

September 29, 2018

## MARUI GROUP to Issue First Green Bonds in Japan to Be Used 100% for Renewable Power

MARUI GROUP CO., LTD., announces that it will issue green bonds\*<sup>1</sup> that are publicly available in Japan in October 2018.

As a member of RE100,\*<sup>2</sup> MARUI GROUP is working to procure 100% of the electricity used in its business activities from renewable power sources, such as solar and wind power. All of the funds procured through this issuance of green bonds will be used to purchase electricity generated from renewable power sources. This undertaking is a first for the domestic retail industry and for Japan as a whole.

### ■ Background and Purpose for Green Bond Issuance

MARUI GROUP practices forward-looking co-creation sustainability management, an approach that merges its business, environmental, social issue response, and corporate 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.



In addition, MARUI GROUP is a member of RE100, an international initiative that encourages companies to source 100% of their electricity from renewable power sources, and we have



established greenhouse gas emissions reduction targets that have been certified by the international initiative Science Based Targets.\*<sup>3</sup>

The decision to issue green bonds was made as part of our efforts to promote ecological inclusion. MARUI GROUP intends to use all of the funds procured through these bonds for initiatives aimed at achieving its targets for sourcing 100% of the electricity used in its business activities from renewable power sources and for reducing greenhouse gas emissions.

## ■ Overview of Green Bonds

Issuer	MARUI GROUP CO., LTD.
Maturity period	5 years
Amount of issue	¥10 billion
Start of issue	October 2018 (tentative)
Use of proceeds	1. Source 100% of electricity from renewable power sources 2. Reduction of GHG emissions 3. Renewable power generation
Leader managers	Nomura Securities Co., Ltd., Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
Green bond structuring agent* <sup>4</sup>	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.

\*1 Green bonds are bonds issued for the purpose of procuring funds for initiatives that address global warming and other environmental issues.

\*2 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 date and by 2050 at the latest.

\*3 The Science Based Targets initiative was jointly established by CDP, the United Nations Global Compact, the World Resources Institute, and WWF. This initiative is tasked with encouraging companies to set science-based greenhouse gas reduction targets with the aim of keeping the average increase in global temperature from pre-industrial times below 2°C.

\*4 A green bond structuring agent supports the issuance of green bonds by formulating the framework for the bonds and offering advice on receiving second opinions.

MARUI GROUP has received a second opinion regarding the eligibility of its initiatives for green bonds in the form of a third-party evaluation from ESG evaluation company Sustainalytics.

→ [https://www.sustainalytics.com/wp-content/uploads/2018/09/Marui-Group\\_Green-Bond-Framework-Overview\\_SPO\\_Final.pdf](https://www.sustainalytics.com/wp-content/uploads/2018/09/Marui-Group_Green-Bond-Framework-Overview_SPO_Final.pdf)

Information on MARUI GROUP's vision for co-creation sustainability management can be found in the following reports.

*Co-Creation Management Report 2017*

→ <http://www.0101maruigroup.co.jp/en/ir/lib/i-report.html>

*Co-Creation Sustainability Report 2017*



→ <http://www.0101maruigroup.co.jp/en/sustainability/lib/s-report.html>

*Co-Creation Management Report 2018* is scheduled to be released in October 2018, and *Co-Creation Sustainability Report 2018* is scheduled to be released in January 2019.

## ■ Company Overview

Name: MARUI GROUP CO., LTD.

Head Office: 3-2, Nakano 4-chome, Nakano-ku, Tokyo 164-8701, Japan

Telephone: 03-3384-0101 (Receptionist) Fax: 03-5343-6615

Corporate Website: <http://www.0101maruigroup.co.jp/en/>

President and Representative Director: Hiroshi Aoi

Major Affiliates: MARUI CO., LTD.; Epos Card Co., Ltd.; AIM CREATE CO., LTD.; etc.