

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 MEDIPAL Group promotes original initiatives to fulfill its social responsibility as the largest multi-channel wholesaler in Japan.

The MEDIPAL Group has grown into one of Japan’s leading distributors, 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.

The MEDIPAL Group is aggressively advancing business reforms aimed at creating a new, customer-oriented business model to make the Group more attuned to changes in the operating environment and in customer and consumer needs. The MEDIPAL Group has formulated the 2014 MEDIPAL Medium-Term Vision that maps out how we aim to establish a structure for accurately responding to the various apparent and underlying needs of customers and consumers by the fiscal year ending March 31, 2014. The new structure is based on providing high-quality distribution services that make full use of the new business foundation and wholesale functions created by our business reforms.

The pharmaceuticals, medical equipment, daily necessities and other items handled by the MEDIPAL Group are indispensable in enabling people to lead safe, secure lives. A stable supply of these items is always required regardless of conditions in the social environment. We consider this role our primary mission, and are mobilizing the full capabilities of the MEDIPAL Group to create distribution that makes people happy.

In response to electric power shortages brought on by the effects of the Great East Japan Earthquake, MEDICEO CORPORATION, a wholly owned subsidiary of MEDIPAL HOLDINGS CORPORATION, formed an Electric Power-Saving Committee to proactively save electricity by implementing various measures in coordination with MEDIPAL Group companies.

Current CSR Initiatives

MEDIPAL Holdings has a CSR Committee consisting of five members and two observers. In addition, directors responsible for CSR from each Group company comprise the MEDIPAL CSR General Meeting, which was held three times in the fiscal year ended March 31, 2011 to discuss the MEDIPAL Group’s CSR activities.

The MEDIPAL Group recognizes the critical importance of managing and controlling all manner of risks arising in the course of its 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 thorough compliance with laws. 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 MEDIPAL Group’s business. In addition, we are taking measures to address the issues of global warming and resource conservation. In disaster planning, the CSR Committee has formulated a business continuity plan (BCP) for natural disasters and new strains of influenza. The BCP outlines the procedures and guidelines the Group must follow to fulfill its social mission in the event of an occurrence or outbreak and is based on the importance of continuing critical duties including the stable supply of pharmaceuticals and support for the disaster activities of medical institutions. In the wake of the Great East Japan Earthquake of March 11, 2011, shipments from the distribution centers of certain subsidiaries were temporarily disrupted. However, by taking steps in accordance with the BCP, such as using distribution centers in the Tokyo area and near the disaster region to replace their functions, we were able to supply pharmaceuticals and daily necessities to our many customers in the disaster-stricken region and elsewhere.

The CSR Committee’s initiatives to deepen understanding of CSR include distributing a booklet about the MEDIPAL Group’s CSR to all Group executives and employees, conducting educational activities and establishing an internal hotline to resolve issues within the Group. During the fiscal year ended March 31, 2011, the CSR Committee held CSR training three times for all Group employees, where each individual learned the basic thinking behind CSR. We also posted a monthly “CSR news” column on the Company intranet to enhance CSR awareness.

In addition, since October 2007 we have operated “CSR Post,” a tool that allows MEDIPAL Group employees to suggest ideas for advancing CSR initiatives.

Promotion of Corporate Ethics

In January 2005, the MEDIPAL Group compiled “Our Stance,” a set of decision-making and action guidelines to promote accurate, thorough understanding of its fundamental principles as a corporate Group engaged in the distribution of pharmaceuticals, cosmetics and daily necessities.

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, 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

1. Establish the MEDIPAL 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. Create cash inflows through high-quality profitability
(cash inflows are the corporate lifeline)
5. Work thoroughly to solve problems and reform management
6. Enhance dialogue through empathic listening
7. Learn for yourself, then share this learning with others