NEWS RELEASE

July 10, 2018

Notice of Membership of RE100 International Initiative Advocating Commitment to 100% Renewable Power —Promotion of Renewable Power through Blockchain—

MARUI GROUP CO., LTD., announces that the Company has become a member of **RE100**, an international initiative comprising a collective of companies committed to the procurement of 100% of the electricity used in their business activities from renewable power sources.

<Target>

• Source 100% of electricity used in business activities from renewable power sources by 2030 (Interim target: Source 70% of electricity used in business activities from renewable power sources by 2025)

About RE100

RE100 is an international initiative led by the international NGO The Climate Group in partnership with CDP.* Companies joining this initiative are asked



to declare and disclose their commitments to sourcing 100% of the electricity used in their business activities from renewable power sources by the earliest possible time and 2050 at the latest.

* CDP is a U.K.-based NGO established in 2000 that investigates and evaluates the efforts of companies and cities to address environmental issues and discloses this information to investors.

Message from Sam Kimmins (Head of RE100, The Climate Group)

"By committing to 100% renewable power, MARUI GROUP is growing corporate demand for renewables in Japan and accelerating the country's low-carbon economy. In trialing blockchain technology to trace renewable sources, MARUI GROUP is further showcasing how high levels of ambition can drive smart energy innovation."

■Initiatives for Accomplishing Target

< Promotion of New Renewable Power Service>

MARUI GROUP will take part in a trial of a new service, ENECT RE100 Plan, to be provided by

Public Relations Office, MARUI GROUP CO., LTD. 3-2, Nakano 4-chome, Nakano-ku, Tokyo 164-8701, Japan Telephone: 03-3384-0101 (Receptionist) Fax: 03-5343-6615 Minna Denryoku Co., Ltd., as one facet of its efforts to promote the introduction of renewable power services.

This service, which MARUI GROUP believes is compatible with RE100's renewable power sourcing principles, is the first in Japan to use blockchain technologies to allow for the identification of the renewable power plant from which power has been supplied (power source traceability).

Looking ahead, MARUI GROUP will aspire to utilize its distinctive strengths to engage in cutting-edge renewable power initiatives through co-creation with Minna Denryoku.

For more information, please refer to the news release issued by Minna Denryoku Co., Ltd., on July 10, 2018 (Japanese only): →<u>http://corp.minden.co.jp/news_content</u>

About Minna Denryoku Co., Ltd.

have received such certification.

Based on the theme of "power behind smiles," energy innovation venture company Minna Denryoku created the first scheme in Japan to support power producers. This company aims to establish frameworks that will enable anyone to chose where they get their electricity in order to aid in the spread of renewable power. For example, they are developing a platform for trading power between individuals using blockchain technology.

<Reduction of Electricity Use in Pursuit of Clear Targets>

MARUI GROUP has set greenhouse gas emissions reduction targets based on its electricity use reduction targets. These targets have been certified by the international initiative Science Based Targets.

This is the first time that targets set by a Japanese retail company DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

SCIENCE

The targets call for us to achieve a 40% reduction in Groupwide total greenhouse emissions attributable to Scope 1^{*1} and Scope 2^{*2} from the level in the fiscal year ended March 31, 2017, by the fiscal year ending March 31, 2031, and a 35% reduction in Scope 3^{*3} emissions over the same period. In addition, we have set a long-term target of pursuing an 80% reduction in the combined volume of Scope 1 and Scope 2 emissions from the level in the fiscal year ended March 31, 2017, by the fiscal year ending March 31, 2051.

By defining these clear reduction targets, we hope to further promote the conservation of electricity.

^{*1} Emissions from transportation by Company vehicles, distribution centers, etc.



*2 Emissions from operation of MARUI GROUP's stores and offices

*3 Emissions from the manufacture, sale, and use of products and from other areas of the value chain

For more information, please refer to news release "MARUI GROUP's Greenhouse Gas Reduction Targets Become First Targets by Japanese Retail Company Certified by Science Based Targets":

→ <u>http://www.0101maruigroup.co.jp/pdf/settlement/18_0329/en_18_0329_1.pdf</u>

Initiatives for accomplishing our greenhouse gas emission reduction targets will be implemented to lower the environmental footprint of MARUI GROUP and to accelerate us toward our goal of sourcing 100% renewable power.

The decision to join RE100 was inspired by MARUI GROUP's co-creation sustainability management philosophy. MARUI GROUP took its first step in co-creation sustainability management in 2016. This forward-looking management approach merges our business, environmental, social issue response, and governance initiatives in an integrated manner.

In conjunction with the adoption of this new approach, we also redefined the focus of our business from serving all customers to promoting **inclusion**. This redefinition was accompanied by the establishment of four core themes related to inclusion that are also based on the United Nations Sustainable Development Goals.

One of MARUI GROUP's four core themes is **ecological inclusion**. Based on this theme, we develop eco-friendly businesses to contribute to the realization of a low-carbon, recycling-oriented society and propose ecologically sound lifestyles that are in harmony with nature and the environment.

MARUI GROUP's co-creation sustainability management approach is explained in more detail in the following documents. *Co-Creation Management Report 2017* <u>http://www.0101maruigroup.co.jp/en/ir/lib/i-report.html</u> *Co-Creation Sustainability Report 2017* <u>http://www.0101maruigroup.co.jp/en/sustainability/lib/s-report.html</u>



<u>Company Overview</u>

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