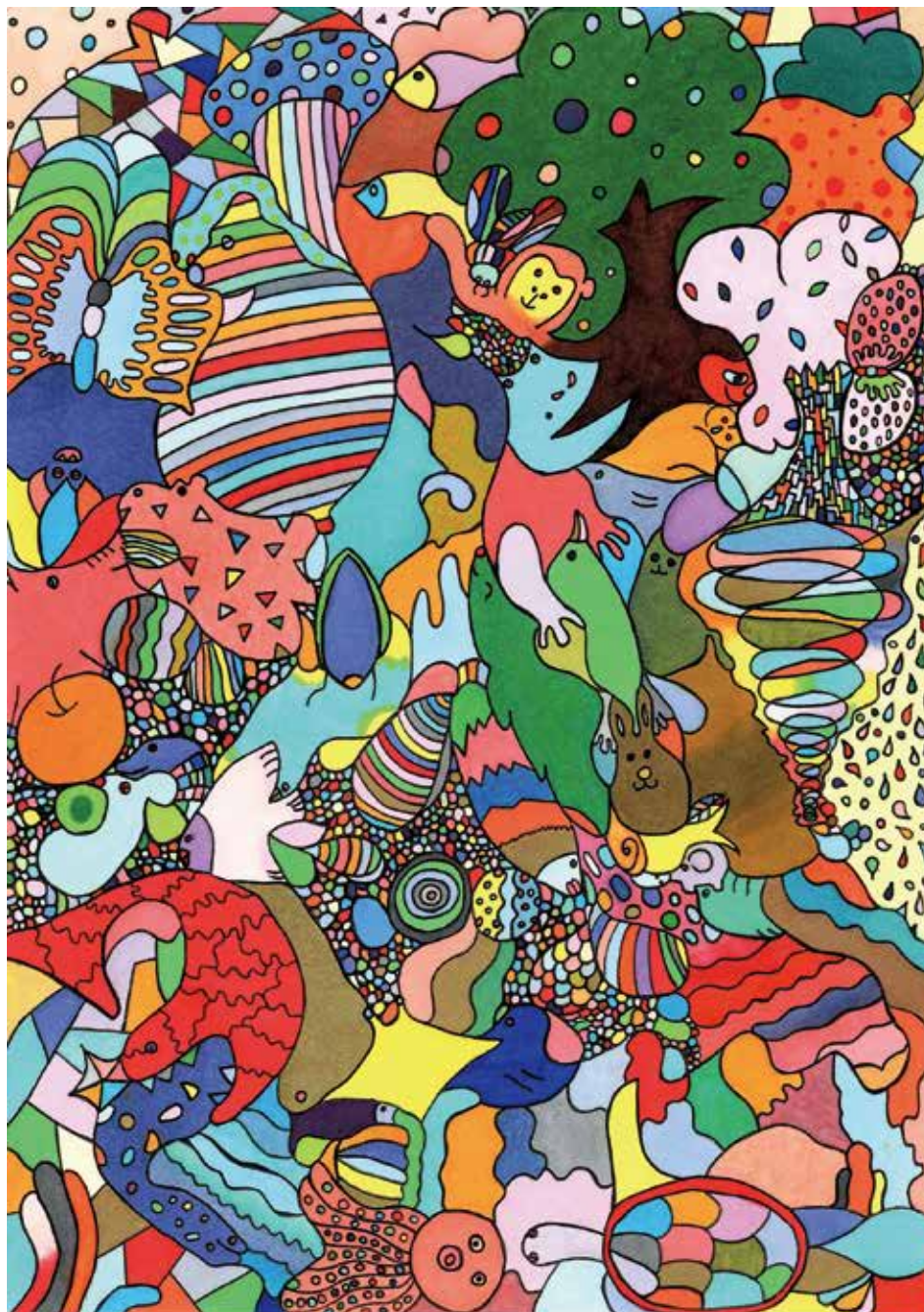


CSR Communication Report

2021

C ommunication  
S DGs  
R elationship



The exhibition of "Art No Wa" operated by The General Incorporated Association Borderless Art Organization

**"Colorful & Cheerful Friends Series"**

A work by Yukari Chiba

**Aderans**



# Message from Founder & CEO

## Realization of a Global Wellness Company

For our next 100th anniversary, we will aim toward becoming a "Global Wellness Company" in the hair, beauty, health, and medical industries to realize "Global Brand Aderans."



**Nobuo Nemoto**  
**Founder,**  
**Representative Director,**  
**Chairman**  
**Aderans Co., Ltd.**

Our company was founded in Japan as a specialty store for men's custom-made wigs. Currently, we do business not only in Japan but also overseas such as the U.S., Europe, and Asia, becoming a total hair solutions company.

We currently operate in 20 countries and regions, and approximately 6,800 employees are expanding our global activities. Along with this, a global perspective is indispensable for corporate social responsibility.

The recent spread of the new coronavirus pandemic has forced major changes in people's lives and society. We believe that it is becoming more important than ever to take initiatives and develop business activities from a long-term perspective in order to address ESG (Environmental, Social, and Governance) issues and to achieve the SDGs (Sustainable Development Goals).

Even under these circumstances, we keep our management philosophy and aim to help clients worldwide attain physical and emotional well-being. Then, we will challenge ourselves to create new social value.



**Yoshihiro Tsumura**  
**Group CEO,**  
**Representative Director,**  
**President**  
**Aderans Co., Ltd.**

### Japan

Aderans Company Limited  
 Aderans Medical Research Co., Ltd.  
 PalMesse Co., Ltd.  
 Hi-Net Co., Ltd.  
 Reizvoll Co., Ltd.  
 Aderans BIO Co., Ltd.



### Asia

Aderans (Shanghai) Co., Ltd.  
 Aderans (Shanghai) Trading Co., Ltd.  
 Aderans Hong Kong Limited  
 Aderans Taiwan, Inc.  
 Aderans Korea, Inc.

Aderans Singapore Pte., Ltd.  
 Aderans Total Hair Beauty Solution (Thailand) Co., Ltd.  
 Aderans Thai., Ltd.  
 World Quality Co., Ltd.  
 Lao Quality Sole Co., Ltd.  
 Aderans Philippines, Inc.



(As of August 31, 2021)

### North America

Aderans America Holdings, Inc.  
 Aderans Hair Goods, Inc.  
 Bosley, Inc.  
 HC (USA), Inc.  
 Amekor Industries, Inc.  
 Estetica Designs, Inc.



### Europe

Aderans Europe B.V.  
 Aderans France SAS  
 Aderans Germany GmbH  
 Aderans Benelux B.V.  
 Aderans UK Limited  
 Aderans Sweden AB  
 Aderans Total Hair Solution Iberia S.L.



## Management Philosophy

Our greatest mission as the Aderans Group is to promote overall wellness through our hair-related, beauty and health businesses. We aim to help clients worldwide attain physical and emotional wellbeing. We also aim to bring smiles to faces, so they can fulfill their dreams and live full, happy lives.

### We strive for:

- Product excellence
- Technological expertise
- Most educated in hair-related, beauty and health solutions with the highest levels of service

## Our History

We have contributed to the development of total hair-related solutions since our foundation in 1968.

**1968**

Aderans founded, as a small store specializing in men's custom-made wigs.



**1972**

TV commercials started; spreading the news of men's wigs.



**1974**

AS-1, a wig with an artificial skin base, begins sale.



\*Above photo is AS-3

**1976**

One-touch attachment product AQ-15 begins sale.



**1978**

Love Charity started.



**1979**

Fitter for making mold launched.



**1980**

First national All-Japan Skills Competition held.



**1983**

Research on artificial hair started.



**1985**

Studio AD started.



**1986**

Aderans Thai., Ltd. established.



**1991**

Cyberhair products begins sale.



**1999**

Thai factory acquired ISO 9001 and ISO 14000 certifications.



**2001**

Bosley joined the group.



**2002**

First in-hospital hair salon opened.



**2009**

Fontaine Green Forest Campaign started.



**2013**

Support Shining Women started.



**2015**

World's first national standard for medical wig (JIS) formulated.



**2016**

The BeauStage brand launched, expanding to the beauty wellness industry.



**2017**

Fontaine All-Japan Role-Play/Styling Competition held.



**2020**

A new business using photocatalytic technology launched.



## The Major Changes of the Aderans Group

1969	<b>Aderans Co., Ltd. established</b> Started business in 1968	2001	<b>Bosley joined the group</b> In 2001, BOSLEY MEDICAL INSTITUTE, INC. (founded in 1989) and BOSLEY MEDICAL INSTITUTE OF CANADA INC. (founded in 1997) merged with Bosley, Inc. (founded in 1974). MHR, INC. (founded in 1999, joined in 2007).	2013	<b>HC (USA), Inc. joined the group</b> Hair Club for Men (founded in 1976, merged with HC Inc. in 2003)
1985	<b>Fontaine Co., Ltd. joined the group</b> Founded in 1970, merged with Aderans Co., Ltd. in 2003	2002	<b>Aderans Singapore Pte., Ltd. and Aderans Philippines, Inc. established</b> <b>Aderans UK Limited joined the group</b> TRENZ HAIR SUPPLIES CO., LTD. (founded in 1964)	2014	<b>Aderans Lao Co., Ltd. (Lao Quality Sole Co., Ltd. at the present) established</b>
1986	<b>Aderans Thai., Ltd. established</b>	2002	<b>Aderans Taiwan, Inc. established</b>	2016	<b>Reizvoll Co., Ltd. (founded in 2003) and Hi-Net Co., Ltd. (founded in 1960) joined the group</b>
1990	<b>World Quality Co., Ltd. established</b>	2005	<b>Aderans France SAS, Aderans Germany GmbH and Aderans Benelux B.V. joined the group</b> Camaflex-Societe Europeenne de Distribution (founded in 1952), D. van Nooijen B.V. (founded in 1925, joined in 1994), Créations de Paris Camaflex Vertriebs GmbH (founded in 1966), Monfair Moden Vertriebs GmbH (founded in 1986), Camaflex S.A. (founded in 1962)	2017	<b>Aderans Medical Research Co., Ltd. established</b> <b>Aderans Hong Kong Limited established</b>
1992	<b>Aderans Philippines, Inc. established</b>	2009	<b>Aderans Hair Goods, Inc. joined the group</b> Integration of International Hairgoods, Inc. (founded in 1968, joined in 1987), René of Paris (founded in 1971, joined in 1989), New Concepts Hair Goods, Inc. (founded in 1991, joined in 1998), General Wig Manufacturers, Inc. (founded in 1963, joined in 1998) and Aderans Retailing Company, Inc. (founded in 2001)	2018	<b>Amekor Industries, Inc. (founded in 1980) and Estetica Designs, Inc. (founded in 2005) joined the group</b> Aderans Total Hair Solution Iberia S.L. established Aderans Total Hair Beauty Solution (Thailand) Co., Ltd. established
				2019	<b>Aderans Korea, Inc. established</b>
				2021	<b>Aderans BIO Co., Ltd. established</b>

# Corporate Data

(As of August 31, 2021, unless noted otherwise)

## Company Name

Aderans Company Limited

## Head Office

1-6-3 Shinjuku, Shinjuku-ku,  
Tokyo 160-8429 JAPAN

## Founded

March 1, 1969

## Paid-in Capital

¥ 100 million

## Main Business

Hair-related business, beauty and health business, control and management of business activities undertaken by subsidiaries and affiliates

## Number of Group Companies

67 \*Including non-consolidated companies

## Number of Employees

Domestic 2,630 Overseas 4,188

## Number of Salons

	Domestic	Overseas
Aderans	491	297
Fontaine	165	193
In-hospital hair salon	223	36
Other	34	68

## Board of Directors and Audit & Supervisory Board Members

(As of May 27, 2021)

### Board of Directors

- Founder, Representative Director, Chairman  
**Nobuo Nemoto**
- Group CEO, Representative Director, President  
**Yoshihiro Tsumura**
- Director, Senior Managing Executive Officer, in charge of Overseas Business  
**Masaaki Furukawa**
- Director, Senior Managing Executive Officer, in charge of Domestic Business Group  
**Masatoshi Kageyama**
- Director, Managing Executive Officer, in charge of Administration Group  
**Kihachiro (Hutch) Kawaguchi**
- Outside Director  
**Kazuhiko Takano**
- Outside Director  
**Reijiro Yamamoto**
- Outside Director  
**Tsuyoshi Yamazaki**
- Outside Director  
**Hiroji Tanaka**
- Outside Director  
**Miho Yamada**

### Audit & Supervisory Board Members

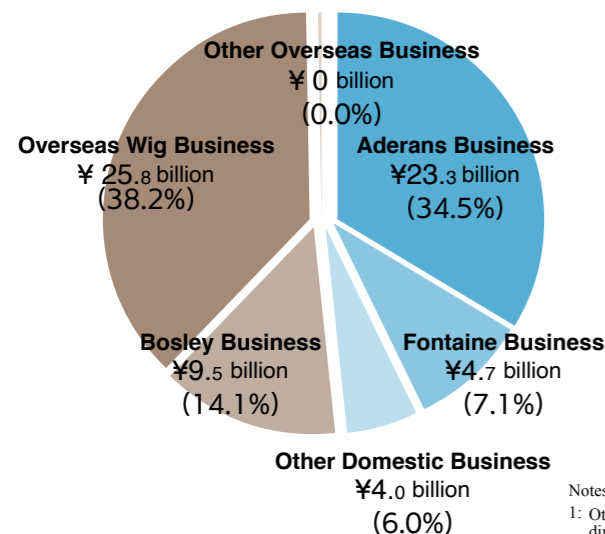
- Standing member of Audit & Supervisory Board  
**Keizo Seki**
- Outside Audit & Supervisory Board Member  
**Yoshiyuki Seki**
- Outside Audit & Supervisory Board Member  
**Hiroshi Shinagawa**

## Consolidated Financial Highlights

(Year ended February 28, 2021)

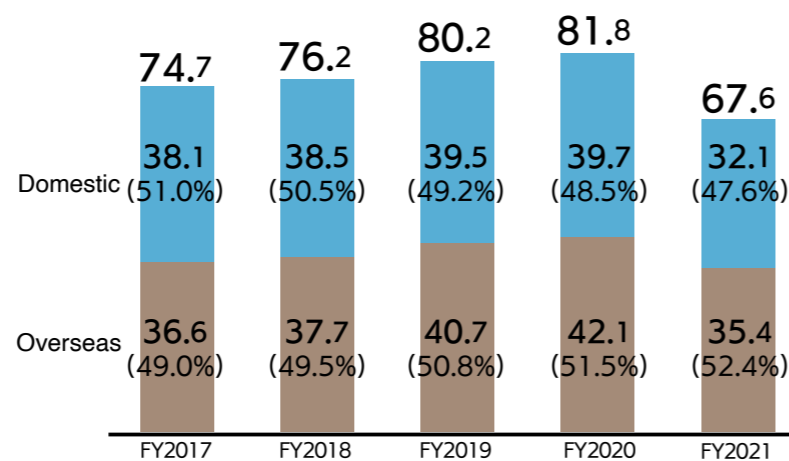
### Net Sales by Business Segment

Total ¥ 67.6 billion



### Net Sales by Region

Billions of yen



Notes  
1: Other Domestic Business represents sales from beauty supply route business, medical wig business, direct-order business, and Hi-Net Co., Ltd.  
2: Yen amounts are truncated to the stated unit. Percentages are rounded to the first decimal place. Therefore, the sum of individual components may not add up to the stated total.

# Corporate Governance

We recognize the importance of compliance and consider improved management transparency as one of the top priorities. We will endeavor to enhance the corporate governance by strengthening and improving internal control functions.

## Issuing In-house Handbook



In October 2021, we published the Compliance Handbook to promote awareness of compliance within the Aderans Group and to raise employee awareness.

This Compliance Handbook defines the "Action Guidelines" and "Our Promises" in the areas of "Sound Working Environment," "Sincere Corporate Activities," "Preservation of Corporate Assets," and "Relationship with Society" with 32 items. We are striving to instill a sense of compliance throughout the Group by ensuring that everyone, from management to employees, understands and complies with these guidelines.

### Examples of main items

- Respect for basic human rights
- Prohibition of harassment
- Protection of privacy and personal information
- Sincere customer service
- Prohibition of insider trading
- Compliance with overseas local laws and regulations and respect for cultures and customs

For more information on the Compliance Handbook, please refer to Page 23.

## Strengthening Compliance Training

As part of strengthening employee compliance, we provide e-learning training on subjects related to daily business by providing specific examples. We are working on improving ethical awareness and crisis response capabilities.

### Training Examples

- Compliance
- Legal
- Risk management
- Code of conduct: To be trusted by customers and society
- Exclusion of antisocial forces: basic knowledge
- Power harassment
- Prohibition of insider trading

## Operation of In-House Hotline System



We have set up an in-house hotline system for the purpose of whistleblowing. It has internal as well as external contact points for reporting. The purpose is to find corporate problems at the early stage then take corrective measures, which makes a clean and open company that is rewarding to work for. By complying with laws and regulations, we aim to fulfill corporate growth and social responsibility.

We have created the mechanism to deal with serious fraud. We will respond carefully with consultations and reports, taking consideration of privacy for whistleblowers and related parties, in accordance with company regulations. We will continue to take risk mitigation measures, including enhancement of the in-house report system.

## CREDO: Customer Service Policy



Aderans

In 2009, our staff members took the initiative to consider customer satisfaction and consequently made our CREDO. It gives a common understanding between

our staff at all levels of decision-making. CREDO is our belief, mission and promise that guide all business decisions. Our staff members think and work towards the same goal, that is to say, our corporate philosophy and CREDO. Our CREDO, which started in Japan, has extended throughout the world.



Bosley (USA)



Aderans Benelux



Aderans Taiwan



# Domestic Business

To meet customer's needs which change over time, we provide a variety of brands in Japan, such as Aderans for men as well as Ladies' Aderans and Fontaine for women.

## Aderans Business

### Total Hair Solution Brand Aderans

Aderans' services begin with careful consultations regarding customers' hair and scalp. Then, depending on each customer's concerns or preferred hairstyle, the right products and services to make the individual look and feel as attractive as he or she can be are selected from custom-made wigs, which are created to match the customer's hair color and shape of head, hair-volumizing products, which utilize the customer's own hair to create volume in specific areas, healthy hair growth services, which create scalp conditions conducive to healthy hair growth, and hair systems, which represent the latest in hair-volumizing technology. We have also enhanced after-sales services, including regular product checks and wig maintenance, haircuts and own-hair care. (As of August 31, 2021, 165-store in Japan)

## ADERANS

### Two approaches: Hair-volumizing and hair-growth products



The lineup is extensive, from Hair Perfect, a new hair-volumizing service, to Vital EX, a hair-volumizing product that binds artificial hair to the customer's own hair, as well as Hair-Repro, a healthy hair-growth product. The Aderans Business also offers Freedom, a new hair-volumizing system, on a membership flat-fee plan drawn from U.S. subsidiary HairClub. This business segment continues to evolve to meet the wide-ranging needs of men who are concerned about thinning hair.

## レディース アデランス

### From custom-made wigs to total beauty care and scalp care

The Eve Series, a ladies' custom-made wig brand popular with customers for many years, showcases products based on technology and know-how accumulated within the Aderans Group to address concerns women have about their hair and enable them to maintain a fun, stylish appearance. We also offer Hair Up α, hair extensions, and Benefage, a series of products to care for the scalp and make hair beautiful.



## Other Domestic Business

### Medical-Use Wig Business

We have opened 34 salons (as of August 31, 2021) inside hospitals. In-hospital hair salons are equipped with mobile salon chairs or have layouts to accommodate wheelchairs, in consideration of the physical limitations that many patients have, and offer regular barber and beauty salon services, such as shampoo and cut, using proprietary products gentle to the skin. The medical wig RaFra® and fashion wigs are also available at these in-hospital locations. Staff provide patients with nail and cuticle oil and introduce MediCure low-irritation innerwear made by Gunze Limited, to help patients enjoy a better quality of life.



### Beauty Supply Route Business

We offer our wigs to beauty salons across Japan through distributors of beauty supplies. We conduct sales activities through workshops for beauticians and hairstylists and also offer products to cosmetics stores on a wholesale basis and sell ready-made wigs to the general public. Recently, we began providing operators with access to a hygienic service using a photocatalytic coating.



### Direct-Order Business

We focus on two approaches: B-to-C sales hinging on an e-commerce site and direct-order access; B-to-B sales hinging on wholesale services to direct-order companies, including providers of home-shopping products. Our extensive lineup is noteworthy, ranging from haircare products for men and women to beauty equipment and wigs.



### New Business Category

For BeauStage, a brand emphasizing cutting-edge beauty technology, we are reinforcing products and services to deliver total beauty care. Since November 2020, we have been expanding the BeauStage Eyebrow Salon network with locations attached to Aderans salons to provide eyebrow services. (28 salons as of August 31, 2021)



## New Business Model "Eyebrow Specialty Salon" was Launched During COVID-19 Pandemic

Since its establishment, the company has been supporting customers with hair problems. To apply its experience and know-how, not only to hair but also to the beauty field, we are strengthening our services to support total beauty. As people have become accustomed to wearing masks due to the coronavirus pandemic, their gaze is drawn to their eyes more than ever before. Eyebrows, in particular, are a part that determines the first impression of a person, but they are said to be difficult to trim by oneself. We were quick to recognize this need and opened an eyebrow specialty salon in November 2020. We will continue to focus on the needs of the world and promote our business in the future.



**Fujio Kishi**  
General Manager  
New Business Department  
Aderans Co., Ltd.

## Fontaine Business

### Rich selection of easy-to-enjoy ready-made wigs

As of August 31, 2021, ready-made wigs were available through a 223-store presence of department stores, directly operated shops and major distribution chains. Through department stores and directly operated salons, Fontaine offers high-quality, very fashionable ready-made wigs, including hand-made VALAN wigs featuring a mix of human and artificial hair, stylish ROLOC wigs in a palette of personality-creating colors, and Toppiece® which easily creates volume in a specific area.

### Fontaine brand continues to expand

We want to give more women the opportunity to have fun with wigs. With this in mind, we draw on diverse retailing points to deliver a message that Fontaine enables women to create an appearance matched to any fashion scene. We convey the appeal of the Fontaine brand at department stores and directly operated shops. In recent years, we have worked to build a higher profile at large supermarkets and shopping malls, with an emphasis on Swanee by Fontaine, an easy-to-use, anytime wig, and René of Paris, a wig brand loved by women overseas, especially in Europe and the United States. We have enriched our lineup with ANY D'AVRAY, a wig brand from Paris, France, infused with an entertainment quality, and present different ways to have fun with wigs.

## FONTAINE



## René of Paris



## スワニー Swanee



## ANY D'AVRAY



## Domestic Affiliated Companies

### Aderans Medical Research Co., Ltd.



Established in 2017, consolidated in 2017. Aderans Medical Research sells equipment, medicines, supplements, foods with function claims, and other products to medical institutions and provides clinics with advisory services in its establishment and operation.

### PalMesse Co., Ltd. PalMesse

PalMesse is mainly served in the insurance business, beauty/health business, hygiene business, and real estate business. In the hygiene business, PalMesse is engaged in products and services for the purpose of antibacterial and deodorant using photocatalytic technology. PalMesse has developed "Hikarium" as a photocatalyst brand. PalMesse would like to contribute to strengthening and promoting the hygiene business, increasing awareness of photocatalysts and developing the industry.

### Hi-Net Co., Ltd.



Established in 1960, marked its 60th anniversary, consolidated in 2016. Hi-Net offers products for a variety of generations, including ready-made wigs Hi-Net, available mainly at department stores, and fashion wigs for young women (teens to 20s) NAVANA. Hi-Net has also introduced the wig industry's first online customer service as a forward-looking initiative.

### Reizvoll Co., Ltd.



Established in 2003, consolidated in 2016. Leveraging its dedicated factory, Reizvoll produces, sells, and repairs wigs mainly for women and medical use, and provides suggestions to hair salons (beauty product route business). The company also offers wigs as well as carefully selected beauty and health products on its e-commerce site and shopping malls.

### Aderans BIO Co., Ltd.



Established in March 2021, the company has its head office and factory in Saga Prefecture in Japan. Aderans BIO is engaged in the entire process from development and manufacturing to sales of photocatalytic and other hygiene products. The company strives to strengthen and promote the hygiene and environmental fields in the entire Aderans Group, including efforts to address environmental issues through bioscience.



# Overseas Business

The overseas subsidiaries of the Aderans Group provide effective ways of dealing with hair problems, linking with the efforts being made in Japan.

## Step to Innovative Services to Better Serve Customers

Customers appreciate BosleyRx as a convenient way to obtain prescription medication for hair loss treatment without an in-person visit with a doctor. Bosley has always provided support for hair loss at all stages. With the introduction of BosleyRx, preventive measures are now more accessible, especially for those suffering from hair loss in the early stages. In the future, we will use this platform to sell existing Bosley services and products, introduce the latest hair restoration technologies, and provide services related to beauty and health.



**Rob Spurrell**  
President & CEO  
Bosley, Inc.

### North America



#### Bosley, Inc.



**Bosley is a leader in the North American hair transplantation market**

Bosley, a U.S.-based member of the Aderans Group, is the world's leading authority and practitioner of surgical hair restoration, and continues to enjoy the top share of the North American market. Hair transplantation by Bosley is a surgical procedure whereby a highly qualified and experienced physician, working with a trained clinical staff, removes healthy follicles from the back and sides of the scalp and relocates them to areas of hair loss. Bosley complements the FUT<sup>\*1</sup> conventional technique with FUE<sup>\*2</sup>, a technique that does not use a scalpel, to provide procedures better matched to patient needs. As of August 31, 2021, the company had 26 surgical offices and 43 consultation offices.

\*1 FUT: Follicular Unit Transplantation



\*2 FUE: Follicular Unit Extraction



#### Aderans Hair Goods, Inc.

Aderans Hair Goods is driving wholesale activities ahead in the U.S. market for men's and women's custom-made and ready-made wigs. The company has been offering Cyberhair products in the U.S. since IHI joined the Aderans Group in 1987. It has also been expanding into fashion wigs for women and medical wigs since René of Paris joined in 1989.

## HAIRCLUB®

#### HC (USA), Inc.



**HairClub is a leading provider of comprehensive hair restoration solutions for men and women in North America.**

As a leader in hair loss solutions in North America, HairClub responds to the hair loss concerns of all customers. The company offers carefully considered services unmatched by any other company and backed by a solid track record, maintains a cooperative arrangement with Bosley, an Aderans Group company, to introduce hair transplantation customers, and presents a wide selection of products, hinging on hair systems and hair growth products. Solutions are personalized to customer requirements, such as the degree of concern over hair loss as well as budget and hair-volumizing technique. As of August 31, 2021, HairClub had 124 offices, mostly in the United States and Canada.

For more than 40 years, HairClub has helped men and women find solutions to hair loss. The company's experienced hair restoration consultants, licensed cosmetologists and surgical staff work as a team and will continue to build trust and tangible results.

#### Amekor Industries, Inc. Estetica Designs, Inc.

Both companies are wholesalers of ladies' ready-made wigs. Of note, Amekor Industries has strengths in the African-American market, and will continue to leverage synergies for growth.



### Asia (excluding Japan)

#### Aderans Singapore Pte., Ltd.



In September 2002, we established the local subsidiary. Consolidated Fortune Wigs Center, which deals in ready-made wigs, in October 2002, and salons in 2004. In addition to sales of ready-made wigs that are developed at the mall, the salon offers total solutions for custom-made wigs, hair volumizing, and hair growth.

#### Aderans Taiwan, Inc.



In January 1990, we established the local subsidiary. In addition to custom-made wigs, hair volumizing, and hair growth services at full-service salons, the company also offers ready-made wigs at roadside shops and department stores.

#### Aderans Hong Kong Limited



In April 2017, we established the local subsidiary. The company opened Aderans Causeway Bay Store in one of Hong Kong's leading commercial areas in September 2017, and Aderans Tsim Sha Tsui in 2020. It has a salon function and offers not only wigs, but also hair volumizing, hair growth services, and beauty equipment.

### Europe

#### Aderans Sweden AB



Aderans Sweden AB has become synonymous with wigs in Sweden. The company goes beyond the national border by exporting products to other countries such as Finland, Norway, and Denmark. The company also operates stores including in-hospital salons.

#### Aderans Benelux B.V.



In addition to retail sales at directly operated stores and wholesale in the Netherlands and Belgium, Aderans Benelux B.V. provides in-hospital salons in the Netherlands. In the field of women's wigs, the company is a fashion leader in the Netherlands and Belgium.

#### Aderans UK Limited



Aderans UK Limited is a leading wig provider in the UK that engages in wholesale and retail sales of fashion wigs, hair extensions, and other hair-related products.

#### Aderans Korea, Inc.

In November 2019, we established the local subsidiary. After a preparation period of about one year, the company started a wholesale business of ready-made wigs, hair care products, and beauty equipment, etc. in January 2021.

#### Aderans Total Hair Beauty Solution (Thailand) Co., Ltd.

In September 2018, we established the local subsidiary in Bangkok. The same year in November, "Aderans Siam Takashimaya" in Siam Takashimaya opened. The company provides ready-made wigs, custom-made wigs, and hair-volumizing products.

#### Aderans (Shanghai) Co., Ltd.

In December 2005, we established the local subsidiary in Shanghai. Custom-made wigs and ready-made wigs are dealt with like in Japan. The company is particularly focusing on selling ready-made wigs at department stores and malls.

#### Aderans France SAS

In 1992, Aderans France SAS joined our group for the first time in Europe and became Aderans founding place in Europe. The company engages in retail at directly operated stores and wholesale within the country.

#### Aderans Germany GmbH

Wigs and hairpieces are sold at department stores and directly managed stores in Germany. Aderans Germany GmbH also carries out wholesale in Germany and Eastern European countries.

#### Aderans Total Hair Solution Iberia S.L.

Aderans Total Hair Solution Iberia S.L. wholesales fashion wigs, hair extensions, and other hair-related products in Spain and Portugal. In addition, the company operates two retail stores.



# Production Bases

We rely on experienced technicians at our production facilities and the facilities of alliance partners in Thailand, the Philippines and Laos to craft delicately constructed, high-quality wigs under the integrated production and marketing structure.

In 1986, we established our first overseas plant operated by Aderans Thai, Ltd. Further expansion of our production capability in Southeast Asia came with the establishment of plants operated by World Quality Co., Ltd. (Thailand) in 1992, and Aderans Philippines, Inc. in 2002. We began production in Laos in September 2012 and launched the second plant in Philippines in October 2013. We deliver high-quality wigs to customers through these three key production bases in Thailand, Philippines, and Laos.

Number of Local Employees	
Aderans Thai., Ltd.	369
World Quality Co., Ltd.	201
Aderans Philippines, Inc.	728
Dispatched employees	358
Lao Quality Sole Co., Ltd.	767
(As of August 31, 2021)	

Dispatched employees: employees from temporary staff recruitment agencies



### Aderans Thai., Ltd.

Established in Nava Nakorn in 1986, the Buriram factory started operation in 1988. The factory conducts integrated production of ready-made wigs; ventilation, base back coating, and inspection of custom-made wigs; and product repair. In 1999, the factory acquired ISO 9001 and ISO 14001 certification. The factory has started school forestation in Thailand since 2009 and wig donation to hospitals since 2012.



Acquired ISO 9001 and ISO 14001 certification.



### World Quality Co., Ltd.

Established in Ayutthaya, Thailand in 1992, World Quality Co., Ltd. started producing artificial hair "Cyberhair" in 2001 (transferred to API in 2012) and artificial hair "Vital Hair" in 2006. The factory was moved to Saraburi in 2012 due to the flood damage in 2011. The factory is in charge of manufacturing and logistics for custom-made wigs in Thailand and Laos. In 2015, the factory acquired ISO 9001 certification. The factory has started wig donation to hospitals since 2017.



### Aderans Philippines, Inc.

Established in Clark, Philippines, in 2002. The factory manufactures and exports custom-made wigs for men and women, and produces artificial "Cyberhair." In 2013, the second factory started operations, specializing in custom-made wig ventilation. In 2015, the education department was established to provide education to new employees and contractors.



### Lao Quality Sole Co., Ltd.

In 2012, as a new production base, the Vientiane Factory in Laos began consignment production of custom-made wigs (ventilation). In 2017, Lao Quality Sole Co., Ltd., which operates the factory, was consolidated. The factory is mainly engaged in hair ventilation for products delivered from World Quality Co., Ltd. To aim to create job opportunities, the factory launched a hair ventilation skills training program in collaboration with a vocational school.

## Support by Production Sites to Fight Against the COVID-19 Pandemic

### Thailand) Donation of Relief Money and Support for a Medical Facility



The governor of Saraburi Province ordered the construction of a quarantine facility in WHA SIL\* Industrial Park to address the shortage of such facilities in the area. In response, World Quality Co., Ltd. donated money to help its construction. The company's employees also helped set up goods and equipment within the facility after the building was completed.

\*Warehouse Asia Saraburi Industrial Land

### Thailand) Donation of Supplies and Other Necessary Items



In September 2021, Aderans Thai Ltd. donated necessary supplies to the Nong Phloen Temple to support countermeasures against the new coronavirus infection.

In 2020, the company also donated 300 handmade face shields and 10,000 baht donations from employees to Buriram Hospital, located near the plant. It was a gesture of support and gratitude to the medical staff who were battling the new coronavirus day to day.

- Relief Supplies**
- PPE 100
  - CPE gown 100
  - N95 mask 240
  - Rubber glove 750
  - Drinking water 240
  - Used drum can 3

### Laos) Donation of Relief Supplies



In August 2021, Aderans Lao Co., Ltd. donated relief supplies to Kaysone Phom Wiharn District, Savannakhet Province, to support countermeasures against the new coronavirus infection.

- Relief Supplies**
- Instant coffee 2,160
  - Instant noodles 1,620
  - Mineral water 600

## Introducing a Wig Hair Ventilation Skills Training Program at a Vocational School in Laos



Since 2018, Lao Quality Sole Co., Ltd. has been providing a hair ventilation skills training program at a vocational school in cooperation with the Lao government, aiming to attract stable and excellent human resources.

It is common for Lao workers to migrate to neighboring Thailand in search of work and send the money they earn back to their parents' homes, which is a major social issue.

By taking this training, they no longer have to force themselves to leave their parents and go to work in an unfamiliar country. 100% of the graduates have joined Lao Quality.



### Enrollment

Training in general morality, and basic hair ventilation knowledge and skills, for about 40 days at the training school.

In general moral training, students learn greetings, cleaning, how to use common things, and the code of group life.

### Hair Ventilation Training

- 11 unique modules including:
- Basics of V-loop
  - Basics of Half Knot
  - How to read specifications
  - Basics of French Drawnl etc.

### Graduation ceremony

### Company welcome ceremony

### Thank You for Your Contribution to Job Creation in Laos

The vocational school is pleased to have partnered with Lao Quality. It is also a great honor for us to add a new hair ventilation department to our school. The addition of the hair ventilation department has greatly contributed to the expansion of vocational opportunities for Lao workers and the development of job and income-earning opportunities.

In the future, we will continue to work closely together, exchange ideas and promote this hair ventilation department to various sectors. By that means, we will systematically improve the skills of students enrolled. We would like to continue to improve the quality of workers through this department.



**Dr. Sitisom Bunmah**  
Lao Ministry of Labor and Social Welfare

### Contributing to the Local Community through Vocational Training and Job Creation

To secure a stable supply of excellent human resources, we have been collaborating with the Lao government to introduce the "Hair Ventilation Skills Training Program" at a vocational school since 2018. Many Lao-tians leave their parents' homes to go to work in neighboring countries, which they are not familiar with. 100% of the graduates of this program are hired by our factory, so we feel that we are contributing to job creation in Laos. As for our company, there are many advantages for both employers and graduates of the school, as we can hire people who have a strong desire to work and shorten the training time after they join our company. We will continue our efforts to contribute to Laos.



**Jun Hasegawa**  
Factory Assistant Manager  
Lao Quality Sole Co., Ltd.



# Our SDGs For Everyone to Keep on Smiling

The Aderans Group, as a corporate group that develops business on a global scale, faces a variety of issues related with the Sustainable Development Goals (SDGs). We work to solve social issues through our business, promote initiatives for important issues to realize a sustainable society, and aim for sustainable growth.



## New Classification Based on SDGs

We are shifting from the conventional CSR classification to a classification based on the SDGs perspective, aiming to formulate more relevant goals.

Through the work of association, we are currently setting the SDGs commitment to continue business growth and at the same time aim to realize the sustainable society that the SDGs aim for.



## 4 Categories in Our SDGs

For Everyone to Keep on Smiling	
<p><b>Smile for Health</b></p> <ul style="list-style-type: none"> <li>-Solving potential problems in the hair-related area</li> <li>-Solving health issues through hair</li> </ul>	<p><b>Smile for Society</b></p> <ul style="list-style-type: none"> <li>- Collaboration with local communities</li> <li>- Universal design that considers society</li> <li>- Rewarding work, human resource development, diversity &amp; inclusion</li> </ul>
<p><b>Smile for the Earth</b></p> <ul style="list-style-type: none"> <li>- Prevention of environmental pollution</li> <li>- Reduction of environmental load</li> <li>- Realization of a resource recycling society</li> </ul>	<p><b>Smile for the Future</b></p> <ul style="list-style-type: none"> <li>- Cultural development</li> <li>- Supporting children</li> <li>- Efforts for a sustainable society</li> </ul>

Mainly related to SDGs are listed in each category. Also, some activities may relate to several categories.

## New Business from the SDGs Perspective Using Photocatalytic Technology

The Aderans Group is actively engaged not only in hair but also in the beauty and health domains, making use of health-related technologies born from its long years of hair research.

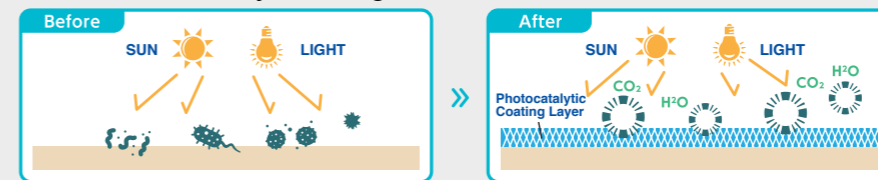
In response to the recent rise in awareness of hygiene management, we have launched a hygiene business centered on photocatalyst. It is based on the principle of contributing to the hygienic environment for the society.



## Bringing Japanese Photocatalytic Technology to the World

A photocatalyst is a technology that was discovered in Japan in 1967 and is expected to be used in the sanitation and environmental fields without an exhaustible energy source. We have concluded an advisory contract with Akira Fujishima, Professor Emeritus, Tokyo University of Science, a world-renowned chemist and the discoverer of the photocatalytic reaction.

### How the Photocatalytic Coating Works



A photocatalyst is defined as "a material that induces reaction by absorbing light while the material itself does not change." Photocatalytic solvents based on titanium dioxide are said to have the characteristic of decomposing organic matter by causing a chemical reaction on their surface when exposed to light rays from sunlight or fluorescent lamps.

\* It may not be effective for all types of bacteria/viruses.

Our hygiene business, centering on photocatalyst, has an important meaning as a part of SDGs activities for the future of safe and secure earth. Also, through our photocatalyst brand and products, we will expand the photocatalytic technology from Japan to the world.

## Establishment of Aderans BIO Co., Ltd.

On March 16, 2021, we established the 67th company of the group, Aderans BIO Co., Ltd. in Saga City, Saga Prefecture, Japan. To contribute to the global environment, Aderans BIO will engage in the environmental hygiene business, including research on technologies that will help carbon neutrality, mainly photocatalytic technology, and technologies related to antibacterial and antiviral agents, as well as product development and manufacturing.



## "EcoTiO<sub>2</sub>" Brand

Aderans BIO Co., Ltd. sells photocatalytic solvents and unique products under the brand name "EcoTiO<sub>2</sub>." The brand name is coined from "Ecology," meaning natural environment and ecology, and "TiO<sub>2</sub>," the elemental symbol of titanium dioxide, and aims to contribute to the environmental field using photocatalyst with titanium dioxide.



## Developing Socially Meaningful Business Activities for a Safe and Secure Future

The COVID-19 pandemic has caused anxiety and restrictions on our daily lives, changing people's lifestyles and values. It has also reminded us of the importance of daily hygiene measures. Taking this opportunity, the Aderans Group has established Aderans BIO Co., Ltd., aiming to further strengthen research and development (R&D) in the environmental and hygiene fields as well as product planning, manufacturing, and sales for Japanese and global markets.

R&D can be mainly categorized into "hygiene" and "environment," and we currently focus on the hygiene field. As for manufacturing and product development, we fully leverage the networks in the Group's supply chain. We work closely with various partner companies, such as major chemical and industrial product manufacturers, to plan and execute the development and commercialization of final products.

By engaging in the entire process, from R&D to manufacturing and sales, we can effectively incorporate the voices of our customers and business partners. In addition to joint research with universities and partner companies, we strive to obtain evidence from third-party institutions and various certifications from relevant organizations. Through these efforts, we aim to further improve the quality and products.



**Shinichi Sendo**  
President  
Aderans BIO Co., Ltd.



# Supporting Cancer Patients

Helping everyone to enjoy a fulfilling life in society with cancer

Cancer is the leading cause of death among Japanese, and it is estimated that one in two men and one in three women are likely to develop cancer during their lifetime. The survival rate from cancer continues to improve. Efforts such as early detection, treatment environment, and care for the concerns of patients and their families are becoming more and more important. Source: Ministry of Health, Labour and Welfare, "Cancer Control Policy Report"

The Aderans Group is promoting various activities in Japan and worldwide to realize a society where everyone, including people living with cancer, can enjoy a fulfilling life with a smile.

## Japan) Pink Ribbon Smile Walk



We support the Pink Ribbon Campaign that conveys the importance of early detection, early diagnosis, and early treatment of breast cancer. In addition to distributing the Pink Ribbon badge, we have set up the "Pink Ribbon Mark" stand at the reception desks of all salons and stores in an effort to raise employee awareness. In 2019, we participated in the Pink Ribbon Smile Walk held in Tokyo for the 9th time.

## Japan) Care Support Service for Medical Wigs

### in the Disaster Areas

We have been supporting the activities of One World Project, an organization that provides medical wigs and other products to cancer patients affected by the Great East Japan Earthquake, by offering help in the maintenance of the donated wigs leveraging our expertise and skills.

The support was extended to June 2021, the 10th anniversary of the Earthquake, in response to the organization's request.

## Japan) Receiving the 5th Good Standing Company Awards in "Health Management" category

In recognition of our efforts for "cancer," such as the establishment of "Rules on Employment Support for Cancer-affected people," we received the "Health Management" category of the "5th Good Standing Company Awards" in March 2020, by General Foundation of Japan Next Generation Enterprise Promotion Organization (Representative Director: Masayoshi Gomita, known as: Japan White Spread), which develops a clean enterprise certification system.

## US) Donation to the American Breast Cancer

### Research Foundation



Bosley has donated part of its revenue to the American Breast Cancer Foundation since 2014. The amount of donation is based on the sales in October, the Pink Ribbon month. Various activities are also organized to raise employee awareness, such as decorating the office in pink and posting the amount of money being raised on computers. Currently, the company has donated over \$190,000 to the foundation.

## Japan) Supporting "Healthcare Academy"

### for Cancer Survivors



We support "Healthcare Academy," hosted by Cancer Fitness, General Association. Cancer Fitness is an organization that engages in activities such as support for physical fitness, and self-management after cancer treatments.

Their slogan is "Let's exercise when you have cancer." They hold a variety of "exercise classes" for cancer patients. Also, the "Healthcare Academy" is where you learn how to manage your health to improve the quality of your life after treatment.

## Japan) In-Hospital Hair Salons



Since 2002, we have been actively developing in-hospital hair salons as part of our health business to support emotional health through hair. We currently operate 34 salons across Japan.

In addition to general salon services, these salons also provide various other products and services to help improve patients' quality of life, such as medical wigs, maintenance of wigs made by other companies, and counseling on hair loss and appearance due to cancer treatment.

In-hospital hair salons have also been introduced in Germany, the Netherlands, and Sweden since 2011. (8 salons in Europe as of August 31, 2021)

## Japan) Seminar on Appropriate Services in Medical Care

All staff members working in the hospital business and helping patients are required to take the course to learn the basics of medical care.



A total of 1,419 employees have taken this training, provided by outside experts VOL-NEXT, since it started in 2005. (As of August 31, 2021)

## Estetica Designs, Inc.) Support for "Keep A Breast"



Since 2019, Estetica has been partnering with retailers and others to donate \$5,000 every October (Pink Ribbon Month) to Keep a Breast, an organization aiming to reduce the risk and impact of breast cancer worldwide through education, prevention, and action.

## Japan) Medical Wig JIS Standardization

Japan Hair Industrial Cooperatives submitted JIS draft to Ministry of Economy, Trade and Industry. Through their deliberation over the application, it was approved as the world's first national standard for wigs on April 20, 2015. In JIS process, the Aderans Group played a leadership role in the industry.

As medical wigs specified as JIS, we declared that all 20 products, our medical wig line, met all the applicable requirements of JIS. Japan Hair Industry Association granted us to use "Med wig" mark, authentication mark. This JIS process improved the quality of medical wigs. To support people suffering from alopecia, we are aiming for medical wigs to be covered by insurance.



## Japan) Cooperation with Insurance Companies

In collaboration with insurance companies, we cooperate to build a broad support system for cancer patients in terms of appearance care. We have partnerships with AIG Insurance to provide insurance to cover the cost of purchasing medical wigs, and with Lifenet Insurance and ORIX Life Insurance to provide our medical wigs and other products at preferential discount prices.

## Cooperate to Educate, Raise Awareness, and Prevent Breast Cancer

Since 2019, we have partnered with Keep A Breast (KAB) to raise funds for breast cancer education, awareness, and prevention. KAB focuses on the message of prevention and early detection, rather than the message of finding a cure.



Symbol of KAB "I ♥ Boobies!"

In addition, KAB works to provide information and access for underserved communities in the past.

KAB's far-reaching and comprehensive vision resonates with all of us at Estetica Designs, Inc. We look forward to continuing to work with KAB, our customers, and end-users to support their vision.

### Grace Chung

Director of Marketing and Development  
Estetica Designs, Inc.

# Smile for Health

## Theme of Our Activities

Wishing for Many People to be Healthy

- Solving potential problems in the hair-related area
- Solving health issues through hair

## Solving Health Issues

(As of August, 2021)

-Number of In-Hospital Hair Salons (Japan): 34

## Mainly Corresponding SDGs



## Basic Concept

As a leading total hair solution company, we have faced various hair problems since our foundation. In order to bring smiles to people suffering from hair challenges all over the world, we are promoting the solution of health issues through hair. We actively promote in-house research and development, industry academia collaboration with universities, and joint research and development with partner companies. We research on epoch-making artificial hair and medical wigs, hair growth and hair scalp care-related research, and anti-cancer drug hair loss suppression research.



**Japan** Collaborative research with academic institutions  
We are exploring for new insights for hair with universities and research institutions.

**Osaka University**  
Endowed chair "Regenerative Dermatology"

**Oita University**  
Joint research on methods to prevent hair loss through administration of anti-cancer agents

**Tokyo Institute of Technology**  
Academic consulting agreement on development of artificial hair fiber for wigs



**Japan** Support for "Pink Ribbon Hostel Network"

**Japan** Certification of custom-made wigs as "health promotion devices"  
Our custom-made wigs are certified that wig users improve their health and obtain the mental satisfaction.

**Japan** Support for balancing work and cancer treatment  
Tokyo Metropolitan appraised our action, such that there were no retired person employee on the grounds of cancer.



**UK** Free counseling at hospitals  
At hospitals, our salon hairstylists provide free seminars and counseling for patients losing hair due to treatment.

**Benelux** Establishment of "Stitching NU JIJ" a foundation to support cancer patients and families

**Singapore** Donation of 50 medical hats to NCC (National Cancer Center) in 2019



**USA** Pink Hair Campaign  
We sold pink hair extensions to raise awareness of breast cancer and donated the proceeds to breast cancer patient support groups.

**USA** Support for "Look Good Feel Better"  
We provided about \$8,000 worth of wigs to improve the appearance of female cancer patients affected during treatment.



# Rewarding Workplace

The Aderans Group stresses the importance of after-sales services, with the strong belief that enhancing employees' barbering and hairdressing skills will bring smiles not only to customers through wigs but also to its employees.

## All-Japan Skills Competitions

We have held The In-house Skill Competitions where our staffs compete to showcase their "Skill" since 1980. At the 26th event in 2020, winners were selected from 19 finalists among 1,058 participants nationwide.

### All-Japan Skills Competitions

#### ADERANS

##### Aderans Division

Mainly Aderans staff from custom-made wigs compete in the "Barber Division" and the "Beauty Division."

#### FONTAINE

##### Fontaine Ready-Made Division

Mainly Fontaine staff from ready-made wigs compete in the "Styling Division" and the "Role Playing Division."

Originally started as the event only for Aderans and Ladies' Aderans, the Competition has been expanded to Fontaine since 2016, aiming to further enhance customer service and technical skills at Fontaine as well. We held the 5th event in 2020, where 655 Fontaine members participated and a winner was selected for the Role Playing and Styling divisions respectively.

In 2018, we also held the first Wig Design World Challenge Award to celebrate our 50th anniversary.



### Technological Expertise

We have our own certified engineer exam and training programs. Our staff members at retail stores and in-house hospital salons are qualified as hair dressers and barbers. They have best techniques for styling wigs and offer services meeting diverse customers' needs for hair.

### Employee Skill Improvement

(Domestic, as of August, 2021)

-Barber License:	396	-Certified Hair Adviser:	358
-Hairdresser License:	1,083	-Certified Hair Consultant:	7
-Barber License and Hairdresser License:	38	-Certified Senior Hair Consultant:	7

### Skills to Work on a Variety of Hairstyles

I was very delighted when I received the news that I could participate in the World Challenge Award. I felt that my skills and career were recognized. I have been reading hairstyle magazines to study and trying out different hairstyles based on customer requests. From now on, I would like to not only polish my skills but also teach and pass them on to younger colleagues.



**Wen-Yu Lin**  
Winner of the First  
Wig Design World Challenge Award  
Aderans Taiwan, Inc.

# Toward "No one will be left behind" Society

## Japan) Cooperation with NPO JHD&C



Since March 2015, we have been supporting the activities of Japan Hair Donation & Charity (JHD&C). The organization provides free wigs, made of donated human hair, to children who need ones due to illness. In April 2016, we started cooperating in wig production.



In 2018, we installed special vending machines in the head office to donate a portion of the sales to support hair donation. We have also registered our in-hospital hair salons as JHD&C supporters.

## Aderans Taiwan) Free Haircut at Facilities for People with Disabilities



At Aderans Taiwan, staff members visit facilities for people with disabilities weekly to offer free haircut. Since we were called by the volunteer organization in 2012, we conduct them once a week in Kaohsiung City. In 2015, by request from a beauty salon owner of Keelung City, we also started offering the service in that city, too. We will continue this activity, while taking preventive measures against coronavirus infections, as it also helps improve employees' skills.

## Japan) Supporting People with Disabilities through Art

To realize an inclusive society that is tolerant of diverse individuality, we started to make efforts in support of art activities for people with disabilities to help them become economically independent and participate in society.

As the first step of our support efforts, we have used the artwork of people with disabilities for the cover picture of this CSR Communication Report. We will continue to contribute to the creation of a prosperous society through a variety of activities.

### Co-operation

The General Incorporated Association Borderless Art Organization  
The Public Interest Incorporated Foundation Nippon Charity Kyokai



We adopted Yukari Chiba's "Colorful & Cheerful Friends Series" for the cover art of this book this year.

## Reduction of Human Hair Usage by Artificial Hair

Human hair had been used for almost all custom-made wigs. The Aderans Group started research on artificial hair in 1983, aiming to ensure stable procurement, and successfully developed one with quality comparable to human hair. We commercialized Cyberhair in 1991 and Vital Hair in 2006. We are committed to continuing our research to develop new artificial hair, aiming also to avoid the unnecessary procurement of human hair.



Cyberhair



Vital Hair

# Smile for Society

## Theme of Our Activities

### To Be A Healthy Society

- Collaboration with local communities
- Universal design that considers society
- Rewarding work, human resource development, diversity & inclusion

### Promotion of Work Style Diversity

(Domestic data, As of August, 2021)

- Childcare/Nursing Leave, etc.:	40
- Employment Rate of Persons with Disabilities:	2.31 %

## Mainly Corresponding SDGs



## Basic Concept

We have approximately 6,800 employees expanding our global activities, centered on approximately 500 stores in Japan and 300 stores worldwide in 20 countries and regions. Regardless of nationality or gender, employees who have diverse values and ideas aim to continue to create new value by maximizing their individuality and abilities. We also promote coexistence with the local community through each local site.



- Japan** Volunteering to clean wheelchairs: Our staff volunteered to remove wheelchair rust, a process that resulted in polishing 80 units of wheelchairs in about 7 months.
- Thailand** Wig donation to hospitals 2,294 cumulative pieces were offered: We have been donating wigs every year since 2012.
- Laos** Provide donations and relief supplies: We donated relief supplies and money in response to the flood damage that occurred in July 2018.
- UK** "My New Hair": We support "My New Hair," a charity organization for people suffering from cancer and medical hair loss.
- Japan** Sponsoring "Osaka SDGs/KenKatsu 10 Special Match Day"
- Thailand** Installation of welfare support vending machines: We have installed vending machines to support children facing poverty and disabilities.
- Philippines** Award winning work environment: We were commended by MDG ACHIEVEMENT FUND.
- UK** "Ladies Night Charity Fashion Show": It was held with the aim of telling society at large that there are many people who suffer from hair loss, and calling for support of them.
- Japan** Support for balancing work and cancer treatment: We received the "Health Management" category of the "5th Good Standing Company Awards."
- Thailand** ISO 9001: We ensure stable and reliable product quality.
- Philippines** Health and safety initiatives for employees and their families
- Philippines** Help us help our frontliners: We donated 2,500 face masks to fight COVID-19.
- USA** Pay It Forward: We are promoting our own HairClub volunteer activity that will spread kindness by expanding feeling of gratitude.



## Achieving Environmental Goals through Environmental Management System

The Aderans Group has continued to contribute toward realizing recycling society by adopting environmental management system based on ISO14001 certification and driving activities based on environmental policy, thereby contributing to a recycling-based society that brings smiles to the earth.

### Aderans Thai.) ISO 14001



In 1999, our production facility in Thailand acquired the ISO 14001 Certification for environment-friendly operations. The facility engages in the following activities to promote environmental protection.

1. Prevent water pollution through factory wastewater.
2. Prevent air pollution within the factory.
3. Safely dispose of industrial waste.
4. Effectively utilize available resources.
5. Improve working conditions within the factory.



### Aderans Thai.) Use of Scraps from Wig Manufacturing Process

At Aderans Thai., considerations were made to eliminate waste and to effectively use as resources the scrap materials that are produced during the manufacturing of wigs. Efforts are being made for various experimental manufacturing, such as artificial flowers, car wipes, cushions, and sandals.



### Pursuit of Safety, Health, and Environmental Considerations at the Production Site

Most of our factory manufacturing processes are done manually. Although some of our operations have some minor risks, our certification by the ISO reduces the impact on the human body. At our factory, we have set a high standard to ensure health and safety.

We recycle most of our prototypes and surplus materials generated during wig production. To more effectively use, we have a wide range of reuse measures. Such as, new employees are to use test materials and components as practice. We will continue to operate an environmentally friendly ecosystem while valuing our ties to society and our community.



**Hitoshi Akatsuka**  
President  
Aderans Thai., Ltd.

### Mainly Corresponding SDGs



### Basic Concept

We consider the “environment” to be one of our corporate social responsibilities. We are engaged in environmentally friendly activities so that we can create a sustainable society in which the economy and the environment are compatible. Activities include environmentally friendly products and reducing the environmental impact of our business establishments.

## Smile for the Earth

### Theme of Our Activities

### Preserve the Earth Forever

- Prevention of environmental pollution
- Reduction of environmental load
- Realization of a resource recycling society

### Preservation and Restoration of the Natural Environment (As of August, 2021)

-Fontaine Green Forest Covering Area: 25,089 m<sup>2</sup>

## Coexistence with Nature

### Fontaine Green Forest Campaign

13th year since starting in 2009, bringing together tree planting and proper wig disposal



We offer a coupon when a customer brings an old wig (including the one made by a different company) to a Fontaine shop. The coupon can be used to purchase a new one at a discount price, and 100 yen for each purchase will go to environmental activities.

This campaign began with customers' feedback considering the environmental effects at disposal of old wigs. Most of ready-made wigs are made of polyester. So if customers dispose of them as household waste, there are slight emissions of CO<sub>2</sub> from waste incineration.



Since 2017, we have been supporting cherry tree planting in areas affected by the Great East Japan Earthquake. In 2019, we started to support the “Life Forest with a Sea View” project to plant trees at the tsunami arrival point in Minamisanriku-cho.



In 2019, as a new environmental conservation destination, we began to support the restoration of red pine trees at Shizuoka Prefectural Forest Park (Ono, Hamakita-ku, Hamamatsu City), as the first supporter among private companies. In December 2019, our staff planted trees for the first time.

### “Green Forest Campaign,” the 1st Nationwide Expansion Collaboration with NPO Sakura Namiki Network

### “Green Forest Campaign,” the 2nd Nationwide Expansion Regeneration of Red Pine Forest at Shizuoka Prefectural Forest Park First Supporter as a Private Company

## Efforts to Reduce Environmental Load at Shops

### Japan) Introduction of Water-Saving Shower Heads



**Installation Status**  
(As of August 31, 2021)  
164 stores in Japan  
Introduced in 1,359 booths

We have installed hand-held showers with water-saving attachments at stores where staff has the expertise to offer barber and hairdressing services. These showers reduce the amount of water used and lead to less CO<sub>2</sub> emissions.

### Japan) Mold Making System by 3D Scanner

By introducing the new mold making system in December 2014, we actively manage to be environmentally friendly since we can reduce the amount of fitting materials. It also leads to the reduction of power usage because both domestic and international transportation of those materials are no longer required.

### Number of Fitters Used

Before: 41,884 (FY2014)  
After: 15,025 (FY2020)

### Japan) Commendation as a Company Promoting De-plasticization

We received a letter of appreciation from the National Federation of Barbers as a company promoting de-plasticization.



**Japan) Launch of organic certified products**  
We have launched products certified by ECOCERT, a global organic certification organization.

**Japan) Use of LED lighting in salons**  
We reduce power consumption in salons by using LED lighting.



**Japan) Environment-friendly disposal**  
We commission J&T Recycling Corporation Kawasaki Eco-Clean Factory to dispose of collected wigs in an eco-friendly manner, with lower CO<sub>2</sub> emissions.



**Thailand) School forestation in Aderans Thai.**  
We, together with teachers and students, have planted trees within the school area.

**Thailand) Tree-planting at our factory in Thailand**  
Our Thai factory sells the waste materials produced in the process of manufacturing our wigs to recyclers and uses the proceeds to plant trees at our factory grounds.



**USA) Pay It Forward**  
We are promoting our own HairClub volunteer activity that will spread kindness by expanding feeling of gratitude.

Covering Area (amount)	
2009	406 m <sup>2</sup>
2010	1,813 m <sup>2</sup>
2011	2,063 m <sup>2</sup>
2012	2,531 m <sup>2</sup>
2013	3,469 m <sup>2</sup>
2014	5,013 m <sup>2</sup>
2015	6,825 m <sup>2</sup>
2016	7,875 m <sup>2</sup>
2017	12,459 m <sup>2</sup>
2018	22,776 m <sup>2</sup>
2019	24,083 m <sup>2</sup>
2020	25,089 m <sup>2</sup>

Covering area is estimate which is evaluated from number of trees and our ratio of support to environmental preservation groups.



# Supporting Children

The Aderans Group works in Japan and worldwide to support children in difficult situations due to various complex reasons. Through these efforts, we hope to bring many smiles to the children who will bear the future.

## Love Charity

Starting Point of Our CSR Activities since 1978

Love Charity started in 1978 to provide custom-made wigs to children aged 4 to 15 who have lost their hair due to some sort of trauma, such as sickness or injury. The underlying concept of this campaign is to prevent the physical trauma of hair loss from becoming an emotional scar as well. Love Charity is an opportunity to bring smiles back through the gift of a custom-made wig.

Furthermore, as of September 2012, we decided to conduct throughout the year our campaign that had previously been limited to the Christmas period, for the happiness of greater numbers of children. Since March 2014, we started to provide ready-made wigs to children who need wigs immediately.

Fiscal Year	Number of Provided Wigs
2013	172
2014	265
2015	343
2016	336
2017	315
2018	330
2019	308
2020	325



Letters from receivers' families

### US) HairClub For Kids



Since 1995, HairClub has provided non-surgical hair replacement services to children aged 6 to 17 who have lost their hair, as well as Aderans' Love Charity program.

### Japan) Santa Smile Project



We have continuously conducted "Santa Smile Project" for more than 30 years. This project is for children who need to stay at hospitals during the festive season and we visit hospitals to give them presents. In 2019, we visited 31 hospitals in Japan.

# Contribution to Culture



Photo by Misa Shigematsu

The Shiki Theater Company brought the musical "Cats" to the stage in Japan in 1983. The development of wigs that could withstand the vigorous dancing in "Cats" was a cooperative effort between staff at Aderans and the hair and makeup artists and costume designers at the theater company at that time.

Our very own wigs for the performing arts, later helping to realize such headlining stage productions in Japan as "Phantom of the Opera" and "Beauty and the Beast", have also been used in non-theater applications, including a variety of movies and television shows as well as concerts.

## Studio AD

Experts in wigs and hair makeup  
Supporting the entertainment business for 38 years

### Make It Easier for the Actors

The Shiki Theatre Company's musical "Cats" is a production I have been involved with since I first joined the company. We made 24 various cat patterns from blends of 27 different hair coloring prototype materials. Wigs express cat ears, and wigs hide the actors' ears. The materials are designed for the actors to hear the sounds, so the wigs should not strain their ears for a long time. The musical has been there for almost 40 years since its first performance in Japan. I want to continue to research comfortable wigs for actors to wear.



**Eriko Kawabata**  
Theatrical & Arts Studio  
Department  
Aderans Co., Ltd.

# Developing Sustainable Technologies Toward Next Generation

## Launching Joint Research on New Hair Materials to Contribute to a Sustainable Society

Utilizing Structural Proteins Originally Developed by Spiber Inc.



We started joint research and development on new hair materials with Spiber Inc. (Head Office: Tsuruoka City, Yamagata Prefecture, Director and Representative Executive Officer: Kazuhide Sekiyama) by utilizing structural proteins originally developed by Spiber.

Spiber conducts cutting edge R&D devoted to the commercialization of sustainable structural protein materials as a new cornerstone material of industry, all to push forward its mission: contributing to innovative solutions to global issues.

What motivates our collaboration is not just the innovative use of bio-produced protein materials, but more fundamentally, the shared passion for contributing to people's happiness. Petroleum that serves as their raw material is an exhaustible resource. Looking ahead to the next 100 years, we felt that it is necessary to find renewable alternatives, we will continue to create hair materials that will be a new option and not depend on depleted resources.

## Promoting Environmental Conservation Activities in the Hairdressing and Beauty Industry



Collaboration with TBM of "LIMEX," which uses limestone as the main raw material, as an alternative to plastic and paper

TBM Co., Ltd. (Head Office: Chioda-ku, Tokyo, CEO: Nobuyoshi Yamasaki) develops, manufactures and sells a new material "LIMEX" that is friendly to the environment. To promote environmental-conservation activities centered on the hairdressing and beauty industry, we are starting to collaborate toward a sustainable society.



We sell mask cases made of "LIMEX," enabling users to store and carry masks hygienically.

# Smile for the Future

## Theme of Our Activities

### Expanding a Bright Future

- Cultural development
- Supporting children
- Efforts for a sustainable society

### For Children's Smile

(As of August, 2021)

-Number of Provided Wigs (2020): 325

## Mainly Corresponding SDGs



## Basic Concept

In recent years, society has undergone major changes, the rate of change has increased, and social issues have become more complex. We aim to realize a future full of smiles and joy. We are working to create value that will lead to the future by solving issues in areas where we can take advantage of our strengths.



**Support for shining people**  
We support people who shine in their own ways through hair and wigs.

- Anna Saeki** Tango Singer
- Saren Nagata** Calligrapher
- Chika Omae** Cellist
- Joanna Rowsell** Former Women's Bicycle Sports Olympic Gold Medalist



**Supporting World Children's Day Youth Festival**

**Cooperation with business schools and organizations**  
Researchers have been using our CSR activities as case studies in journals' articles and lectures.



**Donation for school lunches and textbooks**

We support kindergartens and elementary schools located near the factory by assisting with the expenses of school lunches, textbooks, etc.

**Support for "Alopecia area-ta deutschland e.v."**  
We offer free wigs to children aged 17 or younger.



**Support for "The Little Princess Trust"**  
We offer wigs to children suffering from hair loss due to illness.

**Toys for Tots**  
During the Christmas season, we distribute new, unopened toys to underprivileged children.



# Our CSR Activities Over the Past 10 Years

Since our first publication of the CSR Communication Report in 2012, we have been publishing it once a year, adding the tenth edition this time. Over the past 10 years, we have promoted various value co-creation-oriented CSR activities through collaboration with external partner organizations.

The departments and titles etc. of the people introduced in this report are correct as of the time of writing except 'present' annotation.

## CSR Communication

### Erection of a Memorial Tower in Mt. Koya



In April 2018, in commemoration of the 50th anniversary of our founding, we erected an Aderans memorial tower in Mt. Koya, a World Heritage Site. The tower is to express our gratitude to our past and future employees, business partners, and customers who have contributed to our company and wish further prosperity for their families.

Looking forward to the next 100 years, we prayed for our further growth, with appreciation for the efforts of our predecessors and stakeholders.

### CSR Lecture at The University of Leicester as The First Japanese Enterprise



Receiving a formal invitation from the University of Leicester, a prestigious national school in the midwest of the UK, we have conducted CSR lectures since 2016. It was the third year in a row and the first time as a Japanese enterprise.

Over 100 students, graduates, and business professionals gathered in Leicester from all over the world as part of the master class. The attendees very well received Aderans' lecture, and after the speech, they had a lot of questions and positive comments. The discussion continued for quite some time to indicate the high level of enthusiasm that the master class students, alumni, and business professionals brought to Leicester.

### Special Partner for Asahi World Forum



At the "Asahi World Forum" hosted by the Asahi Shimbun Company (a newspaper company), we deeply sympathized with the idea of the SDGs, which is the purpose of the conference, and have been a special partner for the 4th consecutive year since 2018.

In our speech on Monday, October 18, 2021, Mutsuo Minowa, Senior Executive Officer, talked about "For Everyone to Keep on Smiling" being set as the SDGs vision from 2020. He spoke about that the conventional CSR activities shifted to the "Four Smiles" classification of "Health," "Society," "Earth," and "Future" based on the SDGs perspective. He said that we have expanded "our familiar approaches" to the world to "taking advantage of our strengths in society" and encountered a "photocatalyst" in the process. Also, he talked about dealing with the "global environment."

### Supporting Cancer Patients Affected by the Great East Japan Earthquake

The "One World Project" began with the delivery of care products to cancer patients affected by the Great East Japan Earthquake. We provided support items such as wigs from around the nation to patients through hospitals in the Tohoku region. In July 2012, with the cooperation of Aderans, we started "care support service" that allows users to use wig care and other services at half price. The patients who used this service rejoiced when the old and damaged wigs were restored by shampooing and cutting.

Thanks to the popularity, we have continued to extend. We are grateful for extending the service again until 2021. We have already finished recruiting large-scale support items for the project, but we would appreciate it if there would be donations of wigs in the future.



**Mayumi Terada**  
Representative  
One World Project  
from CSR report 2019

### Proper Knowledge of Hair and Skin

Many staff members in Aderans are certified as certified hair advisers. At present over 13% of all is Aderans' staff members. Furthermore, one of Aderans' staff members, was installed as one of our directors, with feeling sympathy for our community's growth. I wish that Aderans and our community collaborate and make synergistic effects.

**Keiji Kijima**  
Chief Director  
Japan Hair Science Association  
from CSR report 2014

### Support to Form a Recycle-based Society Through Waste Treatment

We are a comprehensive recycling company that brings together the technological strengths of the JFE Group. We have earned the trust of our customers not only by properly disposing of industrial waste but also by promoting recycling and focusing on energy creation. We will continue to support Aderans, which dedicates to reducing its environmental impact and forming a recycle-based society by adequately disposing of collected wigs. We want to continue to deliver reliability and trust furthermore.



**Junji Shibata**  
Factory Manager of  
Kawasaki Eco Clean  
J&T Recycling Corporation

### Artificial Hair with the Quality of Human Hair

It is the field of craftsmanship to produce artificial hair with the quality of human hair. Research and development on its improvement are carried out especially focusing on the appearance and fit of artificial hair to be as good as human hair. To meet our goal, we have technological foundations such as Polymer Science and Polymer Molding Science. What is in demand is technology that is capable to produce artificial hair for each customer individually. We still have piles of tasks to achieve that goal.



**Takeshi Kikutani**  
Specially-appointed Professor  
Tokyo Institute of Technology  
School of Materials and  
Chemical Technology  
(as of 2021) from CSR report 2015

### Cooperation with JHD&C News Gathering Led to Expand Our Activity

I never thought that the hair donation activities with JHD&C would spread to such a large extent, triggered by my interview with Aderans for an assignment in my high school broadcasting club. It was made possible because of the strong desire of Aderans and JHD&C. I have always felt uncomfortable that the hair I have grown out of becomes garbage right away when it is cut. When I made the hair donation, I was happy to feel that my hair was useful. I hope that the future will be such that everyone will think of hair donation when they cut their hair.



**Manae Ara**  
The 3rd year of Aichi Prefectural  
University  
Graduate of Obihiro Sanjo High  
School  
from CSR report 2017

The encounter with Aderans as the world number one wig enterprise and JHD&C as the provider of free full order wigs for the children suffering from hair loss was fruitful and led to "Producing Onewig by Aderans". We have great expectations that, in the future, we can provide more wigs to many children generously due to our high quality tailor-made wig production know-how.



**Kiichi Watanabe**  
Representative Director (As of 2021)  
JHD&C  
from CSR report 2016

### Regeneration of Red Pine Forest at Shizuoka Prefectural Forest Park First Supporter as a Private Company

We appreciate that Aderans participated as the first private company for the "Conservation and Restoration of Red Pine Forest" in Shizuoka Prefectural Forest Park. A red pine forest is a symbol of the forest park. I am very reassured by Aderans' participation. This prefectural forest park, which has 850,000 visitors a year, is expected to increase in attractiveness and value, by the beautiful restored scenery. We are expecting more visitors from outside of prefecture.



**Toru Suzuki** (Photo:left)  
Director of Community and  
Environmental Affairs Department  
Shizuoka Prefecture  
from CSR report 2019

### Support the "Healthcare Academy" for Cancer Survivors

The Healthcare Academy, sponsored by Aderans, focuses on issues facing patients after cancer treatment. We provide monthly lectures to help patients improve their self-esteem. Aderans provides us with a lecture presentation on how to handle issues with hair and wig products. We learned to pay attention to wigs "to enhance beauty" rather than "to hide hair loss." It is a form of self-care for the mind. It can bring joy and confidence in life. Every time I see the participants leave with bright smiles on their faces, I feel delighted. I want to express my heartfelt gratitude for your generous support.



**Manami Hirose**  
Representative Director  
Cancer Fitness, General Association  
from CSR report 2018

### Collaboration with NPO Sakura Namiki Network to Plant Rows of Cherry Trees in Areas Affected by the Great East Japan Earthquake

The massive tsunami struck on March 11, 2011. A tsunami hits the beautiful Tohoku region once every century or so. We want to protect as many lives as possible in the future by passing the stories from generation to generation. With that in mind, we have planted about 6,000 cherry trees (as of 2021) with like-minded people from all over Japan. While protecting and nurturing the planted cherry trees, we continue to plant cherry trees for future generations.



**Tadayoshi Hosonuma**  
**Kiyoshi Koike**  
Joint Representative Directors  
Sakura Namiki Network  
from CSR report 2016

I would like to express my sincere appreciation to Aderans for visiting the local area and helping to create a new community place in the disaster area. The cherry blossoms planted in the "Life Forest with a Sea View" will brighten the hearts of the local people. We will strive to make this place for environmental activities and transmit the lessons of earthquake disaster.

**Noriko Abe**  
Hostess  
Minami Sanriku Hotel Kanyo  
from CSR report 2019

### Studio AD's Unique Entertainment Wigs

To create an impressive world view of the stage, we, the creators, integrate and assemble various elements. One of the most important things is the entertainment wigs that the actors wear directly. Depending on the quality of the worn wig, the actors' overall performance may be affected. And thus, wigs may directly impact the audience's excitement. Studio AD has been at the forefront of this field for many years, maintaining a high level of quality. We have a lot of trust in Studio AD's quick and accurate work based on their accumulated know-how.

We look forward to a long and fruitful relationship with them as our "creation partner."



**Rumiko Nishiyama**  
Vice Chief Director (As of 2021)  
Stage Design Department  
Shiki Theater Company  
from CSR report 2017

### GUNZE - Aderans Collaborate to Bring Smiles to More People

In 2016, GUNZE launched "MediCure," a product that can improve patients' QOL. GUNZE developed the product with the hope of alleviating problems during hospitalization and after surgery, even if only a little, by utilizing the features of "skin-friendly" materials. We have received many requests from patients and medical professionals during our mail-order business to hold and touch the products in their hands. In response to such requests, we formed this alliance. By providing hair salons in hospitals, we can help improve the quality of life of hospitalized and ambulatory patients in terms of both appearance care and self-care. We hope that the collaboration between the two companies will continue to bring smiles to as many people as possible.



**Susumu Ueshima**  
Head of Planning and Research Office  
QOL Research Center  
GUNZE LIMITED  
from CSR report 2018



# Stakeholder Dialogue

This time, we invited an outside director of Aderans, Mr. Kazuhiko Takano, as an outside expert to hold a Stakeholder Dialogue. Meeting date: September 1, 2021.

**Minowa:** Today, I would like to exchange opinions on compliance at Aderans.

**Nitta:** This time, Aderans has created its first "Compliance Handbook." Ms. Kimura oversaw the creation of the handbook. Could you give us details about how you made it and what you focused on?

**Kimura:** First, we kept in mind to create the handbook from the employees' perspective. If we were to say, "This is good, and this is bad," it would depend on the interpretation of the words. So, we focused on making the expressions easy to understand without using complicated words, hoping that people would understand the essence.

**Takano:** I think one of the features of this handbook is that it is written from employees' perspective, with specific instructions on what to do.

**Kimura:** Thank you very much. We put the "Action Guidelines" at the top of each item for employees to act. The article is followed by "Our Promises" and "Forbidden Behaviors." By separating "what we should not do" and "what rules to follow," I believe we can clearly convey the concept of Aderans' compliance.

**Nitta:** I was impressed by the phrase "Our Promises." When we say "don't," it tends to make people shrink, but when we say "promise," it seems to give the employee a sense of autonomy. I thought that was a good expression because I felt it would change how each employee perceives things.

**Kimura:** There is a growing interest in social responsibility and corporate governance in the world. The purpose of creating the "Compliance Handbook" is to encourage employees to understand the essence of the meaning of "compliance" and to reaffirm its importance, rather than simply making judgments based on individual words. I hope that it will help in their practice/action not only in their daily work but also in their personal lives.

**Nitta:** What is Aderans' goal for compliance in the future?

**Kimura:** Our actions and compliance are based on the will and determination of top management and employees' desire to improve the company. It is essential to share an awareness of "making good organizations." I believe that building good human relations is the foundation. With this in mind, it will be a good idea to increase corporate value and sustainability and achieve corporate growth while working on compliance at the same time.

**Takano:** Ms. Kimura mentioned how to realize "psychological safety," which academic circles are discussing. By creating an open corporate culture, we can solve most compliance problems. By creating an environment where employees can work vigorously, we can solve many management issues. I think Ms. Kimura pointed out the very essence of compliance. If we create a corporate environment and culture that enables employees to think, "This is a great place to work and I enjoy working there," it will also promote compliance.

**Kimura:** I am constantly thinking about a better way of compliance. I want employees to think of us as a good company that they want to say to the people around, "My company is a good company."

**Nitta:** The CSR booklet "For Everyone's Smile" was created 10 years ago with the hope that employees would be confident and proud to say that they work for such a company and that they would be able to show their pride. The situation is different now, but I think both concepts are similar.

**Takano:** It is imperative that the "Compliance Handbook" also includes CSR and "SANPO-YOSHI." In particular, "SANPO-YOSHI" is the value system of the Aderans Group, and compliance based on this value system should be unique to our company.



**Minowa:** In talking about CSR, I don't think any other company says, "taking advantage of our strengths in society." Action guidelines and compliance start with respect for fundamental human rights. It creates an environment where everyone can make the most of their power in society, in line with the trend.

**Kimura:** We used to see compliance as an observance of laws and regulations. It was only about following laws and rules, not causing trouble, and observing morals and manners. Now, it also includes proactive information disclosure and environmental protection activities. The true meaning of compliance is to take actions that society expects.

**Minowa:** I am thinking of translating this compliance handbook into English and creating a compliance handbook for all group companies and subsidiaries worldwide. With this handbook, "Our Promises" can be spread as our mission.

**Takano:** It will be good to share the philosophy and then discuss compliance issues through training programs. Nowadays, we can have group discussions online that transcend time and space without getting together physically. I hope that we can use new technologies to communicate compliance in the company.

**Nitta:** The more each employee understands the essence of this compliance handbook and puts it into action, the closer we can get to what the Aderans Group strives for: realization of a good company. Thank you very much for your time today.

For more information on the Compliance Handbook, please refer to Page 4.

## Stakeholder Dialogue Participants



**Kazuhiko Takano**  
Outside Director,  
Aderans Co., Ltd.

-Professor/Doctor of Law, Kansai University,  
Faculty of Social Safety Sciences, Graduate  
School of Social Safety Sciences  
-Executive Director, Japan Society for Business  
Ethics  
-Senior Researcher, Business Ethics Research  
Center (BERC)  
-Director, Association of Certified Business Ethics  
Expert Japan



**Mutsuo Minowa**  
Senior Executive Officer,  
in charge of Group CSR &  
Corporate Communications  
Aderans Co., Ltd.



**Nobuko Kimuta**  
Head of Compliance Office  
Aderans Co., Ltd.



**Kyoko Nitta**  
Certified Business Ethics Expert  
Head of Group CSR & Corporate  
Communications Office  
Aderans Co., Ltd.

## Compliance Efforts Have Been Progressing at the Aderans Group Companies Worldwide



**Amy Hardman**  
Vice President  
in charge of Compliance  
HC (USA), Inc.

### Q: What do you think about compliance as a business?

Compliance is about protecting employees and the company. It is crucial to ensure that the employees' working environment and the organization are healthy and safe. For this reason, we make sure that our employees understand how substantial compliance is at the root of each of daily operations at products and centers/facilities to internal policies. It is gratifying to see employees putting what they have learned into practice for the benefit of all.

### Q: What are the difficulties in performing compliance work?

It is challenging to get employees to understand the importance of compliance, and it is not just a matter of ticking a box. To ensure the best business practices, the entire company needs to act agilely, sometimes changing its behavior. Each employee should know the "rules of the game" to act quickly and appropriately.



# Our CSR

## Our CSR

Our CSR is defining CSR as integrating with core business. The purpose of CSR is "To achieve healthy and lasting corporate growth." We defined CSR as the driver of corporate growth. Our activities are based on taking advantage of our strengths in society.

## CSR Communication

To let more people know about the Aderans Group's activities, we have lectured at events and cooperated with media to cover age.

## CSR Radio Broadcast "Smile Connection"



We have broadcasted our original radio program "Smile Connection" since September, 2018, with the aim of exposing more people to our CSR activities.

"Good morning, Sunday"  
Every Sunday, 7:00 am - 8:55 am  
Our program is 8:30 am - 8:45 am on 3rd and 4th Sundays

## Spreading CSR Awareness Within the Group Companies

The Aderans Group uses CSR booklets such as "For Everyone's Smile" as internal CSR publicity. We report on CSR at sales meetings and other occasions. Reports give our employees a chance to reacquaint themselves with the activities involved or encounter activities unaware of before. In addition, by placing the CSR basic activities at the sales sites, high social value initiatives are carried out dynamically closest to the customers.



Example of employee participation

In 2019, we became the first private company to cooperate with the red pine forest regeneration activities at the Shizuoka Prefectural Forest Park (Ono, Hamakita Ward, Hamamatsu City, Shizuoka Prefecture). Our employees performed their first work in December 2019.

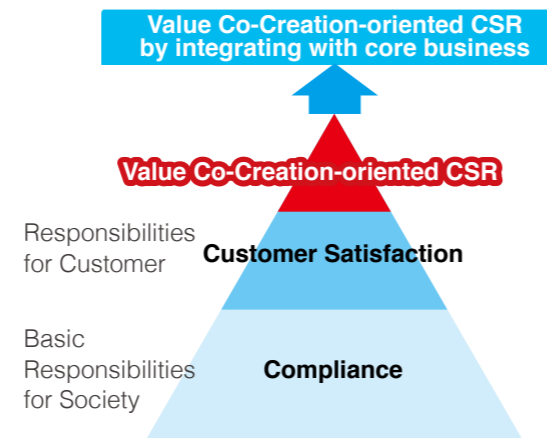
## Realizing the Significance of CSR/SDGs Firsthand

Without an opportunity to see the tree planting sites in our campaigns, I did not have a deep understanding of the underlying meaning. However, by experiencing tree planting, I realized firsthand that we are reducing CO<sub>2</sub> emissions and contributing to the first step toward a sustainable society under the SDGs.

Always be aware of "SANPO-YOSHI management." Make our customers happy with our business. Contribute to society and the environment. Our goal is to become a company that customers, staff, and the community need.



**Yutaka Kimura**  
Certified Business Ethics Expert  
General Manager  
Chukyo Sales Department  
Aderans Co., Ltd.



Num. of Lectures	CSR Lectures at Universities		
	CSR Lectures at Universities	Seminars for Investors	Seminars for the Public
2011	0	1	1
2012	5	3	3
2013	11	7	3
2014	8	3	10
2015	9	3	1
2016	12	3	1
2017	9	2	3
2018	8	2	3
2019	10	2	3
2020	3	0	1
2021	2	0	3

(As of October 31, 2021)

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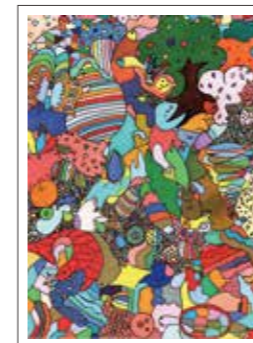
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## Editorial

**Editor-in-Chief** Misaki Tamahashi,  
Group CSR &  
Corporate Communications Office,  
Aderans Co., Ltd.

**Advisor & Coordinator** Tuvalu Forest LLC

## About This Cover Image



To support people with disabilities, we use their artwork as the cover of this CSR Communication Report. We will continue to contribute to the creation of a prosperous society through our various activities.



I am very excited and grateful that Aderans accepted my painting. I have schizophrenia and trying my best to paint. Thank you very much for choosing my artwork that marked the beginning of my career as an artist.

**Yukari Chiba**  
Author of "Colorful & Cheerful Friends Series"

## Editorial Policy

### Issuing the CSR Communication Report 2021

This is the 10th issue of our CSR Communication Report since we published our first edition in 2012. Over the past ten years, our unique value co-creation-oriented initiatives have led to new activities with various collaborators.

Through the publication of this report, we positioned it as an essential tool for disclosing our initiatives, incorporating the voices of our stakeholders, and further advancing our activities.

We would be grateful if you could take a look at this report and give us your honest opinions, expectations, and requests for our company for the future.

### Period Covered

From March 1, 2020 to February 28, 2021  
\*Some parts of the activities also include current concerns.

### Coverage

Aderans Co., Ltd.  
and major consolidated subsidiaries are covered.

**Published in** November, 2021

**To be published next in** October, 2022

## CSR Disclosure System

We have arranged the information in the forms of a "Booklet" and "Web" so that information of the Aderans Group's various activities can be properly delivered to all stakeholders.

### Booklet



We have published "CSR Communication Report" and "For Everyone's Smile" [Japanese only] to let more people know about the Aderans Group's activities.

### Web



We have announced activities which were not written on booklets.

<https://www.aderans.co.jp/corporate/english/csr/>



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Our efforts to protect personal information have been certified by JIPDEC, and our framework and operation for processing of personal information have been assessed as secure and appropriate. We will continue to handle and protect personal information carefully.



Since April 2014, the Aderans Group has participated in the United Nations Global Compact. To meet its principles, we take advantages of the strength to tackle social problems as a role of a globally integrated enterprise that contributes widely to society. We aim to create a more sustainable society.



The Aderans Group supports the Sustainable Development Goals

The Aderans Group, as a corporate group that develops business on a global scale, faces a variety of issues related with the Sustainable Development Goals. We work to solve social issues through our business, promote initiatives for important issues to realize a sustainable society, and aim for sustainable growth.