



BEAT



CSR REPORT 2012

April 1, 2011 - March 31, 2012

BEAT OF avex SPIRIT

The Source of the Beat

In a society undergoing dizzying change,
we have always considered about what we can do best
as a comprehensive entertainment corporation.

Donations and volunteering are activities that we do on a daily basis at the Avex Group.
However, we recognize these things are common practice for our corporations.

Our business is to excite people's emotions: to evoke empathy,
to provide hope and the joy of living, and to impart dreams for the future.
If we dare to speak without fearing the possibility of being misunderstood,
the business itself might be a form of CSR.

To do so, we prepare the environment for people producing entertainment.
In short, Avex will continue to be a place where each employee can work with enthusiasm.
That is also a form of CSR.

We put our knowhow to good use and shake up people's emotions,
pursuing CSR that only Avex's entertainment can achieve.

At any era, we deliver
entertainment to bring people
closer to each other.

Avex Group Holdings Inc.



Responding to the Great East Japan Earthquake

a-nation Supports Recovery

Launched in 2002, “a-nation” open-air festival is celebrating its tenth anniversary. In fiscal 2011, we organized “a-nation 10th Anniversary for Life Charge & Go! Wieder in Jelly festival” at five locations across the country from July 30 to August 28. Under the overarching theme of Coloring Life = For Life, we carried out the following recovery support measures motivated by the hope of offering people the courage and power to live, emotions, kindness, and love through entertainment.



1 Energy conservation and information campaigns

We arranged for our own power-supply vehicles at every venue to provide all the power for the entire stage production at the public performances (about 1500 kW per performance). We used LEDs for some of the stage lighting to conserve power. We also organized information campaigns to heighten awareness of power conservation by, for example, encouraging visitors to try using an exercise bike to generate electricity.



A power-supply truck providing power to the stage

2 Donating proceeds from ticket sales

We donated 200 yen per ticket sold (100 yen of the ticket price, 100 yen from the Avex Group) to the Japanese Red Cross Society (approx. 54 million yen)

Lining up at the box office



3 Donating proceeds from official merchandise and charity auctions

In addition to donating a portion of the proceeds from the official merchandise, we organized charity auctions of the stage costumes worn by the performing artists and donated the winning bids to the Japanese Red Cross Society (approx. 4 million yen in total).



4 Organized free public viewing event

We organized free public viewing event of the live performances at six Ito-Yokado stores in Iwate, Miyagi and Fukushima Prefectures. More than 13,000 persons enjoyed the live broadcasts. The audiences responded to the artists' comments by waving at the screen, and clapping enthusiastically. It felt as if they were at the real venue.



At the Sendai Izumi venue



At the Hanamaki venue

Total number of people at each store

Store	Sat 8/27	Sun 8/29	Total
Sendai Izumi	1,400	2,000	3,400
Koriyama	1,000	2,100	3,100
Ishinomaki Akebono	900	1,700	2,600
Hanamaki	600	1,000	1,600
Taira	600	1,100	1,700
Fukushima	300	400	700
Total	4,800	8,300	13,100

VOICE

Immediately after the earthquake, we started thinking about what kind of support we could offer, not only at the level of the artists, but as a Group company. As a result of having both a management and a label function, the Avex Group launched activities that aimed to build support by involving guest artists and affiliated corporations with “a-nation” at the core. In the future, “a-nation” will continue to evolve and to deliver value that inspires, not only in the real space, but also in the digital space.

Kiichiro Kato
Head of Business Planning, Content Business
Avex Live Creative Inc.



Initiatives at the Company (A portion)

Conserving Energy at the Head Office

Since our head office building has been designated a large user of electricity (500 kW or more) by the Ministry of Economy, Trade and Industry, we had to reduce power consumption by at least 15% compared to the amount used at peak times in the preceding year. To achieve that, we took the following steps.

- We thinned out tube lighting.
- We converted halogen lighting to LED.
- We stopped operating outdoor billboards for a specific time.
- We introduced temperature controls for the air-conditioning.
- We introduced controls on elevators in the common areas.

Installation of Contact Points for Support and Advice

When a major disaster occurs, the Avex Group sets up a contact point where employees and their families can turn to for support and advice. At the time of the Great East Japan earthquake, we ascertained the safety of employees and their families, organized briefings on the situation, and made ex-gratia payments in the case of damage to the homes of the families or relatives of employees, or in case employees were forced to live at emergency shelters.

Distributing Emergency Kits

The Avex Group distributed all employees with emergency kits that contain the required emergency supplies (emergency foods, drinking water, portable radio etc.).

Facilitation of Emergency Email Addresses Registration

At the time of an emergency, the Avex Group sends information emails from the company to registered email addresses to ascertain the safety of employees.

Twelve years running

Workplace Visits by High School Students: Let's Go to Avex! ~ Study is Play, Play is Study ~



It is our pleasure for the Avex Group to accept high school students for workplace visits. We incorporate a hands-on program that includes introductions of the business, explanations of music rights, as well as mini live events by our artists, and visits to recording studios. In fiscal 2011, we had 2,522 high school students visiting the company. If we include the schools that canceled due to the earthquake, we had planned for a record number of 4,629 visitors. We will carry over the attraction of music and entertainment to the next generation of students. We will also aim to develop this program further to convey the attraction of entertainment as a profession.

VOICE

We provide lateral support for school education and to put smiles on faces through entertainment. As part of the program, artists convey students face-to-face what they thought about while in school, and what efforts they made during their time at school. I would be happy if this experience provided participants with inspiration and hints for their future dreams. We are very motivated to continue taking this program forward.

Asuka Watanabe
Public Relations Department, General
Affairs and Personnel Affairs
Avex Group Holdings Inc.



3 years running

Donating Vaccines to Developing Countries

The Avex Group carries out eco cap collection activities to raise awareness of social contribution and environmental protection among employees. Our artists also participate in the activities, and in fiscal 2011, we collected 78,840 caps. The PET bottle caps that we collected pay for polio vaccines *1 for about 99 persons, which the non-profit organization JCV *2 will send to children in the developing world.

*1 Eight hundred caps (20 yen worth) pay for polio vaccine for one person.

*2 Japan Committee Vaccines for the World's Children. A non-profit organization that provides vaccines and inoculation-related materials to protect children around the world from infectious disease.

Nine years running

Organizing the Aoyama Christmas Circus

Together with local residents, we organized the Aoyama Christmas Circus event, which aims to turn Aoyama-dori, the vanguard of information and fashion, into a popular venue for the Christmas season (November 18 to December 25, 2011). All the lights used to decorate the tree (20 meters tall and 6 meters in diameter) in front of the head office were LED lights that consumed 3.8 kWh *1 of power during the event. Going forward, we would like to collaborate with local residents and deliver Christmas entertainment that warms the heart, while considering the environment.

* 13.8 kWh is the amount of power used when thirty-eight 100W bulbs are lit for one hour.



The SUPER*GIRLS pop group participated in the lighting ceremony on November 18.

NEW!

Carbon-offsetting at the Company Building

The Avex Group purchases CO₂ emissions rights to offset the CO₂ emitted from our offices. Our head office building emits about 1,907 tons of CO₂ annually, which is offset by the 5,000 tons of emissions rights owned by the Avex Group.

NEW!

Promoting the Work-Life Fusion Project

At the Avex Group, HR division has initiated the Work-Life Fusion Project to promote a balance between work and life. Focused on female employees in the HR division, the project organizes life design courses for female employees, as well as briefings on current issues for employees who combine childcare with their jobs. To secure outstanding human resources for creating entertainment and to motivate them to enthusiastically engage with the business, we will continue to create a workplace environment with a vision of the balance between life and work, and to aim for circumstances in which work and life are not in conflict with each other.

Seven years running

Compliance Activities

Once every quarter, the Avex Group convenes the Compliance Committee in line with its own compliance policy. In addition to discussing important compliance-related issues, the Committee has installed help lines for the early detection and resolution of non-compliant events. The company works hard to keep employees informed by, for example, testing all employees on compliance policy once a year. In 2011, the Committee also invited an external expert to present training sessions prior to formulating the Tokyo metropolitan ordinance for eliminating organized crime groups.

VOICE

Very few corporations in Japan understand sports for disabled athletes, or set themselves the challenge of providing a generous and excellent environment. As athletes, we are grateful for this environment, and we train hard every day, focusing on the world championships and the Paralympics.

Naoki Yasu
Avex Entertainment Inc.



VOICE

Work-Life Fusion activities are not only about finding a balance between work and life; we also develop the activities with the aim of fusing the two aspects as if they were harmonious music. We prepare the environment and develop awareness campaigns to support life combined with rewarding work.

Naoko Kitamura
Section Manager, General Affairs
and Personnel Resources Team (ALC)
Avex Group Holdings Inc.



Two years running

Setting up the Avex Aid Fund (the AA Fund)

Based on the spirit of mutual assistance, on October 1, 2010, the Avex Group launched the Avex Aid Fund (AA Fund), which aims to help people lead lives that are safer from both psychological and economical perspectives. The contributions (500 yen is deducted from the monthly pay check) from subscribers (employees, contract employees, special contract employees) and matching company subsidies are paid out in the form of congratulatory or condolence payments, or livelihood support.

Four years running

Hiring Disabled Athletes

The Avex Group has been proactively hiring disabled athletes since 2008. At present, we employ or retain nine athletes in six events: Alpine skiing, Nordic skiing, wheelchair basketball, wheelchair marathon, wheelchair tennis, and track and field. Each athlete provides smiles and courage through their activities. As well as preparing an environment in which the athletes can concentrate on their events, we also help them prepare for a second career after retiring from sports. We will continue to employ disabled athletes, offering them a venue to express and showcase their talent.

MESSAGE TO THE avex BEAT

We asked people involved with Avex to tell us
what they expect from CSR at Avex.

Avex works with us on *awareness campaigns about eliminating illegal file distribution.*

In particular, *the campaign has continued at the workplace visits by high school students. The number of student participants in workplace visits are one of the highest among our members.*

We would like to see the company continue to lead this effort, and to provide guidance and cooperation in the future.

Kenji Takasugi

Managing Director and Secretary General
Recording Industry Association of Japan (RIAJ)

Experiences in the workplace nurture the social and human nature in children, and recently a growing number of schools are incorporating an opportunity of such experiences in their school trips.

Avex organizes mini live events, studio visits, and other hands-on programs that children find interesting and fun.

I expect that through the experience of the workplace, children will get a feel for the significance and value of working, and that it will help them build their careers.

Shotaro Noguchi

Secretary-General, Japan School Excursion Association

Efforts are underway to create a beautiful townscape and improve the area along Aoyama-dori.

As a symbol for the area, the square in front of the Avex head office building remains

a place for greening activities that provides citizens with a place for exchange and creativity.

The space is appreciated by many people, not only local residents, schools and corporations, but also visitors to the area and representatives of government agencies.

I expect Avex will continue to contribute to the local area in the future.

Norio Iguchi

Professor, Aoyama Gakuin University
Director, NPO Shibuya Aoyama Landscape Formation Organization (SALF)

We are responsible for the trainers in the life design courses for Avex employees. Our message is to enjoy work and create your own life.

By producing energetic people who shine in the Avex setting, and not stopping at the job satisfaction of individual employees,

we want Avex to demonstrate to society the true meaning of "work" (namely, to create your own life).

Hazuki Maehara

Director, Life Portfolio

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