Progress Towards Achieving Sustainability

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	Laying the Foundation for Sustainability Management				The Challenge of Integrating Sustainability and Strategy		
		2018	2019	2020	2021	2022	(as of the end of September 2023)
Participation in initiatives		 Endorsed UN Global Compact Endorsed Women's Empowerment Principles Endorsed the Climate Change Initiative 	Endorsed TCFD recommendations Obtained SBT certification (<2°C)	●Joined RE100	 Obtained SBT certification (1.5°C) 	Obtained SBT Net Zero certification	
Policy and structure		 Formulated Sustainability Policy Formulated Eco Vision and Social Vision Identified materiality Established ESG Promotion Department 	 Established JFR Principles of Action Established JFR Principles of Action for Suppliers Established Sustainability Committee 		 Changed name of ESG Promotion Division to Sustainability Promotion Division Incorporated non-financial indicators into executive compensation 		
Stakeholders and investors		 Started ESG briefings 					
Business partners			 Held briefing sessions for suppliers 		 Began supplier assessments 	 Held briefing sessions for suppliers 	 Implemented scheduled supplier assessment
Customers						 Implemented customer survey 	
	Employees		 Established an internal portal Sustainability training for management level employees started 		 Implemented awareness survey on sustainability 	 Implemented Unconscious Bias Survey 	 Implement scheduled employee survey
Disclosure			 Commenced publication of Sustainability Report 	 Commenced disclosing TCFD's annual securities report 			
Obtaining 3rd-party assurance			Scope 1 and 2	•Scope 3	●Water ●Waste	 Energy consumption, renewable energy consumption, food waste Social data (ratio of female managers, etc.) 	
Sustainable finance			 Positive Impact Finance concluded 		 Issued Sustainability Bond 		
Initiatives	Environmental	 Switched over store lighting to LED (continued from before 2018) 	 ESG model stores: Daimaru Shinsaibashi and Shibuya PARCO open Commended switchover to renewable energy for stores Commenced switchover to EVs for company vehicles Switched over to environmentally friendly packaging materials 	 ESG model store: Shinsaibashi PARCO opens Commenced Think GREEN (Daimaru Matsuzakaya) 	 Launched fashion subscription business AnotherADdress 	 Formulated net-zero transition plan Demonstration experiment on reducing food loss through AI demand forecasting 	 Agreed to participate in "Fry to Fly Project" for the domestic production of SAF from waste cooking oil Introduced men's line to "AnotherADdress"
	Social	 Started Kyushu expedition (Hakata Daimaru) 	 Crowd funding "BOOSTER" (PARCO) Shizuoka MIRUI Project 	 Commenced Think LOCAL (Daimaru Matsuzakaya) Introduced mandatory retirement age of 65 (JFR and some operating companies) Identified human rights issues 	 Healthcare wellness mall, Welpa, opens (Shinsaibashi PARCO) Established LBGT partnership rules J. Front Retailing Declaration of Health Declaration of Partnership Building 	 Incorporated healthcare area into investment area Implemented Women's Empowerment Program Project 	 Establishment of J. Front City Development HAB@Kumamoto opens
External assessment	Environment	CDP (D—) Selected for inclusion in S&P/JPX Carbon Efficient Index	●CDP(A—) ●S&P/JPX Carbon Efficient Index	CDP (A) S&P/JPX Carbon Efficient Index	CDP (A) S&P/JPX Carbon Efficient Index	CDP (A) S&P/JPX Carbon Efficient Index FTSE Blossom Japan Sector Relative Index	 S&P/JPX Carbon Efficient Index FTSE Blossom Japan Sector Relative Index
	Society	 Selected as a constituent of MSCI Japan Empowering Women (WIN) 	 MSCI Japan Empowering Women Index (WIN) 	 MSCI Japan Empowering Women Index (WIN) 2020 Certified Health & Productivity Management Outstanding Organization. 	 MSCI Japan Empowering Women Index (WIN) Quasi-Nadeshiko Brand 2021 Certified Health & Productivity Management Outstanding Organization Awarded Silver rating from PRIDE Index 	 MSCI Japan Empowering Women Index (WIN) Nadeshiko Brand 2022 Certified Health & Productivity Management Outstanding Organization Awarded Gold rating in PRIDE Index 	 MSCI Japan Empowering Women Index (WIN)
	Comprehensive					_	 FTSE Blossom Japan Index FTSE4Good Index Series Selected as a constituent of MSCI Japan ESG Select Leaders Index