



Bic Camera Inc.

Environmental Report

October 25, 2007

- A challenge to prevent the global warming -



**Nagoya Station West Exit Store won the
Environmental Minister's Award as an
excellent store to promote the spread of
energy saving type products for FY2006**



(Cool biz)

Bic Camera has kept operating to be a “collective entity of specialty stores with certain policies which suggests a more affluent life and continues to evolve” under the management principal “to contribute to the society by implementing the basic concept that customers are the most important and providing customers with the best satisfaction and services.”

Especially, for the environmental issue, Bic Camera has been working on challenges on a company-wide basis such as a promotion of the spread of energy saving home appliances and a reduction in CO² emissions to improve the global warming situation, a common issue for all humanity, by obtaining understanding and cooperation of customers so that we will be able to assume a leading runner in the industry.

This report is to report a part of the above-mentioned activities to you. We look forward to your continued patronage in the future.

Hiroyuki Miyajima
President,
Bic Camera, Inc.

INDEX

1. A leading runner to promote the spread of energy saving type products
2. Reduction target in CO₂ emissions of Bic Camera
3. Implementation of various campaigns to address global warming
4. Approaches to 3R
5. In-house education

Aiming to create an evolving CSR report





1. A leading runner to promote the spread of energy saving type products

Bic Camera received the awards for four consecutive years in the system of excellent store to promote the spread of energy saving type products which was launched from FY2003 and has played a role as the top runner for the penetration of energy saving type products.

<FY2006>

Award of the Minister of the Environment: Nagoya Station West Exit store

Award of the Director-General of the Agency for Natural Resources and Energy: Takasaki East Exit store

All the 18 stores which had made an application were designated as an excellent shop to promote the spread of energy saving type products

<FY2005> Award of the Minister of Economy, Trade, and Industry: Sapporo store

<FY2004> Award of the Minister of Economy, Trade, and Industry: Tachikawa store

Award of the Director-General of the Agency for Natural Resources and Energy: Shin-Yokohama store

Chairman's Award of the Energy Conservation Center, Japan: Ikebukuro Main store and Yurakucho store

<FY2003> 1st prize: Yurakucho store

2nd prize: Ikebukuro Main store

3rd prize: Tachikawa store



(Yurakucho store won the 1st prize in FY2003)

(Outline of the evaluation system of distributors of energy saving type products)

The system was started under the sponsorship of the Energy Conservation Center, Japan in FY2003. The evaluation committee consisting of academic experts and consumer groups conducts a strict evaluation on approaches to promote the spread of energy saving type products or knowledge on energy-saving, easy-to-understand display of standardized energy saving labels, and sales performance of energy saving products by judging through documents and data and on-site secret inspection and then grants awards such as the Award of the Ministry of Economy, Trade, and Industry and the Award of the Minister of the Environment to the most excellent. One third of stores with excellent performance are designated as an excellent shop to promote the spread of energy saving type products.





Bic Camera's promotion of the spread of energy saving type products is attracting attention even from overseas

Visits by Main Study Missions from Overseas in 2006 and 2007

Date	19-Jan-06
Store visited	Shinjuku Nishi Exit store
Name of training	"Receiving trainees and dispatching specialists to support the international energy consumption" "The Third Multilateral Training (MTPEC03) Schedule"
Participating countries	Brunei, Cambodia, Indonesia, Laos, Myanmar, Phillipines, Vietnam,

Date	31-Oct-06
Store visited	Yurakucho store
Name of training	Training on policy by China (Study of the Energy Saving Law)
Participating countries	China (9 members)

Date	30-May-06
Store visited	Yurakucho store
Name of training	The Japan-China comprehensive forum on energy saving and
Participating countries	China (47 members)

Date	19-Mar-07
Store visited	Shinjuku Nishi Exit store
Name of training	Poland-Japan energy saving technology center project for FY2006
Participating countries	Poland (4 members)

Date	31-Aug-06
Store visited	Yurakucho store
Name of training	"Receiving trainees and dispatching specialists to support the international energy consumption" "The Fifth Multilateral Training (MTPEC03) Schedule"
Participating countries	ASEAN countries (27 members)

Date	18-Jul-07
Store visited	Shinjuku Nishi Exit store
Name of training	JICA's group training program "energy saving" for FY2007
Participating countries	Indonesia/Malaysia, Phillipines, Sri Lanka Syria, Kenya, Tunisia, Mexico, Paraguay, Serbia
Participating members	13

Date	2-Sep-06
Store visited	Yurakucho store
Name of training	Training to provide technical support to Russia by the Foreign Ministry
Participating countries	Russia (20 members)

Date	18-Jul-07
Store visited	Yurakucho store
Name of training	Inspection group on E-waste
Participating countries	South Korea (9 members)



(The Japan-China comprehensive forum on energy saving and environment)





2. Reduction target in CO₂ emissions of **Bic Camera**

Bic Camera is the first company in the home electronics retailing industry to set the numerical target.

Bic Camera will reduce CO₂ emissions
(basic unit per store area) by 4% from the 2006 level
by the year 2010

“Basic unit” is calculated by the formula of “Basic unit of CO₂ emissions per total floor area = “annual energy consumption of CO₂ (t—CO₂ / year)” / “total floor area”

Bic Camera’s actual CO₂ emissions
(basic unit per store area) in 2006
207.4727kg—CO₂ / m²

(22 stores were in business in 2006 and now total 25 stores are in business as of Oct 1, 2007)

- Specific Approach to Reduce CO₂ Emissions -

(1) **Earth-conscious volume retailer located in front of the terminal station**

Bic Camera has continued an earth-conscious store development by opening all the stores in front of the station which is convenient for the customers to use public transportation. Especially, **JR Kyoto Station store** which was opened in Aug 2007 **is directly linked with a new ticket gate of Track 30 of Kyoto station at the second floor and** it attracts attention **as the Japan’s first home electronics retailer directly accessible from the platform of the station.**

(2) **A reduction in power consumption by adopting LED**

Bic Camera aggressively adopts earth conscious **energy-saving lightening** at the time of renovation or opening new stores. In Jul 2007, **Bic Camera** adopted energy-saving lightening which uses **LED (Light Emitting Diode) at the time of renovation of the exterior of the main store in Ikebukuro**, which has become **the symbol of CO₂ reduction for Ikebukuro aiming to be a cool city by reducing power consumption to one-seventh or less.**

LAZONA Kawasaki opened in Sep 2006 has adopted “LED^{*}” with a longer operational life which is approx. 5 times compared to incandescent lamps as lightening of outdoor signage. In addition, Bic Camera will also use LED for **Okayama shop** (tentative name) **to be opened in the autumn of 2007.**





Especially, **JR Kyoto Station store opened in Aug 2007 in Kyoto City where the Kyoto Protocol was adopted has adopted**

not only LED for outdoor signage but also **"cold-cathode tube"** for inside shining signboard. The cold-cathode tubes" are similar to fluorescent light tubes, however, they have features that they are smaller in size, the operational life is longer and the power consumption is one-fourth compared to general fluorescent lights tubes (hot-cathode tubes).

Bic Camera will continue to pursue environmentally-friendly stores.



(Exterior of Ikebukuro Main store in the daytime (left picture) and at night (right picture))

(* LED)

Light-emitting diode. Its energy efficiency is good as it directly converts electricity to light. As its operational life is significantly longer and the power consumption is smaller compared to incandescent lamps, using it will lead to energy saving and a reduction in waste. It is used in various situations including cellular phones, automobiles, and traffic signals. It is expected that it will replace incandescent lamps or fluorescent lights in the future.

(3) Renewal of shopping bags which has contributed to savings in paper sources and a reduction in garbage

In recent years, an increase in garbage has become a public issue and it is said that approximately 60% of the garbage from home is containers or packages used to wrap the product. Bic Camera has also reviewed the shopping bags. **Lightweight shopping bags will lead to a reduction in paper resources by 21 tons a year.** Non-chlorinated recycled paper is used as raw material. In addition, matte paper is used so that it can be easily recycled.

Bic Camera still continues to work on a further reduction in waste of containers and packaging by the thickness of plastic shopping bags and so on.



(Old shopping bag)



(New shopping bag)





(4) New distribution center is in operation

In Oct 2006, a new distribution center was completed in Higashi-matsuyama in Saitama. Bic Camera improves the efficiency of the distribution by consolidating the functions of three distribution centers located in the metropolitan area.

(5) Approaches for greening – tenderness and comfort to people and the earth

The new distribution center in Higashi-matsuyama has also been working on greening. It is said that greening has effects such as a reduction in the heat-island phenomenon, absorption of CO₂ by plants, improvement of landscape, heat-insulation in summer and heat-retention in winter, and absorption of healing.



Higashi-matsuyama Distribution Center

(6) Elaborate saving of natural resources and energy

Bic Camera conducted a campaign to improve the awareness for all the employees for three months (Feb 2006 - Apr 2006) and urged them to reduce paper usage by using both side/allocation printing and backing paper and to reduce power consumption by frequently putting off the lights and turning off unnecessary equipment. As a result, the awareness has been planted in the employees' mind to reduce prints "without much attention" and the machines switch kept ON without specific reasons.

In addition, Bic Camera has promoted paperless internal meetings and introduced "dissolution treatment" for disposal of classified documents. Those papers will be raw materials for recycled paper after the dissolution which will lead to recycle of paper and protection of forests.

Bic Camera will continue to catch every opportunity to continue to implement and strengthen the above-mentioned elaborate natural resources- and energy- saving measures.





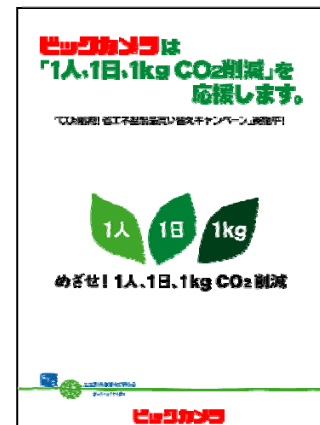
3. Implementation of various campaigns to address global warming

Bic Camera aims to be the top runner in the prevention of global warming by being the first supporter for a national campaign to reduce CO₂ emissions.

(1) On Monday, July 9, Bic Camera cooperated with a campaign to support the “Reduction in CO₂ emissions by 1kg per day per person” as the first company in Japan

(Details of cooperation)

1. At the time of purchase of circular fluorescent lamps, a 10% discount will be provided if a purchaser presents “A card to announce my challenges”
2. A content was broadcasted concerning “Reduction in CO₂ emissions by 1kg per day per person” produced by the Environment Ministry on the multi-vision screen at Yurakucho store (15 sec. x 64 per day)
3. Putting up posters educating about “Reduction in CO₂ emissions by 1kg per day per person” in all store



(2) “HOT! & COOL! Bic Camera Summer Challenge” with the Team Minus 6%”

On Aug 5, 2007, Bic Camera held “HOT! COOL !

Bic Camera Summer Challenge with the Team Minus 6%” as an event of “Bic Camera Match Day”, Marines’ official game in the Chiba Marine Stadium (No. of visitors: 28,223). The event lets all the family members enjoy the summer vacation.



(Details of events)

1. Implementation of eco-quiz

Bic Camera implemented eco-quiz presented by our employees, Cool-kun, a mascot character of the Marines, and Denkyu Man of the Team Minus 6%

2. Promotion for the customer to participate in a campaign to support “Reduction in CO₂ emissions by 1kg per day per person”
Bic Camera urged our customers to participate in “Declaration of challenges”, a campaign to support “Reduction of CO₂ emissions by 1kg per person per day”, together with the organizer of Team Minus 6% and had 1002 people, which is the largest number as a sport event, to make a declaration.



(Eco-quiz)



(Reception)

Bic Camera Inc.





(3) Only home electronics volume retailer which conducted a tie-up plan with a movie **“An Inconvenient Truth”**

Bic Camera posted a poster of a movie “An Inconvenient Truth” (Mr. Gore won this year’s Nobel Peace Prize!) and broadcasted an original promotion video of the move in home appliance sales space so that customers visiting the store would become interested in it.

(This was conducted as a joint plan with the Energy Conservation Center, Japan)



(Announcement of a movie “An Inconvenient Truth”)

(4) Cooperation for a business to promote a cool city by Ikebukuro

As a major local company, Bic Camera is cooperating with Toshima-ku of Tokyo on a project of making Ikebukuro nominated as a “cool city project area” by the Environment Ministry.

(5) **The Cool Biz campaign** in place for 3 consecutive years!

Bic Camera participated in the Cool Biz campaign (Setting air conditioner temperatures at 28°C and no jackets/neckties were encouraged by the Japanese Ministry of the Environment) which was started in 2005 for three consecutive years (business division). Bic Camera also participated in the Warm Biz campaign (Air conditioner temperatures were set at 20°C) (business division) from the fall in 2006 and conducted the Cool Biz campaign at some sales floors in 2007.



(Poster for Cool Biz)



(Poster for Warm Biz)





4. Approaches to 3R

- Bic Camera itself is working on reusing and recycling businesses -

3R: Reduce (restraints on the generation of wastes)

Reuse

Recycle

The group companies of **Bic Camera** are working together to promote **3R** to create a recycling-oriented society where both an environment and an economy go together.

(1) **Future Ecology Co., Ltd.:** all-round eco-solution company of the Group

Future Ecology Co., Ltd. has opened an office in a super eco-town in Tokyo as the first model business in Japan. It's invested in by domestic 16 major electricity, electronics and information device producers. Reusing or recycling of home electronics and OA devices, it's working on a drastic reduce in wastes, proper disposal, and prevention of unauthorized dumping and is engaged in the following operations:

- 1) The legal recycling of used air conditioners and televisions based on the Home Appliance Recycling Law
- 2) Collection of scarce resources by recycling used cellular phone handsets
- 3) Reuses of used business machines such as personal computers after data erase and destruction at a security space

Overview of the facilities

Location: 3-2-sma, Ota-ku, Tokyo

- * Use district: Restricted industrial zone
- * Ground-floor area: 4,983.58 m²
- * Building area: 1,872.75 m²
- * Gross floor area: 2,997.45 m²



Companies which have made investments other than Bic Camera group companies

- | | |
|---|--|
| • Apple Computer Inc. | • Canon Marketing Japan |
| • SANYO Electric Co., Ltd. | • Sharp Electronics Marketing Corporation |
| • SONY Marketing (Japan) Inc. | • Hitachi Consumer Marketing, Inc. |
| • Toshiba Consumer Marketing Corporation | • Hewlett-Packard Development Company, L.P. |
| • Victor Company of Japan, Limited | • FUJIFILM Corporation |
| • Fujitsu General Limited | • Fujitsu Personal System Limited |
| • Matsushita Electric Industrial Co., Ltd | • Mitsubishi Electric Life Network Corporation |
| • Toshiba Carrier Corporation | • Richo Company, Ltd. |
| • KOKUDO-KANKYO-KENKYUJO Co., Ltd. | |

Businesses conducted in FY2006

- * Recycling of home electronics designated by law: 2,308t
- * Recycling of cellular phone handsets: 97t
- * Reuse of business machines: 54.496

Sep 19, 2006: Obtained ISO14001
(environmental management)

Is preparing to obtain ISO27001

(Information Security Management system)



(Full view of recycling lines of home electronics recycling line)





(2) Contribution to **the revision of the Home Appliance Recycling System**

Hiroyuki Miyajima, Representative Director and President, became a committee member of a joint meeting of the council of the Ministry of the Environment and the Ministry of the Economy, Trade, and Industry , Economy, and Industry to revise the law and system of recycling of home electronics (in Jul 2006) and Bic Camera has pioneered among the industry in the reuse service of three items covered by the Home Appliance Recycling Law (refrigerators, washing machines, and television sets) which has secured proper disposal and traceability since Jul 2007 for the improvement of reuse of used home electronics which is one of the largest issues of the current system. (Bic Camera was recommended as an excellent shop to handle the recycling of home electronics in Apr 2007)

(3) Reuse activities of **Sofmap Co., Ltd.** (Bic Camera's consolidated subsidiary)

Sofmap has established the industry standard quality management system such as quality control, commercialization method, and productivity improvement for used personal computers, used peripheral equipment, and used game software (Certificate ISO 9001 has been obtained).

Sofmap has also established repairing counters in each outlet and a call center for support which is open seven days a week for defects. Sofmap completely erases data in the storage device in the line exclusively for data erase from the perspective of protection of personal information.

These “**schemes to create a used personal computer market trusted by customers**” and Sofmap was awarded **the 17th Consumer-oriented Blue Chip Companies in Mar 2006.**



(Sofmap's head store in Akihabara)





5. In-house education

- Aiming to spread environmental mind to the entire company -

Bic Camera has positioned the environmental issue as an important task in CSR (corporate social responsibility) and has been working on the in-house education so that the environmental mind will spread to the entire company.

—(1) **“Regular Column on Environment”** was posted in the in-house newsletters **40 times (for three years and eight months)**

Bic Camera has been trying to foster the employees' environmental mind from both macro and micro perspectives ranging from global environmental issue to laws and regulations related to disposal of wastes.

(2) In-house announcement by taking every opportunity

Bic Camera is thoroughly delivering environment-related announcements such as study sessions on energy saving for employees and promotion of energy saving activities not only by various posters related to energy saving and a reduction in CO₂ for customers posted in the stores but also by utilizing office spaces and the company cafeteria.

(3) **Team to promote energy saving home electronics**

Bic Camera established a team to promote energy saving home appliances in the head office and all the stores in Oct 2003 whose activities became a drive to be given awards as an excellent shop to promote the spread of energy saving type products.

未来環境教室

「1人1日1KgCO₂削減キャンペーン」

ビックカメラは「1人、1日、1KgCO₂削減」を応援します。のPOPが店舗で告知されているのに気付いていますか？これは日本政府が今年6月にドイツのハイリゲンダムサミットで提唱した地球温暖化対策「美しい星50」の中で提案した国民運動です。

ビックカメラは7月7日に全国に先駆けて協賛企業として名乗りを上げ、1人、1日、1Kgのチャレンジ宣言をされたお客様に省エネ型電球の特別割引を実施しています。また、8月5日の千葉マリンスタジアムの「HOT! & COOL!ビックカメラサマーチャレンジ with チームマイナス6%」では1日で1002名の観客の皆さんにチャレンジ宣言をしていただくなど、省エネルギー型家電製品販売促進に続いてCO₂削減の国民運動でもトップランナーの役割を果たしています。

ビックカメラグループの皆さんには全員、この1人、1日、1Kgチャレンジ宣言を実行していただきたいとします。アクセスは、パソコン https://m.tscc.jp/try-1kg/m6_co2-1kg02.html 携帯メール www.team-6.jp/mobile/ のいずれからでも可能です。サイト上の39項目の日常生活で実行できるメニュー（冷房温度を28度に設定、こまめな消燈、エコドライブ等々）の中から実行する項目をクリックすると1日合計のCO₂削減量が計算されこれをプリントアウトして持参すると、ビックカメラを始め50以上の協賛企業から各種のディスカウントや特典も得られます。

地球温暖化問題というどこか手の届かないところの話のように感じるかも知れませんが、一人一人の日常生活での行動や工夫も積み重ねれば大きな貢献に繋がります。

因みに、私が39項目の内クリックしたのは15項目、1日のCO₂削減量は1.001Kg、ぎりぎり合格点でした。皆さんも是非トライして下さい。

(“Regular Column on Environment” in the in-house newsletters)

(4) Regular **study sessions on energy saving**

Bic Camera holds study sessions on energy saving for all the sales people and new employees. In addition, Bic Camera conducts a roll play per product for a small group. Knowledge and information on energy saving is one of the important specialty areas of the **“Specialty Salesperson System”** which is a core part of **Bic Camera's** expertise.



(Announcement on energy saving for employees)





Aiming to create an evolving CSR (Corporate Social Responsibility) report

Bic Camera, which started its operations 29 years ago in a small store of approx. 50 square meters in front of the north exit of Ikebukuro station, has grown as an urban-type volume retailer (a collective entity of specialty shops) fighting for first or second place supported by the customers' patronage and an expansion of home electronics in quality and quantity.

Bic Camera has accumulated various approaches to provide customer services and social contribution such as environment, product safety, protection of personal information, and fair trade based on the continued corporate philosophy that "customers are most important."

In preparing the CSR report this time starting with the environmental measures, Bic Camera has formed a project team mainly consisting of young employees whose average age is 27 and started off with an innovative proposal that "the report would be a paperless one which is environmentally-friendly and flexible".

As progress of global warming is accelerating, international societies' approaches and the Japanese role are quickly changing. Therefore, we have judged that it is fit to our corporate culture to prepare a report which can be updated with the latest information and data on a constant basis instead of printing an excellent report once a year.

This report is to be evolved and updated once it is completed as a CSR (Corporate Social Responsibility) report of Bic Camera Group.

We look forward to your frank requests and opinions from you.

October 25, 2007

Shuji Kato

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