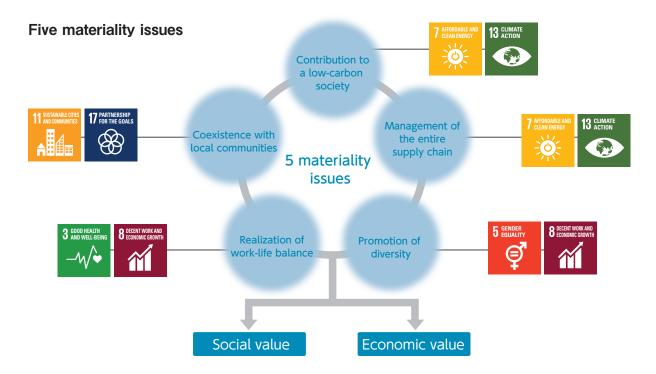
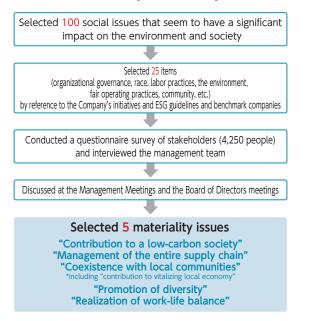
Sustainability

The Company formulated the Sustainability Policy in 2018 and identified five materiality issues to be addressed by the Company after a lot of discussions at the Management Meetings and the Board of Directors meetings based on the results of the questionnaire survey for 4,250 stakeholders. We also developed the "Eco Vision" and "Social Vision," which indicate our thoughts and guidelines for action to resolve environmental issues and social issues. At the same time, we set medium- to long-term goals for each materiality issue and work on them in conjunction with our business strategy. We created the "Sustainability Committee" to promote sustainability management in all companies in the Group in a cross-organizational manner. The Committee develops action plans for each company in the Group and manages the progress.

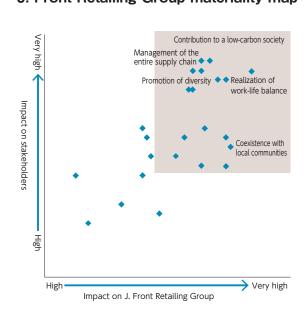
We will continue to implement our distinctive initiatives along with people, local communities and environment to realize a sustainable society and new happiness in life.



Process to identify materiality



J. Front Retailing Group materiality map





Materiality KPIs and actions

We set medium- to long-term goals for each of five materiality issues and take specific actions. We believe we can contribute to the SDGs (Sustainable Development Goals) proposed by the United Nations by implementing each action.

	Long-term goals	Actions
Contribution to a low-carbon society	 2050 Zero CO₂ emissions (Scopes 1 and 2 vs. 2017) 2030 40% reduction of CO₂ emissions (Scopes 1 and 2 vs. 2017) 	Replacement with renewable energy Introduction of energy-saving and highly efficient equipment Replacement with LED lighting Replacement of company cars with EVs Replacement with office supplies made from green materials Promotion of paperless operations Response to SBT/TCFD/CDP
Management of the entire supply chain	 2030 100% dissemination of the Principles of Action for Suppliers 2030 Aim to reduce CO₂ emissions by 40% (Scope 3 vs. 2017) 	 Formulation and dissemination of the Principles of Action for Suppliers Scope 3 CO₂ emissions reduction Replacement with office supplies made from green materials Ecoff initiative
Coexistence with local communities	Mutually cooperate with local communities in using our strong know-how of urban development and revitalizing local communities to create sustainable communities	Promotion of urban development Store planning for the new main building of the Daimaru Shinsaibashi store and new Shibuya Parco Development of local historic facilities through renovation Expansion of local production for local consumption Expansion of local production for local consumption using nationwide store network Expansion of offering of Japanese unique products Response to disasters BCP plan
Promotion of diversity	 Ratio of women in management positions 2025 30% 2030 Aim for 50% 2030 Aim for 50% 2030 Aim to extend the retirement age to 70 2030 Ratio of disabled employees: 3.0% 	Actions for women's empowerment Shortened working hours system for women coming back from child care Improvement of education and provision of information during a leave of absence Women's School, Mother Recruitment for child-raising generation Promotion of senior empowerment Development of job categories and duties, optional working hours, lifting of the ban on second jobs and side jobs for employees aged 60 and older Employment of disabled people Improvement of the work environment of operating companies in the Group Development of new business by a special subsidiary
Realization of work- life balance	 2030 Men taking child care leave: 100% 2050 Turnover due to child/family care: 0% 	Expansion of work systems Homeworking, remote working (creation of satellite offices) Minimization of transfer with or without family Use of technologies Use of technologies such as AI and RPA Expansion of work systems and rules Introduction of paid child care leave, improvement of nursing care leave, creation of child care facilities within offices

Participation in initiatives

We declare participation in global initiatives including the United Nations Global Compact to clarify our intention to address sustainability. We will fulfill our responsibilities as a corporate citizen and realize the SDGs by following the principles set forth in each initiative.







