

## Management Strategy

SC Business\_01 Evolution of Parco's Real World

# “One and Only” Never Stops Taking on Challenges



Shibuya PARCO

### Disseminate the “PARCO” brand from Shibuya

Parco operates shopping centers PARCO throughout Japan, from Hokkaido to Fukuoka in Kyushu, with a different store concept for each market in which it operates. Based on the principle of equal partnership with tenants, we aim to increase each tenant's sales by renewing through renovation, attracting customers through advertising and sales promotion activities, and providing meticulous tenant support. Furthermore, since our founding, we have worked to create a unique culture by serving as a base for disseminating information, which produces and proposes ways to spend time and enjoy new lifestyles, rather than simply selling products.

It is Shibuya PARCO, which continues to evolve as the “one and only” next-generation commercial space, that strongly transmits the PARCO brand. Through rebranding starting from Shibuya, we are working to evolve unchanged value delivery to establish our presence as the building of choice for customers, tenants, and creators, and to improve our financial value over the medium to long term. By developing unique projects that leverage relationships with tenant companies that we have cultivated over many years, we embody the image of a company that “takes on new challenges.”

### Renovated the 4th floor of Shibuya PARCO under the theme of “sustainable & vintage”

Shibuya PARCO renewed its 4th floor in November 2022 under the theme of “sustainable & vintage.” Unisex lineup was expanded, including interior goods, accessories, lifestyle fashion, eyeglasses, and art goods. In addition, under the theme of reuse/reproduction/handcraft, we invited attractive shops and brands that sell clothes made from threads and fabrics respun from rags and residual yarn, as well as vintage furniture, clothes, and accessories.



Mid-Century MODERN on the 4th floor of Shibuya PARCO

### Shibuya PARCO collaborates with a social project SKWAT

In the renewal of the 4th floor of Shibuya PARCO under the theme of “a new way of commercial facilities,” we collaborated with SKWAT, a social project to create new meaning by squatting (occupying) urban voids, to create a flexible space in which shops are replaced periodically. The area consisting of limited-time-only shops reduces the cost burden of shop interiors and the generation of waste due to replacement, which has been a challenge in terms of creating sustainable commercial facilities. We are attracting new independent shops and brands by supporting and sharing cash registers, shop staff, back offices, etc. in a flexible space that integrates common space and sales space.



KANE-ZANMAI on the 4th floor of Shibuya PARCO

### Held Julian Opie's exhibition OP:VR@PARCO

As a special exhibition focused on digital art, Parco held the world premiere exhibition of VR works by British contemporary artist Julian Opie “OP: VR@PARCO” at PARCO MUSEUM TOKYO on the 4th floor of Shibuya PARCO from October to November 2022. Two VR viewing rooms were created in the venue, where the number of visitors was limited by advance reservations, and a luxurious exhibition style was adopted in which visitors wearing headsets could freely walk around the rooms. The new challenge of the artist who has vividly expressed the state of the world, such as people and cityscapes, in minimal expression language has become an innovative exhibition where visitors can experience multiple different exhibition spaces wearing VR goggles.



VR viewing Photo: TAKAMURA DAISUKE

### Continuously examine the use of NFTs at PARCO stores

Parco started a demonstration experiment in March 2022 on the utilization of NFTs linked to store projects and events with a view to providing experience value that links the NFTs with the real space of PARCO stores. In fiscal 2022, ten projects were conducted at PARCO stores in Shibuya, Ikebukuro, Sapporo, Sendai, and Shinsaibashi. As part of a building-wide project at Ikebukuro PARCO, NFTs were distributed to those who wished to receive them, and an autograph session by the creators was held, which NFT holders could participate in as a special benefit. Utilizing NFTs increased engagement between creators and fans at the real location and also served to communicate information about the store. In fiscal 2023, we will continue to examine the use of NFTs as a way to connect customers with PARCO stores.



Ikebukuro PARCO building-wide project in collaboration with the creative studio R11R

### Launched co-creation e-commerce site ONLINE PARCO

Parco renewed its e-commerce site and opened ONLINE PARCO in March 2023. In collaboration with various stakeholders, we propose new value that customers can enjoy all of Parco's content across online and offline. We aim to create fans not only in Japan but also on a global scale. Parco will maximize customer assets that support its management

over the medium to long term by converting non-ID customers into ID customers, making ID customers active, raising their ranks, and retaining these customers. PARCO MEMBERS, which was introduced in November 2022, standardized IDs for all services provided by Parco to provide a variety of services through unified connections with customers.