



Ryohin Keikaku Co., Ltd. (MUJI)

**2019
Communication on Progress**

Time period: September 2018 - September 2019

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. Through active CSR activities both inside and outside the company, we are committed to promoting responsible management as a global company so as to contribute to the creation of a sustainable society.

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

Tokyo, September 12, 2019

Satoru MATSUZAKI
President & Representative Director

Human rights

Plans current period	Achievements current period	Plans for next period
<p>Café&Meal MUJI provides menu with donations Café&Meal MUJI in Japan supports TABLE FOR TWO, a program run by TABLE FOR TWO International to addresses the world's food problems. Through this programme, a customer can help a child in developing countries to have one meal at school by paying an extra of 20 JPY for a specific meal.</p> <p>TFT program enables us to donate 20 JPY for each reduced-calorie meal we order at canteens and restaurants. 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>ref (Japanese only): https://cafemeal.muji.com/jp/table-for-two/</p>	<p>Café&Meal MUJI in Japan supports TABLE FOR TWO, a program run by TABLE FOR TWO International (a non-profit organization started from Japan) that addresses the world's food problems.</p> <p>We sold 15,200 TFT meals in Japan during March 2018 to February 2019.</p>	<p>Same as current period.</p>

Labour

Plans current period	Achievements current period	Plans for next period
<p>Product Development in Kyrgyzstan We collaborate with the Japan International Cooperation Agency (JICA) on a joint product development programme as part of the One Village One Product Projects (OVOP) conducted by JICA in the developing nations. OVOP stimulates local industry that uses the local resources, such as felt products from Kyrgyzstan.</p>	<p>We started the product development programme to produce Christmas gifts. However, since 2013 we have been working on product design changes in order to raise the level to "products that can be sold as standard items throughout the year". In fiscal 2018, products such as cushions and slippers have been developed and our order amounted 13.5million. These products are being sold not only in Japanese stores, but also in MUJI stores in Europe, USA and China.</p>	<p>Same as current period.</p>
<p>Employment of the disabled 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.</p>	<p>The Heartful Project began in 2009. With the cooperation of Store Sales Department, the number of disabled employment grew in both headcounts and workplace since then. The ratio increased from 1.44% in 2009 to 4.50% as of February 2019. In total, 352 people work either at the stores or in headquarters office as our colleagues.</p>	<p>Same as current period.</p>
<p>Supporting jobs in Laos Ryohin Keikaku has been producing Cotton My Bags at a sewing plant in Laos since 2011. The reason for choosing this particular plant is that it not only hires highly skilled workers, but is also actively making efforts to create job opportunities in the country. We will continue to support their activities to secure job opportunities.</p>	<p>In fiscal 2018, we made an order of about 800,000 My Bags produced in Laos. We encourage customers to bring their own bags while shopping at MUJI.</p>	<p>Same as current period.</p>

Environment

Plans current period	Achievements current period	Plans for next period
<p>Selection of materials and streamlining of processes We conserve resources by using reclaimed materials, recycling fabric offcuts, surplus thread, and other materials that may have been discarded or neglected.</p>	<p>For example, we collect the cut-off parts produced during the manufacturing process of MUJI shirts and T-shirts, sort them by hand, return them into cotton to mix with unused cotton and then spin again, resulting in the "reclaimed cotton" that can be used again. MUJI has been valuing the idea of "no waste of resources" ever since its birth, and has been making efforts to recycle the cut-offs generated in the cutting process of clothing fabrics to make new products. In fiscal 2018, we commercialized products such as homewear, socks, and T-shirts.</p>	<p>Same as current period.</p>
<p>Simplification of packages We strive to avoid packaging, or to keep it at minimum if needed.</p>	<p>For our apparel business, we have abolished individual packaging during the delivery to reduce the environmental burden. In food business, sales of simplified-packaging retort food increased considerably.</p>	<p>Same as current period.</p>
<p>Textile recycling The BRING project, which started in 2010, is a collaborative project applying new technology to turn fabrics into bioethanols with the aim of 100% recycling of clothing and fabrics.</p>	<p>We collected about 24.2 tons of used clothes in Japan during April 2018 to March 2019. ReMUJI has started from March 2015. We pick up those clothes that can still be worn out of all the clothes collected from BRING, re-dye them and sell them as ReMUJI items. From September 2015, we have also included items that can no longer be sold due to the damages during the distribution process. We sold a total of about 4,000 pieces during September 2018 to August 2019 at 6 stores in Japan.</p>	<p>Same as current period.</p>
<p>Reduce the use of plastic materials MUJI considers a better relationship between people and nature, and is making various efforts to reduce the use of plastic materials. From the 2019 spring / summer season, we have reduced plastic materials used in product sales, or changed them to paper materials.</p>	<p>From spring / summer 2019, products such as socks and stoles use hooks and hangers that are made of recycled paper. We also recommend switching the packaging box of fragrance items or toilet brushes to paper materials. In addition, MUJI passport points will be granted to those who have their own shopping bags at MUJI Ginza, a global flagship store that opened in April 2019. We encourage all our customers to bring a shopping bag with them so that the number of plastic shopping bags distributed can be reduced.</p>	<p>Same as current period.</p>

Anti-corruption

Plans current period	Achievements current period	Plans for next period
<p>Relationship with business partners "Ryohin Keikaku : Environment, Labour, 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.</p>	<p>In June 2018, in order to prevent bribery by officers and employees of Ryohin Keikaku and its group companies, we established anti-bribery rules and resolved them at the Board of Directors meeting. This regulation is approved by the board of directors of each sales company, and is a standard that must be observed by employees of the sales company.</p>	<p>Same as current period.</p>

Others

<p>Kamogawa Satoyama Trust (Satoyama: an area of farmland and mountain foothills)</p>	<p>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 in the rice fields.</p>
<p>Campsite business</p>	<p>In Japan we manage a combined total of some 230 ha of forest reserve, located in the surrounds of the three campsites we operate (Tsunan, Minami-Norikura, and the Campagna Tsumagoi). There we hold events that helps to learn the importance of nature, such as the outdoor programs which we invite locals to join in as hosts, or Kids' summer camp.</p>

How to communicate COP to stakeholders

<p>Publish on the Global Compact website</p>
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