#### **Basic Policy**

As a company responsible for distribution, the MEDIPAL Group is working to reduce greenhouse gas emissions and the environmental burden of its operations. We will help to achieve a sustainable society through environmentally friendly business activities.

# **Environmental Declaration**

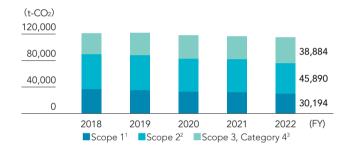
# Our Beautiful Planet Our responsibility for preserving and mission to pass it on to.

We are working with stakeholders to realize a distribution model that is kind to people and the environment, so that we have a beautiful world to pass on to subsequent generations.

# Actual Data

Each Group company manages its own energy usage and works to reduce greenhouse gas emissions.

#### Greenhouse Gas Emissions



# Changes in the Greenhouse Gas Emissions Generated from Company-owned Vehicles

	FY2018	FY2019	FY2020	FY2021	FY2022
Amount of fuel (kl)	14,765	14,224	13,540	12,963	12,175
Greenhouse gas emissions (t-CO <sub>2</sub> )	34,613	33,323	31,627	30,354	28,520
Number of vehicles	8,961	8,763	8,412	8,147	7,934
Average emissions per vehicle (t-CO <sub>2</sub> )	3.86	3.80	3.76	3.73	3.59

Formula for calculating  $CO_2$  emissions: Amount of fuel (kl) x Calorific value per unit (GJ/kl) x Emission coefficient (tC/GJ) x 44/12

Implemented at MEDIPAL HOLDINGS CORPORATION, MEDICEO CORPORATION, EVERLTH Co., Ltd., ATOL CO., LTD., MM CORPORATION, PALTAC CORPORATION, MP AGRO CO., LTD., and MEDIPAL FOODS CORPORATION (Scope 3 implemented at MEDICEO CORPORATION and PALTAC CORPORATION)

- 1. Emissions associated with in-house fuel consumption
- 2. Emissions associated with in-house power usage
- 3. Indirect emissions that occur in the value chain associated with consigned transportation

# Optimizing Pharmaceutical Distribution

In our prescription pharmaceutical wholesale business, we are collaborating with our customers, including drugstore and dispensing pharmacy chains, to build an optimized pharmaceutical distribution model that reduces greenhouse gas emissions.

Specific measures include analyzing and managing the optimal inventory of pharmaceuticals for each store to streamline ordering/supplying and delivery operations for all parties, thus reducing vehicle greenhouse gas emissions. These initiatives will help all parties achieve efficient operations, improve productivity, promote workstyle reforms and ensure more environmentally friendly practices, all of which contribute to a more sustainable society.

#### Optimizing distribution to improve efficiency and reduce greenhouse gas emissions

- Resolving both the MEDIPAL Group and customer issues by optimizing the entire supply chain
- Steadily growing the number of cooperating enterprises and participating stores

# (Examples of improvements)

- Review of frequent or irregularly timed deliveries
- Introduction of inspection by individual scans

