

→ Realization of Carbon Neutrality Aiming for 100% Renewable Energy Special Report: Information Disclosure in Line with TCFD Recommendations

Realization of Carbon Neutrality

In 2021, the Group revised one of its materiality issues “contribution to a low-carbon society” to “realization of decarbonized society.” The Group will aim to realize carbon neutrality by further accelerating ongoing actions with a strong intention to solve climate change issues.

Scope 1 and 2 GHG Emission Reduction Addressed Ambitiously

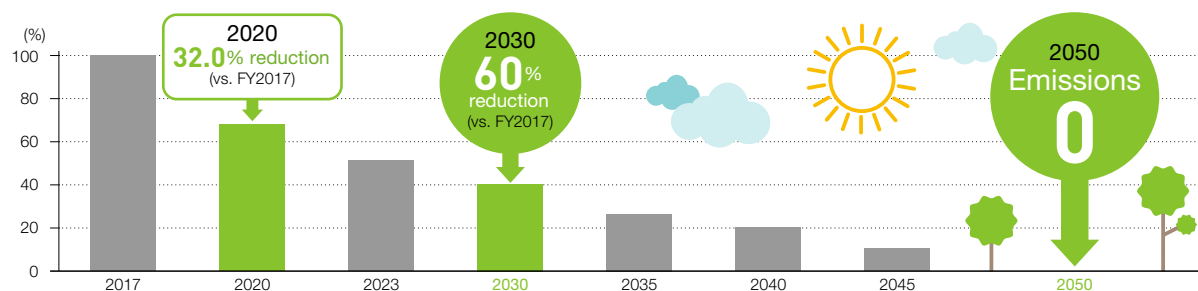
The Group’s Scope 1 and 2 GHG emission reduction targets for 2030 (compared to fiscal year 2017) were approved by the SBT initiative* in 2019. In 2021, as we improved our materiality issues, we revised up our reduction target from 40% to 60%.

In the Officer Remuneration Policy revised in May 2021, we set Scope 1 and 2 GHG emission reduction targets as an indicator to determine performance-based remuneration, and by doing so, we clarified the responsibilities of the management.

Going forward, we will aim to realize a decarbonized society by switching to LED lighting and electrifying more company vehicles as well as switching to renewable

energy to achieve the reduction targets.

* Global initiative established for the purpose of promoting the achievement of science-based GHG emission reduction targets to limit the temperature increase to below 2°C compared to pre-industrial levels



FY2020 Scope 1 and 2 GHG Emission Results

In fiscal year 2020, the Group’s GHG emissions were 132,106 t-CO₂, down 18.7% compared to fiscal year 2019, which is far above the Scope 1 and 2 GHG emission reduction target of 4.0% set by the Group for fiscal year 2020.

The Group’s GHG emissions also decreased by 32.0% compared to fiscal year 2017, which is its SBT base year. Thus we are making good progress toward the achievement of SBT.

FY2020 Scope 1 and 2 GHG emission results

		FY2020	vs. FY2019		vs. FY2017 (SBT base year)	
		Emissions (t-CO ₂)	Reduction (t-CO ₂)	Reduction (%)	Reduction (t-CO ₂)	Reduction (%)
Target	Scope 1 & 2 Total	156,007	▲6,501	▲4.0	▲14,562	▲19.6
Results (breakdown)	Scope 1 & 2 Total	132,106*	▲30,402	▲18.7	▲62,048	▲32.0
	Scope 1	11,983	▲3,231	▲21.2	▲4,069	▲25.3
	Scope 2	120,123	▲27,171	▲18.4	▲57,979	▲32.6

* Received third-party assurance from Lloyd’s Register Quality Assurance Limited

Initiatives to Create Energy

The Group thinks stable procurement of energy including electricity will become a very important risk.

Going forward, we will consider energy creation measures using idle properties such as facilities held by the Group and strengthen resilience by expanding in-house consumption of renewable energy and diversifying energy sources.

Currently, at the Daimaru Kyoto store, a solar panel is installed on the wall of the store to partly power digital signage and external signs.