

September 13, 2024

Adastria Co.,Ltd.

Adastria has released the suppliers list with 47 suppliers **for the first time.**

For the future of fashion industry, we aim to build a supply chain that has positive impact for the environment, people, and communities.



Adastria Co., Ltd. (Shibuya, Tokyo; Osamu Kimura, representative director and president) aims to be a “Good Community Co-Creation Company” under the mission “Play fashion!”. As part of our efforts to fulfill our corporate responsibility and improvement of the entire industry to address social issues such as environmental consideration, human rights. we will disclose our supplier list for the first time on September 13, 2024.

The Adastria Group manufactures products in countries and regions around the world, mainly in China and ASEAN countries. There are a wide range of processes involved in the sourcing of raw materials, sewing, and transportation of products before they are produced and delivered to our customers. In this complex supply chain, we recognize that fair and ethical procurement activity is an important issue on sustainability. In 2016, we began formulating our own “Group Sourcing Policy” and “Group Sourcing Guidelines”, which specify the human rights, social, environmental, and governance standards to be observed in order to promote socially and environmentally responsible procurement activities. Since then, we have been promoting the conclusion of partnership agreements with production factories through monitoring audits and on-site inspections of factories based on the Group Sourcing Policy.

The disclosure of the supplier list fulfills our corporate responsibility as a company operating in the apparel and textile industry, which is considered to have a high



environmental impact. The disclosure of the supplier list is based on our corporate stance; to fulfill our corporate responsibility as an apparel company, to continue to provide our customers with safe and secure products, and to realize a better society. And this disclosure is also in order to increase the number of companies that agree with our management stance of enhancing corporate value together with our partner companies, as working with the entire supply chain to resolve issues. The Adastria Group, the third largest apparel company on sales basis in Japan, is committed to making the future of the fashion industry sustainable by taking an industry-wide initiative to address social issues that cannot be solved by individual companies alone.

■ The Supplier List To Be Disclosed




According to the publication of the “Integrated Report 2024,” Adastria will disclose the names and locations of 47 companies that the Adastria Group has identified as partner suppliers in the form of our supplier list.

The supplier list and the Adastria Group Sourcing Policy and Guidelines are available at the following link.

<Link> <https://www.adastria.co.jp/english/sustainability/theme/community/supply-chain/>

■ Adastria’s Materialities and Targets

The Adastria Group has set the target “Making our production background clearly by expanding partnerships with suppliers” toward the sustainable development of production under "Growing Together with Communities", one of the sustainability themes. As a first step towards our target, we are pleased to have made 47 suppliers publicly available, and will continue to deep dive and enrichment information for the list.

Materialities	Vision	Group Policy	Target	Major Progress / Achievements
Protect the Environment Reduce the environmental impact of our business and make the world of fashion sustainable	Engage in manufacturing that leads to the future	Switch to sustainable raw materials and processing	Switch to sustainable raw materials and processing for at least half of all products by 2030	<ul style="list-style-type: none"> Original sustainability mark grant rate increased to 17.2% (Grant rate 129.5% compared to previous year)
	 Balance environmental considerations with sales activities	Reduce and absorb CO2 emissions	Achieving carbon neutrality by 2050	<ul style="list-style-type: none"> Completed calculation of GHG emissions on a domestic and overseas consolidated basis
	Create a world without fashion loss	Zero clothing incineration	Eliminate incineration of clothing inventory	<ul style="list-style-type: none"> Maintaining zero incineration of leftover clothing inventory Permanent collection activities at stores expanded to approx. 190 stores, with 35 tons collected
Encourage People to Shine Create an environment where customers, employees, and others look forward to each new day	A society in which people enjoy fashion in their own way	Suggest fashion for the enjoyment of each individual	-	<ul style="list-style-type: none"> Rainbow flags expressing ALLY were displayed at approx. 1,200 stores in Japan. Awarded the highest rating of Gold in the PRIDE Index for the fifth consecutive year.
	 Be an organization that is healthy mentally and physically, encouraging employees in their individuality and ability	Create diverse and rewarding work Environments	Ensure 30% of senior management positions are filled by women by 2025, and raise the ratio of women in management positions to 45% or more	<ul style="list-style-type: none"> Ratio of female senior managers: 18.7% Ratio of female managers: 33.7%
	Foster employee wellbeing	Foster employee wellbeing	Become a White 500 Certified Health & Productivity Management Outstanding Company	<ul style="list-style-type: none"> Selected under the 2024 Certified Health & Productivity Management Outstanding Organizations Recognition Program (For the second year in a row) Set the Health Consultation Desk
Grow Together with Communities Create new value in collaboration with communities	 Revitalize the communities surrounding our stores	Connect with communities through fashion	-	<ul style="list-style-type: none"> Countries in which our business except in Japan: 5 countries and regions Overseas stores: 122 stores
	Foster sustainable development in production areas	Fair and ethical procurement	Making our production background clearly by expanding partnerships with suppliers	<ul style="list-style-type: none"> 49 partnership certified factories (70% of the quantity product background) Factory monitoring: 32 cases / year

Adastria Sustainability Website: <https://www.adastria.co.jp/english/sustainability/theme/>

■ Adastria Co., Ltd.

A D A S T R I A
— *Play fashion!*

Adastria (Osamu Kimura, representative director and president) is a casual fashion specialty store operator with 1,400 locations in Japan and overseas covering more than 30 brands, including GLOBAL WORK, niko and..., and Lowrys Farm. The company celebrated its 70th anniversary in 2023, and under the mission of Play fashion! aims to become a Good Community Co-Creation Company that delivers new value through an open community in which people and information interact.

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