



**Ryohin Keikaku Co.,Ltd. (MUJI)**

## 2016 Communication on Progress

Time period: September 2015 - September 2016

In September 2013, RYOHIN KEIKAKU joined the United Nations Global Compact (UNGC), an international initiative to align strategies and operations with universal principles on human rights, labour, environment and anti-corruption. Since then we are committed to responsible and ethical business practices through various CSR activities so as to play an important role towards sustainable society.

For further details please refer to "100 Good Things" in our website (<http://ryohin-keikaku.jp/eng/csr/list/>).

Tokyo, September 14, 2016

**Satoru MATSUZAKI**

President & Representative Director

### Human rights

Plans current period	Achievements current period	Plans for next period
<p><b>Café&amp;Meal MUJI Donation Menu</b></p> <p>Café&amp;Meal MUJI in Japan has introduced a selection of healthy dishes that donates automatically to a program run by TABLE FOR TWO International, a Japan-based NPO dedicated to addressing global food imbalance.</p> <p>The subjected dishes include 20 JPY which will be donated to the program in the price. While eating healthily and looking after ourselves, we are also giving the equivalent of one hot school meal to a child in Africa, resulting in a positive outcome for both sides.</p> <p>More on TABLE FOR TWO:  <a href="http://www.muji.net/cafemeal/news/news/021217.html">http://www.muji.net/cafemeal/news/news/021217.html</a></p>	<p>We sold 18,037 meals in Japan during March 2015 to February 2016.</p> <p>In October 2015 we participated in the World Food Day.</p>	<p>Same as current period.</p>

## Labour

Plans current period	Achievements current period	Plans for next period
<b>Product Development in Kyrgyzstan, Kenya and Cambodia</b> We collaborate with the Japan International Cooperation Agency (JICA) on a joint product development as part of the One Village One Product Projects (OVOP) in the developing nations. . OVOP stimulates local industry that uses the local resources, such as felt products from Kyrgyzstan and soapstone products from Kenya.	We started with the planning of Christmas gifts, but since 2013 a challenge was set to develop products that we can sell throughout the year such as cushions. In fiscal year 2016 we ordered 98,000 USD which was +14% vs prior year.	Same as current period.
<b>Employment of the disabled</b> We actively employed the persons with disabilities and was awarded as one of the excellent companies that promote the employment of the disabled by Tokyo Employment Development Association in October 2010.	The so-called Heartful Project began in 2009 with the cooperation of Sales Department. The number of disabled employment grew in both headcounts and workplace since then. The ratio increased from 1.44% in 2009 to 5.09% as of February 2016. In total 289 people work wither at the stores or in corporate office as colleagues.	Same as current period.
<b>Doi Tung Development Project (DTDP)</b> Doi Tung is the high mountain area standing isolated in the border of Thailand, Mynmar and Laos. DTDP is the project in Thailand to help local ethnic minorities resolve the problems of poverty and eliminate opium trade. Café&Meal MUJI in Japan uses DoiTung brand beans for their coffee.	The coffee beans are used since 2014 and the consumption in Japan became 3 tons in fiscal year 2015.	Not only as part of the beverage menu at Café&Meal, we will also sell the products at the stores.

## Environment

Plans current period	Achievements current period	Plans for next period
<b>Use design to solve problems</b> We maintain flexibility of the products by standardizing size and module, and providing various spareparts, so that customers can enjoy using MUJI products as long as possible.	<ul style="list-style-type: none"> <li>- Standardized assort box for delivery to improve logistics efficiency and environmental friendliness.</li> <li>- Increased the number of options for mudularized shelf to be used for variaous purposes by various customers.</li> </ul>	Same as current period.



## Environment

Plans current period	Achievements current period	Plans for next period
<b>Examination of Materials and Processes</b> MUJI products use materials to conserve resources such as surplus thread, fabric offcuts, etc., that would otherwise be wasted.	We stock manufacturing byproducts as well as rejected goods that were damaged or stained during distribution process. Since October 2014, we team up with a variety of corporate partners and designers to give them a new lease of life as recycled products in our POOL recycling initiative. We sold in Japan 489 pieces of the first product, stool covers made with a patchwork design composed of material offcuts from fabric manufacturing. We continued to develop other products such as handkerchief made of remnant, white porcelain tableware painted by disabled artists, etc.	Same as current period.
<b>Simplified packaging</b> We strive to avoid packaging, or if needed, to keep at minimum.	Since 2014 Garment business is trying to avoid individual packaging. In Food business, sales of simplified retort-packed food increased considerably.	Same as current period.
<b>Recycling textiles</b> In Japan we participate in the so-called FUKU-FUKU Project, a joint corporate textile recycling initiative that began in 2010 with the aim to achieve 100% recycling of clothes into bioethanol using the new technology.	We collected about 7.6 tons of used clothes in Japan during April 2015 to March 2016. In March 2015 we started to re-dye and sell clothes which were collected but still usable as ReMUJI item. Since September 2015 we do the same for manufacturing byproducts as well as rejected goods that were damaged or stained during distribution process. We sold altogether 9,600 pieces during August 2015 to August 2016 at 10 stores in Japan.	Same as current period.
<b>Recycling plastics</b> We are participating in the so-called PLA-PLUS Project since start-up. It is a recycling project under testing by Japan's Ministry of Environment for the in-store collection of plastic products.	5th PLAS-PLUS Project events were done including new locations such as shopping malls. We collected own plastic products for recycle at 18 stores in Japan during February 14 to March 14, 2016.	We will participate if the same campaign will be held during the next period.

## Anti-corruption

Plans current period	Achievements current period	Plans for next period
<b>Partnership with business partners</b> In Japan "Ryohin Keikaku : Environment, Labor, and Safety Management" is included in all agreements with contract manufacturers as one of the requirements. We monitor the status by sending questionnaire to all contractors once a year and report at the Business Partners Meeting.	In June 2015 we issued "Seven Pledges by Ryohin Keikaku to Business Partners" to maintain fair and sound relationship. We formalized our basic commitments such as punctuality and reliability. The partners are asked to answer the anonymous survey which we monitor ourselves. We received 78 replies during September 2015 to August 2016.	Same as current period.

## Others

Plans	Achievements
<b>Cleanup outside office building</b>	Employee volunteers clean the surroundings of the head office building once a month since February 2008.
<b>Employee volunteers at Kids' Summer Camp</b>	Employee volunteers from head office participate in the Kids' Summer Camp held every year at MUJI Tsunan campsite in Japan. They support children in preparation of meals, etc.
<b>Kamogawa Satoyama Trust (Satoyama: farmland and mountain foothills)</b>	The terraced rice fields are increasingly difficult to sustain as the local population ages. We co-sponsor hands-on farming events where participants applied through our website help plant, weed and harvest rice.

## How to communicate COP to stakeholders

Publish on the Global Compact website

THE END