

# Environment

## Fundamental Policy

The PARCO Group recognizes global environmental issues as an important theme in its business activities in shopping centers and related fields. Through the promotion of environmental preservation activities, the Group seeks to leave a sustainable society for future generations.

To this end, the Group aims to reduce the environmental impact of the commercial spaces it creates. These efforts include cooperating with tenants and other transaction partners, and making sure that customers and local communities are informed of the Groups activities and accept them.

### Course of Action

---

#### Environmental preservation activities

1. In consideration of the environment, all PARCO Group stores and business locations will adopt measures to conserve resources and energy.

The Group will review its environmental initiatives periodically to continually improve them.

2. The Group will take initiatives to reduce electricity consumption, which accounts for the majority of energy consumed at commercial facilities.

In particular, the Group will strive to reduce energy consumption by facilities and equipment indispensable to the operation of shopping centers, such as air conditioning equipment, escalators and elevators, and lighting fixtures. Furthermore, the Group will use energy efficiently by introducing state-of-the-art technology and other measures.

3. The Group and its tenant companies will work together to conserve energy on an ongoing basis. Specific efforts will include reducing use of cooling and heating within buildings to optimize climate control, and precisely managing the operating hours of facilities and equipment.

4. The Group and its tenant companies will strive to reduce environmental impacts through initiatives to recycle and reuse, as well as to reduce waste.

5. In planning new stores, the Group will challenge itself to create new commercial facilities that have low environmental impact. This effort will include every aspect from plans for construction and facilities, to interior design.

### **Communal activities**

6. The Group will actively participate in charitable activities as a member of local communities, and help build hospitable urban environments.

### **Event tie-up activities**

7. The Group will actively incorporate campaigns with an environmental theme in the events it sponsors and its sales promotion activities.

### **Employee awareness and education**

8. All PARCO employees will be made aware that they are a participant in environmental preservation activities. Whether at home or at work, employees will be expected to lead efforts to recycle, conserve energy and sort their waste.

The Group will encourage and support its employees in coordination with its tenant companies to promote these activities.

### **Compliance with laws and regulations**

9. All PARCO Group employees will comply with treaties, laws, regulations and other rules concerning the environment, and act with care about humanity and the earth's environment.

# Environment

## Specific environmental initiatives

### Activities to save energy and resources



#### Relaxation of air-conditioning temperature settings inside stores

We use an appropriate temperature setting and measure on-site temperatures separately on each floor and during each time period. In this way, we were able to reduce our CO2 emissions even more. Even after that period, we worked hard throughout the year to achieve air-conditioning by optimizing the volume of air taken in from outside, and running air conditioners intermittently.



Store entrance stickers

**Promotion of switch-over to LED lighting** Following our efforts to introduce energy-saving lighting, chiefly LED lights, we are lowering not only the levels of heat that our lighting emits, but are also reducing CO2 emissions. With the exceptions of fluorescent lighting and high-efficiency lighting, we've changed our incandescent lighting in our all stores LED lighting since FY2012.



Common LED-lit walkways within stores

#### Reducing the environmental burdens of individual shops

We have several systems in place to reduce these burdens. For example, when a new shop is being planned or an existing shop is being renovated, we place restrictions on the amount of power that we will supply.

PARCO Space Systems is a member of the PARCO Group. We work with them to promote energy savings among the shops in our stores. They carry out an energy consumption audit of each shop and help shops to use less energy.

#### Promoting recycling and reuse

Through the cooperation of tenant businesses, PARCO is proactively working to reduce business garbage and increase renewable use. We are implementing practices including the reuse of plastic hangers, 100% recycling of cardboard and waste oil, and the recycling of compostable garbage into fertilizer. We also use garbage scales to visualize the amount of garbage generated by each tenant, creating a structure that promotes the recycling of every recyclable item.



Garbage scale (Urawa PARCO)

#### Initiatives on the facilities, equipment and usage front

All PARCO stores are making great efforts in energy conservation through the adoption of cooling with outside air in spring, autumn and winter, the introduction of low-energy-consumption lamps and switch timers and by water conservation through the introduction of automatic water conservation valves, toilet flush sound imitators and water conservation sensors.

We are also pursuing initiatives for drawing underground water from wells, cleaning well water, grey water and rain water to reuse as toilet drainage water. At Nagoya PARCO and Urawa PARCO we have adopted co-generation systems, effectively using waste heat from power generation to heat water and in pools.



Grey water facility

## Procurement of Tradable Green Certificates

Some PARCO stores have gained Tradable Green Certificates. These certificates indicate that through the use of solar power and other means, the store has been able to reduce its annual power consumption by an amount equivalent to about 1,122 tons of CO<sub>2</sub>. We plan to use these certificates when we fulfill our obligations to reduce our CO<sub>2</sub> emissions.

## Participate in environmental campaigns and register for institution



### Corporate registration with Fun to Share

Fun to Share is an environmental campaign started by the Ministry of the Environment in March 2014 that aims to realize a low-carbon society by broadly sharing and linking information, technology and knowledge pertaining to reducing CO<sub>2</sub> emissions for companies and private citizens. PARCO, which is setting an environmental policy and working towards energy conservation, announced that it would register in the campaign as a company and pursue environmental initiatives.



### Registering Cool Share and Warm Share spots at PARCO stores across Japan

Cool Share and Warm Share is a campaign promoting region-wide conservation of electricity by having people come together and share cool or warm places instead of using air conditioning by themselves.

PARCO stores have seen an increase in visitors after registering in this program.

エアコン消して 涼しいところに集まろう

COOL  
SHARE

### Participation in the Light Down Campaign

All PARCO stores participated in the Light Down Campaign, led by the Ministry of the Environment, which calls for reducing CO<sub>2</sub> emissions by turning off lights in buildings. Held every year on the summer solstice (around June 21) and Cool Earth Day (July 7), PARCO stores cooperate with this environmental initiative by simultaneously turning off rooftop, sign and other lights.



Chofu PARCO before (left) and after (right) turning off the lights

### Certified Gold in the Chofu Eco Office System

The Chofu PARCO has received a Gold certification in the Chofu Eco Office System. This certification system is run by Chofu City to support businesses in becoming more eco-friendly.

There are three levels of public certification, gold, silver and bronze, for businesses that proactively work to develop consciousness about waste reduction and recycling.

### Certified as an Musashino City Eco Partner

The Kichijoji Parco has received the Musashino City Eco Partner Certification. This certification is run by Musashino City to promote the reduction of waste from businesses. Businesses that meet standards on recycling magazines and compostable garbage are publically certified.

### P'es Lighting

Group company PARCO Space Systems has, in collaboration with other companies, developed and is selling P'es Lighting, an original lighting fixture with a reduced burden on the environment.

Together with LED lighting, design and interior construction with an eco-friendly theme, we are making proposals for comprehensive building maintenance.

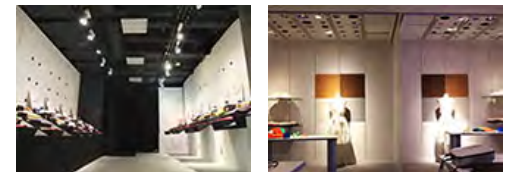


### Lighting consulting

PARCO Space Systems is making proposals for creating business environments that customers find comfortable based on lighting design that considers the characteristics of both the products and the space, and by unifying the lighting environment of the facility as a whole, through facility management including the lighting of shops.

### Inspection committee for comparative inspection of the newest LEDs

In order to provide optimal lighting design that meets the space conditions that clients seek, with the cooperation of manufacturers we periodically convene a committee for comparative inspection of LED lighting fixtures beginning with new fixtures we are inspecting the abilities and energy conservation effects on lighting fixtures from a variety of makers and of different types.



### Continuous improvement through acquisition of ISO50001 certification

Group company PARCO Space Systems received the international ISO50001 certification, which aims for continuous improvement in energy performance, energy efficiency and energy conservation from the Japan Quality Assurance Organization (JQA).

This is the first time a company in the building design, facilities and management industry has received this certification, and we will aim to expand subcontracting by utilizing this to aggressively promote proposals that include reductions to environmental burden and energy costs.



### Reducing copy paper usage

In PARCO's offices we are working to reduce copy paper usage through two-sided and 'N up' (laying out several pages worth of data to print on one page) printing and promoting printing on the back sides of miscopied pages.

We also introduced a system to prevent miscopies where you have to enter you employee number to use complex copiers. We are also creating a paperless system by moving internal documents and notices online.

### Purchasing environmentally conscious products

PARCO has selected copy paper as a priority for reducing the burden on the environment and is pursuing green procurement for some office supplies including stationery, file folders and DVD disks.

We are also contributing to reducing carbon emissions buy promoting the purchase of cleaning supplies such as detergent and wax with carbon offsets.

### Plastic bottle cap collection

Through NPO Re Lifestyle, we sell plastic bottle caps as recycled resources, with profits donated to an international support organization\* that helps provide vaccinations. (From May 2015)

\*International support organization: NPO Japan Committee Vaccines for the World's Children

### Cool Biz and Warm Biz

In order to reduce energy used for air conditioning, PARCO has established temperature settings for its offices in summer and winter and is practicing Cool Biz and Warm Biz.

We continued this in FY2014, setting thermostats at 28°C during the Cool Biz period in order to promote energy savings in the summer, and are encouraging styles such as short-sleeved shirts and polo shirts in addition to the usual no jacket and tie, where staff can work in the office comfortably in summer.

**Increasing awareness of environmental issues among staff** In order to create opportunities for all staff to think about the environment as an issue close at hand, PARCO is participating in the Ministry of the Environment-led Challenge 25 Campaign and Fun to Share, as well as encouraging staff to take the Tokyo Chamber of Commerce and Industry-led Certification Test for Environmental Specialists® (Eco Test)\*.



As of FY2015, PARCO has turned out a total of 174 certification holders and PARCO Group 362. By offering support including covering the entire test fee and distributing and lending texts internally, we have established a structure that makes it easy for staff to take the test.

\*Certification Test for Environmental Specialists® is a registered trademark of the Tokyo Chamber of Commerce and Industry

---

[> Results of activities](#)

[> Environmental Data](#)

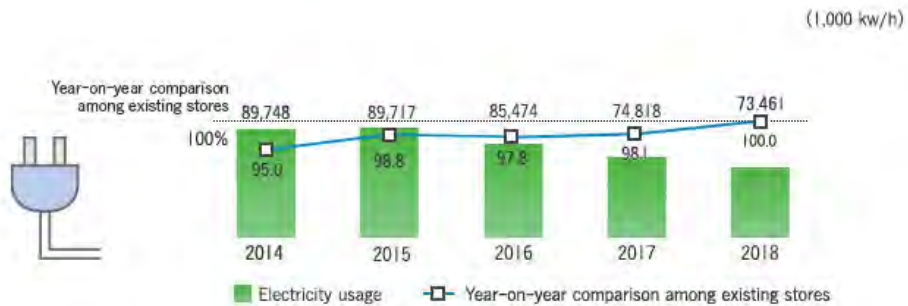
# Environment

## Environmental data

### INPUT



#### Electricity usage



#### Gas usage



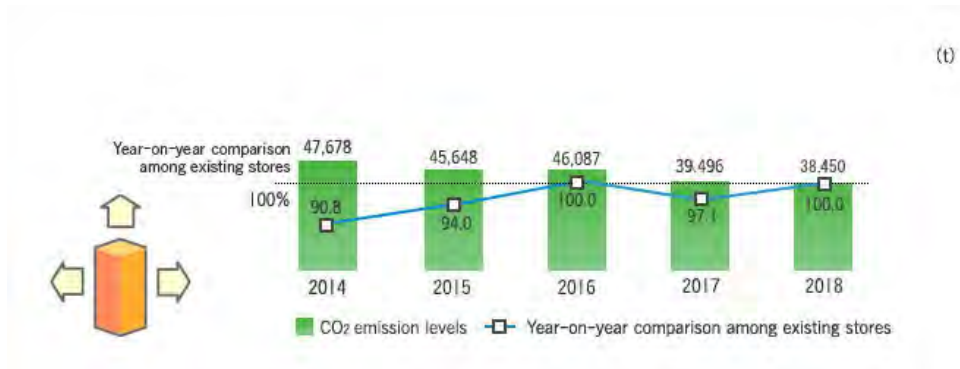
The increases in gas usage in fiscal 2015, 2016, 2017 and 2018 stemmed mainly from adoption of GHP\* for air conditioning and gas cogeneration. With this step, the intent is to reduce electricity usage and the amount of energy consumed on a per-unit basis. \*GHP (gas heat pumps) is an air conditioning system in which an external unit with a gas engine-powered compressor powers a heat pump for heating and cooling.

#### Total water usage





CO2 emission levels



Solid waste generation

Recycling rate

Final disposal amount



Continuing initiatives for reducing waste generated and final amount processed has led to annual increases in recycling ratio.

Waste water volume



The primary cause of the increase in waste water volume in FY2014 is the increase in spring in some store.

A year-on-year comparison among our existing stores. Calculations except the effects of the following events: FY 2016 Sendai PARCO2 opened, Shibuya PARCO temporarily closed, and Chiba PARCO closed, FY 2017 Otsu PARCO closed and PARCO\_ya opened, FY 2019 Kinshicho PARCO opened.

Environmental data (other than waste emission levels, recycling rate and final disposal amount) do not include data from our tenant shops.