



### Message from Sustainability Officer

# Improvement and Expansion of Materiality Issues to Realize Well-Being Life

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The Group reviewed materiality issues to promote sustainability management and realize “Well-Being Life (both mentally and physically fulfilling life).”

### Added two materiality issues

Recently, a movement to create a new business model is accelerating as a supply chain-wide initiative to create a circular economy mainly in Europe in order to solve global social issues such as resource depletion and the disposal of food and clothing. Consumers are also increasing their

interest in ethical consumption, fair trade, traceability and recycling and thus their environmental awareness is greatly changing. In addition, with the current COVID-19 pandemic, there is a growing need for safety and security with infection prevention in mind, wellness and healthcare, and new values and lifestyles are beginning to take root.

Looking at such a situation, and as a result of many discussions at the Management Meetings and the Board of Directors meetings, we decided to newly add two items including “promotion of circular economy” and “realization of customers' healthy/safe/secure life” to the

five materiality issues that we identified in the past.

### “Promotion of circular economy”

Circular economy is an economic system to use natural resources and products efficiently and circularly, minimize waste generation, and monetize them. The Group has tackled the 3 Rs, which form a part of circular economy.

Meanwhile, the Group thinks that it is important to reduce environmental burdens and at the same time to capture new business opportunities in order to further

evolve the 3 R approach and realize a circular economy.

In March 2021, Daimaru Matsuzakaya Department Stores launched a fashion subscription business AnotherADdress. AnotherADdress started as a service that respects the intrinsic value of fashion and sustainable initiatives and aims to develop into a socially and environmentally sustainable business model.

### “Realization of customers' healthy/safe/secure life”

Customers' awareness of ethical consumption is increasing. For example, many of them choose to buy the products that help solve environmental and social issues. In response to this, we will expand the offering of ethical products so that customers can contribute to society and the environment as well as live a comfortable life by buying them. As people are becoming more aware of health and inner contentment due to the COVID-19 pandemic, we will also propose new lifestyles and provide value concerning the wellness field to live a better life from the perspective of health. We would like to help individual customers realize Well-Being Life through these initiatives.

Safety and security measures taken in the stores of Daimaru Matsuzakaya Department Stores and Parco and each operating company include regular disaster prevention training and BCP training in preparation for earthquakes and fires. And in order to prevent COVID-19

infection, we create an environment that does not cause three Cs and strengthen air conditioning in our stores. We will continue to create a store environment that is strong in disaster prevention and epidemic prevention and take safety and security measures so that customers can visit our stores without fear.

### Improvement of actions to address materiality issues

We also revised some of existing materiality issues.

Specifically, with regard to “contribution to a low-carbon society,” in response to the growing awareness of decarbonization in Japan and abroad, we revised it to “realization of decarbonized society” to strengthen our actions as the highest priority issue of the Group.

And we revised “promotion of diversity” and “realization of work-life balance” to “promotion of diversity & inclusion” and “realization of work-life integration,”



respectively, to improve our actions in response to changes in society.

Going forward, with regard to these seven materiality issues, we will identify both risks and opportunities and create business opportunities for each materiality issue to achieve social value and economic value at the same time.