

ADASTRIA  
CORPORATE  
SOCIAL  
RESPONSIBILITY  
REPORT 2017

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**Be a person needed. Be a company needed.**

**A D A S T R I A**  
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**CSR REPORT**

**CORPORATE  
SOCIAL  
RESPONSIBILITY  
REPORT**

**Our Activity Principles**

Since we were founded, Adastria has grown this far thanks to the support from our various stakeholders including our customers and everyone in the communities where we operate.

Our corporate philosophy is based on the words cherished by our founder: "Be a person needed. Be a company needed." To be a company that is trusted by our stakeholders and meets their expectations, we believe that our mission is to engage in sustainable management practices and to work to solve various social issues. "How can we provide new value and bring it closer to our customers?" "What sort of social issues are affecting the communities around us?" These are the points we want each and every one of our employees to keep in mind, and it is important for them not only to create value by selling merchandise in their jobs but also to enjoy do so.

Japan's fashion industry is faced with very difficult challenges at present. The balance between clothing quality and prices has been upset, and manufacturing that enriches customers' lives and sustainability have been diminishing. Also, considering Japan's society, many issues have been emerging such as the declining birthrate and aging population, human rights problems, and depopulation of rural areas. Making the most of our strengths as a fashion company with about 1500 stores located in Japan and abroad, we have set the following major themes for our corporate social responsibility initiatives to contribute to society through our business.

1. Protect the Environment
2. Make People Shine
3. Contribute to Communities

We will fulfill our social responsibilities in various ways through our business, including facing our customers with sincerity, supporting the success of our employees, developing our relationships with our business partners, and helping to make regions more vital.

**Michio Fukuda**  
Representative Director,  
Chairman & CEO

# PROTECT THE ENVIRONMENT

A healthy global environment is essential for us to continue to provide products that satisfy our customers and continue our corporate activities.

We believe that it is important to understand the impact of our products on the environment throughout the life cycle of the products.

We will act in ways that lead to a reduction in our environmental impact with a view toward the sustainable development of the Earth.





# Re: FASHION ReCYCLE PROJECT

**Collected clothing volume**  
[actual results for the fiscal year ended  
February 2018]

**4.23t**

This is an initiative to recycle unneeded clothing from customers in order to reduce the CO<sub>2</sub> emissions that would be generated when the clothing items were incinerated. Recycled clothing is used to make new clothing materials, jet fuel, interior materials for automobiles, etc. We held events in Aeon Lake Town in March and October 2017, and 2,144 customers participated in the events and 4.23 tons of clothing were collected.

# REBAG PROJECT

Reduced number of bags  
(November 2014 to November 2017)

**662,045** bags

To conserve resources and reduce the CO<sub>2</sub> emissions that would be generated at disposal, customers who bring their own bags when shopping are given [.st] loyalty points that can be used to purchase at our stores and on our official online store.

From November 2014 when the project began until November 2017, we reduced the use of 662,045 shopping bags.



# Watarase Eco Village

To give our employees opportunities to have hands-on experiences and think about sustainable fashion, we allow them to participate in farm work at Watarase Eco Village where they help with planting Japanese cotton seeds, weeding and harvesting.

In the fiscal year ended February 2018, we also held workshops such as indigo dyeing and spinning.



# MAKE PEOPLE SHINE

A company needs the support of many people, including employees and customers,  
in order for it to continue to grow.

We create workplace environments where everyone can enjoy their own lives enthusiastically,  
and we will be undertaking exciting initiatives for more and more people including our customers.





## Diversity & Inclusion

Ratio of employees with disabilities	<b>2.33%</b>	Number of child-rearing short-term workers	<b>290</b>
Ratio of female managers*	<b>33.2%</b>		

\* Managers refers to Grade IV or higher.

We respect all people, regardless of their various particular characteristics such as age, nationality, disability, or LGBT orientation, and we place an emphasis on valuing acceptance. In order to create workplace environments where everyone can work enthusiastically and comfortably, in the fiscal year ended February 2018, we held training for those returning from childcare leave and diversity seminars for employees, as well as carried out initiatives to employ people with disabilities at our stores.





## Socially Responsible Sourcing

Business partners who have concluded pledges regarding Adastria Group sourcing policy and guidelines

**397**  
companies  
(As of the end of November 2017)

Building good partnerships with our suppliers is necessary in order to provide high-quality products that satisfy our customers. We have formulated “Adastria Group Sourcing Policy” and “Adastria Group Sourcing Guidelines” that take into account human rights and the environment in order to conduct our business with fair and ethical sourcing activities. We also use questionnaires to query our suppliers and monitor their factories based on the guidelines.



# Teens Fashion Project

**Number of event participants**  
(Results for the fiscal year ended February 2018)

**110**

This project aims to convey the enjoyment of the fashion industry to children who will become its leaders in the future. We have created opportunities that children can freely express themselves mainly by holding workshops with a focus on fashion.

In August 2017, we held workshops at Aeon Lake Town and Aeon Mall Dainichi where children made their own original tote bags.



# A Kids Lab

**Number of event participants**  
(Results for the fiscal year ended February 2018)

**20 families,  
 31 kids**

This is program that invites children of our employees to our Tokyo headquarters where they can experience workshops related to fashion. The program aims at promoting communication within families as well as communication between our employees by allowing them to meet each other's family members.

In August 2017, we held a workshop on creating original umbrellas and a stamp-collecting event where children were able to become "President-for-1day" and explore the headquarters.

# CONTRIBUTE TO COMMUNITIES

As a retailer, our relationships with our communities are essential.  
In Japan, we contribute to Mito, the city where we were founded,  
and engage in activities that will lead to the continued development and revitalization  
of the communities where our stores are located.





Mito Chamber Orchestra Photo credit: Michiharu Okubo



Art Tower Mito Light-up Project Photo credit: Jun Tazawa



Cyberdyne Ibaraki Robots

## Support for Mito, the place where we were founded

With a view toward activating Mito, the city in Ibaraki prefecture, we engage in fund-raising campaigns for Art Tower Mito, have created original training wear for the Mito Chamber Orchestra, sponsor the Ibaraki Robots, a professional basketball team in Japan's B2 League, and hold workshops for children during Mito Creative Week.



## Support for Tohoku and Kumamoto

Donations to disaster-stricken areas  
(proceeds from sample sales)

**9,721,000 yen**

Our brands participate in the Sakura Trees Project and Tohoku Cotton Project, and we support disaster-stricken areas by participating in volunteer activities and through the sales of products.

We have also donated proceeds from the sales of samples at our Tokyo headquarters to Fukushima prefecture and Kumamoto prefecture.



## 3rd Place Project

Number of regions participating

**2**

We promote local contribution activities that make use of the regional characteristics in order to strengthen the connections between our stores and the communities, as well as to have both our customers and our employees working there learn about their local communities.

In March and September 2017, together with the Kanagawa Coastal Environmental Foundation, we held workshops on using shells and seagrass at the GLOBAL WORK LaLaport Shonan Hiratsuka store. In November 2017, we held a career support program for youth from foreign countries at the GLOBAL WORK Hamamatsu Ichino store.



# **A D A S T R I A**

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**Group companies**    **ALICIA Co.,Ltd.  
ELEMENT RULE Co., Ltd.  
Adastria eat Creations Co.,Ltd.  
Adastria Asia Co., Ltd.  
POINT (Shanghai) Co., Ltd.  
POINT TW INC.  
Adastria Korea Co., Ltd.  
Adastria USA, Inc.  
Velvet, LLC  
Adastria Logistics Co., Ltd.  
Adastria General Support Co., Ltd.**