Corporate Social Responsibility

Commitment to Be an Environment- and **People-Friendly Department Store**

J. Front Retailing is working with customers and suppliers to conserve the global environment toward the building of a "sustainable society" for the 21st century. Daimaru Matsuzakaya Department Stores, which runs the core department store business, operates an ISO 14001-based environmental management system to continuously reduce the effects on the environment.

Environmental Policy of JFR Group

Recognizing our roles and responsibilities to hand down the irreplaceable global environment to the next generation, we at J. Front Retailing Group proactively promote "environment-friendly corporate management" toward the "realization of a sustainable society" with customers, suppliers and community members.

- 1. Recognizing the environmental impacts and their causes, we will establish structures and systems to promote environmental conservation activities through the business activities of the Group companies and actively work on reducing environmental load.
 - 1 Effective use of resources and energy
 - 2 Reduction of CO₂ emissions
 - 3 Waste reduction and recycling
 - 4 Provision of environment-friendly products, services and information
 - 5 Promotion of environmental conservation activities with customers, suppliers and community members
- 2. We will comply with the requirements of environmental laws, regulations and agreements.
- 3. We will raise awareness of environmental conservation through training and educational activities to strengthen the foundations on which each worker in the Group will tackle environmental tasks voluntarily.
- 4. We will make this environmental policy known to all workers of the Group companies and make the policy available to the public.

Energy Use Reduction

By carefully controlling lighting and air conditioning as well as participating in various activities including "cutting down on air conditioning in stores during summer" and the "Light Down Campaign" promoted by the Japan Department Stores Association, all employees are making energy saving efforts to reduce CO2 emissions and prevent global warming.

On the occasion of replacing equipment or opening new stores, energy-efficient appliances are introduced.

Reduction and Recycling of Waste

We implement thorough waste separation to decrease final waste and promote recycling.

Food waste is recycled as fertilizer by the "garbage disposers" installed in stores. We also outsource the recycling of fish trimmings and food oil waste as fertilizer, feed, biofuel and soap according to the output situation of each store.

Reduction of Packaging Materials

We develop company-wide packaging standards and provide training based on a smart wrapping manual so that all workers can pack in an unwasted and appropriate manner. Our stores promote simple packaging and "one-bag campaign" to put all stuff in one bag with the cooperation of customers. We also develop and sell "eco bags" with a focus on design and added value to offer a department store-like shopping style.



Original eco bags

Original eco bags "with carbon offsets" are sold in all 22 stores of Daimaru and Matsuzakaya. A carbon offset fee of ¥50 per bag is added and we expect to reduce CO₂ emissions of about 14 kg per bag.

■¥500 including tax/Two colors including black and beige/

100% PET bottle recycled polyester

Offering Environment-Friendly Lifestyles

We provide ideas for smart "eco"-friendly living as a priority item of the environmental activities in department stores. We offer "environment-friendly products and services" based on our own selection criteria, while actively suggesting "eco-friendly products" to outside corporate customers and accepting orders from them and organizing environmental events.

We also hold "collection campaigns" to collect unneeded clothing and shoes. Daimaru Tokyo and Matsuzakaya Nagova stores recycle collected items into fuel in processing plants to help prevent global warming.

Creating Comfortable and Customer-Friendly Stores

Daimaru and Matsuzakaya stores regularly carry out emergency drills for all workers and introduced the Earthquake Early Warning system* that issues real-time alerts over the in-store PA system just as an earthquake starts.

AED (automatic external defibrillator) units are installed in all stores and about 1,400 employees from all stores have completed training in normal lifesaving so that we can provide an initial response in case of emergencies. (Some stores that occupy as tenants share AED units with building owner companies.)

*This system is installed in all stores managed directly by Daimaru Matsuzakaya Department Stores and Hakata Daimaru Tenjin store (except some stores that occupy as tenants).

Commitment to Community and Society

Regional Revitalization

Daimaru and Matsuzakaya as community-based department stores actively participate in creating pleasant and beautiful towns that attract people in cooperation with local people and governments and make environmental efforts that customers and local people can take part in.

Major participation in community events

Daimaru

Sapporo: Sapporo Snow Festival and YOSAKOI Soran Festival Kobe: Kobe Luminarie and Motomachi East Jazz Picnic Hakata Daimaru Tenjin: Hakata Gion Yamakasa Festival Shimonoseki Daimaru: Shimonoseki Kaikyo Festival

Matsuzakaya

Nagoya: Nagoya Festival,

Sakae Minami Music Festival, Ikeda Park Summer Festival and Domannaka Festival

Ueno: Grand Festival of Gojo Tenjin Shrine Shizuoka: Lovely Town Shizuoka (Seasonal events) Takatsuki: Takatsuki Jazz Street



Nagoya Festival

Rooftop Greening

Daimaru Kyoto and Kobe stores have open spaces covered with natural grass on the rooftop. They serve as urban oases where visitors can relax, as well as reduce the heat-island effect.

Matsuzakaya Nagoya store will complete rooftop greening in about 800-square-meter space in September as the 100th anniversary celebration of Matsuzakaya. The store will also provide various information on flowers and greens including gardening schools and events.

Daimaru Kobe store also has a vegetable garden. During fiscal 2009, 20 children selected from among applicants harvested radishes and strawberries and made fruit tarts with the strawberries they picked. We hope it provides children with opportunities to learn the pleasure of growing crops and the significance of eating through the experiences of "planting, harvesting and eating themselves."





Rooftop green space, Matsuzakaya Nagoya store (image) Rooftop vegetable garden, Daimaru Kobe store

Cleaning Activities and Clean Campaign

We are working with community groups to rid the streets of illegally parked bicycles and remove graffiti, while cleaning the streets around the stores on a regular basis.

Environmental Study and Sales Experience

Daimaru and Matsuzakaya stores accept local elementary and junior high school students during spring consecutive holidays and summer vacation and help their integrated learning by showing their environmental activities

and providing opportunities to try out jobs in department stores.

This spring children selected from among many applicants experienced attendant jobs in elevators, behind the information counters and on the in-store PA systems in Matsuzakaya Nagoya and Ueno stores.



Job experience of elementary school students (Matsuzakaya Nagoya store)

Social Action Programs

Daimaru and Matsuzakaya continue the efforts to widely contribute to the communities using the department store's capabilities to draw customers and transmit information.

Our stores organize charity bazaars, run fund-raising campaigns and participate in events in order to preserve the global environment, support the regions suffering from severe hunger and poverty and enlighten people for safe and healthy living.

Disaster Fund-Raising Campaigns

When major disasters occur, we run fund-raising campaigns in stores and offices and donate relief money to the Japanese Red Cross Society to send relief supplies to disaster areas.

"Collect PET Bottle Caps to Provide Vaccines to the World's Children" Campaign

Daimaru and Matsuzakaya place collection boxes in their stores and employee facilities to collect PET bottle caps.

The collected caps are sent to recycling companies through the NPO "Re Lifestyle" and we donate the full amount paid for them to the NPO

"Japan Committee Vaccines for the World's Children (JCV)" to provide vaccines to children around the world.

We launched this campaign in all stores in November 2009. Receiving a great deal of cooperation from customers, a total of about 3,700,000 caps were collected up to May 2010.



Sakura Panda Collection Box (Daimaru Shinsaibashi store)