

## Contributions to the Conservation of Biodiversity



Our lives and business activities are supported by food, water, climate stability and other ecosystem services, which are provided by the interactions among diverse living organisms. Due to the recent deterioration of the natural environment, however, the diversity of animals and plants (biodiversity) is being lost at an unprecedented rate. As a recent issue, companies are being asked to understand the impact of their business activities on nature, stop the loss of biodiversity, and contribute to its recovery.

### Amending the Eco Vision

The Company has established an Eco Vision as our policy to promote efforts to solve environment-related issues and coexist with the environment. In May 2024, we revised Eco Vision to promote company-wide efforts to address nature-related issues, adding biodiversity as a new priority. Going forward, we will strengthen our response to biodiversity conservation in addition to decarbonization and resource recycling.

### Participation in TNFD Forum

In November 2023, the Company endorsed the philosophy of the Taskforce on Nature-related Financial Disclosures (TNFD)\*<sup>1</sup> and joined the TNFD Forum\*<sup>2</sup> to support its activities. Based on the TNFD's disclosure framework, we will scrutinize the relationship between the Group's business activities and natural capital (dependence and impact) as well as risks and opportunities. We will also promote proactive information disclosure from the four perspectives recommended by the TNFD: governance, strategy, risk and opportunity management, and metrics and targets.

\*<sup>1</sup> TNFD is an international organization with a framework for disclosing the impact of nature-related risks and opportunities on corporate finance. It aims to encourage companies and financial institutions to disclose information on natural capital and to shift the flow of global capital from nature-negative outcomes to nature-positive outcomes.

\*<sup>2</sup> The TNFD Forum is comprised of corporations, government agencies, academic institutions, and other organizations with expertise in a wide range of sectors, providing support for the development of disclosure frameworks and sharing information related to TNFD.



### Rooftop Greening – Landscape-Conscious Store Development –

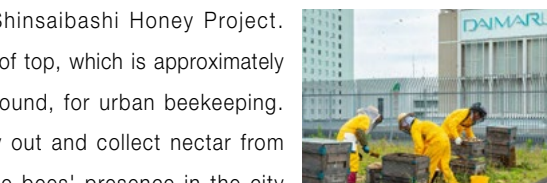
Daimaru Shinsaibashi's 7th floor terrace (110m<sup>2</sup>) in the main building is a “garden” filled with Japanese ash trees, olive trees, and other plants, where visitors can walk around. On the rooftop is also a 900m<sup>2</sup> “greening space”. In addition, a green wall with elaborate stripes of greenery has been adopted on Taihoji-dori, the street that runs between the main building and Shinsaibashi PARCO. The greening is a part of our proactive efforts to reduce CO<sub>2</sub> emissions.



### Rooftop Urban Beekeeping

In 2019, we launched the Shinsaibashi Honey Project. Beehives were installed on the roof top, which is approximately 900m<sup>2</sup> large and 60m above ground, for urban beekeeping. Approximately 200,000 bees fly out and collect nectar from flowers within a 3km radius. The bees' presence in the city contributes to maintaining the rich ecosystem of the region and to the revitalization of the pollination of crops and plants. Honey produced on the rooftop is sold as “Shinsaibashi Honey.”

We also provide opportunities for children to think about the environment, such as by holding workshops for local children to make honeydew candles.



Making beeswax candles

Honey-pressing experience

## Composting – Reduction of Food Waste –

As part of the Daimaru Shinsaibashi Stores' "SHINSAIBASHI Green Project" launched in 2022, a flower bed was created on the sidewalk in front of the store (along Midotsuji Avenue in Osaka) in November 2023, and approximately 600 flowers and other greenery were planted by employees. Compost produced with food scraps from the Shinsaibashi store was added to the soil. This contributes to the reduction of food waste.



Photo courtesy of Local Food Cycling Co.

## Use of eco-friendly packaging materials

In September 2019, packaging materials used at Daimaru Matsuzakaya Department Stores were switched to environmentally friendly materials. Paper shopping bags, including bags used for food products, and paper used for sales promotions have been switched to paper produced from forests managed with consideration for the environment, thereby contributing to forest conservation.



## Acquisition of FSC®-CoC Certification

J. FRONT Design & Construction manufactures a large amount of custom-made furniture and store fixtures to meet the needs of its customers, mainly hotels, commercial facilities, and offices. In October 2023, as proof that it properly manages and processes products made of wood from forests that have acquired forest management certification (FM certification) or from other low-risk wood, the company acquired FSC®-Chain of Custody (CoC) certification\* for its Osaka factory and its sales department, which serves as the customer contact point for its products.



\*Chain of Custody (CoC) certification guarantees the processing and distribution process of products made from FSC®-certified wood until they reach the hands of consumers.

### FSC® Forest Management Certification



Audits and certifies socially beneficial, economically viable, and environmentally viable forest management.

### FSC®CoC (Chain of Custody) Certification



Manage and process wood produced from certified forests and responsibly sourced forest products

### Customers



Purchase certified products affixed with the logo

## Other Initiatives

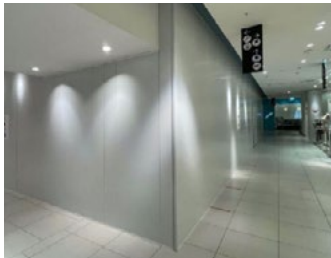
### Use of domestic lumber

Effective use of domestic lumber is very important in maintaining the multifunctional nature of forests. In one case where J. Front Design & Construction, a hotel and office interior design company, participated in the redevelopment of an office building, the Company gained the understanding of the client to adopt the use of domestic lumber, which had not been effectively utilized, as materials for interior design and large planters.



### Adoption of temporary system panels for demolition work

In the past, temporary enclosures used in department store renovation projects were disposed of once construction was completed, with most of the enclosures put to good use as recycled material. In collaboration with Daimaru Matsuzakaya Department Stores, J. Front Design & Construction has taken this concept a step further by switching to a system panel construction method that does not generate waste.



### From waste gypsum board to soil improvement material

J. Front Design & Construction properly disposes of gypsum board removed from demolition work at construction sites and recycles much of it as a resource. Taking this a step further, we have focused on a system to utilize calcium sulfate, the main component of gypsum board, as a soil conditioner. Although it is labor-intensive to separate the calcium sulfate on-site, we are using it as a soil conditioner through a processing company.



### Use of scrap wood

J. Front Design & Construction had been generating scraps of wood, unusable film, and other materials in the process of interior construction and the production of film mirror and fixtures. In order to make use of these materials, we have teamed up with Osaka University of Arts to hold the “Breathing Life into Scrap Wood” project every year since 2022. In 2023, the range of materials used was expanded with the help of suppliers to include stone and metal.

The students used their rich imagination and flexible design skills to confront the interesting irregularities of scrap wood to create unique works. The winning entries in the design competition were exhibited at the Daimaru Shinsaibashi store.



Exhibition Work: Breathing Life into Scrap Wood 2023

### Water storage tank – Appropriate use of water

A water storage tank 3.7m high × 7m wide × 5m deep is installed on the basement floor to supply water to the toilets and water faucets in the building. The water tank can hold enough water to fill 600 bathtubs, and the water can be supplied to local residents in the event of a disaster. On the B2 floor, we have installed a “kitchen wastewater purification system” in which wastewater is detoxified by microorganisms and discharged into the sewage system, thereby contributing to environmental preservation of oceans and rivers.

