

Commitment to Be an Environment- and People-Friendly Department Store

J. Front Retailing is working with customers and suppliers to conserve the global environment toward the building of “a sustainable society” for the 21st century. Daimaru Matsuzakaya Department Stores, which runs the core department store business, operates an ISO 14001-based environmental management system to continuously reduce the effects on the environment.

Environmental Policy of JFR Group

Recognizing our roles and responsibilities to hand down the irreplaceable global environment to the next generation, we at J. Front Retailing Group proactively promote “environment-friendly corporate management” toward “the realization of a sustainable society” with customers, suppliers and community members.

1. Recognizing the environmental impacts and their causes, we will establish structures and systems to promote environmental conservation activities through the business activities of the Group companies and actively work on reducing environmental load.

- 1 Effective use of resources and energy
- 2 Reduction of CO₂ emissions
- 3 Waste reduction and recycling
- 4 Provision of environment-friendly products, services and information
- 5 Promotion of environmental conservation activities with customers, suppliers and community members

2. We will comply with the requirements of environmental laws, regulations and agreements.

3. We will raise awareness of environmental conservation through training and educational activities to strengthen the foundations on which each worker in the Group will tackle environmental tasks voluntarily.

4. We will make this environmental policy known to all workers of the Group companies and make the policy available to the public.

Energy Use Reduction

According to a medium- to long-term plan, Daimaru Matsuzakaya Department Stores is promoting energy saving facility replacement including the replacement of existing lighting fixtures with LED units, the introduction of inverters to control air conditioners, elevators and escalators and the use of highly efficient air conditioning heat sources to reduce CO₂ emissions and help prevent global warming.

By carefully controlling lighting and air conditioner temperature as well as participating in various activities including “raising air conditioner temperature settings in stores during summer” and “the Light Down Campaign” promoted by the Japan Department Stores Association, all employees are making energy saving efforts.

In response to tight power supply and demand this summer, Daimaru and Matsuzakaya stores in the Tokyo metropolitan area are implementing power saving measures to reduce peak power consumption by 15% and daylight saving working hour system was adopted for workers in the head office in Yanmar Tokyo Building.

Daimaru Umeda store received the Grand Prix of 2010 Energy Saving Lighting Design Awards from the Ministry of the Environment

LED lighting fixtures were installed on the ceilings throughout the store when the store grand reopened with increased floor space on April 19, 2011. Lighting in back-office areas was also replaced with highly efficient Hf-type motion sensor fluorescent lights. Since LED lights generate much less heat compared to halogen lights, they contribute significantly to improving the efficiency of in-store cooling.



Offering Environment-Friendly Lifestyles

Daimaru and Matsuzakaya stores provide ideas for smart eco-friendly living as a priority item of their environmental activities. They offer “environment-friendly products and services” based on their own selection criteria, while actively offering “eco-friendly products” to outside corporate customers and accepting orders from them and organizing environmental events.

Reduction of Packaging Materials

We provide training based on a smart wrapping manual so that all workers can pack in an unwasted and appropriate manner. Our stores promote simple packaging and “one-bag campaign” to put all stuff in one bag with the cooperation of customers.



Original eco bags

Original eco bags

Original eco bags “with carbon offsets” are sold in all 21 Daimaru and Matsuzakaya stores to promote resource saving and reduce waste by encouraging customers to bring their own shopping bags.

Reduction and Recycling of Waste

We implement thorough waste separation to decrease final waste and promote recycling.

Food waste is recycled as fertilizer by “the garbage disposers” installed in stores. We also outsource the recycling of fish trimmings and food oil waste as fertilizer, feed, biofuel and soap according to the discharge status of each store.

Creating Customer-Friendly, Safe and Comfortable Stores

Daimaru and Matsuzakaya stores regularly carry out emergency drills for all workers and introduced the Earthquake Early Warning system that issues real-time alerts over the in-store PA system just as an earthquake starts*. Daimaru Matsuzakaya Department Stores is working on developing a business continuity plan (BCP) to enable continuation of important businesses and early recovery when facing emergencies such as earthquakes directly below Tokyo.

*This system is already installed in all stores managed directly by Daimaru Matsuzakaya Department Stores and Hakata Daimaru Tenjin store (except some stores that occupy as tenants).

AED (automatic external defibrillator) units are installed in all stores and about 1,400 employees from all stores have completed training in normal lifesaving so that we can provide an initial response in case of emergencies. (Some stores that occupy as tenants share AED units with building owner companies.)

Social Contribution Activities

As a business group that contributes widely to society, J. Front Retailing Group actively engages in great earthquake relief activities and participates in charity bazaars and events to protect the global environment, support the regions suffering serious starvation and poverty and raise awareness about living a safe and healthy life.

Regional Revitalization

Daimaru and Matsuzakaya as community-based department stores actively participate in creating pleasant and beautiful towns that attract people in cooperation with local people and governments and make environmental efforts that customers and local people can take part in.

Major participation in community events

Daimaru

- Sapporo: Sapporo Snow Festival YOSAKOI Soran Festival
- Kyoto: Gion Festival
- Kobe: Kobe Luminarie Motomachi East Jazz Picnic
- Hakata Daimaru Tenjin: Hakata Gion Yamakasa Festival
- Shimonoseki Daimaru: Shimonoseki Kaikyo Festival

Matsuzakaya

- Nagoya: Nagoya Festival Domannaka Festival
- Ueno: Grand Festival of Gojo Tenjin Shrine
- Shizuoka: Shizuoka Festival (Seasonal events)
- Takatsuki: Takatsuki Jazz Street



Rooftop Greening

In September 2010, Matsuzakaya Nagoya store opened an eco-friendly garden "Sora Terrace" on the rooftop as part of the 100th anniversary celebration of Matsuzakaya Department Store. It is a relaxing garden where people enjoy many plants including 100 kinds of roses, herbs, vegetables and seasonal flowers. It also provides various information on flowers and greens including gardening schools and events.



Environmental Study and Sales Experience

Daimaru and Matsuzakaya stores accept local elementary and junior high school students during spring consecutive holidays and summer vacation and help their integrated learning by showing the stores' environmental activities and providing opportunities to try out jobs in department stores.

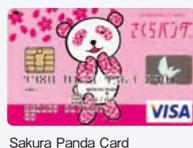
Job experience of elementary school students (Matsuzakaya Nagoya store)

Our contribution to local environmental conservation activities was recognized.

Matsuzakaya Nagoya store received the Nagoya Excellent Eco Business Establishment Award
Hakata Daimaru Tenjin store received the Fukuoka Best Environmental Action Award and the Fukuoka Special Urban Beautification Award

Participation in the Pink Ribbon Movement (breast cancer educational activities)

JFR Card Co., Ltd. has supported the Pink Ribbon Movement since April 2010 by donating in proportion to the amount of money raised from customers, the number of the holders of Sakura Panda Card and the amount purchased with the card during the Pink Ribbon Movement Awareness Month (October) to the NPO "J. POSH (Japan Breast Cancer Pink Ribbon Movement)."



Sakura Panda Card

"Collect PET Bottle Caps to Provide Vaccines to the World's Children!" Campaign

Daimaru and Matsuzakaya place collection boxes in their stores and employee facilities to collect PET bottle caps.

The collected caps are sent to recycling companies through the NPO "Re Lifestyle" and we donate the full amount paid for them to the NPO "Japan Committee Vaccines for the World's Children (JCV)" to provide vaccines to children around the world.

We launched this campaign in all stores in November 2009. Receiving a great deal of cooperation from customers, a total of more than 14.3 million caps (equivalent to polio vaccines for about 27,300 persons) were collected up to April 2011.

Now that more than one year has elapsed since we launched the campaign, many customers express sympathy and participate in it community-wide or school-wide.

In March 2011, the first anniversary event was held in all stores and we reported the contents and results of our activities to many customers.

Matsuzakaya Nagoya and Daimaru Kobe stores held JCV supporter Takeshita Keiko's talk show and auctions of goods provided by famous actresses and professional soccer players and donated the proceeds from them to JCV.

The Great East Japan Earthquake Relief Operations

Fundraising

We raised money in all locations of Daimaru, Matsuzakaya and Peacock Stores and donated a total of about ¥38 million together with the donations from the employees of the Group and workers from suppliers to the Japanese Red Cross Society.



In-store fundraising activity (Matsuzakaya Ueno store)

The Group sent ¥30 million to the Japanese Red Cross Society and other organizations and ¥1 million each to Miyagi, Iwate, Fukushima and Aomori, with which the Group has relations through Tohoku products fairs and other events.

Delivery of emergency supplies

We provided Ofunato-shi, Iwate, with 1,000 blankets, 200,000 masks, portable toilets and radios through the NGO "Peace Winds Japan" immediately after the earthquake occurred. After that, we asked the earthquake headquarters of each affected prefecture



Aid delivery to Iwate

what they needed at that time and sent 1.43 million masks to Iwate and about 80,000 goods including food and daily necessities to Miyagi and Iwate. In the meantime, in response to a request for assistance from the community-based NGO "JOICFP," we delivered 1,500 maternity goods and 1,200 bottles of drinking water for babies to affected areas and handed them over to pregnant women.

Support fair

Daimaru Tokyo, Matsuzakaya Ueno and other stores held "support fairs" to sell fresh vegetables grown in and local sake brewed in the Tohoku and Kanto areas.



Vegetable fair (Daimaru Tokyo store)