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NEWS RELEASE

July 27, 2021

To members of the press

ONWARD KASHIYAMA Co., Ltd.
SANYO SHOKAI LTD.
SENKO Group Holdings Co., Ltd.
RECOTECH inc.

Two Apparel Companies Join New Resource Recycling Platform Demonstration Project

**ONWARD KASHIYAMA and SANYO SHOKAI Partner with SENKO Group
to Participate in RECOTECH's Waste Plastic Resource Recycling Initiatives
Using Integrated Forward/Reverse Logistics**

ONWARD KASHIYAMA Co., Ltd. (Head office: Chuo-ku, Tokyo; President and CEO: Tsunenori Suzuki; "ONWARD KASHIYAMA") and SANYO SHOKAI LTD. (Head office: Shinjuku-ku, Tokyo; Representative Director, President & Chief Operating Officer: Shinji Oe; "SANYO SHOKAI") have partnered with SENKO Group Holdings Co., Ltd. (Head office: Koto-ku, Tokyo; President and Representative Director: Yasuhisa Fukuda; "SENKO Group"), which provides logistics operations for both companies, to take part in a resource recycling platform demonstration project operated by RECOTECH inc. (Head office: Chiyoda-ku, Tokyo; President: Mamoru Nozaki; "RECOTECH") that utilizes integrated forward/reverse logistics to efficiently collect and recycle waste plastics.

[Background & Challenges]

With the growing severity of marine plastic pollution in recent years, the reduction and recycling of plastic waste has become an urgent issue. A 2016 report by the UK-based Ellen MacArthur Foundation warned that with currently available estimates, "Without significant action addressing the speed at which plastics are used today, there may be more plastic than fish in the ocean, by weight, by 2050."

In response to these circumstances, various initiatives are now being made on a global scale to develop a circular economy and achieve a sustainable society. Efforts are also being made throughout the Japanese apparel industry, with programs aimed at collecting clothes at stores for recycling or reuse. Yet the majority of plastics generated throughout the supply chain are only limited to thermal recovery, regardless of how clean those plastics are when collected. Efficient collection of the extremely broad range of waste plastics disposed of at logistics sites and stores is essential for materials recycling, and developing an industry-wide framework to achieve this is considered extremely important.

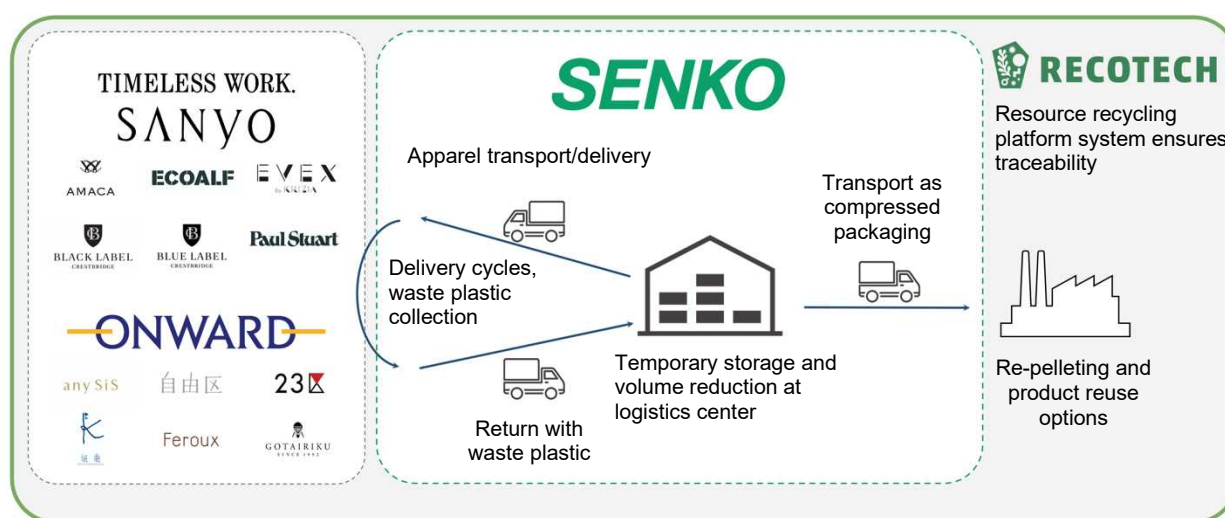
[Details of Demonstration Project]

ONWARD KASHIYAMA and SANYO SHOKAI have partnered with the SENKO Group, which covers the delivery and logistics operations for both companies, to take part in this resource recycling platform demonstration project that utilizes integrated forward/reverse logistics to efficiently collect and recycle waste plastics. The demonstration project involves sorting plastics disposed of at both

company's logistics warehouses, stores and other sites by weight and type, collecting the plastics using the SENKO Group's delivery vehicles, and recycling them at materials recycling plants.

The demonstration project uses the "Material Pool System (MPS)" resource recycling platform system and the "GOMiCO" waste material tracking web application provided by RECOTECH for tracking and managing the amount and types of waste plastics visually to ensure traceability of each process within the reverse supply chain. The project has received "recycling certification" from the Tokyo municipal government, making it possible to achieve integrated forward/reverse logistics using non-approved vehicles.

▽ Image of Demonstration Project



[Overview of Project]

- Project period: June 22 to August 31, 2021
- Collection sites: ONWARD KASHIYAMA Shibaura Building No. 3 & No. 4 (Minato-ku, Tokyo)
Sanyo Shokai Employee Sale Venue Science Museum
SANYO SHOKAI Blue Label / Black Label Crestbridge Harajuku House
SANYO SHOKAI Black Label Crestbridge Shibuya Store
SANYO SHOKAI Paul Stuart Aoyama Store
- Accepted Items: Hanger covers (transparent plastic film) used during deliveries, packaging plastic such as knits and cut-and-sew

▽ Examples of plastics accepted for collection



[Future Developments]

Initiatives involving many companies spanning numerous industries will be essential in the future to achieve waste recycling efforts that are difficult to implement for individual companies. To accelerate its efforts to develop a framework for efficiently recycling and reusing resources, RECOTECH is calling for participation by apparel companies that generate large quantities of clean plastic as well as other brands to join its resource recycling platform, and is asking each site to examine the amount of waste plastic generated from a broader perspective.

[Overviews of Companies]

■ ONWARD KASHIYAMA Co., Ltd.

Head office: 3-10-5 Nihonbashi, Chuo-ku, Tokyo
Established: September 1947 (Kashiyama Shoji Co., Ltd. [Date that current ONWARD HOLDINGS Co., Ltd.] was established)
Representative: Tsunenori Suzuki, President and CEO
Line of business: Planning, manufacturing and sales of men's clothing, women's clothing, children's clothing, personal accessories, etc.
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■ SANYO SHOKAI LTD.

Head office: 6-14 Yotsuyahonshio-cho, Shinjuku-ku, Tokyo
Established: May 11, 1943
Representative: Shinji Oe, Representative Director, President & Chief Operating Officer
Line of business: Manufacturing and sales of men's clothing, women's clothing and accessories
Product sales at department stores, specialty stores and directly managed stores around Japan
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■ SENKO Group Holdings Co., Ltd.

Head office: Shiomi SIF Bldg., 2-8-10 Shiomi, Koto-ku, Tokyo
Established: July 1946
Representative: Yasuhisa Fukuda, President and Representative Director
Line of business: Logistics, trading and commerce, business support, living support
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■ RECOTECH inc.

Head office: KS floor, 5F Resona Kudan Building, 1-5-6 Kudanminami, Chiyoda-ku, Tokyo
Established: May 2007

Representative: Mamoru Nozaki, Representative Director
Line of business: Waste management consulting, commissioning support for environmental
equipment and plants, sales of eco-products
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