

TOP MESSAGE	Materiality	2024–2026 Medium-term Business Plan	Stakeholder Engagement	Progress on Sustainability Goals	Environment	Society	Governance	External Assessment	Sustainability Bond Reporting	Sustainability Data
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# Progress on Sustainability Goals

## Laying the Foundation for Sustainability Management

## The Challenge of Integrating Sustainability and Strategy

		2018	2019	2020	2021	2022	2023
Initiatives	Participation in initiatives	<ul style="list-style-type: none"> <li>Endorsed UN Global Compact</li> <li>Endorsed Women's Empowerment Principles</li> <li>Endorsed the Climate Change Initiative</li> </ul>	<ul style="list-style-type: none"> <li>Endorsed TCFD recommendations</li> <li>Obtained SBT certification (&lt;2°C)</li> </ul>	<ul style="list-style-type: none"> <li>Joined RE100</li> </ul>	<ul style="list-style-type: none"> <li>Obtained SBT certification (1.5°C)</li> </ul>	<ul style="list-style-type: none"> <li>Obtained SBT Net Zero certification</li> </ul>	<ul style="list-style-type: none"> <li>Participation in TNFD Forum</li> </ul>
	Policy and structure	<ul style="list-style-type: none"> <li>Formulated Sustainability Policy</li> <li>Formulated Eco Vision and Social Vision</li> <li>Identified materiality</li> <li>Established ESG Promotion Department</li> </ul>	<ul style="list-style-type: none"> <li>Established JFR Principles of Action</li> <li>Established JFR Principles of Action for Suppliers</li> <li>Established Sustainability Committee</li> </ul>		<ul style="list-style-type: none"> <li>Changed name of ESG Promotion Division to Sustainability Promotion Division</li> <li>Incorporated non-financial indicators into executive compensation</li> </ul>		
	Stakeholders and investors	<ul style="list-style-type: none"> <li>Started ESG briefings</li> </ul>					
	Business partners		<ul style="list-style-type: none"> <li>Held briefing sessions for suppliers</li> </ul>		<ul style="list-style-type: none"> <li>Began supplier assessments</li> </ul>	<ul style="list-style-type: none"> <li>Held briefing sessions for suppliers</li> </ul>	<ul style="list-style-type: none"> <li>Implemented scheduled supplier assessment</li> </ul>
	Customers					<ul style="list-style-type: none"> <li>Implemented customer survey</li> </ul>	
	Employees		<ul style="list-style-type: none"> <li>Established an internal portal</li> <li>Sustainability training for management level employees started</li> </ul>		<ul style="list-style-type: none"> <li>Implemented awareness survey on sustainability</li> </ul>	<ul style="list-style-type: none"> <li>Implemented Unconscious Bias Survey</li> </ul>	<ul style="list-style-type: none"> <li>Conducted employee satisfaction survey</li> </ul>
	Disclosure		<ul style="list-style-type: none"> <li>Commenced publication of Sustainability Report</li> </ul>	<ul style="list-style-type: none"> <li>Commenced disclosing TCFD's annual securities report</li> </ul>			
	Obtaining 3rd-party assurance		<ul style="list-style-type: none"> <li>Scope 1 and 2</li> </ul>	<ul style="list-style-type: none"> <li>Scope 3</li> </ul>	<ul style="list-style-type: none"> <li>Water</li> <li>Waste</li> </ul>	<ul style="list-style-type: none"> <li>Energy consumption, renewable energy consumption, food waste</li> <li>Social data (ratio of female managers, etc.)</li> </ul>	
	Sustainable finance		<ul style="list-style-type: none"> <li>Positive Impact Finance concluded</li> </ul>			<ul style="list-style-type: none"> <li>Issued Sustainability Bond</li> </ul>	
	External assessment	Environment	<ul style="list-style-type: none"> <li>Switched over store lighting to LED (continued from before 2018)</li> </ul>	<ul style="list-style-type: none"> <li>ESG model stores: Daimaru Shinsaibashi and Shibuya PARCO open</li> <li>Commenced switchover to renewable energy for stores</li> <li>Commenced switchover to EVs for company vehicles</li> <li>Switched over to environmentally friendly packaging materials</li> </ul>	<ul style="list-style-type: none"> <li>ESG model store: Shinsaibashi PARCO opens</li> <li>Commenced Think GREEN (Daimaru Matsuzakaya)</li> </ul>	<ul style="list-style-type: none"> <li>Launched fashion subscription business AnotherAddress</li> </ul>	<ul style="list-style-type: none"> <li>Formulated net-zero transition plan</li> <li>Demonstration experiment on reducing food loss through AI demand forecasting</li> </ul>
	Social	<ul style="list-style-type: none"> <li>Started Kyushu Tankentai (Hakata Daimaru)</li> </ul>	<ul style="list-style-type: none"> <li>Crowd funding "BOOSTER" (PARCO) Shizuoka MIRUI Project</li> </ul>	<ul style="list-style-type: none"> <li>Commenced Think LOCAL (Daimaru Matsuzakaya)</li> <li>Introduced mandatory retirement age of 65 (JFR and some operating companies)</li> <li>Identified human rights issues</li> </ul>	<ul style="list-style-type: none"> <li>Healthcare wellness mall, Welpa, opens (Shinsaibashi PARCO)</li> <li>Established LGBT partnership rules</li> <li>J. Front Retailing Declaration of Health</li> <li>Declaration of Partnership Building</li> </ul>	<ul style="list-style-type: none"> <li>Incorporated healthcare area into investment area</li> <li>Implemented Women's Empowerment Program Project</li> </ul>	<ul style="list-style-type: none"> <li>Establishment of J. Front City Development</li> <li>HAB@KUMAMOTO opens</li> <li>Construction start for "Shinsaibashi Project" (tentative name)</li> </ul>
	Environment	<ul style="list-style-type: none"> <li>CDP (D—)</li> <li>Selected for inclusion in S&amp;P/JPX Carbon Efficient Index</li> </ul>	<ul style="list-style-type: none"> <li>CDP (A—)</li> <li>S&amp;P/JPX Carbon Efficient Index</li> </ul>	<ul style="list-style-type: none"> <li>CDP (A)</li> <li>S&amp;P/JPX Carbon Efficient Index</li> </ul>	<ul style="list-style-type: none"> <li>CDP (A)</li> <li>S&amp;P/JPX Carbon Efficient Index</li> </ul>	<ul style="list-style-type: none"> <li>CDP (A)</li> <li>S&amp;P/JPX Carbon Efficient Index</li> <li>FTSE Blossom Japan Sector Relative Index</li> </ul>	<ul style="list-style-type: none"> <li>CDP (A)</li> <li>S&amp;P/JPX Carbon Efficient Index</li> <li>FTSE Blossom Japan Sector Relative Index</li> </ul>
	Society	<ul style="list-style-type: none"> <li>Selected as a constituent of MSCI Japan Empowering Women (WIN)</li> </ul>	<ul style="list-style-type: none"> <li>MSCI Japan Empowering Women Index (WIN)</li> </ul>	<ul style="list-style-type: none"> <li>MSCI Japan Empowering Women Index (WIN)</li> <li>2020 Certified Health &amp; Productivity Management Outstanding Organization.</li> </ul>	<ul style="list-style-type: none"> <li>MSCI Japan Empowering Women Index (WIN)</li> <li>Quasi-Nadeshiko Brand</li> <li>2021 Certified Health &amp; Productivity Management Outstanding Organization</li> <li>Awarded Silver rating from PRIDE Index</li> </ul>	<ul style="list-style-type: none"> <li>MSCI Japan Empowering Women Index (WIN)</li> <li>Nadeshiko Brand</li> <li>2022 Certified Health &amp; Productivity Management Outstanding Organization</li> <li>Awarded Gold rating in PRIDE Index</li> </ul>	<ul style="list-style-type: none"> <li>MSCI Japan Empowering Women Index (WIN)</li> <li>"Gold" rating in the PRIDE Index</li> </ul>
	Comprehensive						<ul style="list-style-type: none"> <li>DJSI Asia /Pacific</li> <li>FTSE Blossom Japan Index</li> <li>FTSE4Good Index Series</li> <li>Selected as a constituent of MSCI Japan ESG Select Leaders Index</li> </ul>