Well-Being Life Proposed for Customers \rightarrow Creation of Customer Touch Points with Consideration for Safety and Security

Creation of Customer Touch Points with Consideration for Safety and Security

Through the COVID-19 pandemic, customer awareness of safety and security is greatly increasing. We will continue to take measures to prevent COVID-19 infections with customers and provide a safe and secure shopping environment, for example, by selling in a new way that uses digital technologies for contactless communication.

Create Resilient Stores

The Group is strengthening its efforts to ensure safety and security. In 2020, we revised the JFR Crisis Management Rules and compiled the JFR Crisis Management Manual in a structured manner.

The stores of Daimaru Matsuzakaya Department Stores and Parco and operating companies periodically provide disaster training and BCP training to prepare for earthquakes and fires. At the same time, in light of the experience when our stores were hit by great earthquakes (the Great Hanshin Awaji Earthquake and the Great East Japan Earthquake), we put in place a safety confirmation systems to check the status of all employees promptly when a disaster occurs. And we have included in the BCP plan changes to the manual regarding specific actions to take and use of multiple means of communication (e.g. wireless hand-held devices for use during disasters, company smartphones, the corporate intranet, etc.). In addition, the Group places emergency walkie-talkies in all operating companies and we are continuously increasing stockpiles such as drinking water and emergency food.

With regard to COVID-19, we established the Emergency Response Headquarters at an early stage and continue to take thorough infection prevention measures in an organized manner. In addition, we are verifying the measures we have taken so far and compiling an Infection Response Manual in preparation for a new pandemic in the future.

2020 BCP and disaster prevention initiatives

Item	Details
Crisis management measures	 Revised the JFR Crisis Management Rules and compiled the JFR Crisis Management Manual
Disaster prevention measures	 Periodically provide BCP training in each company and each store in the Group Consider the structure of BCP for the systems that respond to disasters in the entire Kanto region
Epidemic prevention measures	 Prepare an Infection Response Manual to prevent COVID-19 infections.
Measures for stranded people	 Measures to increase stockpiles
Enhancing stores' earthquake resistance	Completed in all stores in 2019

Responsible Marketing

Amid the COVID-19 pandemic, customer awareness of the safety and security of health and food is increasing. Therefore, the Group added an item of "responsible marketing" to the JFR Principles of Action for Suppliers as our responsibility to customers in January 2021. We will fulfill our responsibility to customers by considering the health impact of alcohol and processed food and providing correct and easy-to-understand allergy information on food labels.

Daimaru Matsuzakaya Department Stores places the Food

➡ JFR Principles of Action

Safety and Security Team (secretariat) in the Compliance and Safety and Security Group of Administration Division to ensure food safety and security. They work with food hygiene staff members of the food department of each store.

Food hygiene staff members conduct hygiene control such as the inspection of kitchens and quality control such as the inspection of labels in accordance with the Food Sanitation Act and the Food Labeling Act on a term, monthly, weekly and daily basis. In June 2021, we started the "hygiene control that incorporates the concept of HACCP*" in accordance with the amended Food Sanitation Act and we are working harder than ever with suppliers to prevent food poisoning. The Food Hygiene Committee of each store, which is chaired by a store manager, meets monthly and discusses the inspection of kitchens and remedies in response to the results of inspection, the verification of the prevention of food accidents and the measures to prevent recurrence to enhance the risk management of the food department.

Going forward, we will step up efforts to ensure greater food safety and security.

* HACCP is a global food hygiene control system.

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Measures to Prevent the Spread of the COVID-19 Infection

The Group strives to prevent the COVID-19 infections giving top priority to the safety and security of customers and workers including suppliers.

Daimaru Matsuzakaya Department Stores and Parco take safety and security measures, such as creating an environment that does not have the three Cs and strengthening air conditioning in buildings, to prevent the COVID-19 infection. We ask 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.

Going forward, while more thoroughly implementing existing measures, we will introduce as many new measures as possible to prevent the spread of infection.

New measures taken by Daimaru Matsuzakaya Department Stores as of August 2021

 Showing the number of customers who stay in the store
 Anti-virus paint on the equipment used by a large number of unspecified customers, including elevators, escalators, powder rooms, and the wrapping desks of food departments
 Placing more sterilizers in employee facilities

and others



Temperature check at the store entrance

Distribution of live commerce

Safe and Secure Contactless Payment Service

The Group also proceeds with initiatives for contactless cashless payment.

In June 2021, Daimaru Matsuzakaya Department Stores newly added "app payment service" to existing "Daimaru Matsuzakaya app." A customer can complete his/her payment with just a smartphone by registering his/her Daimaru Matsuzakaya credit card on the app.

Parco operates POCKET PARCO, an app that provides mobile QR code payment service. Furthermore, Parco expanded and improved payment functions and provide one-to-one service based on location information and buying information and distributes owned media PARCO Journal with media commerce function that allows users to buy from the articles of the Journal to improve convenience. Going forward, we will try new initiatives to contribute to the safety and security of customers.

connaissligne

Focus

Contactless Communication Using Digital Technologies

Introduced cross-border live commerce for China

In June 2020, Parco launched cross-border live commerce for China. It is intended to continuously communicate with and provide information for foreign customers amid decreased inbound demand and to support Parco's tenants by creating

new sales. We aim to build a sustainable scheme in which each stakeholder can continuously participate even after inbound demand recovers.



An event for *gaisho* customers Kihinkai was held physically, and at the same time, virtually as live shopping.

We also strengthen the dedicated website "connaissligne,"

which offers selected products, information and services to *gaisho* customers. Communication with customers is revitalized through connaissligne. For example, a customer who could not travel abroad due to COVID-19 asked for advice about buying luxury brands. Going forward, we will proceed with the shift of our *gaisho* business, mainly sales of luxury brands, to OMO as media that expand customer touch points.