









→ KGIs and KPIs of Materiality Issues and Their Progress

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	Materiality issue	KGI	Indicator	2020 results	2023 KPI	2030 KPI
 With environment	 Top priority issue Realization of decarbonized society	Lead a decarbonized society and create a global environment for future generations	● Scope 1 and 2 GHG emissions	● 132,106 t-CO ₂ 32.0% reduction (vs. FY2017)	● 40% reduction (vs. FY2017)	● 60% reduction (vs. FY2017)
			● Share of renewable energy in total electricity used for business activities	● 10.3% (up 6.3% from FY2019) ● Opened Shinsaibashi PARCO, which operates using 100% renewable energy	● 40%	● 60%
			● Energy creation	—	● Introduce in-house generation of renewable energy in collaboration with new power companies	● Expand in-house generation and consumption of renewable energy in collaboration with new power companies
	 Promotion of circular economy	Realize a sustainable global environment for the future and corporate growth through the promotion of circular economy	● Waste generation (including food waste)	● 9,216 t	● 15% reduction (vs. FY2019)	● 50% reduction (vs. FY2019)
● Weight of the items collected via ECOFF for recycling			● 836.4 t in total	● 1,500 t in total	● 3,000 t in total	
● Recycling, reuse			● Collected, reused and recycled clothing through ECOFF	● Recycle and remanufacture used products in collaboration with suppliers and customers	● Expand recycling and remanufacturing of used products in collaboration with suppliers and customers	
● Businesses including sharing, subscription and upcycling			● Launched fashion subscription business AnotherAddress	● Entry into businesses including sharing and upcycling in collaboration with suppliers	● Expand share of businesses including sharing and upcycling in collaboration with suppliers	
 With local communities	Management of the entire supply chain	Realize decarbonization throughout the supply chain created along with suppliers	● Scope 3 GHG emissions	● 2,922,739 t-CO ₂ 5.0% reduction (vs. FY2017)	● 10% reduction (vs. FY2017)	● Aim for 40% reduction (vs. FY2017)
		Realize a sustainable supply chain created along with suppliers	● Dissemination of the JFR Principles of Action for Suppliers	● Prepared for assessment of the Principles of Action for Suppliers (Planned for fall 2021)	● Collection ratio of assessment questionnaire: 80%, dissemination ratio: 25%	● Collection ratio of assessment questionnaire: 95%, dissemination ratio: 100%
		Realize Well-Being Life in which we, along with suppliers, protect the human rights and health of the people working along the supply chain	● Human rights	● Identified human rights risks ● Expanded the Human Rights Policy	● Expand human rights due diligence initiatives ● Employee human rights education ratio: 100%	● Establish business activities in which the human rights of suppliers and employees are respected

JFR Sustainability Management	JFR Materiality Issues	Realization of Decarbonized Society	Promotion of Circular Economy	Management of the Entire Supply Chain	Promotion of Diversity & Inclusion	Realization of Work-Life Integration	Realization of Customers' Healthy/Safe/Secure life	Coexistence with Local Communities	Sustainability Initiatives of Operating Companies	Risk Management	External Recognition	Sustainability Data
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 <p>With people</p>	Promotion of diversity & inclusion	Realize a highly diverse society in which everyone recognizes each other's diversity and flexibly demonstrates his/her individuality	● Share of women in management positions	● 19.9%	● 26%	● Aim for 50%, equal to female labor share	
			● Extension of retirement age	● Introduced extension of retirement age to 65 (Daimaru Matsuzakaya Department Stores, JFR Card, Daimaru Kogyo, JFR Information Center)	● Increase operating companies that introduce retirement at 65	● Aim for retirement at 70	
			● Employment rate of the disabled	● 2.21% (as of June, in the special scope of associates)	● 2.6%	● 3.0%	
			● Creation of corporate culture with diversity	● Established LGBT-related systems (same-sex partnership rules, gender change support leave)	● Employee dissemination ratio of diversity & inclusion: 100% ● Provide sales floors, products, services tailored to diverse customers including LGBTs	● Realize business growth using diverse abilities stemming from diversity & inclusion ● Provide sales floors, products, services tailored to diverse customers	
	 <p>With people</p>	Realization of work-life integration	Realize the Well-Being of employees and their families through new work styles for the future in which diversity and flexibility will be realized	● Turnover rate due to childcare and family care	● 1.1%	● Less than 1.0%	● 0%
				● Childcare leave usage rate of male employees	● 18.8%	● 100%	● 100% regardless of gender
				● Work style	● Expanded telework	● Establish systems and evaluation to create an organization that allows employees to work anytime, anywhere	● Increase productivity by the organization that allows employees to work anytime, anywhere
				● Employee satisfaction (employee satisfaction survey)	● Conducted organizational checkups, etc.	● 60%	● 80%
	 <p>Realization of customers' healthy/safe/secure life</p>	Realize a future-oriented Well-Being Life that satisfies the mind and body of customers	● Ethical consumption	● Held ethical life events ● Invited shops that carry fair trade products	● Start to strengthen offering of products certified concerning food safety and environment protection	● Expand ethical consumption in overall lifestyle	
			● Mental and physical health	● OMO (Online Merges with Offline) sales of modern art ● Created wellness business unit (Parco)	● Expand the field of entertainment business including traditional culture, art and culture ● Launch wellness business	● Provide excitement to daily life and create new customer experiences by expanding the entertainment and wellness businesses	
			● Customer awareness and sympathy for sustainability activities	—	● 30%	● 80%	
		● BCP, disaster prevention, epidemic prevention	● Create safe, secure, and resilient stores with an eye on the future	● Revised JFR Crisis Management Rules and formulated JFR Crisis Management Manual ● Live shopping ● Accepted cashless payment	● Sophisticate BCP and strengthen epidemic prevention measures ● Strengthen contactless customer touch points through communication using digital technologies	● Create highly resilient stores by adopting the latest technologies to prevent disasters and epidemics and provide comfortable spaces with consideration for health	
 <p>With local communities</p>	Coexistence with local communities	Together with local people, create prosperous future-oriented communities in which people gather, centered on our store	● Community development	● Shinsaibashi PARCO opened ● BINO Sakae opened	● Make the area more attractive leveraging local uniqueness including culture and history, develop in a way that contributes to attracting crowds to the area ● Shift to CSV in stores (make stores sustainable) throughout the Group		
			● Collaboration with local communities	● Expanded local production for local consumption (<i>chisan-chisho</i>) using website ● Revitalized local communities by crowdfunding ● Concluded industry-academia partnership agreement	● Promote local revitalization in collaboration with governments, educational institutions, NGOs and NPOs ● Promote local revitalization by finding and providing locality content such as <i>chisan-chisho</i> (promote local partnership in all stores)		