment systems by approximately 45%.

Nihonbashi Dia Building (Under construction)



Certificate of CASBEE Rank "S"

Disaster-Resistant and Eco-Friendly Office Building

The construction of the Nihonbashi Dia Building, a commercial building for rent with 18 aboveground floors, a basement and a total floor area of 30,000 m², is under way by the Company under the concept of "Disaster-Resistant and Eco-Friendly Office Building." The lower floors will be used as the Company's head office and trunk rooms. (To be completed in September 2014).

Disaster-Resistant and Eco-Friendly Office Building take advantage of our high safety know-how, which previously had been limited to facilities such as data centers, where even the momentary shutdown of equipment is not allowed, and thereby fully supporting the continuation of business activities for corporate customers.

In addition, the building has obtained the highest "S" evaluation according to CASBEE, an indicator that emphasizes considerations for the global environment and measures the environmental performance of buildings.

BRIEF COMMENT Takanori Miyazaki, Managing Director

■ Nihonbashi Dia Building: A Disaster-Resistant and Eco-Friendly Office Building

The construction site is the memorial place where Yataro Iwasaki, the founder of the Mitsubishi Group, started the warehousing business in 1876. The brick-built warehouse that was constructed in 1880 was destroyed by fire caused by the Great Kanto Earthquake in 1923, and the Edobashi Soko ("Warehouse") Building was reconstructed on the site with state-of-the-art, steel-reinforced concrete construction excelling in earthquake-proof and fire-resistant features in 1930.

In 2007, the building was designated as one of the historical buildings selected by Tokyo Metropolitan Government. The building obtained the highest "S" rank in CASBEE based on its high evaluation regarding several factors: preserving roughly 70% of the exterior of the Edobashi Soko Building, high considerations for cityscape and landscaping through the greenery on the sixth-floor rooftop, and several environmental measures to cope with global warming and the urban heat island phenomena. Furthermore, the latest earthquake-proof, flood-control and power-outage measures have been implemented with a primary focus on safety and security, as well as on the business continuity.

Friendly Facilities



Ibaraki Warehouse No. 3

Ibaraki Warehouse No. 3 Received the Osaka Sustainable Building Award

Ibaraki Warehouse No. 3 received the Special Prize at the 7th (FY2013) Osaka Sustainable Building Award, which was sponsored by Osaka Prefecture to recognize exemplary buildings for environmental considerations.

Ibaraki Warehouse No. 3 was the first building constructed under the Disaster-Resistant and Eco-Friendly Warehouse concept, and its disaster countermeasures and environmental performance were particularly evaluated.



Award presentation ceremony of the Osaka Sustainable Building Award
The Osaka Sustainable Building Award certificate

Disaster-Resistant and Eco-Friendly Warehouses

As its logistics bases, the Company advocates the concept of Disaster-Resistant and Eco-Friendly Warehouses, which are disaster-resistant and excel in environmental performance. They help reduce the environmental burden and take into account biodiversity.

Furthermore, our warehouses not only contribute to securely storing customers' cargo but also ensure business continuity with careful disaster countermeasures from a broad perspective.

Installation of LED Lighting (lighting inside the warehouse and at parking lots)

Since 2013, the Company has shifted the existing lighting devices for which the useful lives have elapsed to LED lighting at warehousing facilities at the respective branches by taking advantage of the "carbon dioxide emission control project subsidy system toward enhanced low carbon value."

A reduction of approximately 500 thousand kWh in electric energy, which corresponds to approximately 1% of the annual electric energy of the Company's warehousing facilities, is expected by renewing the existing lighting devices (more than 3,000 units in total).

Meanwhile, 684 lights inside the parking lots of the Company's commercial facility (Yokohama Bay Quarter) were converted to LED lights, thereby enabling a reduction in power consumption of 62.7% (47.8 tons/annum in CO₂ conversion). This measure also serves to increase people's environmental awareness.

The facilities that implemented the LED lighting in fiscal 2013 were as follows:



Sakurajima Warehouse No. 1

| Prefecture | Installation place |
|------------|---|
| Tokyo | Tokyo Branch Ohi Warehouse A |
| Kanagawa | Yokohama Branch, Daikoku Warehouses A and D |
| Aichi | Nagoya Branch, Tobishima Warehouse A |
| Osaka | Osaka Branch, Sakurajima Warehouse No. 1 |
| Hyogo | Kobe Branch, Rokko Warehouses A through C |
| Fukuoka | Fukuoka Branch, Chuo Futo Warehouse |
| Kanagawa | Yokohama Bay Quarter |

Solar Power Generation Facilities Installed at Sakurajima Warehouse No. 2

We started implementing large-scale solar power generation facilities, which had been previously installed only in new facilities, in existing facilities (starting in October 2013 at Sakurajima Warehouse No. 2 in Osaka) in line with the government's policy of enhancing the use of renewable energy. In fiscal 2014, the installation is planned for three facilities for total output of about 1.6 MW.



Sakurajima Warehouse No. 2



Tosu Warehouse

| Installation (month/year) | Prefecture | Installation place | Output |
|---------------------------|------------|------------------------------|--------------------|
| April 2004 | Saga | Tosu Warehouse | 10 kW |
| December 2009 | Kanagawa | Yokohama Dia Building | 90 kW |
| January 2011 | Saitama | Misato Warehouse No. 1 | 50 kW |
| September 2012 | Saga | Tosu Warehouse | 20 kW (extension) |
| October 2012 | Osaka | Ibaraki Warehouse No. 3 | 350 kW |
| December 2012 | Osaka | Daito Warehouse | 85 kW |
| March 2013 | Saitama | Misato Warehouse No. 2 | 530 kW |
| October 2013 | Osaka | Sakurajima Warehouse No. 2 | 470 kW |
| June 2014 | Saga | Tosu Warehouse | 760 kW (extension) |
| 2014 (Scheduled) | Miyagi | Sendai Warehouse | 490 kW |
| 2014 (Scheduled) | Hyogo | Rokko Cold Storage Warehouse | 310 kW |
| | | | Total 3,165 kW |

BRIEF COMMENT Kazuhiko Takayama, Managing Director

Developing Disaster-Resistant and Eco-Friendly Warehouses

Business continuity planning (BCP) and disaster countermeasures have become key priorities for all enterprises. Meanwhile, amid the ongoing global warming, the reduction of CO₂ emissions is an essential CSR priority for corporations.

As a countermeasure to address these urgent issues, the Company has defined the Disaster-Resistant and Eco-Friendly Warehouses design as a new concept for new warehousing facilities to ensure the business continuity of corporations in case of a disaster while simultaneously reducing the environmental burden that accompanies business activities.

Thus, we will continue to steadily promote environmental conservation in local communities while assisting corporate customers in logistics to continue their business activities by developing our Disaster-Resistant and Eco-Friendly Warehouses, which have both the capability to be responsive to natural disasters and excellent environmental performance.



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 a 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.



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 the 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 stable 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.

► 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)

● 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."



► You may view the details of the "Environmental Voluntary Plan" on Mitsubishi Logistics' Web site.

HOME> CITIZENSHIP>Global Environment>MLC-Group Environmental Voluntary Plan

● Our Declaration of Quality

Our Group has formulated "Our Declaration of Quality" to be an enterprise that grows itself 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 during the next three years 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)

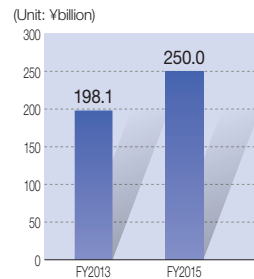
3. Performance targets

Figures of consolidated business results

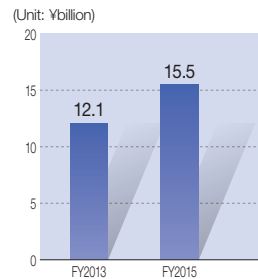
(Unit: ¥billion)

| | Revenue | Operating income | Ordinary income | Net income |
|---------------------------|---------|------------------|-----------------|------------|
| Actual results for FY2013 | 198.1 | 12.1 | 14.1 | 8.5 |
| Targets for FY2015 | 250.0 | 15.5 | 16.5 | 10.2 |

Consolidated revenue



Consolidated operating income

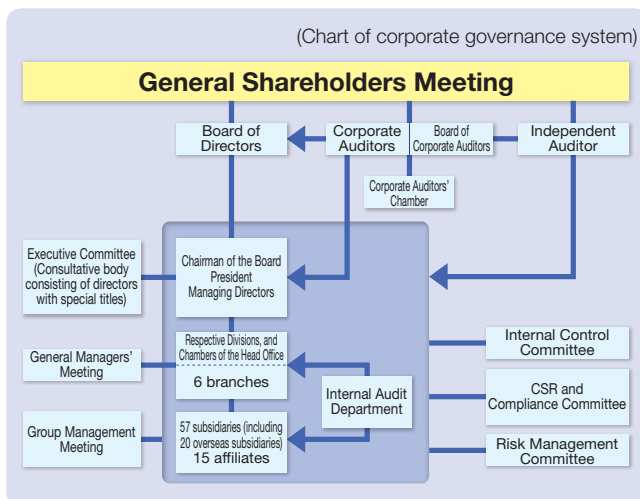


4. Investment plan

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 as to CSR and compliance. The handbook was distributed to all executives and employees within the Group in January 2012 for their daily reference.

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



CSR & Compliance Handbook

Lecture on CSR and Compliance

The Company and domestic Group companies provide Web-based lectures based on the Mitsubishi Logistics Group CSR & Compliance Handbook and the Environmental and Social Report to disseminate the understanding of CSR and compliance. The lectures 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 lecture and on 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 release 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

The 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.



Results briefing for analysts



▶ 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, at the time of the "Check of the Compliance of the Code of Conduct" in October 2013 we checked whether all executives and regular employees of the Group are familiar with our internal reporting system and whether they intend 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.

► Checklist for the confirmation of major CSR activities

| Core subjects | Tasks | Objectives/Goals | |
|--|--|--|--|
| Organizational governance | Promoting the realization of our corporate philosophy and strategies Review of goals, standards, etc. | Reinforce CSR and compliance | |
| Respect for Human Rights | Improvement of the awareness of human rights | Respect human rights | |
| Appropriate Working Environment | 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 | |
| | Ensuring the security of workers | Ensure the security of workers | |
| | Human resources development and training | Develop competent human resources who meet the requirements of global human resources and who can manage global operations | |
| Environmental Conservation | Reduction of CO ₂ emissions as a measure for reducing climate change | Further reinforce environmental countermeasures | |
| | Use of renewable resources | Preserve resources by reducing the environmental impact | |
| | Contribution to the recovery of the eco-system | Global environmental measures from biodiversity perspectives | |
| Fulfillment of Sincere and Fair Business Activities | Prohibition of unfair advantage in competition and promotion of fair and open competition | Reinforce CSR and compliance Upgrade information security management | |
| Provision of Safe, Quality and Useful Services | Provision of socially and environmentally beneficial high-quality services | Improve service quality | |
| | Promotion of disaster measures to maintain service functions | Maintain infrastructure in case of disasters | |
| Coordination with Local Communities and International Society | Contribution to the community's cultural activities | Contribute to cultures in local communities | |
| | Contribution through donations, etc. | Support to victims of disasters | |

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.

| Activity process (Plan) | Achievements/Results | Division/Chamber/ Branch and/or Group companies in charge |
|--|---|---|
| <ul style="list-style-type: none"> Disseminate the corporate philosophy and the management plan. Deliberate how to promote CSR at the CSR and Compliance Committee. | <ul style="list-style-type: none"> Briefing meetings on our Management Plan held at each branch by Managing Director in charge of personnel and planning Worksite meeting held every month (dissemination of our corporate philosophy and our Management Plan) May 2013 and March 2014: Held the CSR and Compliance Committee meeting (for CSR promotion) | General Affairs Division Personnel Division Planning & Business Coordination Division Other Divisions, Chambers and Branches |
| <ul style="list-style-type: none"> Strive to disseminate the awareness of respect for human rights with every employee by establishing a dedicated promotion system. Conduct education on human rights. | <ul style="list-style-type: none"> FY2013 Human Rights Enlightenment Training held with 49 participants Delivered lectures on human rights upon request from the Industrial Federation for Human Rights, Tokyo | Personnel Division |
| <ul style="list-style-type: none"> Streamline the personnel system in the pursuit of creating worksites where employees can demonstrate their personality and competence. Execute industrial safety and health-related measures to maintain and enhance employees' health. Promote a work-life balance to support the sound development of next-generation children. | <ul style="list-style-type: none"> Self-declaration once a year and interviews for appraisal conducted three times a year Conducted “Health Promotion” seminars and annual health checkup Beneficiaries of the childcare leave system: 7, and beneficiaries of the care leave system: 31 | Personnel Division |
| <ul style="list-style-type: none"> Work on industrial safety and health-related activities among operating bases in an aim to prevent occupational disasters. Promote the prevention of occupational disasters and conduct periodic disaster prevention drills and meetings in the Port and Harbor Operations Business. | <ul style="list-style-type: none"> Monthly commencement of Industrial Safety and Health Committee Number of serious occupational accidents in Port and Harbor Operation Business: zero | Personnel Division Harbor Transportation Business Division Branches |
| <ul style="list-style-type: none"> Endeavor to develop human resources that can contribute not only to corporate growth but also to social development. | <ul style="list-style-type: none"> FY2013 onsite logistics capability training with 313 participants FY2013 training on regional office duties with 43 participants FY2013 global mind development training with 64 participants | Personnel Division |
| <ul style="list-style-type: none"> 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. Enhance the shift of existing lighting devices to LED lighting by utilizing governmental subsidy funds. | <ul style="list-style-type: none"> Sept. 2014: Completion of the Nihonbashi Dia Building (Disaster-Resistant and Eco-Friendly Office Building) scheduled. FY2013: The sheets for works, which were used during the construction of the Nihonbashi Dia Building, received the SDA Awards. FY2013: The existing lighting devices (more than 3,000 units in total) at our warehouses were changed to LED lighting. | Technical Division Real Estate Division Branches |
| <ul style="list-style-type: none"> We promote 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. Expand the use of “i-MiEV,” Mitsubishi Motors' electric vehicles. Promote the reduction of wastes. | <ul style="list-style-type: none"> Oct. 2013: Solar power generation facilities with energy output of 470 kW started operation at Sakurajima Warehouse No. 2, Osaka Branch. FY2013: Three “i-MiEV” electric vehicles introduced. Dec. 2013: The Nagoya Dia Building received the Certificate of “Eco-oriented Business” from the Mayor of Nagoya. | Technical Division Osaka Branch Branches Nagoya Branch |
| <ul style="list-style-type: none"> Conduct forest restoration through the volunteer activities and donations as a partner of reforestation of Kanagawa Prefecture. | <ul style="list-style-type: none"> June 2013: Forest restoration activity conducted with 41 participants. | General Affairs Division Tokyo Branch Yokohama Branch |
| <ul style="list-style-type: none"> Hold training sessions for the compliance of the Act against Delay in Payment of Subcontract Proceeds, etc., and the prevention of insider trading. Distribute information security questionnaires to disseminate the awareness of security. | <ul style="list-style-type: none"> FY2013: Compliance with the Act against Delay in Payment of Subcontract Proceeds, etc., ; Number of participants: 1,816 (Web-based check) FY2013: Prevention of Insider Trading Course; Number of participants: 40 Number of respondents to the FY2013 Information Securities Questionnaire: 4,352 | General Affairs Division Information Systems Division |
| <ul style="list-style-type: none"> Take specific initiatives for quality improvement at each of the operating sites, subsidiaries and affiliates. Reestablish our information systems for warehousing and distribution center operations to improve the quality of logistics. | <ul style="list-style-type: none"> Regular quality improvement conferences held. Quality education at monthly safety conferences and information exchanges at regular conferences with customers conducted. Mar. 2014: A new warehousing and distribution center operations system (G-MIWS) implemented at the Aomi Office, Tokyo Branch. | Planning & Business Coordination Division Warehousing and Distribution Business Division Tokyo Branch |
| <ul style="list-style-type: none"> Perform joint drills for earthquake countermeasures. Deepen people's understanding of the logistics of relief supplies in case of large-scale disasters. Pursue additional designations for our facilities as relief supplies and materials facilities, which is a concept primarily advocated by the Ministry of Land, Infrastructure, Transport and Tourism. | <ul style="list-style-type: none"> Feb. 2014: Head Office and the Kobe Branch jointly performed an earthquake countermeasures drill (with approximately 60 participants). Participated in FY2013 disaster logistics training, which was sponsored by the Ministry of Land, Infrastructure, Transport and Tourism. Two of our facilities were additionally designated as relief supply and material facilities, bringing the total to 11. | General Affairs Division Kobe Branch Warehousing and Distribution Business Division Nagoya Branch |
| <ul style="list-style-type: none"> Hold supporting events for reconstruction from the Great East Japan Earthquake. | <ul style="list-style-type: none"> Aug. 2013: Held “Tohoku Marché” and the “Charity Ennichi (Street Fair).” Nov. 2013: Conducted the “Yokohama F-Marinos Charity Auction.” | Real Estate Division Yokohama Dia Building Management Corporation |
| <ul style="list-style-type: none"> Raise and provide relief funds for disasters that happen in Japan and overseas. Develop a plastic bottle cap collection activity to improve the welfare of children worldwide. | <ul style="list-style-type: none"> Apr. 2013: Contributed to a relief fund for the victims of the Ya'an earthquake in Sichuan Province, China. Nov. 2013: Contributed to a relief fund for the victims of the Philippines typhoon Haiyan. FY 2013: Donated approximately 347,000 collected plastic bottle caps (equivalent to the cost of giving a polio vaccine to approximately 430 children) to the Ecocap movement. | General Affairs Division Other Divisions, Chambers and Branches Group companies |

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, 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 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 always having the CSR & Compliance Handbook close at hand.

Review of goals, standards, etc.

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

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

In fiscal 2013, the committee met twice—in May and March. The committee deliberated on the reports and revisions regarding CSR activities in accordance with the Guidance on Social Responsibility used as the basis for the Environmental and Social Report, as well as on the improved compliance based on the self-check of the status of complying with the Code of Conduct.

In addition, it was reported that the forest restoration activities were conducted to preserve the ecosystem regarding the preservation of biodiversity.



Worksite meeting (Nagoya Branch)



Worksite meeting (Osaka Branch)

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.



Worksite meeting (Kobe Branch)

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 (Fukuoka Branch)

Respect for Human Rights

Respecting human rights is a basis for complying with laws and regulations and fulfilling social responsibility. Regarding the respect for human rights, the Group recognizes and addresses such issues as “Improvement of the employees’ awareness of human rights.”



Improvement of the awareness of human rights

Strive to disseminate the awareness of respect for human rights with every employee by establishing a dedicated promotion system

The Company is committed to enlightening human rights among employees with the aim of creating a “positive worksite atmosphere in which every employee’s human rights are respected and personal competence and personality can be fully demonstrated.”

Specifically, every year the Company offers a human rights enlightenment course of 1–2 hours in the stratified training curriculum under the established human rights training promotion system.

In fiscal 2013, a total of 49 employees participated in the training, which targeted new employees and newly appointed managerial staff.

At the training sessions, participating employees not only received lectures but also exchanged views on diverse concrete examples to deepen their understanding.

The Company endeavors to raise the awareness of human rights by inviting slogans on human rights enlightenment even to loaned or dispatched staffers. In parallel with this approach, we have established a harassment-dedicated counseling contact that takes initiatives to prevent or resolve various worksite harassment cases.

In fiscal 2013, upon request from the Industrial Federation for Human Rights, Tokyo, the person in charge of human rights of the Company delivered a lecture in Aichi Prefecture as a visiting lecturer on the theme of “Corporate Enterprise and Human Rights—Creating Easy-to-Work and Rewarding Worksites.”



▶ Actual performance data on human rights training can be viewed on Mitsubishi Logistics’ Web site in “Extended Version.”

HOME> CITIZENSHIP>Environmental and Social Web Report>Extended Version



Lecture in Aichi Prefecture

Slogan on human rights (Employees’ section)

Let us start by noticing each small problem. A bright future can be established by everyone’s efforts.

Slogan on human rights (Family section)

Breadth of mind is born from a mind-set of listening to others. First, we must make time for conversation among family members.

Reflection on the Human Rights Training

Yoko Miyazaki
Tobishima Office, Nagoya Branch



At the training, we learned about such subjects as “What are human rights?,” “Discrimination on the basis of race and disability” and “Gender discrimination issues” with actual examples. We also modeled a socially and environmentally easy-to-work corporation based on what we learned. We exchanged views and deepened our understanding regarding examples of discrimination such as harassment by a person in a position of power and sexual harassment lawsuits and other issues that might happen in our daily lives.

I think this training provided a very good occasion to become aware of and reimagine our subconscious illusions or prejudices. I truly felt from this training that it would be important for us to “recognize that human rights issues have something to do with ourselves” and “interact with others by defining them not according to their attributes such as race, gender or the degree of disability but to their individuality.”

Appropriate Working Environment

An appropriate working environment serves to stabilize employees' living standards, is the source of meaning in employees' lives and is indispensable for safety and health, productivity growth, human resource development and so forth. Regarding the appropriate working environment, the Group recognizes and addresses such issues as "Respect of labor-management relations," "Employment and the importance of the employment relationship," "Rewarding and friendly working conditions," "Ensuring the security of workers" and "Human resource development and training."



Respect for labor-management relations

Having close communications with the labor union

The collective labor agreement entered into between the Company and the Mitsubishi Logistics Union stipulates the responsibility of the Company and that of the union as follows on the stance of labor-management cooperation.

1. (Company's Responsibility)

The Company shall proactively strive to maintain and improve the working conditions and promote the welfare of employees to improve the status of employees and ensure stable livelihoods.

2. (Union's Responsibility)

The labor union shall strive to maintain public order at the worksite and promote the working capabilities of its affiliated employees, as well as fully cooperate with the Company for the growth of the Company's business based on democratic foundations.

Labor-management consultations and negotiations are handled at the Management Conference, which is attended by representatives of both parties.

There are two types of Management Conference: the Central Management Conference, which is held between Head Office and the union's headquarters, and the Operating Site Management Conference, which is held between each branch and each lodge. Each conference meets once per month.



Operating Site Management Conference (Osaka Branch)

Employment and the importance of the employment relationship

Endeavoring to ensure human resources systematically and stably while respecting equal employment opportunities and diversity

In recruiting employees, our basic policy is to respect equal employment opportunities and diversity.

In our recruiting activity, we have introduced an openentry system without making any distinction as regards the school of graduation or faculty that takes into account the fair employment of applicants from a long-term perspective to systematically and stably ensure human resources.

We offer a wide range of opportunities to both new and professional or experienced applicants by making the most of the Company's Web site and various kinds of PR media.

► Status of employees (as of the end of March 2014)

| Item | In fiscal 2013 |
|--|----------------|
| Number of regular employees (consolidated) | 4,441 |
| Number of temporary employees (consolidated) | 2,293 |

Group companies have no statistical data regarding employees' average age and years of service.

| | |
|--|-----------------------------|
| Number of regular employees (non-consolidated) | 847 (578 men and 269 women) |
| Average age (non-consolidated) | 40.4 years |
| Average years of service (non-consolidated) | 17.7 years |
| Number of temporary employees (non-consolidated) | 673 |

Rewarding and friendly working conditions

Strive to improve the environment in which both employees and the Company can raise mutual values

The basic philosophy of the Company's personnel policy is to assist its employees to grow and improve their worklife balance and to assert that both employees and the Company can raise mutual values through the sustainable growth of the Company.

To realize this philosophy, the Company endeavors to improve worksite environments so that employees can demonstrate their individuality and competence to the utmost with improved motivation and better workplace environments, through a variety of personnel and educational systems.

Streamline the personnel system in the pursuit of creating worksites where employees can demonstrate their individuality and competence

The Company strives to improve worksite environments in which every employee can fully demonstrate his/her individuality and competence.

Self-declaration system

According to the self-declaration system, the Company's employees declare their satisfaction rating with their current duties and career plan among others, once a year. The declaration includes the desired conditions of their next workplace, etc., so that the Company may pay attention not only to employees' business duties but also to every employee's life plan. The content of the declaration is actually used for personnel transfers and a career development program.

Evaluation and treatment of employees

The Company treats employees in accordance with fair, transparent and well-received appraisal systems. Direct interviews between managers and subordinates, which are held three times a year (at the time of target setting, midyear retrospection and year-end retrospection) are especially emphasized. The evaluation results are used for an appropriate division of labor within the business unit and advice on career planning.

Execute industrial safety and health-related measures to enhance employees' good health

To effectively fulfill its obligation of safety, which is required of every corporation, the Company proactively takes initiatives to maintain and promote employees' health.

Regular medical checkup

A medical checkup is conducted once a year that focuses on tests for lifestyle-related diseases. Although long working hours have become a social problem in recent years, the Company has implemented a framework to minimize the health risks of employees due to a heavy workload through enhanced interview guidance from industrial physicians to those with long working hours.

Health promotion

Health promotion seminars are held for the purpose of maintaining good health and improving the lifestyle of employees. At these seminars, in addition to lectures (on mental health and eating habit guidance) given by experts, simple aerobics dance programs are offered to encourage employees to engage in light physical exercise.

Involvement in mental health activities focusing on "prevention and recurrence prevention"

The Company considers it important to support every employee in having a purposeful life by ensuring systematic and constant care for his/her mental health.

To promote mental health care in accordance with the "Guidelines for maintenance and promotion of mental health for workers" of the Ministry of Health, Labor and Welfare, the Company has taken a variety of initiatives such as reinforcement of in-house education and training, cultivation of dedicated staff in charge at operating sites, execution of stress checks and improvement of networks via collaborations with external professional organs.

Promoting the work-life balance to support the sound development of next-generation children

Pursuant to the implementation of the Act on Advancement of Measures to Support Raising Next-Generation Children, the Company formulated the “Ordinary Business Owner Action Plan” and implemented the “Child-care leave system,” the “Short-time regular employee system,” the “Nursing care leave system,” the “Child care leave system” and the “Family care leave system” to assist with the coexistence of employees’ working life and home life.

Furthermore, the Company encourages the enhanced use of annual paid vacations to reduce working hours in a year and has introduced a systematic granting system (six days per year) of annual paid vacations under labor-management collaboration.

VOICE Having Acquired a Care Leave

Junichi Iwasaki
Accounting Dept., Yokohama Branch



As my child often caught a cold when initially entering a nursery, I as the father needed a nursing care leave because our family is a double-income household and we share the child-rearing.

Thanks to the care leave system, I could take off-duty days without using my paid leave, supported by the understanding and cooperation of my colleagues. I am grateful for the leave system as I could tackle my job compatibly with my child-rearing task.

VOICE Having Used the Short-Time Regular Employee System

Yuka Ando
Ibaraki Office, Osaka Branch



I worked regular hours for three months after the end of my childcare leave. However, as my first son of one year old then was having difficulty adjusting to his new life at the nursery, leaving home at 7 a.m. and not returning before 7 p.m. at night, I decided to apply for the short-time regular employee system. It becomes difficult to manage my work and child-rearing if I am unable to get help from the people around me such as for sending to and from the nursery. However, as my son gradually got accustomed to the new environment thanks to using this system, I can dedicate myself to my job with a feeling of security.

In using this system, I’m really grateful for the understanding and cooperation of my supervisors and colleagues. I would like to do my best to the fullest extent although the time for working is limited.

► Acquisition results for various systems

| System | Description | Results (number of beneficiaries) | | | | |
|---|---|-----------------------------------|--------|--------|--------|--------|
| | | FY2009 | FY2010 | FY2011 | FY2012 | FY2013 |
| Childcare leave | Leave of absence is allowed for a desired period until a child become 2 years old. | 10 | 14 | 9 | 6 | 7 |
| Short-time regular employee | Service hours may be reduced by up to 2 hours per day for nurturing a child. | 8 | 11 | 16 | 17 | 17 |
| Nursing care leave | Leave of absence is allowed for a desired period within one year to take care of a family member in need of nursing care. | 0 | 0 | 0 | 1 | 0 |
| Care leave | Paid leave for nursing care of a child (up to 10 days per year) | 24 | 23 | 33 | 27 | 31 |
| Family care leave <small>(newly established in FY2010)</small> | Paid leave for nursing care of a family member in need of nursing care (up to 10 days per year). | — | 5 | 3 | 1 | 1 |

Child care leave system and nursing care leave system are counted beginning from the time of system introduction.

Appropriate Working Environment

Promoting welfare measures to help employees store up the energy to work

A variety of systems are available in compliance with the three catchphrases of “Provision of security,” “Recreation” and “Promotion of residential house acquisition” for the promotion of employees’ welfare.

Major welfare programs of the Company:

1. Provision of security

Retirement benefits, corporate pensions, family allowance, housing allowances, condolence money, celebration of a birth, the ESOP (Employee Stock Ownership Plan) association, group insurance, the reserve for pension and asset formation, multipurpose accommodation loans and the granting of company-owned houses to employees via job transfers

2. Recreation

Recreation facilities, in-house sports events (baseball, tennis and futsal), the Mitsubishi firms’ martial arts tournament, refresh leave (long-service and midlevel workers)

3. Promotion of residential house acquisition

Reserve for house acquisition and asset formation, in-house loans and tie-up loans



In-house recreation event (kendo section: the Mitsubishi firms’ martial arts tournament at the Nippon Budokan)

Providing an activity place at work for retiring employees to demonstrate their competence by ensuring employment opportunities for the elderly

In terms of employment opportunities for the elderly, the Company has striven to guarantee the employment of employees up to 62 or 63 years old before the establishment of the related laws through measures such as a job placement service to help them be reemployed by subsidiaries or affiliates and the reemployment of those with expertise in certain business fields.

In response to the establishment of the relevant laws, we established our continuing employment system to ensure that applicants can continue to work up to 65 years old under certain criteria, and the system has been applied to 80%–90% of those applicable.

Improving access in the work environment to increase the employment of physically challenged people

There are physically challenged employees who work in diverse operations of the Company. As of June 1, 2013, the Company filled its legal employment quota of physically challenged employees as a result of the aggressive execution of various initiatives. We will continue to steadily strengthen improvements of the worksite environment in which physically challenged persons can easily demonstrate their capabilities and competence.

▶ Employment ratio of physically challenged employees

| | June 2009 | June 2010 | June 2011 | June 2012 | June 2013 |
|--|-----------|-----------|-----------|-----------|-----------|
| Number of physically challenged employees (actual) | 12 | 13 | 16 | 18 | 17 |
| Employment ratio (%) | 1.58 | 1.70 | 2.06 | 2.30 | 2.15 |

VOICE

Participating in the Mitsubishi Firms’ Martial Arts Tournament

Hayato Uesugi
Harbor Transportation Dept., Kobe Branch



The Mitsubishi firms’ martial arts tournament is a big annual event at which many athlete employees of the Mitsubishi Group companies convene to compete in martial arts. I participated in the kendo section this time and deepened bonds with my supervisors and colleagues who also participated in the tournament.

I regret that I could not show my true ability at the games as I was overwhelmed with the atmosphere of the famous Nippon Budokan. However, I could feel bonds with people in the Mitsubishi Group by participating in the tournament. This was a valuable experience for me to pursue synergies within the Group companies in the future.

Ensuring the security of workers

Striving to conduct industrial safety and health activities via collaborations among operating bases in the pursuit of prevention of industrial accidents

Each branch has an "Industrial Safety and Health Committee" (and a Health Committee at Head Office) to share information with operating bases including operation-commission and cargo-handling companies to which operation is outsourced with regard to diverse initiatives related to industrial safety and health. In addition, we strive to prevent occupational disasters by conducting safety and health education and safety patrols inside and outside the facilities.



Health Committee (Head Office)

Overland transportation: Strengthen ensuring safety with safety measures and the prevention of accidents in the transportation field

Ryoso Transportation Co., Ltd. (an overland transportation-dedicated company in charge of the overland transportation business of the Company) aims to increase the security of transportation and ensure the security of the truck crews through concerted efforts with the recognition that ensuring the security of freight transportation is the pillar of our business management.

In addition, fully recognizing the public nature and importance of the trucking business apart from compliance with relevant laws and regulations such as the Motor Truck Transportation Business Act and the Road Traffic Act, we check operations at all times from a safety viewpoint. As initiatives for daily accident preventive activities, we hold safety conferences, conduct safety patrols and all-branch marketing staff conferences, and thorough checks at all car-allocation bases using a high-performance alcohol detector unit to check at the roll call whether any crew members have been drinking.

In addition, we implement initiatives for industrial safety and health via appropriate instructions and education given to crew members based on the results of regular medical checkups, to which tests for lifestyle-related diseases have been added, and regular diagnosis of the driving competence of the truck crews is conducted.

Harbor transportation: Promote the prevention of occupational disasters and conduct periodic disaster prevention drills and meetings

The port and harbor operations inevitably involve a variety of cargo handling work in association with the receipt and delivery at ports. We therefore regularly conduct safety-related drills and hold regular conferences as specific countermeasures that have been prepared by operating site to safely and smoothly perform cargo handling operations.

To prepare for various kinds of occupational disasters and cargo accidents, it is important to raise awareness of safety and health and share the intent with all workers. To this end, we strive to understand and improve the operating site environment from all angles.

Furthermore, to prevent occupational disasters and cargo accidents, it is vital that warnings are given with reference to past accident examples and that effective countermeasures are always

pursued and proactively executed. We are confident that the cumulative effects of these safety-focused daily efforts will help prevent serious occupational disasters and ensure the safety of workers.

Specific initiatives executed at the respective ports are summarized in the table below.



Safety patrol (Harbor Transportation Dept., Nagoya Branch)



Safety and health meeting (Harbor Transportation Dept., Osaka Branch)

► Description of specific initiatives taken at the respective ports and results/achievements

Description

- We hold a briefing meeting before the ship operations to confirm the content of the intended operation, check the work uniform including the fluorescent vests and call workers' attention to safety (daily).
- A safety and health meeting is held jointly with the relevant suppliers (monthly).
- We strengthen the safety patrols at the operating site jointly with the relevant suppliers (monthly). (Quarterly joint patrols are conducted with the participation of superiors.)
- We regularly confirm and replenish safety gear (safety belts for high-place operations, fluorescent safety arm bands, emergency stretchers, etc.).
- We participate in outside workshops and training sessions (as needed).
- We promote the speed limit for dedicated, in-yard trucks, which are driven within the container yards (via the successive installation of excessive speed lamps).
- We promote the speed limit for trucks entering container yards (by setting up a speed monitor).

Results/Achievements

No serious occupational accidents were reported in fiscal 2013.

VOICE

Strengthening the Task of Ensuring Safety

Yasuo Tominaga
General Manager, Sales Division
Ryoso Transportation Co., Ltd.



As a trucking business operator, we always endeavor to ensure safety and security. Recognizing the importance thereof, we are active in raising our safety consciousness. We therefore strive to execute safe operations at all times by complying with relevant laws and regulations, establishing an internal communications system and sharing information in addition to onsite safety patrols. We conduct thorough checks using an alcohol detector unit at the roll call and carefully manage truck crews' condition in the pursuit of safe transportation and higher transportation quality.

(Group company of Mitsubishi Logistics)

Appropriate Working Environment



Chinese conversation course

Human resources development and training

Endeavor to develop human resources that can contribute not only to corporate growth but also social development

● Ideal image of desired human resources

With the Code of Conduct in mind, every employee aims to undertake a role not only in corporate growth but also in the development of society by conducting himself/ herself in the following manner.

1. Keep faith in others, and conduct yourself with integrity and a sense of fairness.
2. Conduct yourself autonomously.
3. Respond flexibly to environmental changes.
4. Demonstrate expertise and act with a sense of creativity.
5. Have a good teamwork spirit and cooperate with your colleagues

● Training system

The Company focuses on developing human resources that can precisely respond to internal and external needs.

The Company therefore strives to upgrade employees' business skills and the organization's strength through training by service year of employment. At the same time, the Company offers several training programs to raise employees' expertise such as management capabilities, readiness for globalization and operational capability to enable employees to acquire professional skills in response to the content of their business duties.



Onsite logistics capability training (Distribution center start-up operation)

Extending the Scope of In-House Lecturers for the Onsite Logistics Capability Training

At the onsite logistics capability training, the lecturers are dispatched from among active employees so that employees assigned to posts at logistics sites can improve their necessary expertise and skills.

At this training, in addition to the previous safety and health and logistics management courses, two new courses (distribution center start-up operation and transportation operation courses) were offered. As a result, 313 persons in total participated in the courses.

We intend to offer more practical training by nurturing in-house lecturers to enrich the content of the respective course programs.

VOICE

Reflection on the Onsite Logistics Capability Training (Distribution center start-up operation)

Kenichi Usuda
Sakurajima No. 2 Office, Osaka Branch



I attended the distribution center start-up operation course. I truly felt the difficulties in the start-up operation, which is required to integrate specific customer needs into our daily operations and the increasing needs for quality day by day.

It was a valuable occasion for me to review my duties by hearing opinions from other participants who came from other departments and sections.

VOICE

Reflection on the Onsite Logistics Capability Training (Transportation operation)

Tomoyo Nashimoto
Pharmaceutical Team, Warehousing and Distribution Business Division



At the basic transportation operation course, we mainly learned the outline of the trucking business operations, which are closely related to the warehouse operations, the business environment surrounding the industry and various other issues. As the transportation industry involves various challenges such as the hike of fuel prices, a decline in cargo volume and the shortage of truck drivers, the degradation of transportation quality is a concern. I learned that the trucking business operators used by the Company endeavor to improve transportation quality with measures such as the installation of a drive recorder and by obtaining certification as a safety excellence enterprise.

I'm satisfied having learned many things. I would like to make use of the knowledge that I gained at the training as one of my sales tools for customers.



Training on regional office duties



Leadership training for managerial section chiefs and general managers



Newcomers' training



Training for (Deputy) General Managers



Offsite meeting

Conducted a Training Targeting Region-Type Employees (Training on regional office duties)

We conducted two trainings on regional office duties—June 17—18, 2013, and January 23—24, 2014—at the Sengokuhara Training Center to help improve our capability to handle regional office duties in accordance with the Management Plan.

The programs, attended by 20 persons at the June training and 23 persons at the January training, focused on grasping one's own strengths and weaknesses by reflecting on one's past jobs and deepening communication to play a central role in the operations for which he/she has responsibility.

As the training sessions became a forum for the exchange of views across branches and departments, it served to improve the motivation of the participants.

VOICE

Participating in the Leadership Training for Managerial Section Chiefs and General Managers



Takashi Mukai
Manager, Residential Development Team,
Real Estate Division

I learned many things at this training. The exchange of opinions with managerial staff at other branches/departments, with whom I usually have little contact, was especially valuable, in addition to mastering a specific "facilitation" technique to animate meetings.

In the course menu to explain specific onsite problems, it was fruitful for me that the participating managerial staff discussed with each other to find solutions on the pending issues of the Company and share a sense of crisis.

Conducted a Training for (Deputy) General Managers, a Leadership Training for Managerial Section Chiefs and General Managers and an Offsite Meeting

To strengthen organizational ability, we conducted a training for (Deputy) General Managers, a leadership training for managerial section chiefs and general managers and an offsite meeting.

At the training for (Deputy) General Managers, the participants discussed to clarify the Company's DNA by reflecting on its corporate history.

At the leadership training for managerial section chiefs and general managers, the participants learned leadership skills to drive one's own organization under the recognition of the roles of his/her own department.

At the offsite meeting, the theme of "What can we do?" was addressed to keep pace with changes that the Company faces through dialogues among key employees who play a leading role beyond organizational barriers to create a new corporate culture in which every employee thinks independently and behaves positively.

VOICE

Participating in the Offsite Meeting



Hiroaki Negishi
Marketing Dept. B,
Warehousing and Distribution Business Division

At this training, the participants exchanged views with a focus on "Mitsubishi Logistics' strengths and DNA," "Creating a good worksite environment" and "How to strengthen our organizational ability."

I truly felt that the initiatives taken by leading employees who think independently and behave positively would revitalize any organization and that aligning people's vectors to one direction is indispensable to establish a strong "team."

Appropriate Working Environment

Human resources (training) systems

National-type employee development course:

Basic role: Engage in a wide variety of corporate operations as core executives who facilitate business growth and management in a variety of regions including overseas.

Development policy: Have the participants experience a variety of roles and duties. For 12 years after joining the Company, transfers are conducted at intervals of about four years, in principle.

| Strengthen management capability | Enhance readiness for globalization | Upgrade operational capability | Stratified training | Health promotion, etc. | Self-development |
|---|--|--|--|--|--|
| <p>Training for (Deputy) General Managers</p> <ul style="list-style-type: none"> Clarify the Company's DNA by reflecting on the corporate history of Mitsubishi Logistics Raise organizational management capability <p>Leadership training for managerial section chiefs and general managers</p> <ul style="list-style-type: none"> Leadership, etc. <p>Training for newly appointed managerial section chiefs and general managers</p> <ul style="list-style-type: none"> Understand the management policy and management skills Nurture problem-solving capabilities at worksites, etc. <p>Management training by theme</p> <p>(Compulsory) Leadership (Compulsory) Labor management (Compulsory) Accounting (Selective) Marketing (Selective) Motivation management (Selective) Critical thinking</p> | <p>Management training for employees seconded to subsidiaries (Applicable to Executives)</p> <p>English conversation course</p> <p>Chinese conversation course</p> <p>Emerging countries' legal and labor affairs and accounting training (as needed)</p> <p>Global mind development training (as needed)</p> <p>National staff training (as needed)</p> <p>Young staff overseas dispatch program</p> | <p>Onsite logistics capability training</p> <ul style="list-style-type: none"> Improve onsite operating capability Acquire knowledge on safety and health, etc. Acquire operating knowledge on distribution centers, transportation, etc. Acquire knowledge on logistics improvement, etc. <p>Newcomers' worksite instructors training</p> <ul style="list-style-type: none"> Improve nurturing capability as worksite instructors <p>Training via dispatching to subsidiaries or affiliates</p> <p>Training by division</p> <p>Registered customs specialist examination course</p> | <p>(Objective of the common stratified training)</p> <ul style="list-style-type: none"> Acquire skills necessary for different levels Recognize the role required for each level <p>The middle level staff training</p> <ul style="list-style-type: none"> Acquire basic management skills Improve perspectives via action learning, etc. <p>Training at the 6th year</p> <ul style="list-style-type: none"> Nurture leadership and followership Acquire basic marketing capabilities, etc. <p>Training at the 2nd year</p> <ul style="list-style-type: none"> Improve logical thinking capability Acquire legal expertise on logistics, etc. <p>Newcomers' second-half training Newcomers' first-half training</p> <ul style="list-style-type: none"> Learn basic knowledge on general corporate operations Learn basic knowledge on trading practices Visits to logistics and real estate facilities of the Company Acquire business manners as a member of society, etc. | <p>Life plan seminar</p> <p>Health promotion seminar</p> | <p>Correspondence education</p> |

Region-type employee development course:

Basic role: Become familiar with and understand the characteristics or features and local business duties of a certain region in preparation for the smooth fulfillment of corporate operations.

Development policy: Nurture employees via OJT-focused training and rotate jobs so that employees can become familiar with operating know-how in various areas.

| Upgrade operational capability | Stratified training | Health promotion, etc. | Self-development |
|---|--|--|--|
| <p>Onsite logistics capability training</p> <ul style="list-style-type: none"> Improve onsite operating capability Acquire knowledge on safety and health, etc. Acquire operating knowledge on distribution centers, transportation, etc. Acquire knowledge on logistics improvement, etc. <p>Newcomers' worksite instructors training</p> <ul style="list-style-type: none"> Improve nurturing capability as worksite instructors <p>Training by division</p> <p>Registered customs specialist examination course</p> | <p>(Objective of the common stratified training)</p> <ul style="list-style-type: none"> Acquire skills necessary for different levels Recognize the role required for each level <p>*Training may be conducted for each region or at the store level.</p> <p>Training on regional office duties</p> <ul style="list-style-type: none"> Grasp one's own strengths and weaknesses Improve communication capabilities <p>Training at the 6th year</p> <ul style="list-style-type: none"> Nurture leadership and followership, etc. <p>Training at the 2nd year</p> <ul style="list-style-type: none"> Acquire knowledge on logistics, etc. <p>Newcomers' second-half training Newcomers' first-half training</p> <ul style="list-style-type: none"> Learn basic knowledge on general corporate operations Learn basic knowledge on trading practices Visits to logistics and real estate facilities of the Company Acquire business manners as a member of society, etc. | <p>Life plan seminar</p> <p>Health promotion seminar</p> | <p>Correspondence education</p> |

Environmental Conservation

Environmental issues are not only local issues of the region where our business bases are located but are also globally interconnected. Environmental accountability is a global-level social responsibility that affects the future of people.

The Mitsubishi Logistics Group strengthens such environmental issues as the reduction of CO₂ emissions as a countermeasure for climate change, the use of renewable natural resources and contribution to recovery of the eco-system.



Reduction of CO₂ emissions as a measure for reducing climate change

Certified under the Logistics Efficiency Improvement Act*, we are integrating logistics bases and reducing the environmental burden.

Obtaining the same certification under the following six business plans, we made transportation and distribution systems more efficient by integrating logistics bases for customers who used to employ multiple logistics bases, thereby reducing the number of delivery trucks. By collecting customers' freight and implementing joint delivery, we reduce emissions of greenhouse gases (CO₂), contributing to a reduction of the environmental burden.

1. Osaka Branch, Sakurajima Warehouse No. 2, North Building (Started operation in November 2005)
2. Osaka Branch, Sakurajima Warehouse No. 3 (Started operation in April 2008)
3. Nagoya Branch, Tobishima Warehouse (Started operation in November 2008)
4. Tokyo Branch, Misato Warehouse No. 1 (Started operation in December 2008)
5. Osaka Branch, Ibaraki Warehouse No. 3 (Started operation in October 2012)
6. Tokyo Branch, Misato Warehouse No. 2 (Started operation in March 2013)

* The Logistics Efficiency Improvement Act (Act on Advancement of Integration and Streaming of Distribution Business, implemented on October 1, 2005)

The purpose of this law is to promote operations conducive to efficient logistics and reducing the environmental burden by integrating logistics bases and conducting transportation, distribution, storage and logistics processing comprehensively.

Business plans under this law are approved as a comprehensive efficiency plan and supported by the authority.

Through obtaining the Green Management Certification, we are promoting environment-friendly business activities.

The Group obtained the Green Management Certification, which pursues profitability and environmental conservation by promoting environment-friendly business activities from the certification registration organization Foundation for Promoting Personal Mobility and Ecological Transportation (abbreviated as "Eco-Mo Foundation").

1. Certification acquisition status of the Company

All offices of the Warehousing Business Division
Port and Harbor Operations Division

(Part of the container terminals of the Port of Yokohama and the Port of Kobe)

2. Certification acquisition status of the Group

Truck transportation business (Ryoso Transportation Co., Ltd., and Kyushu Ryoso Transportation Co., Ltd.) and warehousing business (Kusatsu Soko Co., Ltd., and the Warehousing Business Division of Monryo Transport Corporation)

We ensure compliance with the Law Concerning the Rational Use of Energy, etc.

As a "Designated Business Operator" under the Law Concerning the Rational Use of Energy, the Company is obliged to reduce per-basic unit energy use more than 1% on an annual average on a medium- to long-term basis at facilities we own and rent. Moreover, we submit a regular report on energy saving and a medium- to long-term energy-saving plan to the Ministry of Economy, Trade and Industry. The values we reported to the Ministry in fiscal 2013 (the actual results for fiscal 2012) show that our energy-saving measures resulted in a more than 10% reduction of per-basic unit energy use compared with the base year fiscal 2009. We are also striving to reduce CO₂ emissions at our real estate facilities subject to the Tokyo Metropolitan Environmental Security Ordinance.



► The actual results of our environmental conservation efforts and our total CO₂ emissions reduction directive under the Tokyo Metropolitan Environmental Security Ordinance can be viewed on Mitsubishi Logistics' Web site in "Extended Version."

HOME>CITIZENSHIP>Environmental and Social Report>Extended Version

We achieved a significant energy-saving effect by improving our air-conditioning heat source system.

At the Eitai Dia Building in Tokyo, we introduced a high-efficiency turbo freezer and renewed the high-efficiency computerized air conditioner, thereby reducing energy consumption by approximately 30% compared with the previous year. After introducing the system, we conducted continual tuning toward optimal management, resulting in an additional reduction of more than 5% (a total annual CO₂ reduction of approximately 507 tons compared with the previous year). According to a request from the tenants of the Company's buildings, we provided the energy-use status data. Our tenants who cooperated with us in improving this system highly appreciated our initiative, and we are jointly conducting energy-saving activities.

Environmental Conservation

At the Company's warehouse facilities, we obtained the certifications including Environmental Management System based on the "Supplier Code" related to our customers.

At the Chuo Futo Warehouse of the Fukuoka Branch, responding to the enactment of the "Supplier Code," which regulates suppliers to which business operations are outsourced, as part of customers' CSR, we updated the Company's manual and started management based on the new manual, thereby obtaining Environment Management System ISO 14001 certification and all other related certifications in March 2014. ISO 14001 is an international standard that clarifies environmental measures in line with the PDCA cycle and simultaneously verifies the proper operation and improvement of a management system. Also, based on the Supplier Code, we obtained industrial safety and health certification and certification of an ethics and auditing program, striving to raise the awareness of issues such as safety, health, prevention of accidents that result in injury and death and environmental measures.

Ryoso Transportation Co., Ltd. obtained Green Management Certification in its trucking business, striving for environmental conservation.

For trucking business operators, addressing environmental issues is one of the highest priorities.

Ryoso Transportation Co., Ltd. ("Ryoso Transportation"), a specialized trucking company that is the center of the Company's trucking division, has obtained the Green Management Certification¹ at all six of its branches (seven operational bases) starting in 2005, striving to reduce environmental burden.

In fiscal 2013, Ryoso Transportation improved gas mileage by 1.3% compared with fiscal 2006.

Specifically, in our efforts to promote eco-driving to improve gas mileage and reduce emissions of air pollution substances, we are conducting vehicle inspections and maintenance with our own high standards. We also adopt low-pollution vehicles that meet the latest restriction regulations for gas emissions.

Promotion of "Green Purchasing"

Business operators are also facing demands to purchase products and services with less environmental burden. At Ryoso Transportation, we are aggressively purchasing retread tires,² eco-stationery, etc.

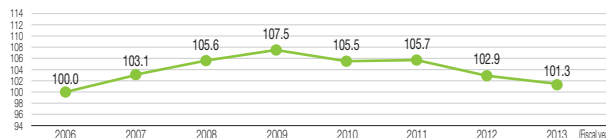
*1. The Foundation for Promoting Personal Mobility and Ecological Transportation is a public utility foundation that has been certifying and registering business operators making efforts to reduce the environmental burden at a level exceeding the standards outlined in the Green Management Promotion Manual since October 2003.

*2. A retread tire has new rubber pasted on a used base tire, thereby restoring the tire's original functionality. The commissioning of recapping to produce retread tires is listed as a "Designated Procurement Item" under "Services" in the Green Purchasing Law.

Change of total gas mileage at all operational sites (fiscal 2006 to fiscal 2013) (Unit: km/L)

| Fiscal year | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|---------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Vehicles for business use | 2.45 (100.0) | 2.53 (103.1) | 2.59 (105.6) | 2.63 (107.5) | 2.58 (105.5) | 2.59 (105.7) | 2.52 (102.9) | 2.48 (101.3) |

Parentheses indicate index numbers setting the mileage for fiscal 2006 as 100.0.



We are promoting environmental conservation with regard to information system equipment.

In adopting information system equipment, we select models that use less energy. In fiscal 2013, we adopted 871 selected units at our operating bases.

We are promoting environmental conservation not only at our operational sites but also at offices.

Promotion of summertime energy saving

We strove to save energy during the summertime (May through October 2013) by participating as a Group in the Cool Biz campaign, which calls for offices to set their air conditioning thermostats at a warmer-than-usual temperature of 28°C.

Promotion of Green Purchasing of stationery and other office supplies

When we purchase office supplies, we not only consider quality and price but also choose products with less environmental impact—Green Purchasing.

Use of renewable resources

Accredited as an Eco-oriented Business by Nagoya City

At Nagoya Dia Buildings No.1–3, we received the Eco-oriented Business Certification in December 2013 from the Mayor of Nagoya, for our voluntary and vigorous efforts to save energy and water, and segregate and reduce waste in our daily business activities.

We will continue to engage in social contribution



Nagoya Dia Building No. 3



Eco-oriented Business Certification awarded from the Mayor of Nagoya

activities such as CO₂ reduction and local cleanup activities.

We are expanding the use of the electric car i-MiEV manufactured by Mitsubishi Motors Corporation.

As one measure under the Environmental Voluntary Plan that the Company formulated, we are promoting the replacement of gasoline cars, which consume gasoline and emit much CO₂, with electric cars that emit no CO₂ exhaust. We have formulated an electric car introduction plan considering the use of various subsidies for electric cars and the completion status of the relevant infrastructure including high-speed charger equipment for adopting such cars. As a result, in fiscal 2013 we introduced three electric vehicles in our stores, with 22 electric vehicles now in use.



i-MiEV deployed at Fukuoka Branch



► The data on the status of introducing electric cars can be viewed on Mitsubishi Logistics' Web site in "Extended Version."

HOME> CITIZENSHIP>Environmental and Social Report>Extended Version

VOICE

I worked to help achieve the Eco-oriented Business Certification.



Norio Miyazawa,
Manager, Sales Division,
Nagoya Dia Buil-Tech Co., Ltd.

At Nagoya Dia Buil-Tech, we engage in daily business activities with environmental consideration, in cooperation with our approximately 100 corporate tenants. Specifically, we adopt water saving-type toilet and LED lighting equipment, thoroughly segregate and reduce waste, purchase green products, collect plastic bottle caps and participate in town cleanup activities, both on the bases of individual participation and as a corporate activity.

We will continue to offer a favorable work environment to enhance tenants' satisfaction.

(Group company of Mitsubishi Logistics)

Contribution to the recovery of the eco-system

Conducting forest restoration through the volunteer activities and donations as a partner of reforestation of Kanagawa Prefecture

To address the global environment from the perspective of preservation of the biodiversity, we participated in a partnership program of reforestation of Kanagawa Prefecture and initiated related activities in April 2011.

In June 2013, we conducted the third forest restoration activities in the prefectural forest near Tanzawa Lake, in which 41 executives and employees from the Head Office, the Tokyo Branch and the Yokohama Branch participated. Led by a forest instructor certified by Kanagawa Prefecture, the participants conducted tree thinning, receiving cooperation from the Kanagawa Prefecture Natural Environment Conservation Center. The participants split into five groups and trimmed nearly 20-meter-high trees manually, conforming to safety instructions.

At the lunch meeting, which included an evaluation meeting, the forest instructor explained about conservation of the natural environment, thereby raising the awareness of the participating executives and employees of environmental issues.



Orientation



Tree thinning activity



Hiking in Mt. Ono

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 2014, we conducted training concerning thorough compliance with the Act against Delay in Payment of Subcontract Proceeds, etc. covering the Company and its domestic group companies. Approximately 1,865 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 application, responsibilities and prohibited matters using related questions on our Web site. In February 2014, we conducted training related to the prevention of insider trading for about 40 new employees and verified their understanding using related questions on our Web site.

Also, in February and March 2014, we conducted training related to the Act against Delay in Payment of Subcontract Proceeds, etc. at our Kobe, Yokohama and Nagoya branches. Approximately 90 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 application, 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."
HOME>CITIZENSHIP>Environmental and Social Report>Extended Version

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 2013, we conducted a questionnaire with regard to Web site information security in August 2013 (answered by 1,440 persons), in December 2013 (1,468 persons) and in March 2014 (1,444 persons), thereby raising the awareness of information security among the cumulative 4,352 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."

HOME>CITIZENSHIP>Environmental and Social Report>Extended Version

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 distributed "Our Quality Declaration" printed on mouse pads and cards to all employees of the Mitsubishi Logistics Group, as well as exerted efforts such as make explanations about it during stratified trainings to further disseminate it.

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:



Meeting with cooperative companies for further sophistication of transportation quality (Shanghai Linghua Logistics Co., Ltd.)

► Measures taken at divisions or branches and Group companies

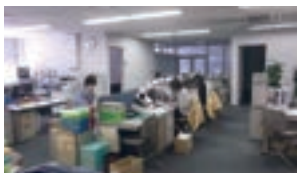
| Divisions or Branches and Group companies | Content of measures |
|--|---|
| Warehousing and Distribution Business Division | Held meetings attended by managers from all the operating bases to share the cases of accidents that occurred. |
| Osaka Branch | Actively participated in various lecture sessions and conducted training by supervising pharmacists to enhance quality. |
| Kobe Branch | Supported and promoted 4S activities in cooperation with affiliated companies. |
| Fuji Logistics Co., Ltd. | Made the operational intra-process error prevention visible on a trial basis and developed the method across the Company. |
| Dia Pharmaceutical Network Co., Ltd. | Held a monthly meeting related to quality improvement to explain the company's quality-related policies. |
| Chubu Trade Warehousing Co., Ltd. | Actively exchanged information with major customers to reinforce services from customers' perspective. |
| Kyokuryo Warehouse Co., Ltd. | Conducted quality-related training at a monthly meeting concerning safety and exchanged information with customers at regular meetings. |
| Hanyo Kogyo Co., Ltd. | Provided education and training for staff responsible for operation in alliance with the Mitsubishi Logistics quality management group. |
| Shanghai Linghua Logistics Co., Ltd. | Implemented meetings with cooperative companies to improve transportation quality. |
| Mitsubishi Logistics Singapore Pte. Ltd. | Disseminated among all employees the safety and quality standards of bisSAFE3 for which the company obtained certification. |
| Kobe Dia Maintenance Co., Ltd. | Improved operational efficiency and service quality including customer satisfaction using ISO9001-2008. |

Provision of Safe, High-Quality and Useful Services

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 occurred at the Aomi Sales Office, Tokyo Branch, in March 2014. 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 languages for overseas use and is designed to be effective in standardizing operations, improving service quality and reducing costs.

By making various types of logistics-related data visible, 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 (Aomi Sales Office, Tokyo Branch)



G-MIWS screen

VOICE

We adopted the G-MIWS system.

Ittetsu Koseki,
Aomi Sales Office, Tokyo Branch



Following preparation work that we started in January 2013, the G-MIWS system began full operation on March 17, 2014.

During preparation before the adoption of the new system, we reviewed a series of processes from entry to the warehouse, logistics processing, receiving Electronic Data Interchange (EDI) data, shipping out of the warehouse and shipping/delivery, thereby optimizing operational procedures utilizing the available functionalities. As a result of our hard work, a favorable environment was created.

Since the operation of the G-MIWS system started, efficiency improved both at the actual worksite operation and in administrative processing and we are receiving good feedback from customers because of the improved quality of our services. We intend to continue to provide high-quality services.

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 crises quickly and effectively to minimize damage to human and physical management and restore the normal operational structure quickly. With an aim to become disaster-resistant in software and hardware, we have developed “Disaster-Resistant and Eco-Friendly Warehouses.”

To fulfill corporate social responsibility,

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,

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 26, 2013. In addition, as an emergency measure, we implemented large-scale disaster measure training with voluntary employee participation, thereby reinforcing the disaster countermeasure system. The training involved use of a mobile phone safety confirmation service, restoration from disaster damage, walking the evacuation route and using MCA wireless communication. Moreover, by monitoring via an emergency earthquake quick reporting system, we strive to enable quick evacuation.



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



We implemented joint training for earthquake measures.

In February 2014, via the joint efforts of the Head Office and the Kobe Branch, we implemented training for earthquake measures in which an executive in charge and approximately 60 employees participated. This training, which took a few days, simulated the first few days after the occurrence of a large-scale earthquake with a seismic source in the Nankai Trough. Our Head Office, branches and operational worksites collaborated, and specific measures were demonstrated at actual sites. Furthermore, learning from the Great East Japan Earthquake, we added relief aid measures and tsunami countermeasures. We verified the roles of each department and operational site, determined the status judgment criteria and integrated information management.



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

HOME> CITIZENSHIP> Environmental and Social Report> Extended Version



Earthquake measures on-site headquarters for joint training for earthquake measures (Kobe Branch)



Earthquake measures headquarters for joint training for earthquake measures (Head Office)

VOICE

I participated in the joint training for earthquake measures.

Masashi Kamata
Rokko Cold Storage Office, Kobe Branch



I participated in the training to improve my ability to focus on emergency situations.

In the situation where tasks were given one after another, I found it difficult to collect and sort out information instantly and to determine the most appropriate measure to take. I also refreshed my recognition of the importance of understanding an ever-changing situation while maintaining a calm and clear mind in taking necessary actions. That was a valuable experience for me.

We received a letter of appreciation from the Fire Station Chief of the Kyobashi Fire Station of the Tokyo Fire Department.

At Dia Buil-Tech Co., Ltd., a real estate facility management company that is the center of the Company's real estate business division, we conducted life-saving training sessions (including the AED course) to help employees acquire knowledge and techniques related to life-saving and first aid. Eight training sessions were implemented in June and July, and approximately 130 employees (90% of all the employees of the company) acquired the certification of life-saving skill. In addition, we received a letter of appreciation from the Fire Station Chief of the Kyobashi Fire Station of the Tokyo Fire Department on September 9, the day of emergency life-saving, for recognition of our contribution to emergency preparation measures.



Letter of appreciation from the Fire Station Chief of the Kyobashi 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 October 15–17, 2013, targeting logistics administration staff from national and local governments 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, in the training sessions, selected support/relief goods logistics bases were notified and directions were presented to enter

into an agreement between municipalities and industry organizations to cope with a disaster. Via group discussions, we gained much knowledge about preparations. We will continue to work hard to fulfill our public role as a warehousing business operator.

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, including two newly designated 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."

HOME>CITIZENSHIP> Environmental and Social Report> Extended Version



Tobishima Warehouse, Nagoya Branch



Honjoh Warehouse, Komaki Office, Nagoya Branch

Coordination with local communities and international society

To contribute to the development of local communities and international society, we must focus not only on the site where our business base is located but also understand our relationship with society and recognize our common interests with society. To maintain harmonious relationships with local and international societies, we will contribute to cultural activities and health services and make donations.



Contribution to cultural activities

We conducted a charity auction and a charity fair.

At the Yokohama Bay Quarter, the Company's commercial real estate facilities in Yokohama, we held Tohoku Marché and a charity fair in August and the Yokohama F-Marinos charity auction in November to support restoration from the Great East Japan Earthquake.

Sales proceeds from Tohoku Marché and the charity fair (¥88,900) and revenue from the auction (¥216,600) were donated to the Great East Japan Earthquake relief fund via the Japanese Red Cross Society.

We intend to continue to hold charity events since they contribute to society while also helping to draw in more guests to visit our commercial facilities.



Charity fair



Yokohama F-Marinos charity auction ©Y.F.M.

VOICE

I helped run the charity auction and the charity fair.



Eri Yoneya
Sales Division,
Yokohama Dia Building Management Corporation

A charity fair that has been held since 2011 and a charity auction that has become an annual event are held to support restoration from the Great East Japan Earthquake and have had many visitors mainly from the local vicinity.

This year, Tohoku Marché, at which Tohoku's special goods and foods are sold, was held at the same time as the charity fair. We donated all the sales proceeds to the Japanese Red Cross Society as part of the Great East Japan Earthquake relief fund. We would like to continue to hold such events that are enjoyed by guests and contribute to society.

(Group company of Mitsubishi Logistics)

We are offering the parking area of Tokyo Dia Building No. 5 as a location for blood donations.

To support the blood drive conducted by the Japanese Red Cross Tokyo Metropolitan Blood Center, we have been offering a place for blood donations at Tokyo Dia Building since 2007 in cooperation with Dia Buil-Tech Co., Ltd.

Each year, approximately 100 persons, including building associates and tenants, offer to donate blood at this location.

We would like to continue to help facilitate and disseminate the blood drive by offering a place for blood donations.

(We started offering a place for blood donations in 2007; 25* of 34 applicants donated blood in 2013.)

*In 2013, both the number of persons who applied and actual donors decreased compared with other years because the hours were shortened due to the approaching Typhoon No. 26.



Parking area of Tokyo Dia Building No. 5 (location for blood donations)



Donating blood

Contribution through Donations, etc.

Donated to disaster relief fund

We sent donations to earthquake and other disaster relief funds (a large-scale earthquake that occurred in Ya'an, Sichuan, China on April 20, 2013, and Philippines Typhoon Haiyan on November 9, 2013).

In addition, at the Company's four overseas subsidiaries in China, we donated 41,510 yuan in total to the Sichuan Ya'an Earthquake fund via matching contributions with employees. Responding to the supportive spirit in disaster-stricken areas in China, the Company and each of its overseas subsidiaries in China recognize the need to fulfill a commensurable level of social responsibility.

Cosponsored a charity bazaar at our overseas subsidiary in Vietnam

At our overseas subsidiary in Vietnam, we offered goods to and helped purchase admission tickets for a charity bazaar that was sponsored by the Japanese Business Association of Ho Chi Minh City. Proceeds from the charity were donated to hospitals in Ho Chi Minh City to cover surgery and other medical fee for underprivileged children.



Charity bazaar

We are cosponsoring Diamond Cup Golf as a community contribution.

Participating companies within the Mitsubishi Group cosponsored a notable golf tournament, Diamond Cup Golf, which contributes to local communities and helps nurture junior golfers through charitable activities.

Valuing the underlying concept and purposes of this tournament, the Company cosponsored this event as one of the participating companies.

We developed a plastic bottle cap collection activity throughout the Group to improve the welfare of children worldwide.

Since August 2010, we have been developing a plastic bottle cap collection activity within the Company and throughout the Group. In fiscal 2013, we donated approximately 347,000 collected caps (equivalent to the cost of giving a polio vaccine to approximately 430 children) to the Ecocap Movement, a Cabinet-certified NPO organization.



▶ Actual performance data on plastic bottle cap collection can be viewed on Mitsubishi Logistics' Web site in "Extended Version."

HOME> CITIZENSHIP>Environmental and Social Report>Extended Version

We conduct social contribution activities as a member of the Mitsubishi Group and participate in the Mitsubishi Social Contribution Liaison Council.

As a social contribution activity within the Mitsubishi Group, we donate to academic and charitable enterprises. Also, as a member of the Mitsubishi Social Contribution Liaison Council, we report on our related activities and exchange information.

We participate in locally rooted volunteer activities.

We participate in local communities' cleaning activities as a volunteer.

Statement supporting the UN Global Compact.

The Group promotes its CSR activities pursuant to the UN Global Compact's 10 principles.



Practice of the UN Global Compact's 10 principles

The Group agreed to adhere to the UN Global Compact (hereinafter "UNGC") and endorsed approval in May 2014.

The UNGC is a voluntary corporate responsibility initiative for businesses that are aiming for sustainable growth as a responsible member of society. The UNGC asks companies to voluntarily participate in creating a global framework to take creative leadership. At the World



Economic Forum in Davos, Switzerland, in 1999, Kofi Annan, then Secretary-General of the United Nations, proposed that companies should observe the 10 principles in the areas of human rights, labor, the environment and anti-corruption to solve various problems that could occur due to internationalization and the global expansion of businesses. In July 2000, the UNGC was launched at the UN Headquarters in New York. As of March 2014, approximately 12,200 companies and organizations around the world were members of UNGC.

Based on its Code of Conduct, the Group will strive to practice the UN Global Compact's 10 principles as a good member of international society.

UNGC's 10 principles

Human Rights

- Principle 1: Businesses should, support and respect the protection of internationally proclaimed human rights; and
- Principle 2: Make sure that they are not complicit in human rights abuses.

Labor

- Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4: The elimination of all forms of forced and compulsory labor;
- Principle 5: The effective abolition of child labor; and
- Principle 6: The elimination of discrimination in respect of employment and occupation.

Environment

- Principle 7: Businesses should support a precautionary approach to environmental challenges;
- Principle 8: Undertake initiatives to promote greater environmental responsibility; and
- Principle 9: Encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

- Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

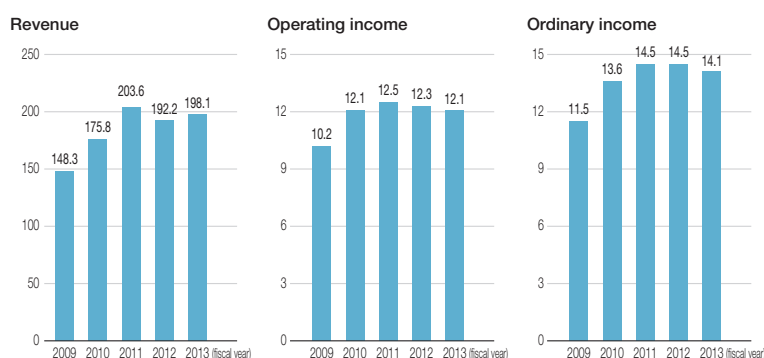
Company Profile (As of March 31, 2014)

| | |
|---|--|
| Company name | Mitsubishi Logistics Corporation |
| Head Office | 19-1, Nihonbashi 1-chome, Chuo-ku, Tokyo 103-8630, Japan |
| Establishment | April 15, 1887 |
| Capital | ¥22,393 million |
| Revenue (fiscal 2013) | Consolidated: ¥198.1 billion Nonconsolidated: ¥139.0 billion |
| Number of employees of the Mitsubishi Logistics Group | 4,441 (excluding 75 workers on leave to work outside the Group, 1,345 temporary staff and 948 employees on loan/dispatched from outside the Group) |
| The number of employees of the Company | 847 (excluding 152 employees on leave to work for other companies, 110 temporary staff and 563 employees on loan/dispatched from inside and outside the Group) |
| Branches | Tokyo, Yokohama, Nagoya, Osaka, Kobe, Fukuoka |
| Major Businesses | <p>Logistics Warehousing; trucking; port and harbor operations; international transportation; marine freight transportation; customs clearance; development, sales, management and administration of logistics information systems; etc.</p> <p>Real Estate Buying, selling, leasing and management of real estate; contracting of construction work, its design and supervision; operation of parking lots; etc.</p> |
| Companies in the scope of consolidation | <p>Consolidated subsidiaries (50 companies) Tohoku Ryoso Transportation Co., Ltd., Sairyō Service Co., Ltd., Dia Pharmaceutical Network Co., Ltd., Tokyo Dia Service Co., Ltd., Dia Systems Corporation, Ryoso Transportation Co., Ltd., Unitrans Ltd., Keihin Naigai Forwarding Co., Ltd., Touryo Kigyo Co., Ltd., Fuji Logistics Co., Ltd., Tokyo Juki Transport Co., Ltd., SII Logistics Inc., Fuji Logistics Operations Co., Ltd., Fuji Logistics Support Co., Ltd., Kinko Service Co., Ltd., Chubu Trade Warehousing Co., Ltd., Meiryō Kigyo Co., Ltd., Ryōyō Transportation Co., Ltd., Kyokuryō Warehouse Co., Ltd., Hanryō Kigyo Co., Ltd., Shinryō Koun Co., Ltd., Naigai Forwarding Co., Ltd., Kyushu Ryoso Transportation Co., Ltd., Monryō Transport Corporation, Hakuryō Koun Co., Ltd., Seiho Kaiun Kaisha, Ltd., Saryō Service Co., Ltd., Mitsubishi Logistics America Corporation, Mitsubishi Warehouse California Corporation, Mitsubishi Logistics Europe B.V., Fuji Logistics Europe B.V., Mitsubishi Logistics China Co., Ltd., Shanghai Linghua Logistics Co., Ltd., Shanghai Qingke Warehouse Management Co., Ltd., Fuji Logistics (China) Co., Ltd., Fuji Logistics (Dalian F.T.Z.) Co., Ltd., Fuji Logistics (Shanghai) Co., Ltd., Mitsubishi Logistics Hong Kong Ltd., Fuji Logistics (H.K.) Co., Ltd., Mitsubishi Logistics Thailand Co., Ltd., P.T. Mitsubishi Logistics Indonesia, Fuji Logistics Malaysia SDN.BHD., Dia Buil-Tech Co., Ltd., Yokohama Dia Building Management Corporation, Chubu Kaihatsu Co., Ltd., Nagoya Dia Buil-Tech Co., Ltd., Osaka Dia Buil-Tech Co., Ltd., Kobe Dia Service Co., Ltd., Kobe Dia Maintenance Co., Ltd., T'ACT Co., Ltd.</p> <p>Subsidiaries and Affiliates Accounted for by the Equity Method (3 companies) Nippon Container Terminals Co., Ltd., Kusatsu Soko Co., Ltd., Jupiter Global Limited</p> |

Financial Data

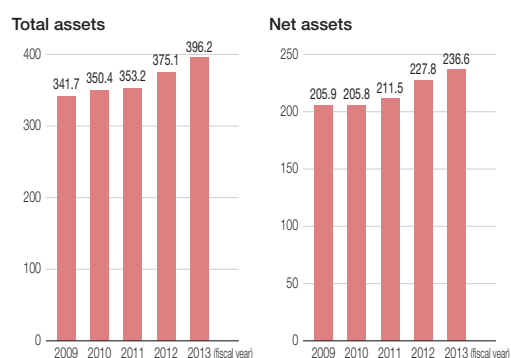
Business results (Consolidated)

(Unit: ¥billion)



Assets (Consolidated)

(Unit: ¥billion)



 **Mitsubishi Logistics Corporation**

General Affairs Division, CSR · Compliance Team
19-1, Nihonbashi 1-chome, Chuo-ku, Tokyo 103-8630, Japan
Nihonbashi Dia Building, 2F
Phone: +81-3-3278-6657
Fax: +81-3-3278-6694



Extended version

The following are some data related to the Environmental and Social Report 2014, which was collected at the end of fiscal 2013.

► The environment

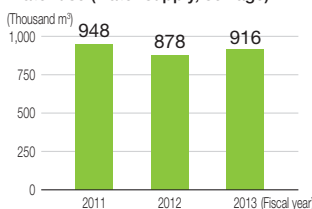
Environmental conservation activity data (by business)

* Basic unit denominator (figures from Law Concerning the Rational Use of Energy, etc.) uses figure that have strong correlations with each business.

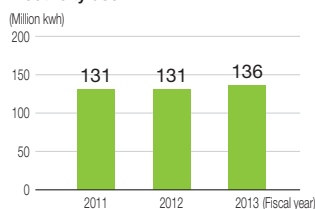
| | Unit Basic unit denominator CO ₂ emissions CO ₂ emissions basic unit | Fiscal 2011 | Fiscal 2012 | Fiscal 2013 |
|---------------------------------------|--|-------------|-------------|-------------|
| Warehousing and distribution business | Thousand m ² <Floor area> | 1,313 | 1,350 | 1,370 |
| | Thousand t-CO ₂ | 27.7 | 32.8 | 37.1 |
| | kg-CO ₂ /m ² | 21.1 | 24.3 | 27.1 |
| Harbor transportation business | Thousand tons <Handling tons> | 50 | 40 | 30 |
| | t-CO ₂ | 3.0 | 5.0 | 15.0 |
| | kg-CO ₂ /thousand tons | 59.7 | 124.5 | 504.2 |
| Overland transportation business | Million km <Total transportation distance> | 4.3 | 3.7 | 3.9 |
| | Thousand t- CO ₂ | 3.9 | 3.3 | 3.6 |
| | kg- CO ₂ /thousand km | 901.0 | 896.7 | 921.1 |
| Real estate business | Thousand m ² <Operational area> | 633 | 635 | 684 |
| | Thousand t-CO ₂ | 29.4 | 35.0 | 41.0 |
| | kg-CO ₂ /m ² | 46.5 | 55.1 | 60.4 |
| CO ₂ emissions | Thousand t-CO ₂ | 61.0 | 71.1 | 82.0 |

Environmental conservation data (by usage, by emission type)

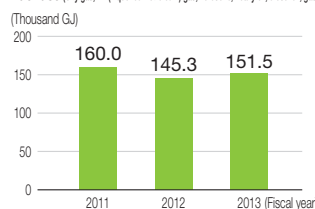
Water use (water supply, sewage)



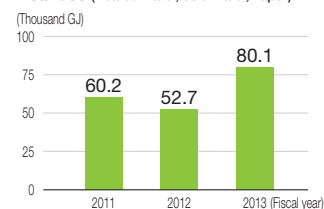
Electricity use



Fuel use (City gas, LP (Liquefied Petroleum) gas, kerosene, heavy oil, diesel oil, gasoline)



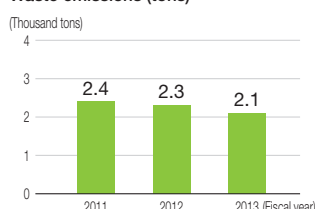
Heat use (Heated water, cold water, vapor)



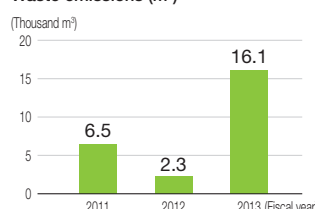
CO₂ emissions



Waste emissions (tons)



Waste emissions (m³)



*Calculation standard

- Volume related to electricity, fuel and heat uses, CO₂ emissions and basic unit denominator from the warehousing and distribution business, the harbor transportation business and the real estate business are based on the reported values in the Company's report based on the Law Concerning the Rational Use of Energy.
- The international transportation business is included in the warehouse and distribution business, given the small number of operating sites.
- Although the overland transportation business is not under the Law Concerning the Rational Use of Energy, fuel, CO₂ emissions and basic unit denominator were calculated for one of the Company's major trucking subsidiaries based on the standard in the Law Concerning the Rational Use of Energy
- Business sites for the harbor transportation business were restricted to three places where the Company is in charge of transportation under the Law Concerning the Rational Use of Energy
- For electricity usage and CO₂ emissions, the reported amounts for the Company's subsidiary in the logistics business (the one company under the Law Concerning the Rational Use of Energy) were added.
- The CO₂ emission volume was calculated based on the electricity, fuel and heat volume used under the guidelines of the Law Concerning the Rational Use of Energy.
- For water use, the volume of water used by the Company is indicated. The waste emission volume shows the volume of waste emitted by part of the Company (except the real estate business) and a number of the Group companies.

Tokyo Metropolitan Environmental Security Ordinance Large

Scale Companies CO₂ emissions

Unit: t-CO₂

| | Emissions standard | Fiscal 2010 | Fiscal 2011 | Fiscal 2012 |
|-------------------------|--------------------|-------------|-------------|-------------|
| Tokyo Dia Buildings | 33,531 | 36,062 | 31,661 | 29,593 |
| Eitai Dia Building | 10,132 | 7,400 | 5,558 | 5,836 |
| Ohi Cold Storage Office | 4,394 | 3,705 | 3,645 | 3,645 |
| Total | 48,057 | 47,167 | 40,864 | 39,074 |
| Reduction | | 890 | 7,193 | 8,093 |

Status of introducing electric cars

| | Fiscal 2009 | Fiscal 2010 | Fiscal 2011 | Fiscal 2012 | Fiscal 2013 |
|---------------------------------|-------------|-------------|-------------|-------------|-------------|
| Total number of cars introduced | 5 | 4 | 5 | 5 | 3 |

► Promotion of CSR

Number of timely and appropriate news releases Unit: case

| | Fiscal 2011 achievements | Fiscal 2012 achievements | Fiscal 2013 achievements |
|-------------|--------------------------|--------------------------|--------------------------|
| Logistics | 7 | 8 | 2 |
| Real Estate | 1 | 3 | 1 |
| IR | 8 | 8 | 9 |
| CSR | 3 | 2 | 3 |
| Other | 4 | 4 | 2 |
| Total | 23 | 25 | 17 |

► Organizational Governance

Number of persons participated in check aimed at dissemination of awareness of compliance Unit: persons

| | Fiscal 2011 achievements | Fiscal 2012 achievements | Fiscal 2013 achievements |
|--|--------------------------|--------------------------|--------------------------|
| Check on status of compliance with Code of Conduct | | | |
| In-house | 1,548 | 1,444 | 1,433 |
| Domestic group companies | — | 2,952 | 2,938 |
| Overseas group companies | — | — | 72 |
| Total | 1,548 | 4,396 | 4,443 |

► Respect for Human Rights

Number of persons participated in human rights enlightenment course for dissemination of employees' awareness of human rights Unit: persons

| | Fiscal 2011 achievements | Fiscal 2012 achievements | Fiscal 2013 achievements |
|---|--------------------------|--------------------------|--------------------------|
| Trainings with lectures (New employees, second-year employees, sixth-year employees, middle-level staff, newly appointed managerial section chiefs and general managers) | 106 | 113 | 49 |

► Fulfillment of Sincere and Fair Business Activities

Number of persons participated in compliance lecture for prevention of insider trading Unit: persons

| | Fiscal 2011 achievements | Fiscal 2012 achievements | Fiscal 2013 achievements |
|----------|--------------------------|--------------------------|--------------------------|
| In-house | 24 | 52 | 40 |

Number of respondents to information security questionnaire

| | Fiscal 2011 achievements | Fiscal 2012 achievements | Fiscal 2013 achievements |
|---------------------------------------|--------------------------|--------------------------|--------------------------|
| Number of questionnaires conducted | First time | First time | Third time |
| Number of respondents (Unit: persons) | 1,450 | 1,398 | 4,312 |

► Provision of Safe, Quality and Useful Services

Number of persons participated in joint training for earthquake measures

| | Fiscal 2011 achievements | Fiscal 2012 achievements | Fiscal 2013 achievements |
|--|-----------------------------|------------------------------|--------------------------|
| Execution period | November 2011 | February 2013 | February 2014 |
| Place | Head Office, Fukuoka Branch | Head Office, Yokohama Branch | Head Office, Kobe Branch |
| Number of participants (Unit: persons) | Around 30 | Around 40 | Around 60 |

► Coordination with Local Communities and International Society

Plastic bottle cap collection activity

| | Fiscal 2011 achievements | Fiscal 2012 achievements | Fiscal 2013 achievements |
|---|--------------------------|--------------------------|--------------------------|
| Number of bottle caps collected (Unit: caps) | 375,324 | 465,024 | 346,671 |
| Equivalent to polio vaccine (800 caps per person) (Unit: persons) | 469.2 | 581.3 | 433.3 |

Number of persons participated in lectures and trainings aimed at disseminating the corporate philosophy and better understanding of CSR and compliance. Unit: persons

| | Fiscal 2011 achievements | Fiscal 2012 achievements | Fiscal 2013 achievements |
|--|--------------------------|--------------------------|--------------------------|
| Training concerning CSR and compliance and a review of the comprehension | | | |
| In-house | 1,261 | 1,510 | 1,596 |
| Domestic group companies | — | 2,045 | 3,017 |
| Total | 1,261 | 3,555 | 4,613 |
| Group training concerning CSR and compliance | | | |
| In-house | — | — | 133 |
| Domestic group companies | — | — | 44 |
| Total | — | — | 177 |

Number of persons participated in compliance lecture for the Act against Delay in Payment of Subcontract Proceeds, etc. Unit: persons

| | Fiscal 2011 achievements | Fiscal 2012 achievements | Fiscal 2013 achievements |
|--------------------------|--------------------------|--------------------------|--------------------------|
| In-house | 95 | 779 | 903 |
| Domestic group companies | — | 867 | 962 |
| Total | 95 | 1,646 | 1,865 |

Support/relief goods logistics base facilities at a glance

| Block | Branch | Facility name | Year/month of construction | Area used for transportation of support/relief goods |
|--------|----------|----------------------------|----------------------------|--|
| Kanto | Tokyo | Aomi Warehouse No. 1 | 1997.6 | 1,000m ² |
| | Yokohama | Daikoku Warehouse B | 1988.1 | 1,000m ² |
| | | Daikoku Warehouse C | 1994.4 | 1,000m ² |
| Tokai | Nagoya | Kinjoh Warehouse | 1994.5 | 1,000m ² |
| | | Tobishima Warehouse | 2008.11 | 1,000m ² |
| | | Honjoh Warehouse | 1992.1 | 1,000m ² |
| Kinki | Osaka | Sakurajima Warehouse No. 1 | 1998.3 | 1,000m ² |
| | Kobe | Rokko Warehouse D | 1988.1 | 1,000m ² |
| | | Rokko Warehouse E | 1993.10 | 1,000m ² |
| Kyushu | Fukuoka | Chuo Futo Warehouse | 1995.10 | 1,000m ² |
| | | Tosu Warehouse | 2003.4 | 1,000m ² |