

Revitalization of Local Areas with Our Stores at the Core



Background

Japan's population, while continuing to shrink and age, is increasingly concentrated in urban areas, leaving the non-urban societies to face the challenge of boosting their attractiveness and revitalizing the regions. Meanwhile, the changes in work styles due to the COVID-19 pandemic are giving rise to the needs for integration of work and home life, and a growing interest in migration to rural areas. These trends are urging companies to work to revitalize rural areas, in addition to urban areas.

Goals (commitments)

Together with local communities, governments, NGOs, and NPOs, we will use our stores as a base to contribute to the creation of sustainable communities that draws on local assets. We will also identify the charm and attractions of each area and make them widely known, so as to offer exciting new experience to its visitors.

Targets/ KPIs for FY2023

- Engage in local development projects that draw on the culture, history, and other features of each area to enhance its attractiveness and contribute to invigorating the area
- Adopt CSV (for sustainability) across the stores
- Promote regional revitalization in collaboration with local governments, educational institutions, NGOs, and NPOs
- Promote regional revitalization by driving local production for local consumption (*chisan-chisho*) and identifying and publicizing things unique to each locality (All stores engage in community collaboration)

Major actions in FY2020

- Development of areas around newly opened Shinsaibashi PARCO and BINO Sakae
- Sales support to local firms and local producers affected by COVID-19
- Web-based promotion of *chisan-chisho*
- Regional revitalization efforts using "BOOSTER, a crowdfunding platform operated by Parco"
- Conclusion of industry-academia collaboration agreement between Parco and Showa Women's University

Developing local areas with our stores at the core

The Group's business model has been to boost the attractiveness of the whole area surrounding our stores, with the store acting as a hub for the growth of our business and the local area. The model has its roots in the development project of shops in the neighborhood of the Daimaru Kobe store in the Former Foreign Settlement in Kobe, which succeeded in invigorating the whole area. Building on the know-how gained, we are working to enhance the attractiveness of other local areas and contribute to the local communities.

In November 2020, Parco opened Shinsaibashi PARCO in Shinsaibashi area, Osaka and BINO Sakae in Sakae area, Nagoya city. Shinsaibashi PARCO has since become a new landmark of Shinsaibashi area alongside the main building of the Daimaru Shinsaibashi store, which was reopened after renovation in 2019. The two facilities leverage each other's strengths to offer more than just shopping of goods but new values, services, and experiences to a variety of customers who come to Shinsaibashi, and draw new crowd to the area. BINO Sakae is living up to its keyword "Bi ('beauty' in Japanese)," which are the initial letters of BINO, by offering shoppers a choice of goods to make their life rich and beautiful, and contributes to improving shopper circulation around Sakae area and enhancing the attractiveness of the area as a whole.



BINO Sakae

"Think LOCAL" –a web-based project for coexistence with local communities

The Group's network of stores spans across the country. Making the most of this advantage, the Group is playing its part in revitalizing the regions in which it has stores by carrying more goods unique to each location and driving the "*chisan-chisho*" initiative of local production for local consumption.

As part of its sustainability actions, Daimaru Matsuzakaya Department Stores is engaged in "Think LOCAL" project to give a thought to local issues and provide support toward their solutions. In September 2020, the company ran the "Let's Buy, Eat, and Be a Part! Campaign" consisted of online sales of local specialties from around the country and a digital charity box through which donations go to NPOs in areas where the stores are located. The campaign's "The Best of Japan Delivered to Your Door Local Food Mart" selling online appetizing local specialty foods and recommended delicacies from where our stores are located and the online fund-raising for local NPOs were carried out to support the local companies, facilities, and organizations hit by the COVID-19 crisis.

We will continue pouring our efforts into online sales and work in harmony with local areas around each of our store locations.



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Be a place where thoughts meet thoughts