

## Sustainability Bond (9th Unsecured Bond) Reporting

The Company issued “sustainability bonds\*” in May 2021 to contribute to resolving both environmental and social issues through business activities.

\*Bonds where the proceeds are used for projects that both: (1) have a positive impact on the environment (environmental/green features) and (2) contribute to solving social issues (social features)

Project category	Output	Outcome	Impact	Use of funds
<b>Realization of decarbonized society</b>				
Green building	<ul style="list-style-type: none"> <li>Overview of eligible projects</li> <li>Construction of the main building of Daimaru Shinsaibashi store (FY2019)</li> <li>Construction of Shibuya PARCO (FY2019)</li> </ul>	<ul style="list-style-type: none"> <li>Status of building certification/confirmation (timing / certification level)</li> <li>Main building of Daimaru Shinsaibashi store: Osaka City building environmental plan system, ranked A (FY2019)</li> <li>Shibuya PARCO: Tokyo building environmental plan system, graded 3rd (FY2021)</li> <li>Electricity reduction</li> <li>Main building of Daimaru Shinsaibashi store: Up 767 MWh (vs. FY2014*)</li> <li>Shibuya PARCO: Down 2,982 MWh (vs. FY2014*)</li> <li>Scope 1 and 2 GHG emission reduction</li> <li>Main building of Daimaru Shinsaibashi store: Down 7,841 t-CO<sub>2</sub> (vs. FY2014*)</li> <li>Shibuya PARCO: Down 1,146 t-CO<sub>2</sub> (vs. FY2014*)</li> <li>* Estimated value for FY2014, the last full business year before rebuilding (The building structure is not identical due to reconstruction.)</li> </ul>	Leading a decarbonized society and creating a global environment for future generations	Amount already allocated: ¥6,000 million
Renewable energy	<ul style="list-style-type: none"> <li>Purchased renewable energy-sourced electricity: 62,156 MWh</li> </ul>	<ul style="list-style-type: none"> <li>Share of renewable energy-sourced electricity in total electricity consumption: 20.3% (up 10.0% YoY)</li> </ul>		Amount already allocated: ¥300 million Amount allocated in FY2021: ¥1,053 million
Green procurement	<ul style="list-style-type: none"> <li>No. of leased EVs: 13 in FY2021 (145 in total, 39% in total)</li> </ul>	<ul style="list-style-type: none"> <li>Reduction in CO<sub>2</sub> emissions by electrifying corporate fleet: Approximately 393 t-CO<sub>2</sub> a year (Calculated by comparing with the emissions of the same type of gasoline vehicles)</li> </ul>		Amount already allocated: ¥90 million Amount allocated in FY2021: ¥80 million
Energy efficiency	<ul style="list-style-type: none"> <li>No. of LEDs installed for replacement: Approximately 1,600 in FY2021 (224,600 in total)</li> </ul>	<ul style="list-style-type: none"> <li>Reduction in CO<sub>2</sub> emissions by switching to LED lighting: Approximately 11,230 t-CO<sub>2</sub> a year</li> </ul>		Amount already allocated: ¥590 million Amount allocated in FY2021: ¥249 million
<b>Coexistence with local communities</b>				
Socioeconomic improvement and empowerment (Community)	<ul style="list-style-type: none"> <li>No. of tenants operating around Daimaru Kobe store in the Former Foreign Settlement in Kobe: 54</li> </ul>	<ul style="list-style-type: none"> <li>Initiatives to revitalize communities</li> <li>Local revitalization project by producers in Hyogo, H LABO</li> <li>Sale of local Banshu textile masks</li> <li>Kobe Market to introduce and sell attractive products in local areas such as Hyogo and Kobe</li> <li>Customer traffic to Daimaru Kobe store: 7,636,000 people</li> </ul>	Together with local people, creating prosperous future-oriented communities in which people gather, centering on our stores	Amount already allocated: ¥2,000 million Amount allocated in FY2021: ¥1,137 million
<b>Promotion of diversity &amp; inclusion</b>				
Socioeconomic improvement and empowerment (Women / disabled people)	<ul style="list-style-type: none"> <li>No. of times of holding JFR Women's School</li> <li>*Not held due to COVID-19 in FY2021</li> <li>Cost for Mother Recruitment</li> <li>¥2,894,000 in FY2021</li> </ul>	<ul style="list-style-type: none"> <li>Status of appointment of women to management positions (consolidated)</li> <li>Share of women in management positions in FY2021: 21.3%</li> <li>No. of the participants in JFR Women's School (annual)</li> <li>*Not held due to COVID-19 in FY2021</li> <li>No. of people employed through Mother Recruitment (annual): One in FY2021</li> </ul>	Realizing a highly diverse society in which everyone recognizes each other's diversity and flexibly demonstrates his/her individuality	Amount already allocated: ¥20 million Amount allocated in FY2021: ¥3 million

<Status of asset allocation>

Amount of issue: ¥15,000 million Amount already allocated: ¥9,000 million Amount allocated in FY2021: ¥2,522 million

Total amount allocated: ¥11,522 million Amount not yet allocated: ¥3,478 million