

# **Aeon's activities for reducing GHG emissions**

**November 3, 2009  
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Aeon Co., Ltd.**

**1. Overview of our activities for reducing GHG emissions**

**2. Carbon footprint activities**

**3. Seeking for sustainability**

# Outline of Aeon group



## Operating results

( Fiscal year ended February 2009, consolidated )

**Total revenues 5,230 billions of yen**

**Operating profit 189 billions of yen**

## Number of Companies

**182 companies**

## Number of Stores and Settlement Report\*1

Number of stores	FY2008	FY2007
General merchandise stores (GMS)**	966	942
Supermarkets	1,059	1,001
Supercenters	16	14
Department stores	1	1
Home centers	80	69
Convenience stores**3	3,270	3,082
Specialty stores	4,748	4,518
Financial services	395	233
Food services	505	533
Services	1,116	1,069
Drugstores**4	2,342	1,730



**Aeon will reduce total GHG emissions in FY2012  
by 30% with FY 2006 as the base year**

**Reduction in store equipment  
and system – 500,000 CO<sub>2</sub>eq-t**

**Reduction in products and  
distribution – 570,000 CO<sub>2</sub>eq-t**

**Reduction achieved with  
customers – 310,000 CO<sub>2</sub>eq-t**



# Store facility initiatives



## Stores

### Development of eco-stores

We will develop eco-stores which can reduce GHG emissions by 20% in comparison with existing stores.

Install solar energy generation equipment into 200 stores by 2012.

### Enhancement of energy saving initiatives by staff at stores

We will visualize GHG emissions and act for energy saving at stores.

- 500,000 t

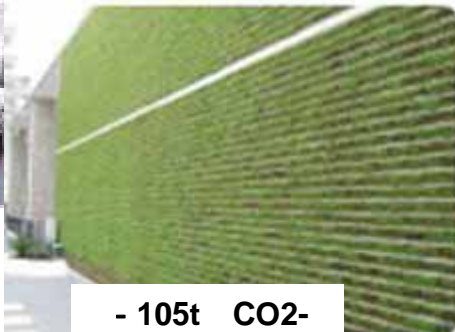
## Eco-store development

Utilization of Japan's environmentally friendly techniques

- 6060t CO2-eq



## Greenery



- 105t CO2-eq

## Energy saving

## Solar panel



About 4,000m<sup>2</sup>

## Energy saving activities by employees

### Challenge of Aeon retail co.,ltd.

Graphs showing reduced level of power consumption



## Eco-friendly TV displays



**Power consumption -8.2%,**

Over a three-month period compared to the previous year



# Production and distribution initiatives

## Products

### Reduction of carbon footprint through whole life cycle of products

We will reduce carbon footprint of products thorough whole product life cycle stages including material procurement, production, distribution, use and disposal/recycling stages.

- 570,000 t



Use of bio fuel at farming site  
**Banana - 7.8t-CO<sub>2</sub>eq**



Reduction of transportation distance  
+ Increase of load efficiency  
**Tissue -1,073 t-CO<sub>2</sub>eq**

Reduction of use stage –  
Reduction of electricity consumption  
**Light bulb -13,990 t-CO<sub>2</sub>eq**



Weight saving and thin-walled  
package  
**Total:-721t-CO<sub>2</sub>eq**



Modal shift  
+ recycled material use  
**Fleece jumper-1,073 t-CO<sub>2</sub>eq**

Reduction of waste - Expansion of  
refillable product assortment  
**Detergent -1,073 t-CO<sub>2</sub>eq**



# “Together with customers” initiatives

With  
customers

## Tree planting activities to absorb CO2

Accumulative total of 11 million trees will be planted by the end of 2012 through the activities with our customers in Japan and overseas since 1991.

## Bring your own bag campaign

We will reduce CO2 emissions attributed to plastic shopping bags to zero by 2012.

### Tree planting activities

In Malaysia

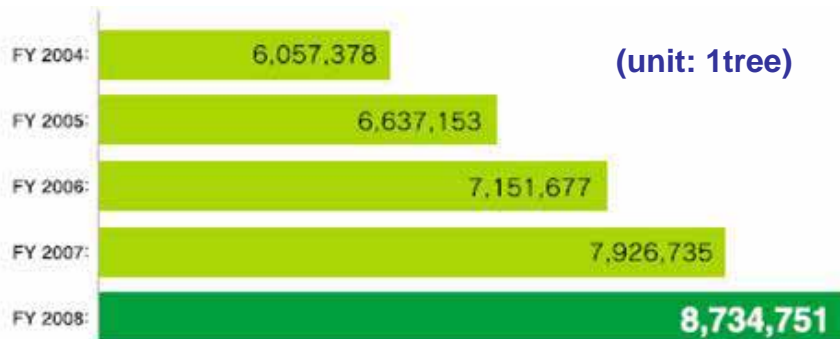
2008



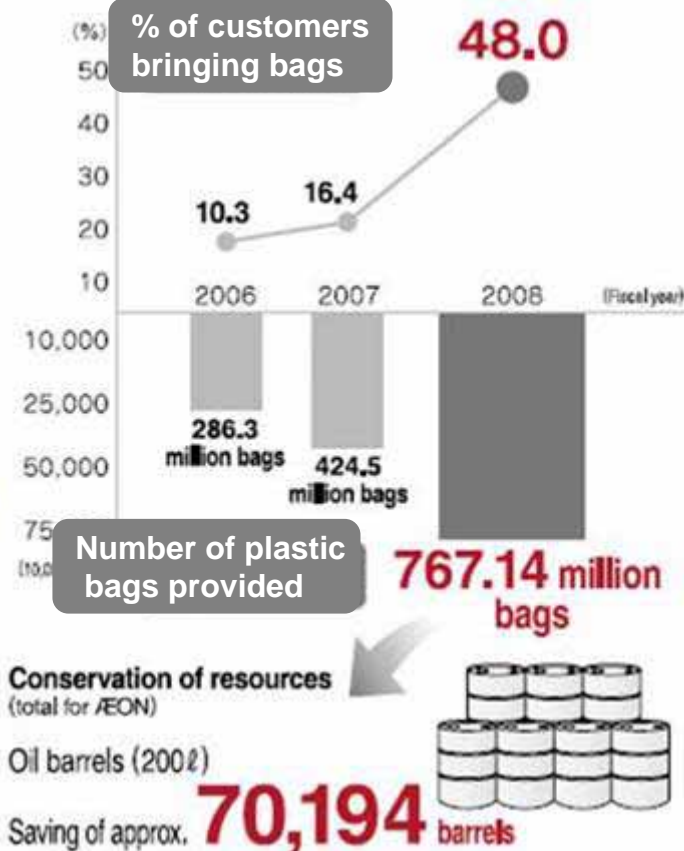
2004



### Total number of trees planted



### Bring your own bag campaign



# Our aim to visualize carbon footprint



**Environment** Providing low-carbon products for customers

If we put carbon footprint labels on products, customers can recognize CO2 emissions of products easily. We wish to support customers' shopping by providing selection of low carbon products.



**Economy** Reducing CO2 and cost by saving energy.



Household expenditure can be saved by saving electricity consumption and saving CO2 emissions. Our production process can be similar to household. We will try to save CO2 by visualizing CO2 and finding reducing point from our private brand "Topvalu" products.

**Safety** Enhancing accuracy of traceability by collecting data.

We need to quantify detailed activities in each process through whole life cycle of products. We are trying to increase the traceability accuracy level through understanding details of each process.





## Carbon footprint activities

-Showing GHG emissions on our products

Started with our private brand,  
“Topvalu” products.

Rice, vegetables, retort packed rice,  
frozen spinach, paper,  
rechargeable battery



CO<sub>2</sub> Emissions  
5,296g

Material  
procurement  
and production



CO<sub>2</sub> Emissions  
1,091g

Distribution  
(Transportation  
and sales)



CO<sub>2</sub> Emissions  
1,343g

Use and  
disposal/  
recycling

# Products sales with carbon footprint label

We sold 9 items as for test marketing of CFP

Store display with CFP sign board



Rechargeable battery



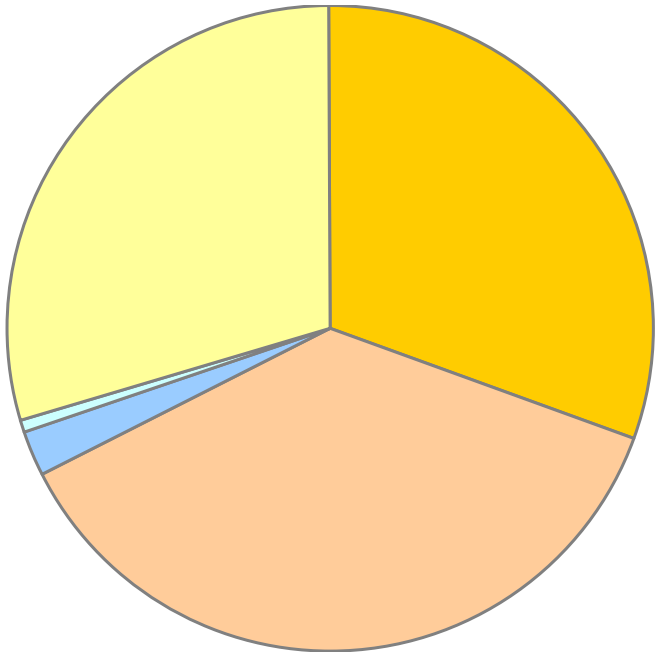
Paper








Carrot

## Purchase intention survey on products with carbon footprint

Are you interested in purchasing Products with carbon footprint?



 very much	 more or less
 little	 not at all
 unidentified	

Source: Customers survey of Aeon. N=224

### Voices from customers for CFP

- "Price is 1<sup>st</sup> priority for product selection."
- "If price is reasonable, I wish to buy products with carbon footprint labels"
- "I wish to buy products which have good quality and are environmentally friendly"
- Saving something may be environmentally friendly, but the quality should be ensured.
- The products we can't use for a long time are not environmentally friendly.



**Customers are interested in CFP, but quality and price are also important.**

**=Ecology + Economy**



# Exhibition of our CFP activities

## We exhibited our CFP activities at Eco-Products 2008.

- About 50 products were shown with the number of carbon footprint.
- Among 50 products, food, commodity, clothing, home fashion products were included.



## Eco-Products 2009

Dec.

10

11

12

10:00 a.m. – 6:00 p.m.

Venue:  
Tokyo Big Sight



# Recent CFP activities

## Japanese CFP Pilot Project (2009 – 2011)

Development of PCR \* for CFP

PCR review by PCR Committee

Publication of PCR for CFP

CFP study

Independent verification for CFP

CFP review by PCR Committee

\*PCR...

Product Category Rule

Permission of CFP label use

cleared

Detergent for apparel

Canola oil

Rice

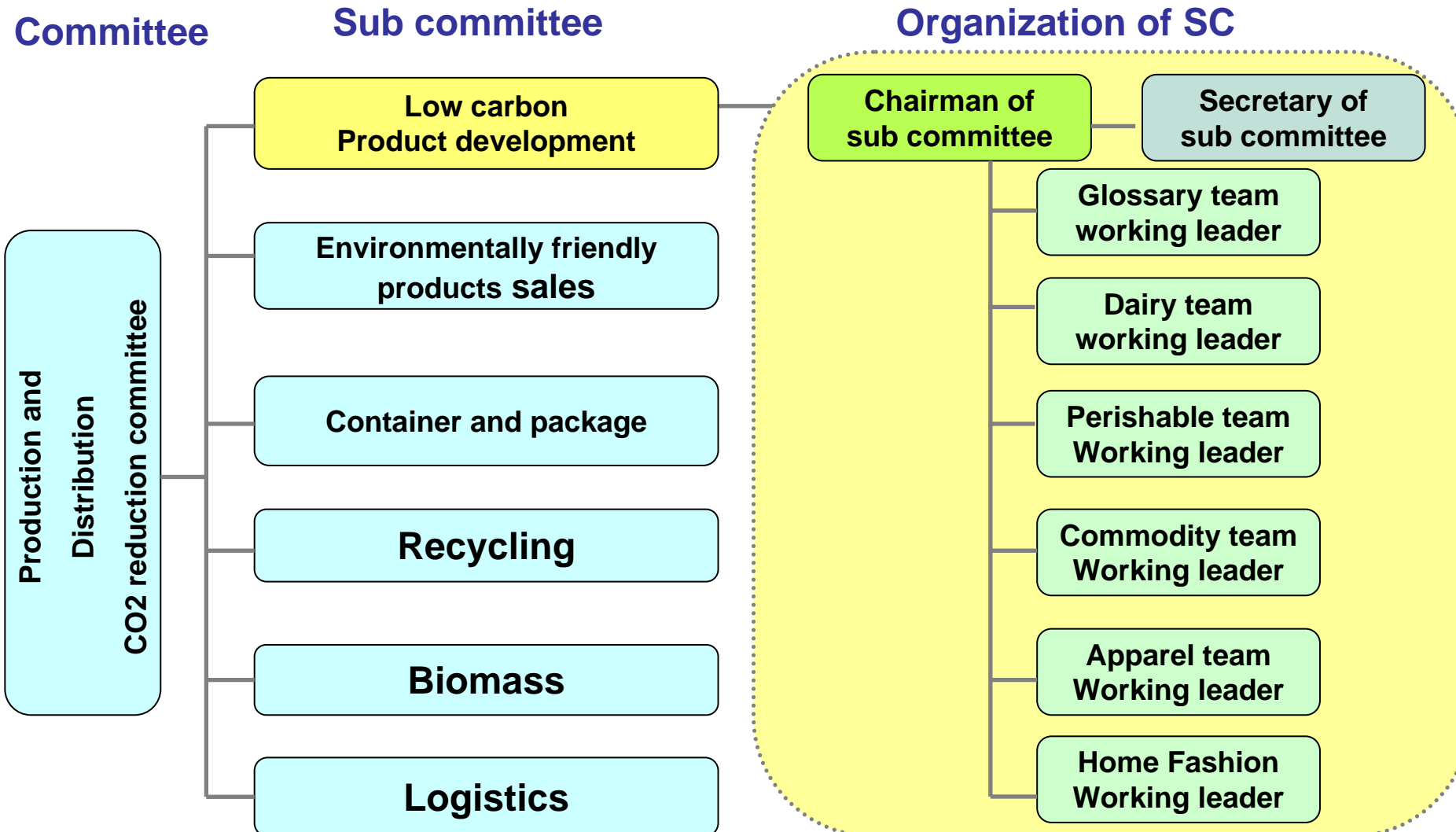




# Management scheme of GHG reducing activities



The organizational activity and management of goal is a key for the success.



## Environmental impact and key issues to be managed

Ex.) Agricultural products

### Ecosystem disturbance

#### Counter measure:

Protection of biodiversity

#### Key issues:

Genetic resource

Alien species

Natural habitat

Plant protection products

### Global warming

#### Counter measure:

GHG management

#### Key issues:

Energy

Fertilizer

New land preparation

Soil

### Shortage of resource

#### Counter measure:

Resource management

#### Key issues:

Water

Energy

Waste (recycle and re-use)

Soil

Should we manage these impacts and ensure sustainability  
by using YES / NO check lists with minimum requirements  
and/or  
by using LCA method for continuous improvement?

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# Thank you!

- **Information of Aeon Co., Ltd.**

**<http://www.aeon.info/en/>**

- **Tree planting activities provided by Green TV Japan**

**<http://www.japangreen.tv/act/#/000406>**