

Reduce the Environmental Impact of our Business Activities

Responding to climate change and realizing a decarbonized society

Disclosure in line with the TCFD recommendations → Reference pages: P.21-22

PPIH Group decarbonization targets

50% reduction of CO₂ emissions from stores by 2030 (compared to FY2013)
Reduce the total amount of CO₂ emissions from stores to zero by 2050 Subject: Domestic, including offices and logistics center

Joined the “Japan Climate Leaders’ Partnership (JCLP)”

We joined the Japan Climate Leaders Partnership (hereinafter referred to as JCLP) as a supporting member.
JCLP is a unique coalition of Japanese companies that work together to achieve a decarbonized society. It also serves as the point of contact for RE100 membership in Japan in partnership with The Climate Group, an international non-profit organization.

Through our membership in the JCLP, we will promote decarbonization in collaboration with participating environmentally advanced companies, steadily achieve the PPIH Group decarbonization targets, and continue to work towards the realization of a sustainable society.

Major initiatives to achieve the targets

Installation of energy-saving equipment

The PPIH Group is working to reduce CO₂ emissions and lower the environmental impact of store operations by installing energy-efficient equipment that enables efficient operation of store air conditioning systems and refrigeration/freezer cases, and by ensuring appropriate operation of equipment systems.

The number of stores with energy-saving equipment installed

Stores with equipment: Don Quijote, UNY, Nagasakiya, UD Retail (as of June 2022)

Air conditioning equipment: 334 stores

Refrigerated and freezer cases: 17 stores

Implementing renewable energy

In order to reduce the amount of CO₂ emitted from our business activities, the PPIH Group will introduce solar power at some stores and promote the generation of renewable energy.

The number of stores with implementation

Don Quijote - 4 stores, UNY - 10 stores, UD Retail - 2 stores (as of March 2022)

Amount of solar power generated

600,560 kwh (April 2021 ~ March 2022)



Encouraging energy and electricity conservation in stores



Solar panels at the MEGA Don Quijote Kofu store



Solar panels at the Don Quijote (USA) Kaheka store in Hawaii

Overseas initiatives to reduce the environmental impact

In order to advance efforts to also reduce the environmental impact of our expanding overseas business, we have established a subcommittee under the Sustainability Committee with the theme of “Initiatives to address environmental issues in overseas operations,” and stores in each country and region are working together to promote a variety of initiatives.

Singapore

- Reduction of waste oil by introducing oil filters

Thailand

- Reduction of food loss by donating food needy households

Taiwan

- Reduction of waste through the effective use of waste plastic raw materials
- Introduction of uniforms made of pure cotton

Hong Kong

- De-plasticization by promoting the use of recycled trays

Malaysia

- Initiatives toward zero plastic waste through the sale of non-woven bags

Macau

- Environmental protection by discontinuing plastic shopping bags

Reduction of CO₂ emissions in logistics processes

In order to reduce environmental impact, SENKO Co., Ltd., our partner in PPIH Group's logistics center, and the PPIH Group have switched part of the truck transportation to rail transportation (modal shift) in Kanto base (Saitama City, Saitama Prefecture) and Kansai base (Izumiotsu City, Osaka Prefecture). This modal shift has resulted in significant reductions in both CO₂ emissions and driver operating time. There were issues such as waiting time during loading/unloading and longer cargo handling time due to bulk transportation, but we achieved modal shift by devising ways to adjust the time and material volume.

Based on annual transportation results	Before conversion	After conversion	Impact
CO ₂ emissions (t-CO ₂)	121	34	△87 (△72%)
Operating hours (hour)	1,680	300	△1,380 (△82%)

*CO₂ emissions are calculated using the revised ton-kilometer method.

Waste reduction and bolstering recycling

Recycling stations to recover waste paper

The PPIH Group strives to reduce waste and promote recycling in order to realize a recycling-oriented society.
At some MEGA Don Quijote and Don Quijote stores, recycling stations are set up in-store to collect used paper such as cardboard and magazines for use by local customers. Recycled paper brought in will be redeemed at 1kg = 1 majica point, which can be used for purchases at PPIH Group stores. As a service that reduces household waste and makes effective use of resources, as well as a value-added service that allows customers to earn points, it has gained the support of customers, leading them to return to the store.
Through these services, the PPIH Group is working together with its customers to realize a recycling-oriented society.



Reduction of waste associated with promotional materials

It is customary for manufacturers to send promotional materials to retail stores by courier service, and cardboard boxes for individual packaging are consumed and disposed of, resulting in waste that is not utilized by stores and ends up in disposal.
In order to reduce waste and improve operational efficiency, manufacturer (ROHTO Pharmaceutical Co., Ltd.), wholesaler (PALTAC CORPORATION), and our Group's Don Quijote stores are working together to carefully select the necessary quantity of promotional materials and the stores where they will be installed, as well as to use paper materials with low environmental impact and to establish a system for batch delivery to the bases. We have also established a system for the use of paper materials with low environmental impact and batch delivery of materials to bases.
We will continue to work with our partners to optimize and streamline the entire supply chain and reduce waste.