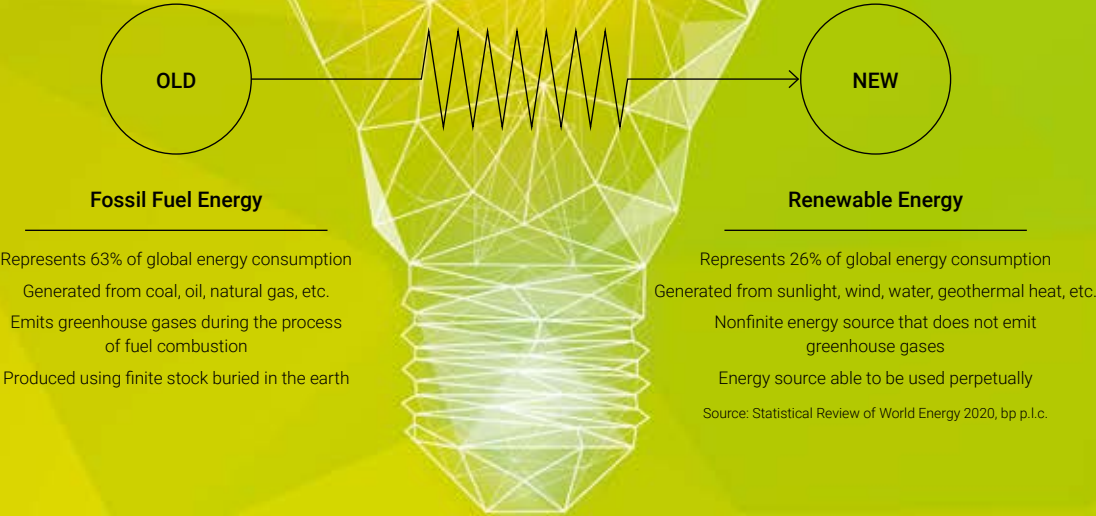


# ACTION FOR THE FUTURE

## CO-CREATION ECOSYSTEM

### ACTION FOR THE FUTURE



## 01 Green Recovery Shaping the Future

We use energy every day, whether it be in the form of electricity, gas, or gasoline. A large portion of the energy used around the world is derived from fossil fuels, and generation of energy using these fuels entail emissions of massive quantities of CO<sub>2</sub> and other greenhouse gases, which are a cause of abnormal weather events and natural disasters. If we continue to use energy from fossil fuels at the current pace, it is estimated that the average global temperature will rise 4°C above pre-industrial levels by the end of the century, which would bring a destructive end to the environment as we know it. The global COVID-19 pandemic stimulated a movement to reset our economy. An important global keyword with regard to this movement is "green recovery," which signifies a switch to sustainable economic activities. There has thus been a spread in the idea of building resilient social and economic models by injecting initiatives for addressing environmental issues into efforts to reset the economy.

### Renewable Clean Energy

As the world pursues a green recovery, the shift toward renewable energy is gaining attention on a global scale. Renewable energy is generated from sources including naturally occurring sunlight, wind, water, and geothermal heat. These energy sources can be used to keep social infrastructure functioning without concern for resource depletion or for greenhouse gas emissions. At the United Nations Climate Action Summit held in New York in 2019, 77 countries from around the world declared their commitment to pursuing carbon neutrality, effectively decreasing greenhouse gas emissions to zero, by 2050. Carbon taxes and restrictions as well as other measures are being implemented on a national level to work toward the realization of a carbon-free society. Against this backdrop, Japan's efforts have been limited to announcing a goal of sourcing between 22% and 24% of the country's energy from renewable energy by 2030.



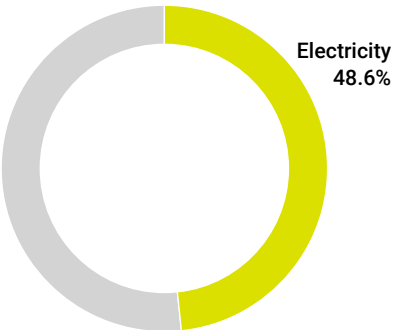
## Era of Energy Choice

Global energy consumption in 2030 is estimated to be roughly twice the level of 1990. As the No. 5 global emitter of greenhouse gases, Japan currently generates 87.7% of its energy using fossil fuels, which come from finite stock developed within the earth over a period of hundreds of millions of years. The depletion of fossil fuel resources has been recognized as an issue since the 1970s, but we still have yet to escape from our dependence on the fuels. The future of the earth can only be saved if we all accept the truth of the crisis we face and choose to shift toward more renewable options.

### Action by All Stakeholders

Roughly 20% of Japan's greenhouse gas emissions are attributable to households, of which 48.6% comes from electricity consumption. Here we see the potential that could be realized if people shift toward clean renewable energy. MARUI GROUP is working toward its goal of sourcing 100% of the electricity used in its business to renewable energy. By working toward this goal, we have become aware of the fact that customers too have great interest in renewable energy. MARUI GROUP thus chose to launch a project for commencing services that make it easier for customers to choose renewable energy (see pages 52–53). We recognize that substantial contributions to the realization of a sustainable society can be made if all of MARUI GROUP's stakeholders embrace renewable energy. We have thus embarked on actions for the future to promote the shift toward renewable energy together with customers.

### Breakdown of Household Greenhouse Gas Emissions in Japan by Source



Source: Greenhouse Gas Inventory Office of Japan

Provision of Options for Creating a Brighter Future and  
Preserving the Global Environment for Future Generations

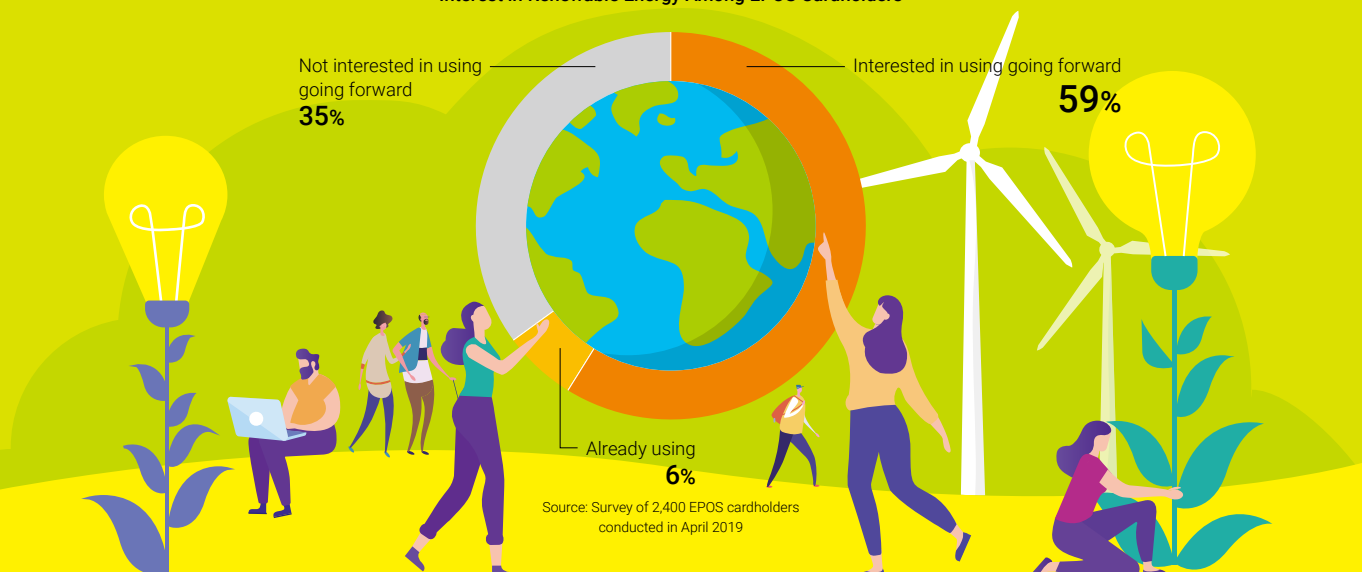
## Start of Project for Promoting Shift to Renewable Energy!

MARUI GROUP has joined the RE100 international initiative, declaring its target of sourcing 100% of its electricity from renewable energy by 2030. We are shifting to renewable sources for power at Marui and Modi stores nationwide to further us toward the accomplishment of this goal. MARUI GROUP has begun supplying renewable energy with visibility of producers together with Minna-denryoku, Inc. In addition, we have launched a project aimed at reducing CO<sub>2</sub> emissions by promoting renewable energy use through collaborative efforts with both facilities and customers. Through these efforts, we are targeting reductions in CO<sub>2</sub> emissions of 1 million tons by the fiscal year ending March 31, 2025, to help address environmental issues together with customers through renewable energy.

### Desire to Use Renewable Energy Indicated by 60% of EPOS Cardholders

A survey of EPOS cardholders conducted in 2019 indicated that approximately 60% of cardholders had a desire to use renewable energy. However, only around 25% of cardholders have actually switched to renewable energy due to the difficulties associated with changing power companies.

#### Interest in Renewable Energy Among EPOS Cardholders



#### MESSAGE FROM A SUSTAINABILITY EXPERT

I have high praise for MARUI GROUP's approach toward sustainability through co-creation management. There are a lot of companies for which the formulaic initiatives themselves, advocated by the Global Reporting Initiative (GRI),\* the International Integrated Reporting Council, and the Sustainability Accounting Standards Board, become the primary goals. MARUI GROUP, meanwhile, is setting clear goals from a long-term sustainability perspective and working toward these goals. The Company has recently launched a project for promoting the shift to renewable energy. This project is one facet of its approach toward co-creation sustainability management. GRI and the other international standards were designed to serve as benchmarks for the initiatives of forward-looking companies. In other words, the second the standards are made, a precedent has already been set. I want to see MARUI GROUP going beyond simply complying with existing standards to advance unique initiatives and thereby set new precedents for businesses, ecosystems, and standards. Japanese companies are not known for setting new standards, but I hope that MARUI GROUP can become a leader in this regard.

\* A nonprofit organization tasked with the mission of issuing international sustainability reporting disclosure standards



**Hidemi Tomita**

Representative Director  
Lloyd's Register Japan K.K.

### Easy Two-Step Application for Renewable Energy Services

Customers have expressed that changing to renewable energy is difficult and a bit of a hassle. To address this issue, MARUI GROUP has made it possible to apply for renewable energy services in two steps from a special page on its EPOS Net portal site for EPOS cardholders. This smooth application process is made possible by provision of basic customer information necessary for contracts between Minna-denryoku and Epos Card Co., Ltd.



#### Words of Encouragement from Minister of the Environment

In September 2020, a meeting was held with Minister of the Environment Shinjiro Koizumi (center in picture above) at the Ministry of the Environment. MARUI GROUP President Hiroshi Aoi (left in picture above) and Minna-denryoku Representative Director CEO Eiji Oishi (right in picture above) attended and led the minister through the two-step process of applying for Minna-denryoku's renewable energy services. Minister Koizumi offered us words of encouragement, stating that easy application systems are imperative for getting individuals to switch to renewable energy and expressing his desire to use this initiative as a door opener to encourage action by other companies and industries in our quest to realize a carbon-free society.



Please refer to the following website for details (Japanese only).  
[www.to-mare.com/news/2020/post-8.html](http://www.to-mare.com/news/2020/post-8.html)

#### Application Requiring Only Smartphone and Billing Statement



## みんぱ電力エポスプラン

Minna-denryoku EPOS Plan

### Minna-denryoku EPOS Plan for EPOS Cardholders

In addition to the easy two-step application process for Minna-denryoku's renewable energy services, we also offer the Minna-denryoku EPOS Plan for EPOS cardholders. This plan has three characteristics.

#### Characteristic 1: 100% Renewable Energy\*<sup>1</sup>

The electricity provided through this plan is effectively 100% sourced from renewable energy through a combination of solar power, wind power, and hydropower as well as non-fossil fuel certificates with environmental value provided through feed-in tariff schemes.\*<sup>2</sup>

\*<sup>1</sup> Supplied electricity is effectively 100% sourced from renewable energy through use of non-fossil fuel certificates provided via feed-in tariff schemes (resulting in zero CO<sub>2</sub> emissions).

\*<sup>2</sup> Schemes in which electricity generated from renewable sources, namely solar power, wind power, hydropower, geothermal power, and biomass power, is purchased by power companies.

#### Characteristic 2: Visibility of Contributions to CO<sub>2</sub> Reductions

Switching to the renewable energy through the Minna-denryoku EPOS Plan allows customers to reduce their CO<sub>2</sub> emissions to zero, meaning this plan has the potential to prevent global warming. Users of this plan are able to see their contributions to CO<sub>2</sub> reductions via our website.

#### Characteristic 3: Benefits Providing Tangible Connections

The Minna-denryoku EPOS Plan offers various benefits from users and generators of renewable energy. Moreover, 0.5% of electricity fees are used to fund forest preservation and reforestation activities in Japan.

These connections to resolving environmental issues are made more tangible through means such as allowing customers to view progress in tree planting activities online.



#### Launch of Minna-denryoku EPOS Card

In October 2020, we launched the Minna-denryoku EPOS Card as a symbol for renewable energy that can be used by eco-conscious customers. As an application benefit, ¥1,000 will be donated to renewable energy generators upon application. Moreover, we will transform the card itself into a sustainability initiative by replacing the prior disposable plastic cards with cards made from eco-friendly materials, a first for Japanese credit cards, in April 2020.



Please refer to the following website for fee estimates and application (Japanese only).  
[www.eposcard.co.jp/minden/index.html](http://www.eposcard.co.jp/minden/index.html)

### Target of Sourcing 100% of Electricity from Renewable Energy by 2030

Approximately 80% of the CO<sub>2</sub> emissions from MARUI GROUP are associated with electricity use. To curb these emissions, the Company became a member of the RE100 international initiative and declared its target of sourcing 100% of its electricity from renewable energy by 2030. We began working toward this target by forming a business and capital alliance with Minna-denryoku in December 2018, after which we started converting to renewable sources for electricity at Marui and Modi stores, beginning with Shinjuku Marui Main Building. Furthermore, we completed registration of Group company MARUI FACILITIES Co., Ltd., as a power retailer in September 2019, making it possible to procure power directly from power producers. Direct procurement of renewable energy was commenced in April 2020, and we aim to source 50% of our power from renewable energy, including that procured from other power companies, in the fiscal year ending March 31, 2021.