

### **GHG Emissions Reduction Initiatives**

### Transition to Renewable Energy

In light of the current situation that the majority of the Group's GHG emissions are from electricity consumption, we think it is important to focus GHG emissions reduction initiatives on electricity consumption.

Daimaru Matsuzakaya Department Stores replaced all the electricity used in the head office (Koto-ku, Tokyo) and the Daimaru Shinsaibashi store with renewable energy in March 2019 and September 2019, respectively. In fiscal year 2019, this transition to renewable electricity reduced GHG emissions by approximately 240 t-CO<sub>2</sub> in the head office compared to fiscal year 2017, which is the base year, and by approximately 7,000 t-CO<sub>2</sub> in the Daimaru Shinsaibashi store<sup>\*1</sup> compared to fiscal year 2015 before rebuilding.

Parco transitioned to renewable energy in Chofu Parco and Ikebukuro Parco (P'Parco) in October 2019. In fiscal year 2019, this transition to renewable electricity reduced GHG emissions by approximately 1,900 t-CO<sub>2</sub> in Chofu Parco and by approximately 750 t-CO<sub>2</sub> in Ikebukuro Parco (P'Parco) compared to fiscal year 2017, which is the base year.

Going forward, mainly Daimaru Matsuzakaya Department Stores and Parco will transition to renewable electricity in their main stores in the Tokyo, Kansai, and Chubu areas. The Group joined the "RE100 (Renewable Energy 100%)\*<sup>2</sup>" in October 2020.

\*1 The building structure is not the same because the main building was rebuilt. \*2 Global initiative that promotes corporate sourcing of 100% renewable energy

# Promotion of Installation of High Energy Efficient Equipments and Transition to LED Lighting

The Group adopts various energy-saving measures to reduce GHG emissions and prevent global warming. High energy efficient equipments are installed at the time of facility replacement, renovation, and new store opening.

Daimaru Matsuzakaya Department Stores strives to reduce electricity consumption and GHG emissions by replacing existing lighting with LED units. By February 2020, we replaced approximately 214,000 units, which account for about 50% of the total number of relevant lighting fixtures. By fiscal year 2025, all of approximately 430,000 relevant lighting fixtures will be replaced with LED units.

The Group operates a wide variety of businesses including the department store business that operates stores, the design and construction business, the wholesale business, and the staffing business. Therefore, we will actively save energy in plants and offices as well as stores to reduce GHG emissions across the Group.



LED lighting on the ceiling (Daimaru Tokyo store)

## Transition of the Company Fleet to EVs and Promotion of Eco Driving

#### Transition of the company fleet to EVs

Daimaru Matsuzakaya Department Stores promotes the transition of its company fleet to EVs. By December 2019, 70 company vehicles used by the Out-of-Store Sales Division of the Daimaru Shinsaibashi store were replaced with EVs. The transition of the company vehicles of the Daimaru Shinsaibashi store to EVs reduced GHG emissions by approximately 190 t-CO<sub>2</sub> compared to fiscal year 2017, which is the base year. We completed the transition of a total of 128 cars including 34 company vehicles of the Tokyo Area Out-of-Store Sales Division and 14 company vehicles of the Out-of-Store Sales Division of the Kobe store to EVs by the end of fiscal year 2019. We will replace the fleet of all companies in the Group with EVs by fiscal year 2025.

#### Promotion of eco driving

Daimaru Matsuzakaya Department Stores has adopted the "telematics" system (mobile telecommunication system) for the company vehicles of the Out-of-Store Sales Divisions. The "telematics" system digitizes the driving status of persons in charge including excess speed, abrupt acceleration/deceleration, and gas mileage. The safe operation committee meeting is held every month and the stores that adopt the system use the data of the "telematics" system to facilitate fuel efficient eco driving and safe driving.