

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 contribute to medical treatment and people’s health and beauty, not only by achieving large scale but also by practicing quality management.

In the three-year medium-term management plan launched in April 2008, we reaffirmed our social mission of ensuring a stable and uniform supply of prescription pharmaceuticals and other life-related products. The Mediceo Paltac Group recognizes that supplying pharmaceuticals throughout the country is its most critical social responsibility, both in normal times and in response to emergencies such as earthquakes and pandemics. We are aware that improving employee growth and satisfaction are indispensable to maximizing customer satisfaction and achieving the aims of the medium-term management plan. To this end, we are implementing concrete measures to enhance employee education, development and satisfaction.

Current CSR Initiatives

The Mediceo Paltac Group has a CSR Committee comprising 11 members and one corporate auditor acting as an observer.

The Mediceo Paltac Group recognizes the critical importance of managing and controlling all manner of risks arising in the course of its sound business activities. The CSR Committee has therefore classified internal risks into six categories – compliance, pharmaceutical management, disaster planning, information management, respect for human rights and environmental preservation – in order to identify top priority issues and work toward their resolution. Current compliance initiatives include ensuring that sales divisions comply with Japan’s revised Antimonopoly Act.

In the area of pharmaceutical management, the CSR Committee works to ensure strict compliance with the Pharmaceutical Affairs Law, which is the most closely related to the Mediceo Paltac Group’s business. In addi-

tion, it is taking measures to address the issues of global warming prevention and resource conservation. In disaster response, the CSR Committee has formulated measures for swine influenza, outlining the activity structure and guidelines for the social mission it must fulfill in the event of an outbreak of swine influenza by continuing critical duties including the stable supply of pharmaceuticals and supporting the disaster medicine activities of medical institutions.

In addition, the Committee's initiatives to deepen understanding of CSR include distributing a booklet about Mediceo Paltac's CSR to all Group executives and employees, conducting educational activities and establishing an internal hotline to resolve various issues within the Group.

During the past year, the CSR Committee held CSR training six times for all employees of the Mediceo Paltac Group, where each individual learned the basic thinking behind CSR and enhanced their CSR awareness.

We also joined Team Minus 6%* following a proposal to do so from the "CSR Post," a tool in operation since October 2007 that allows Mediceo Paltac Group employees to suggest ideas for advancing CSR initiatives. As a result of promoting personal registration in Team Minus 6%, a total of 2,180 employees have agreed with and joined the initiative together with the Group as of June 30, 2009.

* Team Minus 6% is a national project to reduce Japan's greenhouse gas emissions by 6 percent, a target set in the Kyoto Protocol. Industrialized nations overall will aim to reduce greenhouse gas emissions by 5 percent between 2008 and 2012 compared with 1990, the benchmark year, and Japan's target is 6 percent.

Our Stance

1. Establish the Mediceo Paltac brand
2. Work to convey accurate information as the first step in CSR
3. Value the opportunity to meet people and emphasize the importance of trust
4. Generate funds through high-quality profitability (funds are the corporate lifeline)
5. Work thoroughly to solve problems and reform management
6. Enhance dialogue by empathic listening
7. Learn for yourself, then share this learning with others