Moving Towards a Circular Economy



The importance of the circular economy is growing as resource shortages, global warming, waste disposal, and other problems become more serious due to the linear economy, which is based on mass production, mass consumption, and mass disposal.

A fashion subscription business friendly to the environment —

AnotherADdress, a fashion subscription business started in March 2021, aims to shift to a business model with high sustainability for society and the environment by emphasizing the intrinsic value of fashion and sustainable initiatives based on the belief that clothes are not disposable.

In March 2023, we added men's fashion items to the lineup based on requests from many of our customers. By responding to the wide-ranging needs of not only male customers, but also those who enjoy genderless fashion, we will offer the joys of fashion "more freely" to "more people" in the future. In conjunction with business expansion, we have also introduced reusable garment bags, Japan's first recycling-based delivery system. This will eliminate the use of corrugated cardboard for customer deliveries and reduce the use of plastic by 30% (compared to our company). AnotherADdress will continue to pursue an environmentally friendly business model.





Traditional shipping method



Reusable garment bags

ECOFF-Working together with customers

Daimaru Matsuzakaya Department Store is engaged in "Think GREEN" activities to propose sustainable products and lifestyles. Launched in FY2016, "ECOFF" is a sustainable initiative to collect unwanted clothing, shoes, bags, and other items from customers at department stores and recycle and reuse them into new materials and products.



The initiative has continued to grow every year thanks to the

increasing environmental awareness of customers and their active participation. A record 367 tons was collected in FY2022 (cumulative total of 1,468 tons collected since FY2016), and a record number of people participated. We further expanded our efforts, such as the campaign in spring 2023, which was jointly held by Daimaru Fukuoka Tenjin and Fukuoka PARCO.

As part of our ECOFF donation initiative, we donated ¥2 million in FY2022 to four organizations working to solve environmental issues.

Recycling plastics

Daimaru Tokyo and Matsuzakaya Ueno have been participating in "POOL PROJECT TOKYO*" since December 2021 to collect and recycle plastic covers incidental to clothing deliveries.



In this initiative, Recotech Inc. collects plastic covers generated by participating commercial facilities in Tokyo and conducts advanced material recycling. The recycled plastic is sold to manufacturers as PCR material* "POOL resin." The PCR material is traceable from its origin to all processes including transportation, volume reduction, and processing.

Going forward, new productization and commercialization will be considered, and the Group will actively promote resource recycling by participating in such efforts.

*Post-consumer recycled materials, which are recycled materials collected after consumers have used the product.

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Participation in the Fry to Fly Project, which aims to produce Sustainable Aviation Fuel (SAF) from waste food in Japan —

FRY to FLY Project



Daimaru Matsuzakaya Department Store is participating in the "Fry to Fly Project," an initiative for recycling waste cooking oil into sustainable aviation

fuel (SAF). The aim is to establish the first large-scale production of SAF in Japan. This project promotes the creation of an environment in which waste cooking oil from households and stores is collected as a resource through the mutual cooperation of participating companies, local governments, and organizations that agree with the goal of the project.

In September 2023, Daimaru Matsuzakaya Department Store signed a basic agreement with JGC Holdings Corporation, Rainbow International Corporation, and SAFFAIRE SKY ENERGY, LLC to cooperate in the supply of waste cooking oil for domestic SAF production, a first in the department store industry. Daimaru Shinsaibashi and Daimaru Ashiya, which account for 15% of the total emissions of all stores, have begun supplying waste cooking oil as raw material for SAF. We will work to expand the number of participating stores in the future.

In addition, through events and other means to raise awareness and promote the use of domestically produced SAF, we will continue communicating to customers the importance of resource recycling, which contributes to decarbonization.



*Revo International will collect waste cooking oil from our stores and deliver it to SAFFAIRE SKY ENERGY for SAF manufacturing planned at Japan's first large-scale domestic SAF production plant under construction in Sakai City, Osaka Prefecture. Saffaire aims to start production in the second half of fiscal 2024 or early fiscal 2025.

Reducing waste plastic

Daimaru Matsuzakaya is working to reduce the amount of disposable plastic emissions in response to the Law for Promotion of Recycling of Plastic Resources, which came into force in April 2022. For products that use specified plastics*, we are promoting the reduction of the amount used while gaining the understanding of customers by implementing one



of the following measures in cooperation with our suppliers: (1) charging for cutlery, (2) providing cutlery only to customers who need it, or (3) changing the materials used for cutlery. *Plastic products provided free of charge to consumers in connection with the sale of goods or the provision of services.

Reduction of single-use plastic products in FY2022

Reduction target (vs. FY2021)	Actual		
	Amount used (per unit)*	Reduction rate	Achievement rate
-20%	0.1623	-48.7%	+243.7%

*Unit setting: Total amount of single-use plastic products used at the stores of cooperating suppliers (kg)/Net sales at cooperating supplier stores (million yen)

In November 2022, Daimaru Hakata signed a "Comprehensive Collaborative Agreement on SDGs Promotion" with Tsushima City in Nagasaki Prefecture. To raise awareness about the problem of marine plastic waste in Tsushima, which is caused by various factors such as topography and ocean currents, Daimaru Hakata used marine plastic litter that had washed ashore to make Christmas tree ornaments. The tree was displayed in the plaza in front of the store. At the foot of the tree, we set up a panel display showing the current state of Tsushima

City's beaches, and emphasized the need for each person to change their behavior to reduce plastic waste.





Ornaments made from upcycled marine plastic waste

Panel exhibition showing the current state of marine litter in Tsushima City

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Upcycling for decorations

Daimaru Matsuzakaya recognizes the challenge of disposing of event decorations that are replaced seasonally.

For the 2022 Christmas season, the Nep Art Christmas Tree displayed at the Matsuzakaya Nagoya store was created by further upcycling the Tachineputa festival floats from Goshogawara, Aomori Prefecture. Those floats are made from paper recycled from waste cotton. After the display was over, the paper was carefully peeled off and used as labels for ciders brewed with out-of-spec apples produced in Aomori.

Sustainable commercial facilities —

The 4th floor of Shibuya PARCO underwent a major renovation in November 2022. Vintage stores and interior/art supply stores have newly opened, expressing "sustainability" with three themes: "reuse/inherit," "reproduce/remake," and "handcrafts/importance of making by hand."

The renovations have made the commercial facility more sustainable by reducing waste associated with interior renovations when replacing tenants, and by incorporating a system that allows stores to open at minimum cost while minimizing investment in interior design as much as possible. This has made it easier for young start-up brands and creators to open new stores.

Project to breathe life into scrap wood —

J. Front Design & Construction, which designs and builds hotel and office interiors, generates scraps of wood and unusable film in the process of creating interior construction materials. To make use of these materials, the company teamed up with Osaka University of Arts in the "Bringing Scrap Wood to Life" Project.

The students, with their rich imagination and flexible design skills, created unique works of art while dealing with irregularly shaped scraps of wood. The winning entries were exhibited at Daimaru Shinsaibashi.

This project was a perfect fusion of our Group's commitment to sustainability and the students' passion for craftsmanship.



Christmas Tree from recycled Neb Art



Experimental project store by "Chim † Pom from Smappa! Group" on the 4th floor of Shibuya PARCO



Grand Prize Winning Entry

Utility Award Winning Entry