

Environmental Conservation Initiatives

Basic Policy



The MEDIPAL Group strives to reduce greenhouse gas emissions and to promote the appropriate disposal of waste, with the aim of preventing global warming and creating a recycling-oriented society as a Group that contributes to human health and the advancement of society.

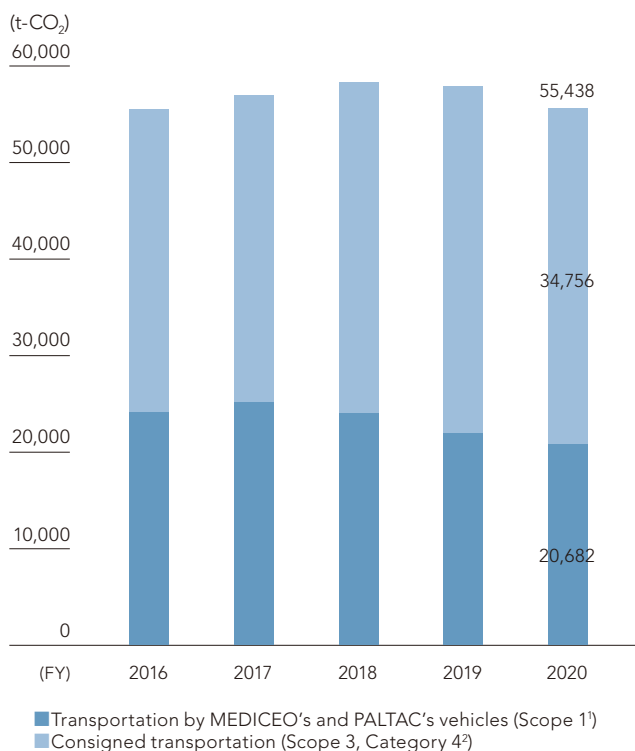
Efforts for Reducing CO₂ Emissions, Cutting Power Usage and Preventing Global Warming

Emissions related to transportation

As specified business operators under the Energy-Saving Act,* MEDICEO CORPORATION and PALTAC CORPORATION calculate the total CO₂ emissions of their own vehicle fleets and their consigned transport activities. CO₂ emissions in fiscal 2020 totaled 55,438 t-CO₂, a decrease of 2,333 t-CO₂ compared with the previous fiscal year.

* Act on Rationalizing Energy Use

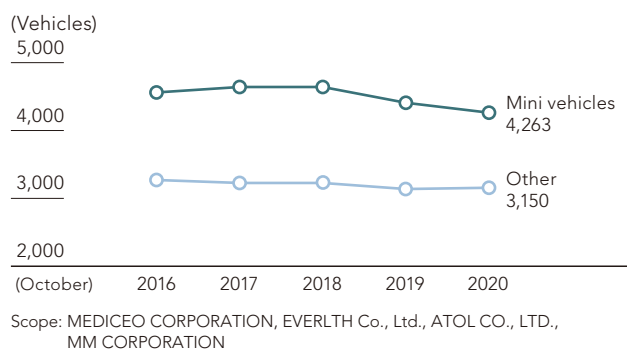
CO₂ Emissions Resulting from Transportation



Scope: MEDICEO CORPORATION, PALTAC CORPORATION
 1. Scope 1: Emissions associated with in-house fuel consumption
 2. Scope 3, Category 4: Indirect emissions that occur in the value chain associated with consigned transportation

In the Prescription Pharmaceutical Wholesale Business, we reduced the size of the vehicle fleet by 128 vehicles from the previous fiscal year. We also worked to reduce CO₂ emissions by progressing with the introduction of mini vehicles, which are fuel efficient and have low environmental impact.

Number of Mini Vehicles in the Fleet



CO₂ Emissions Resulting from Fleet Vehicles

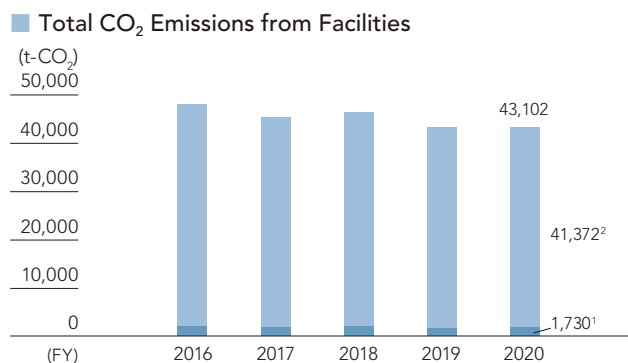
Fiscal	2016	2017	2018	2019	2020
Amount of fuel (kl)	11,939	12,431	12,245	11,657	11,261
CO ₂ emissions (t-CO ₂)	27,718	28,862	28,428	27,109	26,188
Number of vehicles (as of October)	7,613	7,828	7,865	7,541	7,413
Emissions per vehicle (t-CO ₂)	3.64	3.69	3.61	3.59	3.53

Scope: MEDICEO CORPORATION, EVERLTH Co., Ltd., ATOL CO., LTD., MM CORPORATION
 Formula for calculating CO₂ emissions: Amount of fuel (kl) x Calorific value per unit (GJ/kl) x Emission coefficient (tC/GJ) x 44/12

CO₂ emissions from facilities

As specified business operators under the Energy-Saving Act, MEDICEO CORPORATION and PALTAC CORPORATION calculate the total CO₂ emissions of their ALCs, RDCs, and other facilities.

Emissions in fiscal 2020 totaled 43,102 t-CO₂, an increase of 24 t-CO₂.

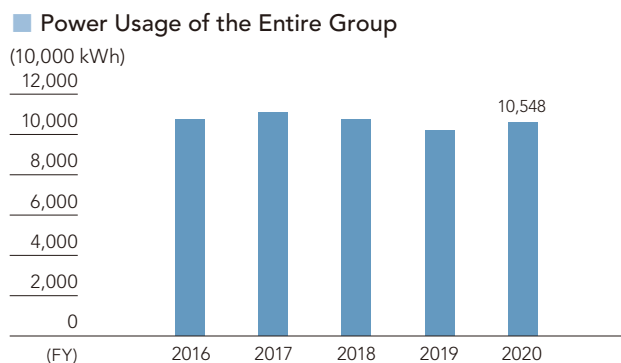


Scope: MEDICEO CORPORATION, PALTAC CORPORATION
 1. Scope 1: Emissions associated with in-house fuel consumption
 2. Scope 2: Emissions associated with power usage at business sites

Power usage

Each company in the Group manages power usage at its facilities. Power usage in fiscal 2020 totaled 105,480,000 kWh.

MEDICEO CORPORATION installed demand monitoring devices in some of its buildings, in order to visualize power usage and reduce maximum demand power, etc.



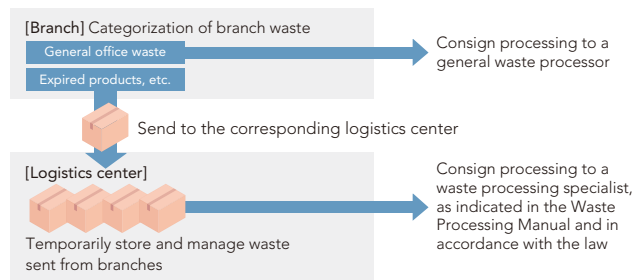
Scope: MEDIPAL HOLDINGS CORPORATION, MEDICEO CORPORATION, EVERLTH Co., Ltd., ATOL CO., LTD., MM CORPORATION, PALTAC CORPORATION, MP AGRO CO., LTD., MEDIPAL FOODS CORPORATION

Waste Processing and Effective Resource Utilization

Waste processing

As a distribution group, the Group has created a Waste Processing Manual detailing processing procedures for pharmaceuticals and other waste, in accordance with laws such as the Basic Act on Establishing a Sound Material-Cycle Society. The Group processes waste appropriately and in compliance with laws and regulations.

Waste Processing Procedure



Scope: MEDICEO CORPORATION, EVERLTH Co., Ltd., ATOL CO., LTD., MM CORPORATION, PALTAC CORPORATION

Highlight

Winner of the Low Carbon Logistics Award at the 22nd Logistics Environment Awards

In a joint project with Japan Freight Railway Company, Japan Freight Liner Company, and Japan Oil Transportation, MEDICEO CORPORATION is promoting modal shift* in the transportation of pharmaceuticals between distribution centers. The project received the Low Carbon Logistics Award at the 22nd Logistics Environment Awards held by the Japan Federation of Freight Industries.

In this project, in January 2021 the mode of transport of pharmaceuticals from the Saitama ALC to the Tohoku ALC was changed from land transportation using large trucks to railway containers. This move is expected to reduce annual CO₂ emissions by approximately 90% from 186 tons to 16 tons. The project has also helped to improve the working environment for drivers and reduce distribution costs.

Going forward, MEDICEO CORPORATION is studying the feasibility of modal shift for transportation from the Kanto region to distribution centers in Hokkaido and the Chubu and Kinki regions.

* Modal shift: Shift of transportation of goods from trucks and other motor vehicles to modes with lower environmental impact such as railways and ship.