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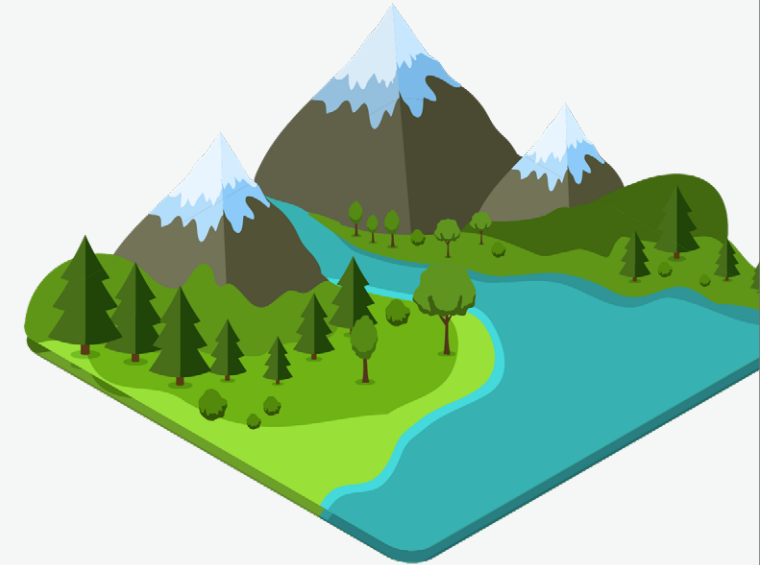
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Tsushima City and ASKUL



and **ASKUL**

Why is ASKUL Working on Realizing a Circular Economy in Tsushima City?

Tsuyoshi Maeda

SDGs Promotion Section,
Tsushima City, Nagasaki

Akira Yoshioka

President and CEO,
ASKUL Corporation

In February 2021, Tsushima city in Nagasaki Prefecture and ASKUL signed an SDGs cooperation agreement to promote a circular economy as a measure to address the issue of marine plastic waste in Tsushima city. The city, which was selected as an SDGs Future City in 2020, and ASKUL, which aims to realize resource-recycling platforms, plan to combine their know-how to develop and sell products made from processed and recycled marine plastic waste. Akira Yoshioka, president and CEO of ASKUL, and Tsuyoshi Maeda, who is in charge of promoting the SDGs at the Tsushima City Office, discussed the background of the agreement, the challenges facing Tsushima, the city's appeal, the efforts of both parties to date, and how they plan to develop their activities in the future.

Tsushima City and ASKUL | Why is ASKUL Working on Realizing a Circular Economy in Tsushima City?

Tsushima: A Touchstone in the Resolution of Issues Related to the SDGs

Maeda: With waste washing ashore from not only Japan but various locations overseas, the island of Tsushima suffers from one of the world's largest volumes of marine plastics drifting onto its shores. As sea levels rise year by year due to global warming, waste is now washing up in previously unaffected areas. As there is a lack of sufficient budget and manpower to collect all the waste that washes ashore, the amount of litter accumulating in the natural environment is increasing year by year. The problem of waste in Tsushima is not only related to marine plastics, but also to climate change associated with global warming, the world's growing population, mass consumption, and other matters. I believe that Tsushima is ahead of other places in demonstrating the nature of today's global environmental issues.

On the other hand, Tsushima is a charming place that is rich in diversity. One hundred thousand years ago, Tsushima was connected to the Eurasian continent, and it took its present form as an island 20,000 years ago. As a result, its flora and fauna are a mixture of Tsushima-specific, continental, and

Japanese species. As the gateway to the introduction of continental culture to Japan, the culture is also diverse.

Yoshioka: In many ways, including in regard to its environmental issues and diversity, Tsushima is a microcosm of the issues faced by the world. I also believe that Tsushima is truly the foremost touchstone for resolving SDGs-related issues.

As I stood, shocked, on Tsushima's shores for the first time in February 2023, I thought to myself, "So, this is the cost of economic development and convenience." I had imagined that there would be a small amount of trash washed ashore, but there was waste all over the beach from one end to the other. I soon realized that this was about more than just marine plastics.

Maeda: Even if the trash gets collected, new trash will wash onto the shore. Therefore, to fundamentally resolve the problem, we thought that it was necessary to transform the trash into an effective resource, rather than treating it as waste. To this end, with the cooperation of companies, students, and volunteers, we collect the trash and recycle what can be used as a resource into products. We are also making PR efforts so that people can obtain the products and become aware of the problems that are happening in Tsushima.

Yoshioka: Around July 2020, when the Japanese government introduced a charge for plastic bags as an environmental measure, we began to wonder if we could contribute in some way to resolving the issue of marine plastics. The reason is that charging for plastic bags does not lead to a reduction in plastic waste, so we thought some kind of action was needed.

In the course of various studies, an employee learned about the issue of marine plastics in Tsushima, and after researching the island further, they came to the conclusion that Tsushima would be a good place to transform the solutions to such issues into a business venture, rather than just being a destination for charitable donations.

After that, when I actually visited Tsushima, my desire to do business with the island's inhabitants grew stronger. Much of the trash that washes onto the island's shores bears the languages of other countries, which I believe anyone would naturally find unreasonable. However, the people of the island do not complain at all. They say, "We are no different to them because we are also dumping rubbish into the Pacific Ocean. We want to do whatever we can to give back to local communities in Tsushima, the city that raised us," and they are tackling



Tsuyoshi Maeda

SDGs Promotion Section,
Tsushima City, Nagasaki
Deputy Counselor and Section Chief

Born in Unzen city, Nagasaki Prefecture in 1979, Mr. Maeda majored in tourism at Rikkyo University and its graduate school and moved to Tsushima in 2005 as an employee of the Tsushima Wildlife Conservation Center of the Ministry of the Environment. After engaging in activities to conserve the Tsushima leopard cat, he joined the Tsushima City Government. He is currently in charge of overseeing the promotion of the Sustainable Development Goals (SDGs) in Tsushima city, one of the so-called SDGs Future Cities.



Tsushima City and ASKUL | Why is ASKUL Working on Realizing a Circular Economy in Tsushima City?

the issues of waste and rocky shore denudation. I was impressed by the spirit and ambition of the local people and felt once again that I wanted ASKUL as a company to make a firm commitment to the cause.

ASKUL Has the Power to Redesign Ways of Thinking and Consumer Behavior around the World

Yoshioka: This can be said for all initiatives related to the SDGs, not just those in Tsushima, but if they are made into charitable projects, they will come to halt when a company's performance takes a turn for the worse. Therefore, I think it is essential that even initiatives related to the SDGs are turned into business ventures.

When turning such projects into business ventures, it is important to first grasp the reality of the situation and begin to think about it in your own way. In doing so, you will gain the will to tackle the issues at hand. This is a somewhat spiritual approach, but I consider it important, nonetheless.

In October 2023, we will start to conduct study tours, in which our employees will visit and learn about Tsushima. I believe that visiting the site in person and learning about the reality of the situation will give rise to a change in awareness among our employees, which will in turn enable them to form

connections with the highly ambitious people of Tsushima. **Maeda:** I strongly feel that there are things that only ASKUL can do, and I have high expectations for our joint efforts. I was very impressed by the resource recycling platform promoted by ASKUL to collect used clear plastic folders. Despite the large number of stakeholders and the fact that it is a very costly and labor-intensive initiative, it has grown to involve more than 1,500 companies. We are already taking part by sending clear plastic folders collected on the island.

I feel that ASKUL is a company that has the ability to not only make products out of recycled wastes but also transform and redesign related services and consumer behavior. Of course, we are very happy to be able to create products from Tsushima's waste, but we also hope that we can work to change the ways that the manufacturers and consumers with whom ASKUL is connected think and behave. If we can do that, there will surely come a world where items that were once only trash will become treasures.

Starting a Movement that Engages Stakeholders to Realize a Trade-On

Yoshioka: The biggest issue in our efforts to realize a circular economy is cost. It is important that we forge a clear path to

get the business onto the right track, but at this point in time it is impossible to foresee how much it will cost to get the initiative off the ground. If we continue to calculate how much money we can spend in relation to the SDGs based on sales and operating profit margins, as we have done in the past, it is likely that we will not be able to keep afloat.

However, if we think about how we want the world and our lives to be, and how ASKUL is perceived in that context, it is clear that we need to follow through with this initiative. We also need to look more seriously for ways to overcome the issue of cost.

It is also important for stakeholders to understand and be actively involved in our efforts. I believe that we can ask for the cooperation of the people of Tsushima, but the Company alone cannot take care of everything from trash collection to PR, so we need to involve many stakeholders in our efforts.

Maeda: How would you feel about making the study tours that ASKUL conducts for its employees available to companies in the supply chain? I believe that such efforts can also serve as an answer to the question that will be asked by various people both inside and outside of the Company: Why start with Tsushima? If they could visit Tsushima just once, they would surely gain a strong sense that the issues facing the island are



Tsushima City and ASKUL | Why is ASKUL Working on Realizing a Circular Economy in Tsushima City?

a microcosm of those facing the world.

Yoshioka: That's a great idea. Recently, I have had the impression that many managers of major companies are troubled by the fact that their efforts in regard to the SDGs are limited to corporate social responsibility. I would also like to ask them to join me in visiting Tsushima. I want to tell them that just visiting once will be a profound learning opportunity, where one can experience first-hand everything from the marine plastic issue to climate change and what biodiversity is all about.

Maeda: I believe that innovations that emerge from technological advancements in situations where social issues are not properly recognized are sometimes detrimental to society. However, as is the case with Tsushima, in fields where many of the issues have yet to be digitalized, we should be able to create truly outstanding innovations by if we all work together. As someone who moved to Tsushima, I am sometimes asked why I chose to live here. My answer is that I believe there are innovations that can be created only by carrying out my work in Tsushima.

Yoshioka: Until the COVID-19 pandemic, ASKUL held an environmental consortium once a year. The consortium had many participants, including university professors, representatives from the Ministry of the Environment, manufacturers from our suppliers, and buyers from other companies. Among them are people who have the potential to strongly influence environmental efforts. We hope to reach out to them and invite them to join our efforts.

Maeda: Currently, negotiations are underway between governments to establish an international treaty to eliminate plastic pollution, with the treaty set to be formulated by the end of 2024. While I believe that a treaty would have a considerable impact, I question the tendency for the international community to follow rules made by Europe as a matter of course.

I believe that there are some ideas for resource recycling that only the Japanese can come up with that do not occur to Europeans. As such, we would like to be involved in the rule-making process, and we are pushing to be allowed to promote some of our efforts, including the initiatives we are speaking about today, at the final intergovernmental negotiations to be held in November 2024 in South Korea.

Yoshioka: I feel that we are now in a situation where it is imperative to realize not a trade-off between business and the environment, but a so-called trade-on that combines both. As such, we intend to show that we will take the lead in realizing this trade-on. At present, we have not yet arrived at the point where we can see a clear path to achieving this trade-on, but we hope to be able to present a path that incorporates concrete figures when we announce our next medium-term management plan.

As I mentioned previously, I consider the issues seen in Tsushima to be the cost of the economic development and convenience we have enjoyed thus far, and we cannot afford to pass this burden on to the next generation. I believe that one way to resolve these issues is ASKUL's promotion of ethical e-commerce.

Maeda: Products made from recycled plastic are inevitably more expensive. However, if consumers choose to be ethical in their consumption and feel that buying the product, even at a slightly higher price, will protect the environment and human rights, then we should be able to overcome many of the hurdles we face. I hope that ASKUL will act as a hub for stakeholders and start a movement to create such cultural shifts.

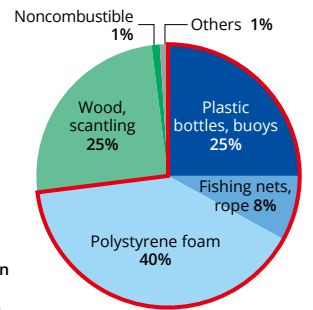
About Tsushima

Tsushima is a border island that floats like a stepping stone between Kyushu and South Korea. Its land is covered by deep forests and is home to rare flora and fauna, including the Tsushima leopard cat, while the sea that surrounds the island is rich with conger eel, blackthroat seaperch, turban shells and other marine life. On the other hand, it faces both local problems such as depopulation and global issues such as marine plastics. However, Tsushima looks at this situation positively, considering itself an "area of advanced issues", and is working to resolve local issues with the aim of becoming a treasure island of self-reliance and circulation. In addition, Tsushima has been selected as an SDGs Future City.



Environmental issues facing Tsushima today

Tsushima's waters are under threat. Climate change is having a serious impact, including rising sea levels, rocky shore denudation and the death of farmed fish and shellfish. Meanwhile marine resources are declining as the world's population grows and the amount of trash flowing from land areas into the sea continues to rise. Tsushima, with its characteristic long north-south length and ria coastline, is located at the entrance to the Sea of Japan and therefore acts as a "breakwater," catching marine litter carried by the ocean currents and seasonal winds. Every year, an estimated 30,000-40,000 cubic meters of trash washes ashore, affecting the island's beautiful natural landscape, ecosystem, and fisheries. Only a quarter (approximately 8,000 cubic meters) of the trash that arrives on its shores can be recovered. Uncollected plastic waste is degraded by waves and UV rays and washed back out by wind and rain, affecting the Sea of Japan and the Pacific Ocean. Unless all the materials are collected as soon as possible, Tsushima could become a generator of microplastics.



Plastics make up 70% of all waste



▲ Rocky shore denudation
Phenomenon in which seaweed beds wither and die from feeding damage by southern species of fish, causing rock surfaces to be exposed

The Ethical E-Commerce ASKUL Aims to Achieve

Ethical E-Commerce

Since its founding, ASKUL has aimed to achieve “social optimization” and has grown by reforming existing distribution models to create new ones while gaining the support of its customers and business partners.

The speed at which changes occur around us has entered an entirely new dimension with the emergence of climate change, labor shortages, human rights issues, and geopolitical risks, as well as the increasing demand to realize a sustainable society.

ASKUL’s Purpose is “continuously bringing delight to our workplace, life, the planet and tomorrow.” E-commerce that embodies this purpose, and that strives to provide products and services that will not only benefit customers but also help resolve social issues, is the ethical e-commerce that ASKUL aims to achieve and our mission.

We promote the use of ASKUL and participation in the ASKUL platform as the most convenient ways to make the greatest contribution to resolving social issues. In doing so, we aim to expand support for our services and evolve as a service that brings delight not only to our customers but also to our business partners while positively contributing to the future of the earth.

To this end, it is important that we adopt a “trade-on” perspective and start a movement that engages our stakeholders.

Trade-On

To date, ASKUL has strived to provide products and services that contribute to resolving social issues—with particular regard to the environment—while responding to customer feedback. On the other hand, the high social value of said products and services does not necessarily translate to economic value. As such, there were times when we proceeded with initiatives while accepting that it was inevitable that they would not be profitable.

One of the key elements in realizing ethical e-commerce is the achievement of a so-called trade-on. In other words, it is necessary to strike a balance between the social value of products and services that lead to the resolution of social issues and economic value. As one facet of this trade-on perspective, we believe it is important to change the way we view economic value. We must not only consider the conventional short-term economic value of increasing sales volumes by refining and adding value to our products and services and reducing costs by scaling production. From now on, we will continuously take on new challenges, focusing also on the long-term economic value of increasing the number of customers and business partners who choose ASKUL because they agree with our corporate stance and values, and who will use our services over the long term, while striving to increase loyalty among our employees and business partners, which will, in turn, spread to all stakeholders.

New Value Being Created by ASKUL

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Eliminating Unnecessary Waste from the World

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ASKUL’s Logistics for Resolving Social Issues

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Resource-Recycling Initiatives

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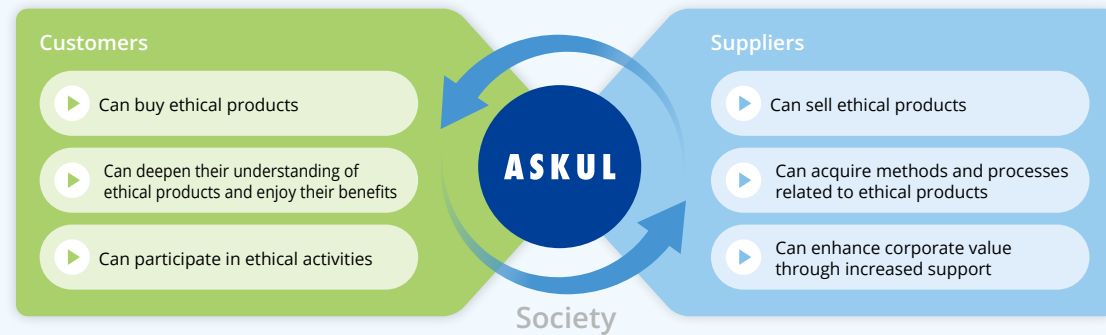
Co-Creation with Manufacturers

The Ethical E-Commerce ASKUL Aims to Achieve

Movement

Of course, social issues cannot be resolved by one company alone. It is only when we promote continuous co-creation with all stakeholders, including our customers and business partners, that we can begin to see the potential solutions to such issues.

To resolve issues in a sustainable manner, we must create a major movement that promotes a shift in awareness and behavior in society. We hope to spread the value of sustainability to the world and be a leader in creating this movement.



Creating value as a sustainable hub

In our pursuit of starting a movement in the e-commerce domain, we aim to serve as a “sustainable hub” that connects customers and suppliers and creates sustainable value through collaboration. The hub is about conveying sustainable values to customers and creating opportunities for them to change the way they select and purchase products and services, as well as communicating customer feedback to suppliers, incorporating potential needs for products and services into their businesses, and working together to create new value.

One of our biggest strengths is our B-to-B customer base. With over five million customers in all types of industries, we have access to vast and wide-ranging data. This data, which is essential to evolving our products and services, is a key management resource for ASKUL. Using the aforementioned customer feedback and data as a driving force, we hope to create new options for using ASKUL and participating in the ASKUL platform to contribute to resolving social issues by serving as a sustainable hub in our capacity as an e-commerce business.

Message



Mizuki Takehisa
Executive Officer,
Merchandising Unit

Continuously Bringing Delight to All in the Future through the Realization of Ethical E-Commerce

Economic development has enriched our lives in many ways, and we have reveled in the joy of having everything at our fingertips. However, many social issues, such as accelerating global warming, increasing natural disasters, a declining population, falling birthrate, and aging society, are finally threatening our livelihoods in tangible ways. Unless we take this situation seriously and begin to implement breakthrough solutions, we will not be able to pass on the happiness we have felt thus far to future generations.

As a retailer, we have played a role in connecting customers and suppliers through products. In eras to come, rather than simply procuring and selling products, it will be important to consider how we can play a role in promoting sustainable consumption, which is one of the forms of ethical e-commerce we are aiming for.

I feel that our customers and suppliers are also conscious of and feel a sense of crisis toward many social issues. However, I believe that all companies are currently struggling with how to transform this sense of crisis into action. For example, we believe that ASKUL's role as a sustainable hub is to serve as a bridge that connects and resolves customers' concerns about wanting to contribute to society but not knowing which products are ethical, and suppliers' concerns about how to communicate value to customers, while returning value to society.

In the years following the COVID-19 pandemic, the line between work and personal lives has become more blurred than ever before, and the concept of work as just one aspect of life has become increasingly prevalent. In response to these changing times, the merchandiser (MD) organization, which was previously divided into B-to-B and B-to-C, was integrated in March 2023. At the root of this organizational change is a desire to create new value by having both B-to-B and B-to-C perspectives and to conduct merchandising that brings more delight to our customers than ever before.

The Merchandising Unit's goal for ethical e-commerce is to ensure that customers find ASKUL's products appealing and that their purchasing behavior leads to social contribution in a natural way. Realizing this goal is part of ASKUL's mission to continue to bring delight to all in the future.

Merchandiser (MD): Responsible for product development, including product planning and development; determining the product mix; sales and service planning; and pricing

The Ethical E-Commerce ASKUL Aims to Achieve

Movement

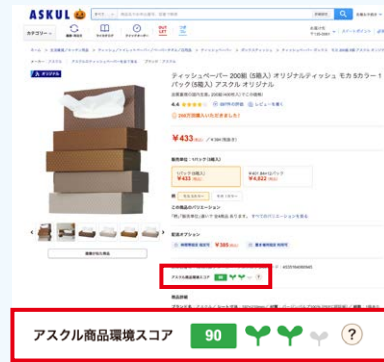
01

▶▶ Visualizing the Product Environmental Score

In 2010, we began using the ASKUL Environmental Perspective, a set of 10 qualitative items regarding the environment-friendliness of our products, as our standard.

In the ten years that followed, social issues such as climate change, resource depletion, marine and forest conservation, and waste management materialized and attracted attention.

Accordingly, in 2020, we began reviewing our product environmental standards. In 2021, we identified our areas for contribution as decarbonization; resource conservation and resource recycling; and biodiversity conservation, for which we set 30 quantitative criteria items.



These standards have made it possible to determine what measures should be taken in product development to manufacture products with low environmental impact. We gave each product an environment-friendliness score based on the standards and posted it on our website. As a result, it became easier for customers to select products with low environmental impact and meant that both individuals and corporations could play a part in protecting the environment.

We hope to evolve the way the environmental score is displayed so that it becomes a guidepost for environmental protection while evolving the criteria as technology advances. We will continue in our aim to be one step ahead of the industry.

Customers

- ▶ Can immediately identify products with low environmental impact
- ▶ Can play a natural part in protecting the environment
- ▶ Can find products with low environmental impact from companies other than ASKUL



Manufactures and Suppliers

- ▶ Can ascertain how environmentally friendly products are
- ▶ Can understand what kinds of measures should be taken to make products with low environmental impact
- ▶ Can expand efforts to reduce environmental impact through horizontal deployment to various products of each manufacturer

Formulating the ASKUL Product Environmental Standards

In 2022, we formulated and announced the ASKUL Product Environmental Standards. The evaluation criteria are divided into the categories of packaging, the product itself, and mechanisms, and all products are scored according to the same criteria. As such, there is no concept of a perfect score. While some product groups are difficult to score, manufacturers and merchandisers are sharing their know-how in an effort to raise their scores.

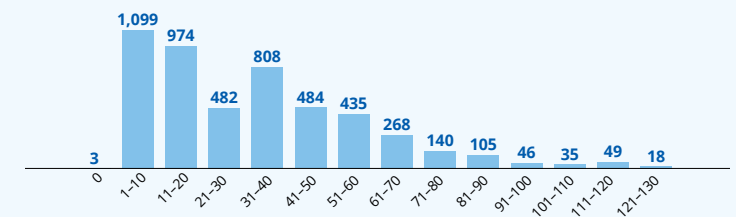
Large category	Medium / small categories	Evaluation criteria example (30 items total)
Containers and packaging	Raw materials	Paper, plastic, certification, and printing Recycled used paper and other materials and FSCR certified products
	Design	Lightweight, resource-saving, and disposable Degree of improvements, ease of sorting
Products	Raw materials	Forest products, plastic, and certification Materials with low environmental impact and certified products
	Design	Lightweight, resource-saving, and disposable Degree of improvements, ease of sorting
Structure	Reuse	Collection and recycling Independent collection and use of recycled materials
	Others	Environmental initiatives Calculate and reduce CO ₂

[Please click here to view all 30 criteria items. \(Japanese only\)](#)

Future Development

- ➔ We will enhance the environmental information we display on our products to make it easier for customers to select environment-friendly products.
- ➔ Together with manufacturers, we will make improvements to products that receive a score of zero to turn them into environment-friendly products.
- ➔ Products from manufacturers who support the initiative will have their scores posted on the website, as will original products.

Distribution of Environmental Scores for Original Products (as of October 31, 2023)



The Ethical E-Commerce ASKUL Aims to Achieve

Movement

02

▶▶▶ Resource-Recycling Initiatives

[ASKUL Resource-Recycling Platform](https://www.askul.co.jp/kaisya/shigen/)
<https://www.askul.co.jp/kaisya/shigen/> (Japanese only)

Resource-Recycling Platform (Clear Plastic Folders)

#recycle

Why?

In recent years, plastics have been attracting attention not only from the standpoint of effective use of resources and waste reduction, but also from the perspective of climate change countermeasures, and there is a need to build a value chain that achieves all three Rs plus renewability.

ASKUL started as a mail-order business for office supplies and has sold a large volume of plastic products since its founding. From this standpoint, we considered how the supply chain, including ASKUL, should change in order to shift from a linear economy that leads from sourcing of raw materials to disposal, to a circular economy that avoids waste where possible.

Role

To develop our resource-recycling initiatives and think about how to apply them in the supply chain, we need concrete actions, not just a concept. In April 2022, we launched the ASKUL Resource-Recycling Platform with the aim of collaborating with various businesses to promote a shift to a value chain that achieves resource recycling throughout the product life cycle, from product planning and design to manufacturing, sales, and recycling for use in future products.

Through our activities to collect and recycle used clear plastic folders, we would like to foster ideas for reusing resources that are easy for various entities to participate in.

Customers

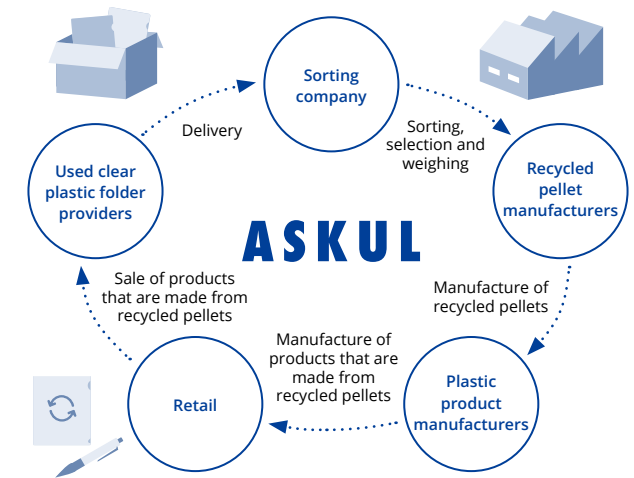
- ▶ Can choose not to throw away items by participating in resource recycling
- ▶ Can achieve a shift in behavior from the cycle buying cheap goods and using them once to knowing what to do with them after use
- ▶ Can procure indirect materials from companies that are engaging in resource recycling

ASKUL

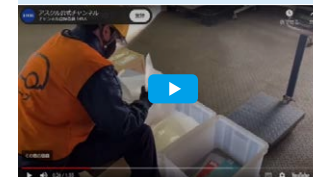
Manufacturers and Suppliers

- ▶ Can provide customers with the option to not throw items away
- ▶ Can play an important role in achieving resource recycling
- ▶ Can trial the use of post-consumer materials

Collecting and Recycling Used Clear Plastic Folders



Shirai Eco Center Co. Ltd.
(Sorting company)



Sorting clear plastic folders

ASEI Co., Ltd.
(Recycled pellet manufacturer)



Making recycled pellets

Providers

1,730 companies

Volume collected

145 metric tons

Ratio of recycled pellets

98.5 %

Note: Cumulative total from January 2021 to September 2023

The Ethical E-Commerce ASKUL Aims to Achieve Movement 02

Example of Commercialization

Matakul, an ASKUL Private Brand

In December 2022, we started selling products using recycled polypropylene made from used clear plastic folders. The challenge of making products using post-consumer materials was made a reality through collaboration with LIHIT LAB. INC., MITSUBISHI PENCIL CO., LTD., and Like-it Inc.



Matakul

- Clear plastic folders made from used clear plastic folders
- Jetstream pens made from clear plastic folders
- Bricks pen stands made from clear plastic folders
- Bricks accessories made from clear plastic folders

TOKYU LAND's Initiative to Transform Used Clear Plastic Folders into Rental Umbrella Handles

Used clear plastic folders collected from tenant companies in office buildings managed by TOKYU LAND CORPORATION are recycled into umbrella handles, which are then used by the tenants of the office buildings. ASKUL's resource recycling platform also helps to further the environmental activities of participating companies.



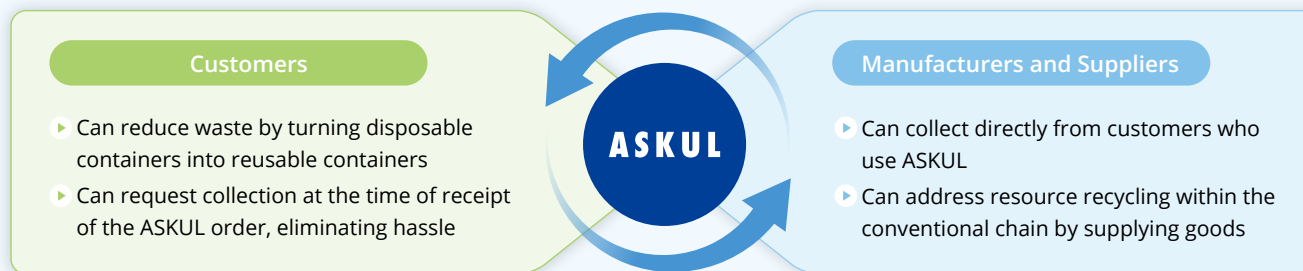
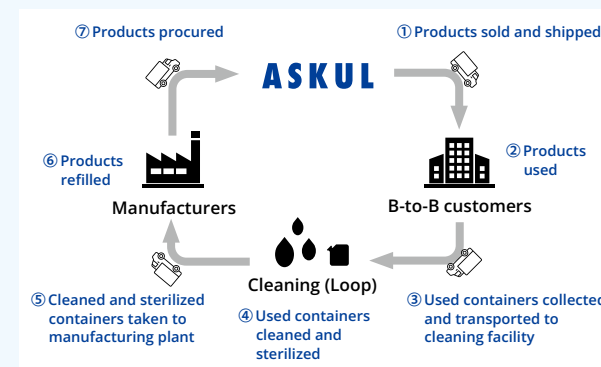
Loop Professional for ASKUL

#reuse

Together with LOOP JAPAN GK, we are taking on the challenge of building a B-to-B-oriented model for reuse. In this model, products ordered from ASKUL are collected after use, and the containers are cleaned and re-filled so that they can be used again.

Within the framework of the three Rs plus renewability, we believe that we can further reduce the environmental impact of plastic products by expanding the scope of our activities to include reuse as well as recycling.

Through field trials in limited regions, we will ascertain the needs of B-to-B customers and identify cost and operational issues with a view to implementing this service.



Message from Loop Japan: The Value of This Initiative and What We Hope to Achieve

Loop is a global platform for reuse. Guided by its mission, "Eliminating the Idea of Waste," Loop promotes a new lifestyle of repeated reuse.

Loop Professional for ASKUL can further reduce environmental impact by leveraging ASKUL's existing platform and logistics network. Through this initiative, we hope to promote reuse more efficiently and more effectively and contribute to the realization of a recycling-oriented society.



Eric Kawabata
Asia Pacific General Manager,
Loop Japan General Manager,
LOOP JAPAN GK

The Ethical E-Commerce ASKUL Aims to Achieve

Movement

03

▶▶ Eliminating Unnecessary Waste from the World

Go Ethical (Initiative to Reduce Product Loss and Waste)

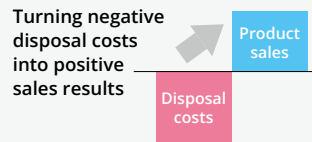
#reduce

Go Ethical is an initiative to sell products that have been discarded by manufacturers for various reasons such as returned goods from stores and defective packaging, even though there are no issues with the quality of the item itself. The products are sold via our regular sales channels to shed light on the issue of reducing product waste rather than just offering discounted prices as is common in outlet sales. The initiative also allows retailers to display in-store the reasons why an item is being sold as a Go Ethical product, therefore ensuring that no brands are harmed and clarifying the situation to customers before they make their purchase.

ASKUL, in its pursuit of ethical e-commerce, promotes its own initiatives based on the SDGs while co-creating with manufacturers, who are the creators of the products.



* Cumulative total waste reduction from May 21, 2021 to August 20, 2023.



Message

ASKUL's Sustainability Advisor



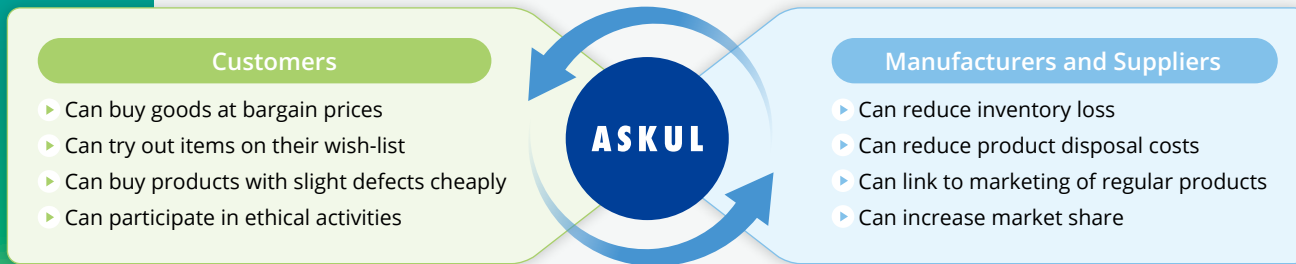
ASKUL: Delivering the Future

Peter David Pedersen
Executive Director of NELIS,
Sustainability Advisor,
ASKUL Corporation

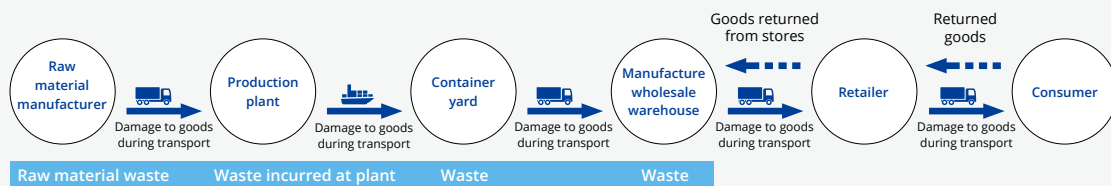
I believe that ethical e-commerce is an initiative that can leverage ASKUL's unique strengths. ASKUL has a customer base of large, medium, and small-sized enterprises throughout Japan, and business partners with whom it collaborates to plan and manufacture products. ASKUL serves as the middle ground between customers and business partners and has the potential to lead and bring to fruition the transformation of a business model that incorporates not only convenience but also future promise. As is shown in the examples presented in this report, I have the impression that steady progress is being made in terms of products made from recycled materials and reduction of waste loss, as a result of extraordinary efforts on the front lines.

In this process, ASKUL is required to work not only as a hub for connecting customers and suppliers, but also as a catalyst for sustainable consumption that is needed in these times. I believe it is possible, through collaborative efforts, to create new, sustainable products that are appealing in ways that customers cannot yet conceive and establish new businesses that cannot be implemented by business partners alone. I look forward to seeing ASKUL take the lead in this journey of transformation.

In a sense, I think the building of this movement goes beyond conventional businesses. And in order for it to truly succeed, relentless innovation and exploration will be essential, not only in product planning and partnerships, but also in communication, marketing, and branding efforts.



Future Development We will work with suppliers and manufacturers throughout the supply chain to address the issue of waste, expand product categories, and begin B-to-B expansion to broaden our activities to reduce waste as much as possible.





Simpler pickup and delivery!
I will help to realize ethical
delivery for customers, drivers,
and for all.

Haruka Tsunoda
Logistics Unit, Delivery Network



I would like to develop a
business structure that enables
us to solve social issues together
with our customers!

Daiki Yasuda
EC Business Unit, B-to-B Business Planning



I will continue to develop
sustainable, original products
that bring genuine delight to
our customers.

Kanako Mikami
Merchandising Unit, Food & Beverages



I will work toward achieving
ethical e-commerce with a clear
vision and goal for the entire
ASKUL Group.

Atsuhiro Baba
Corporate Unit, Corporate Planning



Ethical E-Commerce & Our Work

Here are some comments from
ASKUL employees on how they would like to
achieve ethical e-commerce through
their own work.



I will continue to help ASKUL
develop at the highest possible
speed to bring delight to both
our customers and to the earth.

Kenjiro Morimoto
EC Product Unit, Engineering Division 1



I will help to ensure the peace
of mind and security of all
stakeholders so that the ethical
e-commerce that ASKUL aims to
achieve will become best practice!

Yuuko Yokoyama
Legal & Security Unit, Security Management



I would like to demonstrate
our prowess in data utilization
to deliver an optimal shopping
experience that is more
personalized with AI!

Yingsha Yang
Technology Unit, ICT Solutions



I would like to work to identify
ASKUL's greater cause through
sincere customer service.

Riu Wada
Customer Service Unit, Customer
Counselors



I would like to create systems
that allow all employees to work
comfortably, while taking a
broad perspective to think up
ideas for initiatives that will lead
to the future of our planet.

Yuuka Nakayama
Human Relations & General Affairs Unit, HR



I will help to update
our systems and operations,
and together with our agents,
deliver ethical products and
services to our customers!

Yusuke Nakahara
Sales Unit, Agent Sales

