

# Sustainability at the PPIH Group

## The PPIH Group's basic sustainability policy

Based on our corporate principle of “The Customer Matters Most”, the PPIH Group is committed to resolving important environmental and social issues (materiality) through its core business of general retailing, with a primary focus on supporting the lifestyles of local customers and providing them with the enjoyment of shopping. We aim to achieve both the realization of a sustainable society and medium- to long-term enhancement of corporate value through dialogue with our stakeholders.

## Materiality

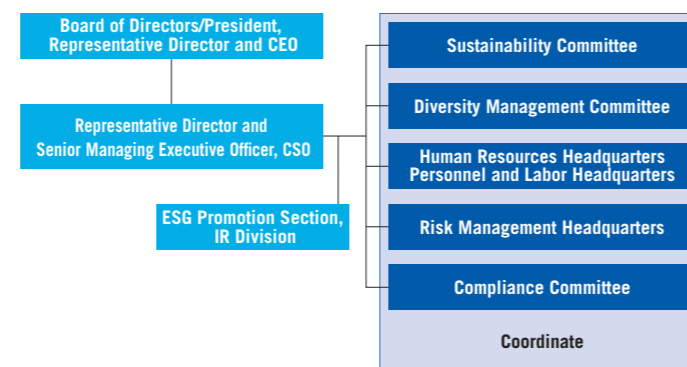
At the time of formulating the Visionary 2025/2030 medium- to long-term management plan, we discussed the expectations and significance of the Group to our stakeholders and the social issues that we can contribute to solving by leveraging our strengths, and re-identified the key issues (materiality) for the realization of a sustainable society and company.



## Organization and systems

Each sustainability promotion measure is planned and proposed by the committees and divisions in charge in each area under the supervision of the Executive Officer in charge, the Representative Director and Senior Managing Executive Officer, CSO (Chief Strategy Officer), and is reflected in the business activities of the Group companies.

In addition, we regularly report on our activities at board meetings in order to formulate policies and goals, with important initiatives being discussed and approved before being implemented.



## Introduction of the major committees

### Sustainability Committee

The Sustainability Committee, chaired by the Executive Officer & Head of Risk Management, meets once per month. It addresses issues such as the Task Force on Climate-related Financial Disclosures (TCFD), reduction of CO<sub>2</sub> emissions, development of a supply chain management system respecting human rights and the environment, and reduction of plastic and waste. The subcommittees have been established for each theme as a subordinate organization of this committee, so that each subcommittee can plan and formulate concrete measures to reflect in our business activities. In addition, regular meetings with outside committee member Hidemi Tomita, who has expertise in sustainability management, are held once a month to discuss specific issues with professional perspectives.

### Diversity Management Committee

The Diversity Management Committee is chaired by the Director & Executive Officer in charge of diversity management and meets once a month. The Committee plans, drafts, and implements a variety of measures to promote the active participation of diverse human resources, including female and LGBTQ+ employees, through cross-sectional cooperation among several related divisions, such as the Personnel System Planning Division, Labor Management Division, and Recruiting Management Division.

### Comment from an expert on materiality

**As a responsible large enterprise, I hope to see PPIH dazzling the world by promoting its unique style of sustainability**

Sustainability Committee  
Outside Committee member  
**Hidemi Tomita**  
Managing Director,  
Institute for Sustainability  
Management



“With great power comes great responsibility”—as this maxim illustrates, the expectations placed on the PPIH Group, which has achieved sustainable growth, have now reached the level of what is expected of a responsible large enterprise.

Among the initiatives and disclosures that PPIH has undertaken so far, I value the disclosure of information related to human capital in this integrated report. Its content clearly sets out the issues and response policies in the Group's human resources strategy, highlighting its distinctive character and setting it apart from other companies. By quantitatively and continuously monitoring the effects of the measures and flexibly adjusting KPIs and methods as necessary, I expect the Group to achieve further progress and evolution.

In the area of supply chain management, PPIH can also be commended for its efforts in steadily advancing human rights due diligence. On the other hand, expanding the scope of risk-based monitoring, improving methods for accurately correcting issues and remedial mechanisms, and quantitatively demonstrating the results of these

efforts, are some forms of disclosure that investors call for and are likely to further enhance trust.

Concerning the reduction of CO<sub>2</sub> emissions, 2030 targets have been set based on emission intensity per unit of sales. However, since the absolute value of emissions have been reduced, the next step will be to change to using an absolute value basis for measuring targets and progress, with an eye to the future.

Furthermore, in tandem with the expansion of its business areas, I expect PPIH to take on the challenge of new forms of responsible marketing that give consideration to human rights and the local culture and religion, while leveraging the unique customer approach it has cultivated thus far.

The PPIH Group has a track record of achieving business growth through unique ideas. I hope that it will apply the same creativity to the field of sustainability. I expect the Group to come up with new and unprecedented measures that remain true to its fundamentals and essence, and create a future that will have an impact on both society and business performance.

The latest information on key initiatives and continuous numerical data are available on our corporate website and ESG Databook.

[Sustainability Webpage](https://ppih.co.jp/en/sustainability/)  
<https://ppih.co.jp/en/sustainability/>



[ESG Databook](https://ppih.co.jp/en/sustainability/esgdatabook/)  
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