Aeon's activities to expand the installation of natural refrigerants

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Outline

- 1. About Aeon
- 2. Aeon Sustainability Principle
- 3. Aeon Declaration on the prevention of Global Warming
- 4. Aeon Declaration on the Natural Refrigerants
- 5. Installation of facilities with CO2 refrigerants
- 6. Installation to large GMS
- 7. Issues regarding expanding the installation
- 8. Future activities to solve issues

1. About Aeon (As of Feb. 29, 2013)

■ Foundation: 1926

Sales amount: ¥5,685 billion

Number of company: 227

■ Number of store:

General Merchandise Store 598

Supermarket 1, 708

SUPERCENTER 26

Discount Store 152

Home Center 123

convenience store 4, 462

Specialty Store 3, 664

Others 562

Financial Services 527

Service 1, 394

合計 13, 217



Number of customers: 4 million / day

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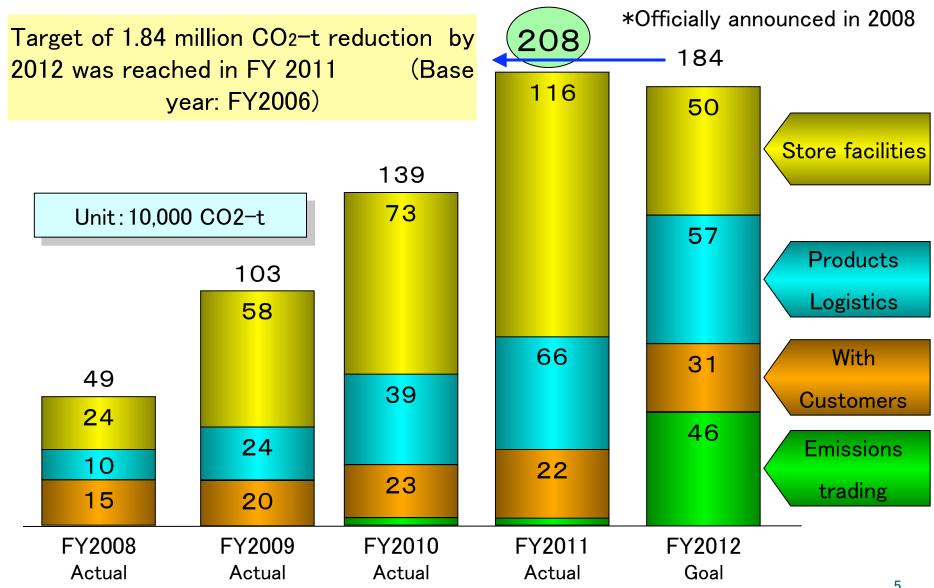
2. Aeon Sustainability Principle

Aeon aims to realize a sustainable society with stakeholders based on our basic principle of "pursuing peace, respecting humanity and contributing to local communities, centered on customers."

With "realization of a low-carbon society", "conservation of biodiversity", "effective use of resources", and "dealing with social maters" as pillars, we will think globally and act locally.



3. Aeon declaration on preventing global warming (2008*)



4. Aeon Declaration on Natural Refrigerants

- Aeon Declaration on Natural Refrigerants was publicly committed to contribute to the low carbon society in Nov 2011.
- •We will introduce facilities with natural refrigerents(CO₂) at all our new stores while converting to natural refrigerants at about 3,500 existing stores overtime.



MaxValu SUPE INMANDEZ





GMS General Merchandising Store

Supermarket

Small Supermarket

CVSConvenience Store

5. Installation of facilities with CO2 refrigerants

CO2 refrigerant installation at Aeon group supermarkets



Year	Store Name	Area	Descriptions	
2009	Max Valu Rokugodotemae	1426m ²		
2010	Max Valu Ogoritanabatadori	2192m ²	Safety Stability Energy saving CO2 reduction	
2011	Max Valu Aeon Town Himeji	2400m²		



Repeated verification to accelerate introduction

Safety & Stability

Energy saving: about 10%

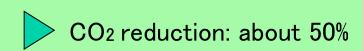
CO2 reduction: about 50%

5. Installation of facilities with CO2 refrigerants

[The result of FY2012 installation]: 7stores

Format	Store Name	Area	Descriptions
Supermarket	Max Valu Shinfunabashi	1900m ²	Installed as a part of the project of HCFC alternative by the Ministry of Economy, Trade and Industry
	Max Valu Hamakitanakase	2193m ²	
	Max Valu Kasugaisakashita	2229m ²	
	Max Valu Amagasakikinrakuji	1509 m i	
	Max Valu Shinmiyakojima	1800m ²	

Energy saving: about 20%

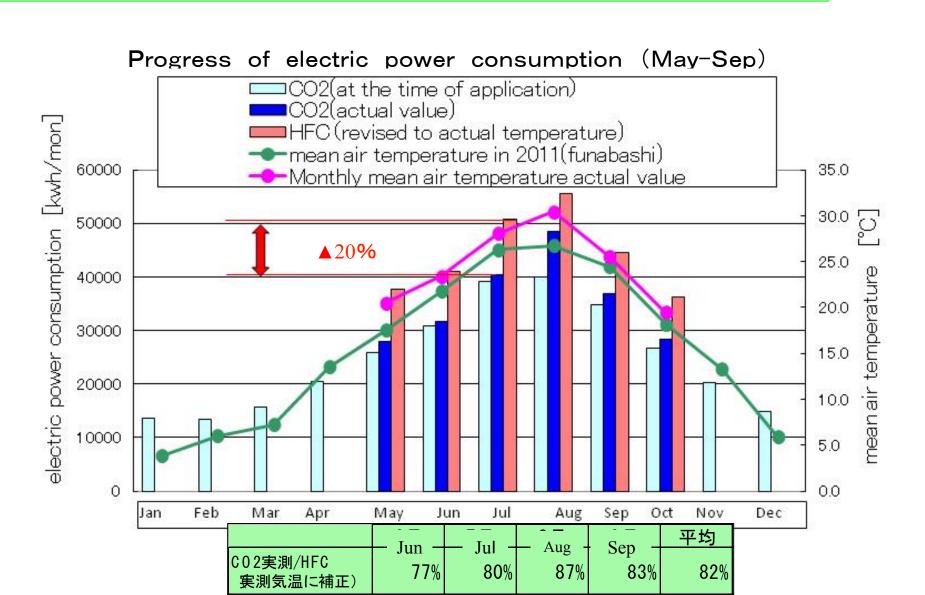


CVS	Ministop Yachiyo Industrial Park	107m ²	Energy Saving: about 30%* (*Freezer cases of
DS	Acolle Takashimadaira	338 m i	Ministop)

FON Corporate Citizenship 5. Installation of facilities with CO2 refrigerants

MV Shin-Funabashi(April 2013 Open)

Inspect of energy saving efect in high temperature and humidity



6. Installation to large GMS [Aeon Mall Makuhari Shintoshin %Open: Dec. 20, 2013]

- Outline of the SC
- Ground floor area: about 192,000m
- ■Total floor area: about 128,000m²



- ■Installation of Natural refrigerants to Aeon Makuhari Shintoshin (Store area)
- Number of installation: 20 systems, 144 cases with CO2 refrigerants (Total 182 cases)
- Energy saving: About 20% reduction (Compared to cases with HFC refrigerants)
- CO2 reduction: Total 813t /Indirect effect 60CO2-t /Direct emissions 753Co2-t

(for the installation in urban areas)

7. Issues regarding expanding the installation

Strict regulation and cost are the major issues

Issues	Possible Measures (example)		
Regulation and Cost issues (High Pressure Gas Safety Act)			
CO2 is required to be treated as propane, though it is an inactive gas. -Smaller size: the Act is not applicable The installation number of refrigeration unit will increase. - Desired size: the Act is applicable The spec for active gas is required. => resulting in high cost	 Trim weight of high intensity steel pipes with the collaboration of manufactures. As for freezer cases, saving energy effect was confirmed by 20–30%. The reduction of operating cost can be the driver to increase the number of stores with natural refrigerant freezer cases. 		
Technological issues			
Noise control	mprove the soundproof technique		

8. The direction to solve the obstacles

- (1) Solve the obstacles with the collaboration of stakeholders
- (2) Ask the government to show the clear direction on natural refrigerents
 - 1. The policy to encourage manufactures' and installation suppliers' technological innovation to shift toward natural refrigerants.
 - 2. Easing of regulations and preferential treatment to encourage technological development.
- (3) Increase the awareness of the detrimental effects of Freon to take appropriate measures for it.

