

CORPORATE SOCIAL RESPONSIBILITY

By implementing a management philosophy of “contributing to people’s health and the advancement of society through creation of value in distribution,” the Mediceo Paltac Group promotes original initiatives to fulfill its responsibilities to society as the largest multi-channel wholesaler in Japan.

The Mediceo Paltac Group has grown into one of the leading distributors in Japan, handling prescription pharmaceuticals, medical equipment, reagents, cosmetics, daily necessities and OTC pharmaceuticals. We focus on corporate social responsibility (CSR) initiatives because we believe it is our duty as a corporate group to provide quality management and contribute to medical treatment and people’s health and beauty.

In the year ended March 31, 2006, the Mediceo Paltac Group inaugurated a CSR Committee comprising eight members and one corporate auditor acting as an observer. The Committee drafted the Mediceo Paltac Group CSR Concept, the basic strategy for building a CSR framework with unified standards for the Group, and has conducted a series of discussions on matters including how to promote it. The Group’s management philosophy of “contributing to people’s health and the advancement of society through creation of value in distribution” incorporates the fundamental policy and stance of conducting business as a member of society. Aiming to put this philosophy into practice, the CSR Committee defined the Mediceo Paltac Group’s fundamental CSR Concept as “contributing to the development of society as a whole by growing as a company and raising profitability through sound business practices” and created the CSR slogan “Bright and Energetic.”

The Mediceo Paltac Group recognizes the extreme importance of managing and controlling all manner of risks arising in the course of its ongoing sound business activities. The CSR Committee has therefore classified internal risks into six categories – compliance, pharmaceuticals, disasters, information management, people and environment – in order to identify top-priority issues and work toward their resolution.

Current compliance initiatives include ensuring sales divisions comply with Japan’s revised Antimonopoly Act that came into force in January 2006. In the area of pharmaceuticals, the CSR Committee is working to ensure strict compliance with the Pharmaceutical Affairs Law, which is most closely related to the Mediceo Paltac Group’s business. The Committee’s initiatives in the people category include the establishment of an internal public hotline to deal with a variety of personnel issues within the Group, and under the environment category, the formulation of plans for global warming countermeasures and resource conservation.

With a view toward building a CSR framework with unified standards for the Group, the CSR Committee will work in close cooperation with the Information Management Committee and the Crisis Management Headquarters to establish a system of cross-organizational management and supervision that promotes the diffusion and application of the CSR Concept throughout the entire Group.

Promotion of Corporate Ethics

The Mediceo Paltac Group has compiled “Our Stance,” a set of decision-making and action guidelines to promote accurate, thorough understanding of its fundamental principles as a company engaged in the distribution of pharmaceuticals, cosmetics and daily necessities (see below).

These guidelines were compiled in a booklet with detailed explanations, and distributed to all Group employees, who are instructed to keep the booklet on hand at all times. Other measures to promote thorough knowledge and practice of these standards include regular divisional meetings held for that purpose.

With the enactment of the Personal Information Protection Act in April 2005, the Group established its Information Security Policy. This policy defines the management structure and handling procedures for all personal information in the Group’s possession, and educational programs are being conducted for all employees.

Our Stance

- I. Establish the Mediceo Paltac brand
- II. Work to convey accurate information as the first step in CSR
- III. Value the opportunity to meet people and emphasize the importance of trust
- IV. Generate funds through high-quality profitability (funds are the corporate lifeline)
- V. Work thoroughly to solve problems and reform management
- VI. Enhance dialogue by listening attentively
- VII. Learn for yourself, then share this learning with others