

Pan Pacific International Holdings Corporation
July 8, 2022

Improvement of ESG rating by FTSE Russell and inclusion in the "FTSE Blossom Japan Sector Relative Index"

Pan Pacific International Holdings Corporation (Headquarters: Meguro-ku, Tokyo; President and CEO: Naoki Yoshida; hereinafter referred to as PPIH) has increased its ESG rating, calculated by the global index provider FTSE Russell, to 2.7 points and has been selected for inclusion in the FTSE Blossom Japan Sector Relative Index.

The ESG rating has improved because scores on environmental and social supply chain, human rights and the community, etc., went up due to the initiatives such as Sustainability Committee, which was launched this year.

The "FTSE Blossom Japan Sector Relative Index" is an index that reflects the performance of companies with relatively superior ESG responses in each sector, and companies with an ESG rating of "2.0" or higher are eligible for selection. In order to promote the transition to a low-carbon economy, companies with particularly high greenhouse gas emissions are included only if their improvement efforts are recognized by the TPI Management Quality Score*. This index has also been adopted as an ESG passive management index by the Pension Fund Investment Fund (GPIF), the world's largest pension fund.

Based on our corporate principle of "The Customer Matters Most", the Group aims to realize a sustainable society by addressing environmental and social issues through the business activities of its core business of general retailing, with the primary goal of supporting customers' lifestyles and providing them with the pleasure of shopping at all times. We have established committees for each materiality we have identified, and under the supervision of the Director and Executive Officer CFO, we have strengthened our efforts while verifying and improving them. With regard to one of the materialities, "Responding to climate change and realizing a decarbonized society", the entire Group is working together to achieve the PPIH Group's decarbonization targets by reducing CO₂ emissions.

Moving forward, we will continue to promote sustainable management in collaboration with stakeholders, fulfill our social responsibilities as a retailer, and work to improve our corporate value over the medium to long term.

*TPI Management Quality Score: An assessment of the quality of management of risks and opportunities associated with a company's greenhouse gas emissions, as well as the transition to decarbonization.

FTSE Blossom Japan Sector Relative Index:

<https://www.ftserussell.com/products/indices/blossom-japan>

Reference:

PPIH Group's Sustainability <https://ppih.co.jp/en/csr/>

PPIH Group's Key Issues (Materiality) <https://ppih.co.jp/en/csr/policy/>

PPIH Group's Decarbonization Targets <https://ppih.co.jp/en/csr/materiality1/co2/>