

Reduce environmental burden caused by business activities

Management Approach

| Reason for emphasis | Risks | Opportunities | PPIH's actions |
|--|--|---|---|
| <p>The PPIH Group recognizes that protecting the global environment, preserving biodiversity, and addressing climate change are important issues for the sustainable development of the company, as well as the enhancement of corporate value over the medium and long term. We are also considering how to respond to various risks.</p> <p>Furthermore, we will contribute to the realization of a circular economy based on our belief in the importance of providing eco-friendly products and services, and promoting environmentally conscious store development, and thereby achieve sustainable growth.</p> | <ul style="list-style-type: none"> ● Increased costs as a result of the necessity to comply with increased regulations on waste and environmental issues ● Physical damage to stores and logistics networks due to extreme weather conditions (typhoons, droughts, heat waves, cold waves, heavy rains, heavy snowfall) as a result of climate change. ● Increasing difficulty in purchasing raw materials due to the depletion of natural resources such as fisheries resources. | <ul style="list-style-type: none"> ● Energy saving and waste reduction, efficient use of resources through the food recycling cycle, and improved corporate image. ● Promoting ethical consumption through the sale of environmentally friendly products. | <ul style="list-style-type: none"> ○ Reduction of electrical consumption through the introduction of clean energy ○ Establishment of recycle stations ○ Reduction of general waste through the strengthening of office waste segregation ○ Sale of our original PB product, "eco!on" ○ Protection of natural resources and securing of a stable product supply and price by purchasing farmed fish ○ Off-price business |

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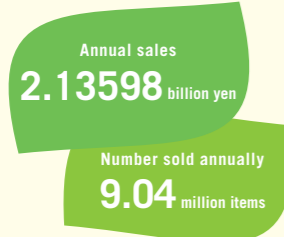
Original Environmentally Friendly "eco!on" Products

The PPIH Group is acutely aware of the impact products can have on the environment, and strives to improve the reliability and safety of products, as well as their quality in terms of environmental friendliness.

The PB products of the PPIH Group, "eco!on," have been developed based on the concept of the 3Rs (reduce, reuse and recycle). The decarbonization of society was kept in mind when planning the products and using resources to make them. These products have been developed to protect the global environment and the habitats of all life on Earth. The PPIH Group will promote sales of ethical products by offering environmentally friendly shopping for customers who choose to use these products.



FY2021



Introducing some of our eco!on products

- Environmentally friendly toilet paper made from 100% recycled paper.
- A part of the raw materials used includes milk cartons collected at our stores.
- The polyethylene coating on milk cartons are reused to generate heat inside plants.



Sustainability insight

Reduces CO₂ emissions by 63% per roll compared to using virgin pulp (used to make paper from wood chips)

Pick Up Participation in Ogaki SDGs Street 2021

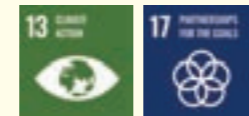
Apita Ogaki (Gifu Prefecture) took part in Ogaki SDGs Street 2021 organized by the Ogaki City Environment Citizen Meeting to introduce UNY's original environmentally friendly products, "eco!on." A large panel was placed on display for the numerous people who use the Ogaki Station north-south passage (Suito Bridge), while on weekends, an event space was set up inside our Aqua Walk Ogaki to show photo videos and display panels of our environmental activities. This was done to raise awareness for the SDGs and promote efforts to attain them in the daily lives of our customers. Apita Ogaki will continue engaging in activities with customers and the local community to contribute to the realization of the SDGs.



SDGs that We Can Contribute to

12.5
By 2030, substantially reduce waste generation through prevention, reduction, recycling, and reuse.

Related SDGs



Policy on Activities

| Materiality | Approach | Specific measures | |
|---|--|---|---|
| | | Types of measures | Outline |
| Initiatives aimed at realizing a decarbonized society | Reduce CO ₂ emission | Energy-saving equipment | <ul style="list-style-type: none"> ● Deployment of energy-saving equipment to ensure efficient operation of air conditioners, and refrigeration and freezer cases inside stores |
| | | Initiatives to stop plastic use | <ul style="list-style-type: none"> ● Recover and recycle used plastic containers and packaging ● Start charging for plastic bags to reduce waste and promote the use of reusable bags |
| | | Utilization of renewable energy | <ul style="list-style-type: none"> ● Introduce solar power in some stores |
| Initiatives aimed at realizing a recycling society | Reduce packaging material, use resources efficiently, reduce food waste, bolster recycling | Establish food recycling loop | <ul style="list-style-type: none"> ● Recycle waste as resources ● Connect producers to consumers through local circulation and local production for local consumption, and provide safe, secure agricultural and livestock products |
| | | Reduction of waste and promotion of recycling | <ul style="list-style-type: none"> ● Set up recycling stations to recover waste paper |
| | | | |

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Utilization of Renewable Energy

The PPIH Group aims to realize a decarbonized society, and the entire Group is striving to make steady progress in reducing emissions of global warming gases.

Specifically, we have deployed solar power at some of our stores to reduce the emission of CO₂ through our business activities. We are testing the feasibility of using renewable energy in the future to promote environmentally friendly business activities.

Deployed at (as of September 2021):

3 Don Quijote stores, **7** UNY stores, **2** UD Retail stores



MEGA Don Quijote Kofu

Main Environmental Data

| Environmental issue | Types of data | 2020 | 2021 |
|---------------------|---|---------|---------|
| Climate change | CO ₂ emissions (t-CO ₂) | 559,467 | 534,307 |
| | CO ₂ emission intensity (per one million yen in sales) | 0.356 | 0.347 |



Enhancing Efforts Further

In July 1, 2021, we established a new Sustainability Committee to enhance environmental measures and supply chain management, and implemented initiatives through various subcommittees. The Subcommittee on Environmental Measures has been striving to further mitigate any environmental impact from our business activities, including identifying serious risks and analyzing various scenarios to create opportunities for action aimed at the mitigation of climate change, as well as discussing measures and plans to cut CO₂ emissions.

