

JFR Group's Aim for Circular Economy



The circular economy is becoming increasingly important as various global environmental issues such as resource shortages, global warming, and waste disposal become more serious due to the linear economy based on mass production, mass consumption, and disposal. The Group will accelerate its resource recycling efforts in cooperation with customers and business partners, aiming to both reduce risks related to environmental issues and to acquire new business opportunities.

Environmentally Conscious Fashion Subscription Business “AnotherADdress”

New upcycling brand “reADdress”

Launched in March 2021 by Daimaru Matsuzakaya Department Stores, “AnotherADdress” is a fashion subscription business that aims to shift to a business model with high sustainability for society and the environment, placing importance on the essential value of fashion and sustainable initiatives.

In December 2023, we launched the upcycling brand “reADdress” with the aim of adding new value to clothing that has become difficult to rent due to such issues as stains, dirt, and scratches, extending their lifespan so that people can enjoy them again. In collaboration with Kyoto Monzuki Co., Ltd., which boasts a history of over 100 years, we have realized upcycling products utilizing deep black dye.



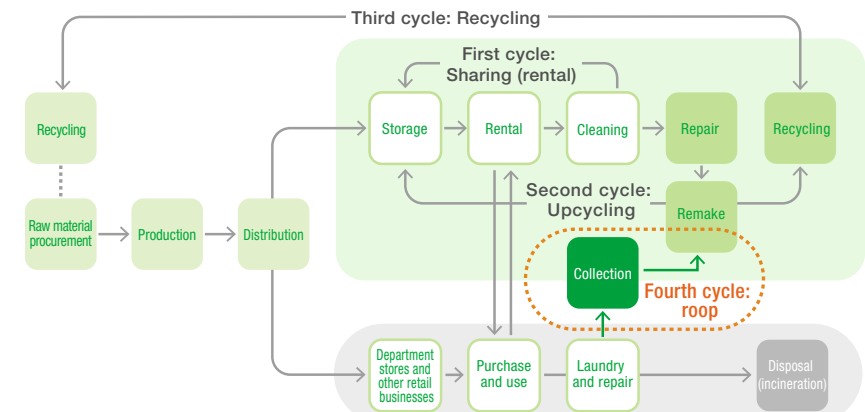
Clothing circulation project “roop” selected as Dekokatsu promotion project by Ministry of the Environment

AnotherADdress was selected by the Ministry of the Environment in 2024 to receive subsidies (“Decokatsu” Promotion Project) for promoting environmentally conscious behavior and projects that control CO₂ emissions.



*National Movement for New and Prosperous Lifestyles toward Decarbonization promoted by the Ministry of the Environment

By adding a new “clothing collection” mechanism in collaboration with service users and department store businesses, a “fourth cycle: roop” with consumer participation is realized. We aim to create a society in which your precious clothes continue to circulate and are passed on to the future.



ECOFF—Working together with customers

Launched by Daimaru Matsuzakaya Department Stores in fiscal 2016, 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. The volume of items collected in FY2023 was 377 tons (cumulative total: 1,845 tons since FY2016).

In the past, the clothing, shoes, and bags that we collected were reused overseas. But from the spring of 2024, we have increased the transparency of the supply chain by collaborating to deliver the goods to those who need them through used clothing stores in Thailand and Cambodia.

We are also involved in the ECOFF Charity Fund, which supports environmental activities. When the items are collected, we ask customers to choose from two organizations, WWF Japan and the Green Fund (National Land Afforestation Promotion Organization), and we donate 10 yen per person, depending on the number of customers who agree.

PASSTO: Collecting unwanted clothing and fashion goods

In June 2024, PARCO and ECOMMIT Inc. introduced PASSTO to five PARCO stores (Shibuya PARCO, Ikebukuro PARCO, Kichijoji PARCO, Hibarigaoka PARCO, Hibarigaoka PARCO, and Chofu PARCO). PASSTO is an ECOMMIT service that collects, sorts, and redistributes unwanted items in one integrated process, with the aim of reducing local waste and contributing to resource recycling.



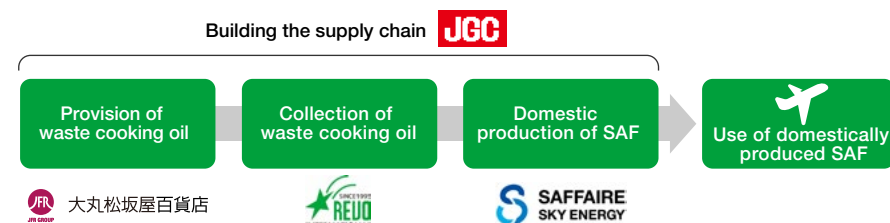
Resource Recycling of Waste Cooking Oil - Participation in the “Fry to Fly Project”

Fry to Fly Project



In September 2023, Daimaru Matsuzakaya Department Stores began participating in the “Fry to Fly Project,” an initiative for recycling waste cooking oil which aims to achieve the first large-scale production of sustainable aviation fuel (SAF) in Japan.

As of the end of September 2024, we provide waste cooking oil from restaurants and carry-out shops at eight Daimaru Matsuzakaya stores. The amount of waste cooking oil generated by these stores is approximately 98.7 tons per year (FY2023 results), which accounts for about 64% of the total amount of waste cooking oil generated by all stores. We will continue to expand the number of participating stores and will communicate the importance of resource recycling to our customers by holding events to raise awareness and promote the use of domestically produced SAF.



*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. JGC HD will establish the entire supply chain for the SAF production business using waste food oil as raw material.

Resource Recycling of Plastic

Upcycling marine plastic waste

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 City, 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 ornament. The tree was displayed in the plaza in front of the store.

For the year 2023, “flowerpots” made of waste plastic and marine plastic waste were created as a symbol of the theme “Circulation.” The pots are the result of a co-creation project by Precious Plastic Kyushu, a group established by the Hakata Daimaru Kyushu Tankentai, in cooperation with eight domestic and three overseas organizations. We will continue to expand this flowerpot project by holding co-creation workshops with local people in Tsushima City and other parts of Kyushu.



Flowerpots made from marine plastic waste



POOL PROJECT for recycling of plastic covers

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 Ltd. collects plastic covers generated by participating business 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 production and commercialization will be considered, and the Group will actively promote resource recycling by participating in such efforts.

*Post-consumer recycled materials: recycled materials that are collected after consumers have used the product.



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 conjunction with the sale of goods or the provision of services



Reduction in use of disposable plastic products in FY2023

Reduction target (vs. FY2021)	Results		
	Amount used (basic unit)*	Rate of reduction	Rate of achievement
-25%	0.0791	-93.6%	301.8%

*Unit settings: Total amount of disposable plastic products used at cooperating suppliers' stores (kg)/Net sales at cooperating suppliers' stores (million yen)