



# LRQA Independent Assurance Statement

## Relating to J. Front Retailing Co., Ltd.'s Environmental and Social Data for the Fiscal Year 2022

This Assurance Statement has been prepared for J. Front Retailing Co., Ltd. in accordance with our contract.

### Terms of engagement

LRQA Limited (“LRQA”) was commissioned by J. Front Retailing Co., Ltd. (“the Company”) to provide independent assurance on its environmental and social data within its Integrated Report 2023 and Sustainability Report 2023 (“the reports”) for the fiscal year 2022 (1/3/2022-28/02/2023), against the assurance criteria below to a limited level of assurance and the materiality of the professional judgement of the verifier using ISAE3000(Revised)/ISO14064-3:2019 for greenhouse gas (GHG) emissions.

Our assurance engagement covered the Company and its consolidated subsidiaries’ operations and activities in Japan and overseas and specifically the following requirements:

- Verifying conformance with the Company’s reporting methodologies
- Evaluating the accuracy and reliability of data for the selected indicators listed below: <sup>1</sup>

#### Environmental indicators: <sup>2 3</sup>

- Energy usage (MWh)
- Renewable energy usage (MWh)
- Scope 1 GHG emissions (tonnes CO<sub>2</sub>e)
- Scope 2 GHG emissions (Market-based) (tonnes CO<sub>2</sub>e)
- Scope 3 GHG emissions (tonnes CO<sub>2</sub>e)
- Amount of water use (m<sup>3</sup>) and amount of waste water (m<sup>3</sup>)
- Amount of waste generation (tonnes), recycled waste (tonnes) and finally disposed waste (tonnes) <sup>4</sup>
- Amount of food waste generation (tonnes), recycled food waste (tonnes) and finally disposed food waste (tonnes)

#### Social indicators:

- Share of female employees (%)
- Employment rate of disabled people (%)
- Number of employees who took child care leave (person)
- Female return rate after childcare leave (%)
- Paternity leave usage rate (%)
- Number of occupational fatal accidents (person)

Our assurance engagement excluded the data and information of the Company’s suppliers, contractors and any third-parties mentioned in the report.

LRQA’s responsibility is only to the Company. LRQA disclaims any liability or responsibility to others as explained in the end footnote. The Company’s responsibility is for collecting, aggregating, analysing and presenting all the data and information within the report and for maintaining effective internal controls over the systems from which the report is derived. Ultimately, the report has been approved by, and remains the responsibility of the Company.

### LRQA’s Opinion

Based on LRQA’s approach nothing has come to our attention that would cause us to believe that the Company has not, in all material respects:

- Met the requirements of the criteria listed above
- Disclosed accurate and reliable environmental and social data

<sup>1</sup> LRQA undertook a limited assurance engagement of the environmental and social data marked with “√” within its Integrated Report 2023 and Sustainability Report 2023.

<sup>2</sup> GHG quantification is subject to inherent uncertainty.

<sup>3</sup> LRQA also reviewed the Company’s GHG emissions for the fiscal year 2022 against its 2021 to confirm the year-on-year change in Scope 1 and 2 GHG emissions.

<sup>4</sup> Including food waste



The opinion expressed is formed on the basis of a limited level of assurance<sup>5</sup> and at the materiality of the professional judgement of the verifier.

### LRQA's Approach

LRQA's assurance engagements are carried out in accordance with ISAE 3000 (Revised) and ISO 14064-3:2019. The following tasks were undertaken as part of the evidence gathering process for this assurance engagement:

- Auditing the Company's data management systems to confirm that there were no significant errors, omissions or misstatements in the report. We did this by reviewing the effectiveness of data handling procedures, instructions and systems, including those for internal verification.
- Interviewing with those key people responsible for compiling the data and drafting the report.
- Sampling datasets and traced activity data back to aggregated levels;
- Verifying the environmental and social data and records of for the fiscal year 2022; and
- Visiting Daimaru Sapporo and Sapporo PARCO in Japan to confirm the data collection processes, record management practices, and to physically check their facilities.

### Observations

It is hopefully expected that the Company would intensively use the functions of the data collecting system to collect environmental data of many items with enhanced efficiency and accuracy.

### LRQA's Standards, Competence and Independence

LRQA implements and maintains a comprehensive management system that meets accreditation requirements for ISO 14065 *Greenhouse gases – Requirements for greenhouse gas validation and verification bodies for use in accreditation or other forms of recognition* and ISO 17021-1 *Conformity assessment – Requirements for bodies providing audit and certification of management systems – Part1: Requirements* that are at least as demanding as the requirements of the International Standard on Quality Control 1 and comply with the *Code of Ethics for Professional Accountants* issued by the International Ethics Standards Board for Accountants.

LRQA ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification assessments is then internally reviewed by senior management to ensure that the approach applied is rigorous and transparent.

This is the only work undertaken by LRQA for the Company and as such does not compromise our independence or impartiality.

Signed

Dated: 25 June 2023

A handwritten signature in black ink, appearing to read 'Y. Shibata'.

Yoshinori Shibata

LRQA Lead Verifier

On behalf of LRQA Limited

10th Floor, Queen's Tower A, 2-3-1 Minatomirai, Nishi-ku, Yokohama, JAPAN

LRQA reference: YKA00000726

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<sup>5</sup> *The extent of evidence-gathering for a limited assurance engagement is less than for a reasonable assurance engagement. Limited assurance engagements focus on aggregated data rather than physically checking source data at sites. Consequently, the level of assurance obtained in a limited assurance engagement is lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.*