

→ **Materiality** Process for Materiality Updates

Materiality

We aim to achieve sustainable growth as a group by sharing with our stakeholders the three values we wish to provide to society through our business: (Co-creation of Excitement, Co-prosperity with Communities, and Co-existence with the Environmental). In formulating the current medium-term business plan starting from FY2024, the Company has reviewed its materiality and identified five themes. Rather than merely resolving issues, we will promote materiality initiatives by integrating them with our business strategy to link materiality to corporate growth. For this reason, we have changed to more proactive language based on the belief that the enthusiasm and actions of every employee are more important than ever before.



Materiality	Commitment
Adding excitement to life	Amidst diversifying values, JFR will provide places and spaces for new encounters with goods and things that stir people's hearts, and we will propose well-being and future lifestyles that are fulfilling and exciting for every consumer.
Enhancing community vitality	We will strengthen ties with regions, including our seven priority areas, and work with local communities, governments, NPOs, and others to enhance local vitality and create sustainable urban development. In addition, by discovering and communicating the appeal of local areas, we will offer new and exciting experiences for people who gather there.
Creating a society that co-exists with the environment	To achieve the 2050 net zero target, we will work toward both decarbonizing the entire supply chain and promoting a circular economy. At the same time, we will provide opportunities for everyone to contribute to the creation of a sustainable society, not only through our independent efforts, but also by working with our value co-creation partners.
Increasing the number of value co-creation partners	We will share our thoughts and ideas on sustainability with others and establish a partner foundation for the values of "Co-creation of Excitement," "Co-prosperity with Communities," and "Co-existence with the Environment" along with fulfilling our social responsibilities, such as human rights due diligence, toward the realization of a sustainable society.
Empowering diverse human resources to shine	We will realize the sustainable growth of our human resources and the company by creating an environment and structure, including DEI and work-life integration, that enable each employee to play an active role and maximize their motivation, ambition, and abilities.