Support for the Next Generation and Local Revitalization

Entry into Early Childhood Education Business

The Group is expanding its business fields with the aim of growing as a “Multi Service Retailer” beyond the framework of retail. We established JFR Kodomo Mirai Co., Ltd. in March 2018 to realize our wish to propose “new happiness” in life to infants at an early stage in life and parents with infants at an early stage in family life. JFR Kodomo Mirai Co., Ltd. launched early childhood education business that provides both education and extended-hour child care in collaboration with Kids Duo International. In March 2019, a bilingual nursery “Daimaru Matsuzakaya Kids Duo International Aobadai” opened in Aoba-ku, Yokohama.

The facility provides curriculums including bilingual education, intellectual training, physical exercise and job experience based on many years of experience and the spirit of hospitality acquired in the department store business.

Promotion of Chisan-Chisho

“Chisan-chisho” or local production for local consumption initiatives help revitalize local economies. They also help reduce environmental burden because GHG emissions from transportation and refrigeration decrease due to short transportation distance.

Daimaru Matsuzakaya Department Stores will contribute to revitalizing local areas by expanding the lineup of products that are unique to the areas capitalizing on the strength of its nationwide store network.

For example, in 2016, the Matsuzakaya Shizuoka store started to sell chisan-chisho sweets taking advantage of the strength of community-based store in collaboration with local producers and a local confectionery school. They are loved by local people and their sales are increasing every year.

Going forward, we will further expand these initiatives in Daimaru and Matsuzakaya department stores across Japan and evolve them into initiatives that take advantage of individual local characteristics.

Comprehensive Partnership Agreements with Local Universities

Matsuzakaya Nagoya store

The Matsuzakaya Nagoya store entered into a “comprehensive partnership agreement” with Nagoya University in May 2017. This agreement is intended to contribute to local growth and human resource development through cooperation between the parties in the fields of culture, industry, education, academia, etc. As part of this initiative, we opened “Common-S.” Sakae College, an innovation facility in Sakae, in June 2019. We will continue to work with young talents and local companies to revitalize the Sakae area.

Daimaru Kobe store

The Daimaru Kobe store entered into a “comprehensive partnership agreement on revitalizing local society and promoting lifelong education” with Kobe Gakuin University. The parties provide local disaster prevention and mitigation education ahead of the rest of Japan to apply the lessons of the earthquake to education and help revitalize the local community.

We will continue this cooperation in nine areas including joint projects for fostering creativity in children, support for the next generation, promotion of education and human resource development, disaster prevention and mitigation, and local development and resolution of local issues.
With Customers

Consultation Corners for Consumers

At the “Consultation Corners for Consumers” of Daimaru Matsuzakaya Department Stores, consultants certified as advisory specialists for consumers’ affairs provide consultation to customers regarding product quality and labeling. Inquiries from customers are sent to Consumer Product End-Use Institute for scientific quality inspection. The results are reported to customers through consultants.

These test results are also provided to relevant stores and suppliers to prevent recurrence, which leads to quality improvement and proper labeling.

Services to foreign tourists to Japan

Twelve stores of Daimaru Matsuzakaya Department Stores have tax refund counters so that foreign tourists to Japan can shop easily. Some tax refund counters are staffed with foreigners to facilitate services.

Aiming to be the “number one provider of services to foreign tourists to Japan,” Daimaru Matsuzakaya Sales Associates (DMSA) provided sales people with training concerning services to foreign tourists to Japan using the curriculums that are useful for customer services at stores six times a year at each store. In addition we support the affected areas through consultations.

In the case of stock shortage.

Efforts to help the stranded

From the experience of the Great East Japan Earthquake, the Tokyo Metropolitan “Ordinance Covering the Measures for People Who Have Difficulty Returning Home” was enacted in April 2013. In line with that, Daimaru Matsuzakaya Department Stores organized a system that allows its stores to provide their floor space to stranded shoppers as temporary evacuation space based on the ideas of “self help,” “mutual help” and “public help.” Specifically, hardtack, drinking water, portable toilets, etc. are stored. At the same time, we hold meetings with food suppliers and restaurant operators to ask them to sign a memorandum to the effect that they agree to provide their products (before the expiration dates) on our store shelves in case of stock shortage.

Ginza Six also entered into an agreement with Chuo-ku, Tokyo to accept the stranded.

Creation of safe and secure store environment

The Group organizes self-defense fighting teams in its department stores, offices, etc. and conducts emergency drills and BCP trainings in preparation for earthquakes and fires. Self-defense fighting teams at the stores carry out drills on a regular basis with the participation of all workers including people from suppliers to ensure that they can take prompt and appropriate actions including firefighting, evacuation guidance for customers and information collection.

Automatic external defibrillators (AEDs) are placed mainly in the department stores and we continuously train workers in their use.

Support for affected areas

The Group donates money to support reconstruction of the areas affected by natural disasters, which are becoming larger in scale recently. We thought we need to formulate new donation guidelines to enable prompt and fair donations in emergencies caused by unexpected disasters. After a lot of discussions at the Group Management Meetings and the Board of Directors meetings, we formulated “The Group Donation Guidelines” in October 2018. The guidelines enable prompt donations to the affected areas.

Daimaru Matsuzakaya Department Stores raises money in each store. In addition we support the affected areas through our core department store business, for example, by actively selling the local products of the affected areas.

### Major donations

<table>
<thead>
<tr>
<th>Disaster</th>
<th>Donor</th>
<th>Amount donated (millions of yen)</th>
<th>Recipient</th>
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</thead>
<tbody>
<tr>
<td>Great East Japan Earthquake</td>
<td>J. Front Retailing</td>
<td>30</td>
<td>Japanese Red Cross Society</td>
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<tr>
<td>Kumamoto Earthquake</td>
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<tr>
<td>Torrential rains in July 2018</td>
<td>Parco</td>
<td>10</td>
<td>Japanese Red Cross Society</td>
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<tr>
<td>Hokkaido Eastern Iburi Earthquake</td>
<td>J. Front Retailing</td>
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<td>Typhoon No. 19 in 2019</td>
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