

Well-Being Life We Suggest to Our Customers



Background

Triggered by the COVID-19 pandemic, consumers' values and lifestyles have changed significantly, and there are growing needs for solutions for environmental and social issues, products and services that enhance health, and safety and security with the aim of preventing infections. Against the backdrop of these changes in the external environment, we will strengthen our effort as a new materiality issue to realize customers' health, safety, and security.

Goals (commitments)

We suggest Well-Being that is unique to each customer and a rich and exciting future by staying close to the lives of customers with physical and mental health and security, and providing high-quality and comfortable products and services. In addition, we will create new customer touch points with consideration given to safety and security and promote the creation of stores that meet the expectations of society. To that end, we will prevent disasters, respond to infection risks, comply with our BCP (business continuity plan), increase store resilience, and at the same time, build operational systems that utilize digital technology.

Targets/KPIs for FY2023

- Start carrying more products certified for food safety and environmental protection
- Expand the areas in our entertainment business, such as traditional culture, art, and culture
- Launch a wellness business
- Customer awareness and empathy of sustainability activities of the Group: 30%
- More sophisticated BCP and stronger measures to prevent epidemics
- Strengthen contactless touch points with customers through communication utilizing digital technology

Major actions in FY2020

- Held ethical life events and attracted shops that carry fair trade products
- Online cosmetics counseling and use of live commerce
- Offering of virtual tours of Shinsaibashi PARCO with 360-degree cameras at the time of its grand opening
- Strengthened HACCP efforts at the Consumer Product End-Use Research Institute
- Revision of JFR Crisis Management Rules and formulation of JFR Crisis Management Manual
- Taking measures for COVID-19

To suggest Well-Being Life that will meet the expectations of customers

In response to growing customer awareness of ethical consumption, such as selecting products that will solve environmental and social issues, Daimaru Matsuzakaya Department Stores and Parco are working to increase products and services that support ethical consumption. To be specific, we hold ethical life events with brands that work on SDGs and have shops that carry fair trade products. In the future, we will carry more ethical products, the purchase of which will allow customers to not only live comfortable lives, but also contribute to the environment and society.

In addition, Parco launched a wellness business division in September 2020 in response to the growing awareness of health and inner fulfillment due to the COVID-19 pandemic. We aim to suggest new lifestyles and provide value related to the area of wellness in a broad sense for consumers to live a better life in terms of health.

In the future, we will conduct a survey on customer awareness and empathy of sustainability activities performed by the Group and utilize the results to enhance our sustainability activities.



Shibuya PARCO held CYCLE, its first whole-building project with the theme of "sustainable" in March 2021.

Creating store environments resistant to disasters and epidemics that will allow customers to visit our stores with a sense of security

The Group is strengthening its efforts for safety and security. The stores of Daimaru Matsuzakaya Department Stores and Parco, and other operating companies regularly have disaster prevention drills and BCP drills in preparation for an earthquake or a fire. In 2020, we revised the JFR Crisis Management Rules and formulated the JFR Crisis Management Manual to have manuals in a structured manner.

Furthermore, Daimaru Matsuzakaya Department Stores and Parco are taking safety and security measures, such as creating an environment that does not have the three Cs, strengthening air conditioning in buildings, etc. as measures to prevent the spread of COVID-19. We ask our customers to wear masks, measure their body temperature with thermography, and use alcohol sanitizer at the entrance. In

addition, for employees, health management is thoroughly implemented and measures are taken to prevent infections, including the use of anti-droplet shields. As for COVID-19, we will continue to make efforts to thoroughly implement systematic measures to prevent infections, such as establishing an emergency response headquarters at an early stage. At the same time, we are verifying the measures we have taken so far and formulating the "manual to respond to infectious diseases" in preparation for a new pandemic in the future.



Taking body temperature at the entrance of a store