# Profit Already Broke Previous Full-year Record during 3Q <br> Shift to E-commerce Expanded Customer Base, Leading to Further Growth 

March 16, 2021
ASKUL Corporation

## Note:

This material contains the ASKUL Group's current plans and performance outlook. These plans, forecasts, and other forward-looking statements represent ASKUL's plans and forecasts based on information that is currently available. Actual performance may differ from these plans and forecasts due to a variety of conditions and factors that could occur in the future. This material does not represent promises or guarantees regarding the achievement of these plans.

This material has not been audited by certified public accountants or auditing firms.
For the purpose of this material, LOHACO refers to the online mail-order business for general consumers launched in October 2012 in alliance with Yahoo Japan Corporation.
B-to-B refers to business-to-business transactions. B-to-C refers to business-to-consumer transactions.
MRO refers to Maintenance, Repair and Operation, and in this material primarily refers to indirect materials consumed at work sites by companies.
PJ Trylion (Project Trylion) is a project that integrates websites for small and medium-sized enterprises, and mid-level and large corporations to build a new website. This name contains its aim of reaching sales of 1 trillion yen.
Since the presentation of the overview of consolidated financial statements for the fiscal year ended May 20, 2016, ASKUL has been reporting its operating performances by dividing its organization into the segments of the Ecommerce business, Logistics business, and Other. The E-commerce business deals with sales of OA and PC supplies, stationery, office living supplies, office furniture, foods, alcoholic beverages, pharmaceuticals, cosmetics, etc. The logistics business refers to logistics and package transport services that target corporations.

This material occasionally uses abbreviations, referring to ASKUL Logi PARK as ALP, ASKUL Value Center as AVC, Demand Management Center as DMC, and Digital Transformation as DX.

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3Q FY5/2021 Consolidated Performance

|  | Cumulative resultsfor 3Q FY5/2020 |  | Cumulaiverealisfor 3QFF/2021 |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| (¥million) | Adual | $\begin{gathered} \text { \%of } \\ \text { net sates } \\ \% \end{gathered}$ | Aduad | $\begin{gathered} \text { \%of } \\ \text { net sales } \\ \% \end{gathered}$ | $\begin{gathered} \mathrm{YOY} \\ \text { change } \\ \% \end{gathered}$ | Broke the Previous Record |
| Net Sales | 299,439 | 100.0 | 313,003 | 100.0 | $+4.5$ | Gross profit margin: <br> YoY change: Up 1.1 points |
| GossPofit | 71,002 | २3.7 | 7,565 | 24.8 | +9.2 | Operating profit, ordinary |
| Selling, Ceneral and Aeminitrivive Enenses Adminisitraive Expenses | 64,666 | 21.6 | 67,279 | 21.5 | +4.0 | profit and profit attributable to owners of |
| Operating Profit | 6,335 | 2.1 | 10,286 | 3.3 | +62.3 | parent: |
| Odinay Profit | 6,248 | 2.1 | 10,236 | 3.3 | +63.8 | Profit already renewed a full-year record high in 3Q |
|  | 4,116 | 1.4 | 6,150 | 20 | +49.4 |  |

Comparison of Consolidated Performance in 3Q FY5/2021 (By Business)

(צsililon) 3Q FY5/2021 Consolidated Performance (B-to-B Business)

(\#billion)

$>$ Net sales

## Up 3.8\% YoY

In addition to the strong trend of infection-prevention products, demand for office supplies is recovering

## Operating profit

 Up 35.2\% YoYContinued significant profit increase by maintaining strong gross profit margin

## B-to-B Business YoY Change in Monthly Net Sales (adjusted for the number of operation days)

FY5/2021 B-to-B Net Sales Quarterly Growth Rate (before the adjustment for the number of operation days)


## Initial plan continued to be exceeded

FY5/2021 Quarterly B-to-B Net Sales by Item

|  | F5/2020 10 |  | F5/202020 |  | F5/2020 30 |  | A5/2021 10 |  | FF/2021 20 |  |  | F5/2021 3 Q |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| (\#billion) |  | $\begin{gathered} \text { Cannasion } \\ \text { anion } \\ \% \\ \hline \end{gathered}$ |  | $\begin{gathered} \substack{\text { ampasion } \\ \text { ration } \\ \%} \\ \hline \end{gathered}$ |  | $\substack{\text { ampastion } \\ \text { ration } \\ \%}$ |  |  |  |  | wreaus |  | 为 | yrames |  |
| OARFC | 23.3 | 31.9 | 25.3 | 32.7 | 24.2 | 32.3 | 21.9 | 29.4 | 23.9 | 29.8 | -5.6 | 24.0 | 30.3 | -0.2 |  |
| Sationery | 10.3 | 14.1 | 11.1 | 14.4 | 10.6 | 14.2 | 9.5 | 128 | 10.1 | 12.7 | -8.9 | 10.1 | 128 | -0.5 | -5.1 |
| Ling | 20.6 | 28.2 | 20.3 | 26.2 | 19.4 | 25.9 | 20.3 | 27.3 | 20.5 | 25.6 | 1.3 | 19.4 | 24.6 | 0.0 | 0.0 |
| Furriture | 5.0 | 6.9 | 5.1 | 6.6 | 4.8 | 6.5 | 4.5 | 6.1 | 5.1 | 6.4 | 0.3 | 5.4 | 6.9 | +0. | ) |
| MFO | 8.1 | 11.2 | 8.9 | 11.5 | 8.5 | 11.3 | 8.3 | 11.2 | 9.0 | 11.3 | 1.2 | 9.0 | 11.5 | +0.5 | 6.8 |
| Medical | 4.0 | 5.5 | 4.6 | 6.0 | 5.3 | 7.1 | 8.2 | 11.1 | 9.3 | 11.7 | 102.2 | 9.0 | 11.5 | +3.7 | 2) |
| aners | 1.6 | 2.3 | 2.0 | 2.6 | 1.9 | 2.6 | 1.5 | 2.1 | 2.0 | 2.5 | -1.3 | 1.9 | 2.5 | 0.0 | -0.6 |
| Tota | 73.2 | 100.0 | 77.6 | 100.0 | 75.1 | 100.0 | 74.5 | 100.0 | 80.3 | 100.0 | 3.5 | 79.2 | 100.0 | +4.0 | 5.4 |

In addition to the strong trend of infection-prevention products, office supplies are recovering

## 3Q FY5/2021 Consolidated Performance (B-to-C Business)



Cumulativeresultsfor 3QFY5/2020 Cumulativeresultsfor 3QFY5/2021
$>$ Net sales
Up 9.3\% YoY
Growth accelerated through strengthened cooperation with Softbank and Yahoo Japan
$>$ Operating profit Up $¥ 1.6$ billion YoY Improved as planned through higher gross profit margin and reduction of fixed costs

# 3Q FY5/2021 Consolidated Performance 

## (¥billion)



## (¥billion)

$>$ Net sales
Down $¥ 0.1$ billion YoY
Decrease in the number of consolidated subsidiaries
> Operating profit Down $¥ 0.8$ billion YoY
Made progress as planned with the launch of Miyoshi Center (3PL business)
Profits will improve in the next fiscal year

## Impact of the Earthquake off Coast of Fukushima (February 13)

Damage was caused to some products and facilities in the Sendai logistics center (Sendai DMC).
$\checkmark$ Extraordinary loss of 240 million yen due to damage to products, etc., was estimated and recorded in 3Q Planned to make earthquake insurance claim ( 100 million yen is deductible from damage)
$\checkmark$ Other logistics centers are filling in for the damaged one to deliver shipments to affected areas, and full recovery is expected by the end of April


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## Regarding Upward Revision of FY5/2021 Full-Year Financial Forecasts

Against Background of Two Points below, Financial Forecasts were Revised Upward
(1) In 3Q as well, net sales, gross profit margin, and logistics cost ratio in the B-to-B business remain better than planned.
(2) The profitability of $3 Q$ is expected to be maintained throughout $4 Q$, although no optimism is allowed over the spread of the novel coronavirus.

Investment is planned in 4 Q with an eye on growth in the following fiscal years ( 600 to 700 million yen).

## FY5/2021 Consolidated Financial Forecasts [By Business]

| (¥billion) |  | F55/2020 | FF5/2021 |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Atual | $\begin{aligned} & \text { Previousplan } \\ & \text { (Publicizedin 2Q) } \end{aligned}$ | brchange\% | $\begin{aligned} & \text { Peviæd plan } \\ & \text { (Publicizedin 3Q) } \end{aligned}$ | Change from <br> theprevous <br> plan | VYChange\% |
| $\begin{aligned} & \frac{8}{8} \\ & \frac{\pi}{8} \end{aligned}$ | Bto-Bbusines | 329.0 | 339.2 | +3.1 | 34.5.2 | 6.0 | +4.9 |
|  | เ-4¢0 | 48.6 | 49.7 | +2.2 | 49.7 | - | +2.2 |
|  | Bto-Cusises( (induxing Cram) | 63.3 | 64.3 | +1.5 | 64.3 | - | +1.5 |
|  | Ecommerectusines | 392.4 | 403.5 | +2.8 | 409,5 | 6.0 | +4.4 |
|  | Logisicsusunessandother | 7.9 | 6.5 | -18.4 | 6.5 | - | -18.4 |
|  | Consolicatedtotal | 400.3 | 410.0 | +2.4 | 416.0 | 6.0 | +3.9 |
|  | BtoBusiness | 15.4 | 16.8 | +8.6 | 19.1 | 2.3 | +23.5 |
|  | L-hCO | (6.1) | (4.4) | - | (4.4) | - |  |
|  | Bto-Cousines(induuing Cham) | (6.2) | (4.3) | - | (4.3) | - |  |
|  | Performanoelinked bonues (induaingprovison) | (0.0) | (0.8) | - | (0.9) | (0.1) |  |
|  | E.ormereobusines | 9.1 | 11.7 | +27.3 | 13.9 | 2.2 | +51.3 |
|  | Logisiscsusinesandother | (0.3) | (0,9) | - | (0.9) | - | - |
|  | Consolidatectioal | 8.8 | 10.8 | +22.4 | 13.0 | 2.2 | +47.4 |

## Revised BtoB business

$\rightarrow$ Net sales plan B-to-B business $¥ 345.2$ billion
Up $¥ 6.0$ billion from the previous plan
> Operating profit plan B-to-B business $¥ 19.1$ billion
Up $¥ 2.3$ billion from the previous plan

## FY5/2021 Consolidated Financial Forecasts

| (¥billion) | А52xeo |  | F53/2x |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Atud | $\begin{aligned} & \text { \%odnet } \\ & \text { slles } \\ & \% \end{aligned}$ | Peviasplan Rriciocsinn | $\begin{aligned} & \begin{array}{c} \text { odind } \\ \text { sples } \end{array} \\ & \% \end{aligned}$ | Pevisadplan Priciczaling | $\begin{gathered} \text { \%of net } \\ \text { sales } \\ \text { \% } \end{gathered}$ | $\begin{array}{\|c\|} \hline \begin{array}{c} \text { Oangefion } \\ \text { theperiaus } \\ \text { den } \end{array} \\ \hline \end{array}$ | $\begin{gathered} \begin{array}{c} \text { yor } \\ \text { dene } \\ \% \end{array} \end{gathered}$ |
| Net Sales | 400.3 | 100.0 | 410.0 | 1000 | 416.0 | 1000 | 6.0 | +3.9 |
| Gossfofit | 95.6 | 23.9 | 100.9 | 24.6 | 103.5 | 24.9 | 26 | +8.2 |
| Stling, Cenead and AdministridiveEpense | 86.8 | 21.7 | 90.1 | 220 | 90.5 | 21.8 | 0.4 | +4.2 |
| Qperating PPoift | 8.8 | 22 | 10.8 | 26 | 13.0 | 3.1 | 2.2 | +47.4 |
| OdinaryPoit | 8.6 | 22 | 10.6 | 26 | 12.9 | 3.1 | 2.3 | +490 |
| Pofit Atributableto Onners of Parent | 5.6 | 1.4 | 6.0 | 1.5 | 7 | 1.7 | 1.0 | +238 |

## On track for a record high in profits

## Shareholder Return



## FY5/2021 Dividend (Planned)

$\Rightarrow$ Year-end dividend per share: 25 yen (Annual dividend of 44 yen) Increase of 6 yen from the previous forecast

## Dividend will be increased in accordance with profit growth

## Retirement of Treasury Stock

A retirement of treasury stock is planned as follows because there is no purpose for using them at the moment, and with the aim of raising the ratio of tradable shares in the stock market.
(1) Class of shares to be retired Common stock of the Company
(2) Number of shares to be retired

4,000,000 shares
(7.2\% of total number of shares issued before retirement)
(3) Scheduled date of retirement March 31, 2021

The ratio of tradable shares, which is a standard of a new stock market classification (the prime market), is expected to increase from over 37\% to over 40\%.

* The ratio is based on the number on the record date of November 20, 2020.


## Stock Split

A stock split is planned for the purpose of enhancing the marketability and liquidity of the Company's shares and expanding the investor base.
(1) Record date
(2) Effective date
(3) Split ratio

May 20, 2021
May 21, 2021
One share is split into two shares

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# B-to-B <br> Targeting offices 

SOLOEL ARENA
ASKUL
Powered
by ASKUL

## B-to-B Business Net Sales



## B-to-B Business Steady Expansion of Customer Bases

B-to-B Business Number of registered


## More big data will accumulate through expansion of the customer base

## Speed up <br> 1-to-1 based marketing

B-to-B Business: Growth of Customers Newly Registered between 4Q of Previous Fiscal Year and 1Q of Current Fiscal Year


# Buy a variety of products just like existing customers 

## Further growth through more customers buying more

B-to-B Business 3Q FY5/2021 (3 Months)

## Factors for Increase in Net Sales



## B-to-B Business Conceptual Presentation of Product Strategy



## Expansion of Long-tail Products

Maximize opportunities on both axes to win customers and ensure purchase

B-to-B Business Further Expansion of Original Products

Ratio of original products*1
(B-to-B inventory products sales)


The number of original products newly introduced: Over 250 items*2

*1 Original products include products exclusive to ASKUL
*2 Number of original products newly introduced at the time of publication of the ASKUL Catalog for 2021


B-to-B Business Growth through Expanding the Number of Products Available


As of February 20 Around 8.3 million items For a diverse customer base, strengthen product lineup

## Growth

 in net sales
## B-to-B Business Expand Share of Long-tail Products



Provide Reliable Services to All Workplaces as a Lifeline for People Working There

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## B-to-C

## Targeting consumers



## LOHACO improving profitability steadily <br> On track to turn profitable by FY5/2023

## LOHACO Roadmap for Turning Profitable by FY5/2023

Further improve the marginal profit rate during FY5/2021 and slash costs, mainly fixed costs, from FY5/2022 onward.


## LOHACO Net Sales



## LOHACO Gross Profit Margin

3Q FY5/2021 cumulative results YoY change: UD 1.8 points

Improvement in product gross margin Up 1.3 points
Decrease in large-lot transactions
Up 0.5 points

## LOHACO Advertising Fee Income



## LOHACO Variable Cost Ratio



## LOHACO Increase in Sales per Box

## (Yen) <br> LOHACO (domestic) sales per box <br>  <br> Improved due to successful sales promotion

## (Yen) LOHACO Reduction of Fixed Costs

LOHACO's Fixed Costs


Qumulative resultsfor 3Q Qumulative resultsfor3Q
FY5/2020
FY5/2021

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"Award for Good Practices in Consumer-Oriented Management" for 2020* Bestowed Consumer Affairs Agency Commissioner’s Award (special frame) in December 2020



Award
2020

Consumer-oriented management
<Points highly evaluated>
$\checkmark$ The Company built and has operated a system to supply necessary supplies to medical personnel in cooperation with administrative authorities in the face of the novel coronavirus pandemic.
$\checkmark$ The Company made a data base from consumer voices from the perspective of quality management and utilizes it for purposes including product design and improvement and provision of information to business partners.

## February 2021: Concluded SDGs Collaboration Agreement with City of Tsushima

## Materiality: Realize a resource circulation system

Cooperation and collaboration to deal with the problem of marine plastic waste that the city of Tsushima faces

(Left) Akira Yoshioka, President of the Company, (Right) Naoki Hitakatsu, Mayor of the City of Tsushima

Activation of the circular economy

Promotion of measures against marine plastic waste
<First round>
$\checkmark$ Sale of "Charity shopping bags that protect oceans" (containing biomass)
$\checkmark$ Part of the proceeds will be donated to the city of Tsushima for activities such as collection of marine plastic waste.


## ASKUL Movinis to "Ethical E-Compmerce"

Sustainable services that consider environmental conservation and solving sociatissutes

## Appendix

## 3Q FY5/2021 Net Sales by Item



## 3Q FY5/2021 Factors Affecting Consolidated Net Sales

Cumulative results for 3Q
FY5/2020 (Actual)

| Net sales: | $\neq 299.4$ billion |
| :--- | ---: |
| YoY Change: | Up $¥ 10.9$ billion |
| YoY Change: | Up $3.8 \%$ |

Cumulative results for 3 Q
FY5/2021 (Actual)

Net sales:
YoY Change:
YoY Change:
$¥ 313.0$ billion
Up $¥ 13.5$ billion
Up 4.5\%


## 3Q FY5/2021 Factors Affecting Consolidated Operating Profit

Cumulative results for 3Q FY5/2020
(Actual)

| Net sales | Up 3.8\% YoY |
| :--- | ---: |
| Gross profit margin | $23.7 \%$ |
| SG\&A expense ratio | $21.6 \%$ |

Cumulative results for 3Q FY5/2021
(Actual)
Net sales
Gross profit margin Up 4.5\% YoY

SG\&A expense ratio
24.8\%
21.5\%

|  |
| :--- |
|  |
| $(\neq$ billion $)$ |

6.3
ssəu!!snq 8-07-৪



## Results of SOLOEL ARENA and others



## 3Q FY5/2021 Consolidated Gross Profit and SG\&A Expenses

Gross profit: $¥ 77.5$ billion YoY change: Up $¥ 6.5$ billion
Gross profit margin: $24.8 \%$ Yoy change: Up 1.1 points
> Improvement of gross profit margin through reduction in cost of sales and changes in category mix

SG\&A expenses: $¥ 67.2$ billion YoY change: Up $¥ 2.6$ billion Ratio of SG\&A expenses to net sales: $21.5 \%$ Yoy change: Down 0.1 points

## Breakdown of major YoY change factors in SG\&A expenses

- Personnel costs (Including provision for bonuses) Up $¥ 1.0$ billion
- Delivery costs
- Rents
- Advertising and sales promotion expenses

Up $¥ 0.9$ billion
Up $¥ 0.4$ billion
Down $¥ 0.4$ billion

## 3Q FY5/2021 Consolidated Capital Expenditures

Capital expenditures $¥ 7.4$ billion (Annual plan: $¥ 11.8$ billion)
Related to the New Tokyo Distribution Center Related to ASKUL Miyoshi Distribution Center Related to the B-to-B new website (PJ Trylion) $¥ 1.8$ billion
(Reference) Depreciation and amortization of software: $¥ 4.4$ billion (Annual plan: $¥ 5.7$ billion)
Investment details $¥ 1.6$ billion $¥ 1.0$ billion
( $¥$ million)

| Item | FY5/2020 <br> 3Q |  | FY5/2021 <br> 3Q |  |
| :---: | ---: | ---: | ---: | :---: |
|  | Amount | Amount | YoY Change |  |
| [Capital expenditures] | 3,521 | 7,477 | $+112.3 \%$ |  |
| Property, plant and <br> equipment | 1,253 | 4,514 | $+260.2 \%$ |  |
| Intangible assets | 2,267 | 2,962 | $+30.6 \%$ |  |
| Construction in progress <br> (Note 2) | 37 | 3,356 | $+8,788.6 \%$ |  |
| Software in progress (Note 2) | 1,043 | 2,148 | $+105.8 \%$ |  |

## 3Q FY5/2021 Share of Orders Placed on the Internet of Net Sales and Original Products

Share of orders placed on the Internet of net sales

|  | $3 Q$ FY5/2020 <br> cumulative total | $3 Q$ FY5/2020 <br> cumulative total | YoY Change |
| :---: | ---: | ---: | ---: |
| Orders via the Internet | $84.6 \%$ | $86.0 \%$ | +1.4 points |
| Other | $15.4 \%$ | $14.0 \%$ | -1.4 points |

Note 1: Percentages are based on orders placed.
ASKUL original products
(Items)

|  | February of <br> FY5/2020 | February of <br> FY5/2021 | YoY Change |
| :---: | ---: | ---: | ---: |
| Number of original <br> products | 9,507 | 9,996 | +489 |
| Share of non-consolidated <br> net sales <br> (of which, share of B-to-B business) | $29.8 \%$ <br> $(36.5 \%)$ | $26.1 \%$ <br> $(32.7 \%)$ | -3.7 points <br> $(-3.8$ points) |

Note 1: Each figure includes the products listed in Health \& Nursing Care Catalogs and Medical Pro Catalogs.
Note 2: The number of original products includes those with sales limited to ASKUL. Also, the calculation includes not only those items sold via catalogs but also items sold only via the Internet.
Note 3: The calculation of original products as a percentage of net sales includes original copy paper.

## Environmental Initiatives

## ASKUL Environmental Policy

We, the ASKUL Group, strive with a shared sense of purpose to contribute to the realization of a sustainable society through the growth of our group as a company that supports our workplace, life, the planet and tomorrow.

## Decarbonization

- "2030 CO2 Zero Challenge"

Reduce CO2 that is emitted by business sites and distribution down to zero by 2030

## - "RE100"

Raise a group-wide renewable energy utilization ratio to $34 \%$ by FY5/2021 toward realizing $100 \%$ by 2030

## - "EV100"

Replace delivery vehicles owned and used by ASKUL LOGIST 100\% with electric vehicles by 2030

## Resource recycling

- "1 box for 2 trees"

Confirm planting of two eucalyptus, double the amount of raw materials, by purchasing one box of original copy paper

## - Reduce disposal of returned products

 Reduce returned products that lead to their disposalRemake returned products into salable products Sell returned products as "imperfect ones" at a discount

- A recycling value chain of used plastic products
Create a value chain for recycling plastic resources and reduce $\mathrm{CO}_{2}$ emissions

Development and procurement of environmentally-friendly products

- Environmental response by original products
Development of original products by paying attention not only to quality and design but also to the environment

- Recycled paper bags "Come bag" An FSC* certified product, comprised of $85 \%$ paper pulp and $15 \%$ recycled pulp from ASKUL catalogs
* The FSC® certification system certifies "responsible management of the world's forests" Using FSC ${ }^{\circledR}$ certified products leads to forest conservation.

- Lineup of biomass shopping bags



## Environmental Initiatives

| +CDP | T.CDP |
| :---: | :---: |
| $\begin{gathered} \text { A LIST } \\ 2019 \end{gathered}$ | $\begin{aligned} & \text { A LIST } \\ & 2020 \end{aligned}$ |
| CLIMATE | CLIMATE |

Companies included in "Climate Change A list" are ones selected as the highest rated by the international non-profit environmental organization Carbon Disclosure Project, CDP. If companies are taking excellent actions in response to climate change and disclosure of their information, they will be included in the list

2020 Selected as a "Climate Change A List"

2019 Selected as a "Climate Change A List" company by CDP

The "Eco-First Company" is a company chosen by the Minister of the Environment as a
company that engages in "advanced, unique and industry-leading business activities" in environmental conservation activities, such as global warming countermeasures and waste and recycling measures

TCFD
TASK FORCE on FINANCIAL
DISCLOSURES

"SBT: Science Based Targets" are corporate targets to reduce global warming gas. The "Science Based Targets" organization, an international initiative, will approve them as targets that aim at scientifically based levels to achieve the " $2 \circ \mathrm{C}$ target Efforts to keep the temperature well below $2^{\circ} \mathrm{C}$ and bring it below $1.5^{\circ} \mathrm{C}$ )" set out the Paris Climate Accord

TCFD recommendations" are international propositions, compiled by the Task Force on Climate-related Financial Disclosures ("TCFD"), concerning how corporations should voluntarily disclose information for the purpose of identifying and disclosing the financial impacts of risks and opportunities caused by climate change
2018 Obtained "Eco-First company" and "SBT" Certification


United Nations Global Compact (UNGC) is a voluntary initiative by which companies and organizations act as good members of society and participate in the creation of a global framework that realizes sustainable growth by demonstrating responsible and creative leadership

2016 Signed up for the "United Nations Global Compact" and announced the " $2030 \mathrm{CO}_{2}$ Zero Challenge"

2013 Formulated MediumTerm Environmental Targets

## Initiatives for Society

## Together with colleagues

- Diversity-oriented management

ASKUL's Declaration of Diversity (2015)
■ Utilize diverse human resources Promote active female participation and enhance the ratio of female managers
Declared the target of making female managers account for $30 \%$ of the total by 2025

- Promote diverse work styles

Systems for leave and shorter working hours for

olding of nursing care seminars
Telework system: Abolished the limit on the number of times telework allowed per month Flextime system: Abolished the core time Office where employees can work with peace of mind (Thorough preventive measures against infection)

- ASKUL LOGIST: Offer free lunches Promotion of health-oriented management by providing free lunches to employees working in logistics, distribution, and headquarters so that they can work in good physical and mental health
- ASKUL LOGIST Fukuoka Distribution Center's efforts to employ persons with disabilities in cooperation with local communities

Legal employment ratio at 23.7\%*
(Legal employment ratio of private companies is 2.2\%)

Legal employment ratio calculated in units of business sites as of February 20, 2021)

## Initiatives with business partners

## Social contribution activities

- Declaration of support and voluntary action for the "White Logistics" promotion campaign A movement to resolve the shortage of truck drivers and work to realize a more employee friendly working environment in which productivity in truck transportation is improved, efficiency in logistics is raised, and some kinds of drivers, such as women and people over the age of 60 , will find it easy to work
- Activities of ASKUL CS Week Initiatives to enhance the motivation of concierge service communicators (CSC) engaged in customer relations and to promote their mutual communication
Conduct commendation ceremonies for CSCs who have received words of appreciation from customers on many occasions, and certificate awards ceremonies for "super communicators" as role models to aspire to and give awards for long service for CSCs
- Supporting East Japan Reconstruction through Impact Investment and Donations The ASKUL Group has changed the format of support ten years after the Great East Japan Earthquake.
Utilizing the platform of impact Investments of Music Securities, Inc., the ASKUL Group has started a sustainable and new form of support that combines investment in business operators in Iwate Prefecture, Miyagi Prefecture, and Fukushima Prefecture, and donations thereto in cooperation with manufacturers.
- Project for looking into air and water environments
In a joint project with S.T. Corporation, the ASKUL Group donates part of sales of "S.T Toilet Deodorant and Deodorant Spray, exclusive for sale by ASKUL, to associations that are engaged in improving air and water environments, thereby supporting their activities.
- Paper cups for social contribution A portion of sales is donated to suppor activities for assisting disaster victims, support for "Pink Ribbon Activities (Raising Awareness of Breast Cancer Screening)" and support for "Kids Earth Funds"


## Publication of New Catalog



## Focus on E-commerce and publish it once a year

| Total number of pages | 1260 |
| :--- | :---: |
| Number of goods | Approx. 39,000 items |
| Number of new goods | Approx. 2,400 items |
| Number of original goods | Approx. 7,300 items |
| Number of eco-friendly goods | Approx. 14,000 items |

<Reference> Outline of 2020 Spring/Summer (previous edition) Total number of pages: 1,288
Number of goods: Approx. 39,500 items
Number of original goods: Approx. 7,600 items



## Technology



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