

Create and Bring to Life "New Happiness."

 J. FRONT RETAILING

TNFD Report 2024



JFR Approach to Natural Capital

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. However, due to the recent deterioration of the natural environment, the diversity of animals and plants (biodiversity) is being lost at an unprecedented rate.

In recent years, companies have been required to understand the impact of their business activities on nature, stop the loss of biodiversity, and contribute to its restoration.

As a retailer with its main business in department stores and shopping centers, the JFR Group is in contact with a wide range of stakeholders, including business partners, customers, and local communities. We will leverage this connection to promote nature-positive initiatives through our business, such as procuring environmentally friendly products, proposing lifestyles that are conscious of coexistence with nature, and developing stores with high environmental performance. By doing so, we will contribute to the preservation of biodiversity together with our stakeholders and pass on the irreplaceable global environment to the next generation.

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)*¹ and joined the TNFD Forum*² 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 impact management, and metrics and targets.

*1 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.

*2 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.



Governance

1 Monitoring

To promote sustainability management across the entire JFR Group, the Company is responding to environmental issues, including nature-related matters, and incorporating into our business strategy initiatives that will lead to solutions to these issues. These are then deliberated and approved by the Group Management Meeting, the highest decision-making body for business execution. Furthermore, policies on environmental issues deliberated and approved by the Group Management Meeting are shared within the Sustainability Committee, which meets at least twice a year. The Committee formulates action plans for the Group's environmental issues and monitors the progress.

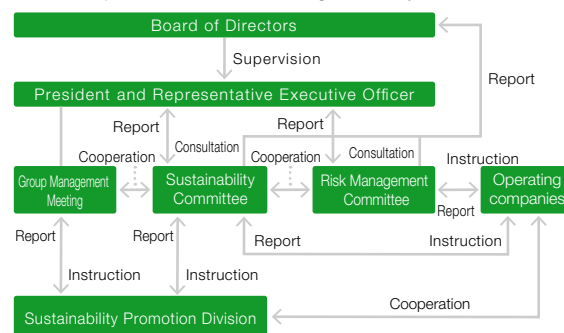
The Board of Directors receives reports on the deliberations and approvals made by the Group Management Meeting and the Sustainability Committee, and discusses and oversees the Group's policies, target setting, and action plans for addressing environmental issues.

In selecting candidates for the Board of Directors, we use a skill matrix to clarify the expertise and experience we expect from directors, and "environment" is one of the items. By appointing directors capable of providing appropriate supervision of specific action plans and regular reviews, and monitoring the status of initiatives for continual improvement of environmental plans, including the setting of medium- to long-term targets, we are enhancing the effectiveness of our efforts to address environmental issues.

*Skill Matrix.

<https://www.j-front-retailing.com/english/company/governance/governance02.html>

JFR Group Environmental Management System



2 Management Structure

The President and Representative Executive Officer chairs the Group Management Meeting as well as the Risk Management Committee and the Sustainability Committee, which are both advisory panels under his or her direct control. The President thus bears final responsibility for management decisions related to environmental issues, including climate-related issues. Details of matters deliberated and approved by the Group Management Meeting and the Sustainability Committee are reported to the Board of Directors for final approval.

Major nature-related agenda item for the Sustainability Committee

FY2023	Sep	● Lecture and discussion by external expert on the topic "Overview and Necessity of Biodiversity Response"
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Meeting bodies and their roles in the environmental management system

Meeting body and system	Role
Meeting body	
Board of Directors	Supervises the progress of environment-related initiatives deliberated and approved by those who execute business. Meets monthly.
Group Management Meeting	Deliberates and approves policies and measures related to company-wide management as the highest decision-making body for business execution. Deliberates and approves company-wide management policies and other matters related to comprehensive risks and opportunities, including environment-related issues, as discussed by the Risk Management Committee and Sustainability Committee, and reports to the Board of Directors for approval. Meets weekly.
Risk Management Committee	Deliberates on the identification, evaluation, and response to comprehensive risks and opportunities, and monitors the risk responses of operating companies. Climate-related risks and opportunities are also integrated into the company-wide risk management framework and managed together with other risks. Deliberations by the Committee are reported to the Board of Directors. Held three times a year.
Sustainability Committee	Discusses specific measures to address more detailed issues related to sustainability, including environment-related issues deliberated and approved by the Group Management Meeting. Concerning climate-related issues, it monitors the progress of each operating company based on the Group's long-term plan and KGI/KPI, taking into account risks and opportunities. Dialogue also held with experts in climate-related issues. The contents of the discussions are reported to the Board of Directors. Held at least twice a year.
Executing entity	
President and Representative Executive Officer	Chairs the Group Management Meeting, and also the Risk Management Committee and the Sustainability Committee. Assumes the ultimate responsibility for making management decisions on environment-related issues, including identifying, assessing, and responding to climate-related risks and opportunities, and promoting group-wide initiatives to resolve environment-related issues.
Operating Companies	Each operating company plans and implements specific measures to address environment-related issues based on the items approved by the Group Management Meeting and the deliberations of the Risk Management Committee and Sustainability Committee, and reports on the progress to the JFR Group's Risk Management Committee and Sustainability Committee.
Sustainability Promotion Division	Formulates and proposes Group policies and other measures to promote sustainability management. The division collects climate-related information on risks and opportunities, formulates the direction of medium- and long-term initiatives, and reports to the Group Management Meeting and the Sustainability Committee.

Risk Management

1 Process for identifying and assessing nature-related risks and opportunities

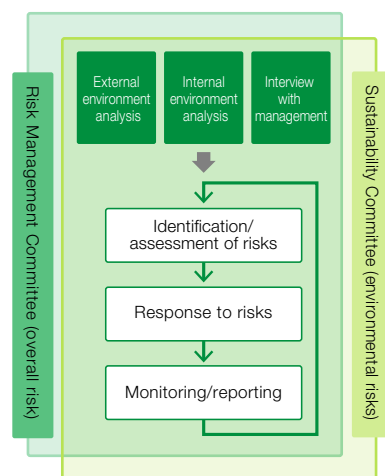
The Company considers risk to be the starting point of strategy. We have defined risk as “uncertainty, both positive and negative, that affects the achievement of corporate management goals.” We believe that the appropriate handling of risk leads companies to sustainable growth.

With the recognition that nature-related risks and opportunities have a great impact on our business strategies, the Group identified and assessed both positive and negative aspects of climate-related risks and opportunities through the process shown below.

First, the Group extracted a comprehensive set of climate-related risks and opportunities exhaustively for each activity of the supply chain process: “product procurement,” “transportation and customer movement,” “in-stores sales,” “use of products and services,” and “disposal.” Next, we assessed them based on two criteria: “importance to the Group” and “importance to stakeholders.”

*See Strategy for details.

JFR Group risk management process



2 Management system for nature-related and other environmental risks

The Company is working to share environmental-related risks, including nature-related risks, with each of its operating companies by examining them in greater detail within the Sustainability Committee. Each operating company incorporates nature-related initiatives into their action plan and confirms the progress through discussions in meetings headed by the president of each operating company. Progress is monitored by the Group Management Meeting, the Risk Management Committee, and the Sustainability Committee, and is finally reported to the Board of Directors.

JFR Group risk management system

Risk management process	Responsible meeting bodies and executing entities
Identification/assessment of risks	<ul style="list-style-type: none"> ● Board of Directors ● Group Management Meeting ● Risk Management Committee (Overall management risk) ● Sustainability Committee (Environmental risks)
Response to risks	<ul style="list-style-type: none"> ● Operating companies
Monitoring/reporting	<ul style="list-style-type: none"> ● Board of Directors ● Group Management Meeting ● Risk Management Committee (Overall management risk) ● Sustainability Committee (Environmental risks)

3 Integration into the company-wide risk management framework

The Group has established a Risk Management Committee to manage various risks, including climate-related risks, in an integrated company-wide manner, based on the recognition that risk management is extremely important for management. The Risk Management Committee deliberates on important matters such as the identification and assessment of risks and the determination of risks to be reflected in strategies, and utilizes this information for management decision-making. The Committee also positions risk as the starting point for strategy and strives to link risk and strategy to enhance corporate value through risk management.

Risks that are extremely important to the Group's management over the medium term are positioned as “critical risks” and serve as the starting point for our Medium-term Business Plan. We have incorporated important risks into “annual risks” and prioritize and implement measures to address them to clarify the risks we will respond to each fiscal year.

The deliberations of the Risk Management Committee are reported to the Group Management Meeting and shared with the Sustainability Committee.

The deliberations of the Risk Management Committee and Sustainability Committee in the above process, as well as matters approved by the Group Management Meeting, are reported to the Board of Directors in a timely manner and reflected and addressed in Group's strategies under the supervision of the Board of Directors.

Group-wide risk management process (PDCA)

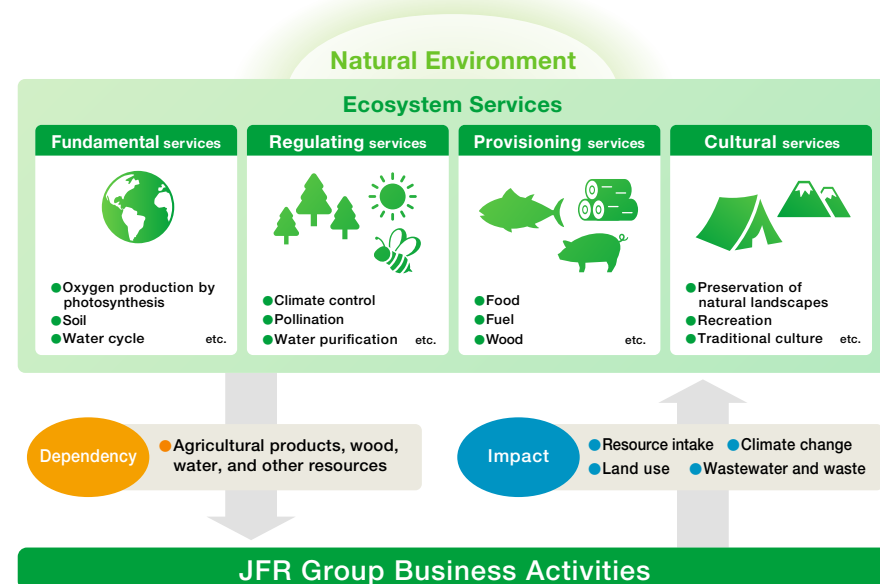


Strategy

1 Dependency and impact on nature

Our Group is dependent on the many blessings of nature (ecosystem services), such as soil, forests, and a climate with four seasons, in addition to agricultural products, livestock products, marine products, wood, water and other resources. On the other hand, our business activities impact the natural environment in various ways, such as GHG emissions, waste emissions, and water discharge. The Company recognizes the importance of understanding and responding to the relationship between our business activities and the natural environment, specifically the “dependency” and “impact” of both.

Relationship between business activities and ecosystem services



2 Taking into account the LEAP^{*3} approach in assessments of nature-related issues

The LEAP Approach is an integrated process recommended by TNFD for assessing nature-related issues, including locating the interface with nature, evaluating dependencies and impacts on nature, and assessing risks/opportunities.

In FY2023, Daimaru Matsuzakaya Department Store, one of the Group's main operating companies, identified and assessed nature-related issues (dependencies/impacts, risks/opportunities) based on the LEAP approach for its 15 department stores located throughout Japan.

^{*3} LEAP: stands for the four-step process of Locate, Evaluate, Assess, and Prepare

① Appearance of dependencies and impacts **Locate**

The dependencies and impacts of the entire value chain in the department store business and the degree of dependencies/impacts on natural capital in direct operations (store operations and store development) and upstream value chain (procurement) were determined based on ENCORE, a tool recommended by TNFD to identify dependencies/impacts on nature. Heatmaps were created to determine the degree of dependence/impact on natural capital in the direct operations (store operations and store development) and upstream value chain (procurement).

Dependency Heatmap

Business	Value chain	Sector	Provisioning services			Regulating services									
			Textiles and other materials	Surface water	Groundwater	Pollination mediation	Soil quality	Water quantity regulation	Water quality	Mass flow mitigation	Climate regulation	Controlling spread of disease	Flood and storm control	Landform stabilization and erosion control	Control spread of pests
Department store operations	Direct operations	Store operations													L
		Store development		H	M								VL	L	
	Upstream (procurement)	Apparel	M	VH	VH			M	L				M	L	
		Household goods		M	M			M	L			VL	M	VL	
		Agricultural products	M	H	VH	H	H	H	H	H	H	H	VH	VH	H
		Livestock products	VH	VH	VH	VL	H	M	M	L	M	M	M	L	L
		Marine products	VH	M	VL		VL	H	H	M	H	M	H	H	M
		Paper products	M	VH	VH			M			VL				
		Store development		H	M								VL	L	

VH Very High **H** High **M** Medium **L** Low **VL** Very Low

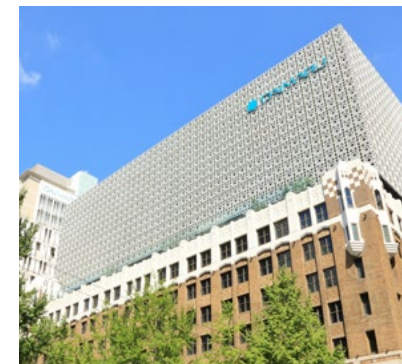
Impact Heatmap

Business	Value chain	Sector	Land/freshwater/ocean-use change			Pollution/depollution				Resource usage	Climate change
			Use of terrestrial ecosystem	Use of freshwater ecosystem	Use of marine ecosystem	Air pollution	Soil pollution	Water pollution	Waste	Water usage	GHG emissions
Department store operations	Direct operations	Store operations				M	H	H	M	H	
		Store development	VH			M	M	M	H		H
	Upstream (procurement)	Apparel	H			H	M	M	M	VH	
		Household goods				M	H	H	H	H	H
		Agricultural products	VH	VH			H	H		VH	
		Livestock products	VH				M	M		VH	H
		Marine products		VH	H		H	H			
		Paper products				M	H	H		VH	
		Store development	VH			M	M	M	H		H

VH Very High
 H High
 M Medium
 L Low
 VL Very Low

② Identification of stores to evaluate for risks/opportunities Locate

Using the Risk Filter Suite (ecosystem and water risk analysis tool) from WWF^{*4}, Aqueduct (water risk analysis tool) from WRI^{*5}, and other tools, we verified the state of ecosystems in areas where our stores are located. In addition, we evaluated the importance of each store location based on our own criteria (land and building ownership, sales volume, etc.). As a result, Daimaru Shinsaibashi was identified as a store of particular importance for biodiversity conservation.



Daimaru Shinsaibashi

^{*4} WWF (World Wide Fund for Nature): An environmental conservation organization active in more than 100 countries that works to restore the vanishing richness of biodiversity and to prevent global warming.

^{*5} WRI (World Resources Institute): An independent organization that conducts policy research and provides technical assistance on global environmental and development issues.

③ Sorting out the factors behind dependencies and impacts on nature Evaluate

Of the business activities at Daimaru Shinsaibashi, we have sorted out the factors with significant dependencies and impacts on the ecosystem services in the value chain: “Store Development,” “Clothing and Food,” and “Packaging Materials.”

		Value chain upstream			In-house	Value chain downstream
		Store development			Store operations	Use and disposal of goods
		Raw material production/extraction/procurement	Manufacture of goods	Transportation of goods		
Store Development	Dependencies	● Procurement of raw materials for construction ● Water usage ● Fuel usage ● Electricity usage		● Fuel usage	● Fuel usage ● Electricity usage ● Water usage	
	Impacts	● Land conversion and development ● Mineral resource extraction ● Energy usage ● GHG emissions ● Air pollution ● Waste emissions		● Air pollution ● Energy usage ● GHG emissions ● Waste emissions	● Air pollution ● Water pollution ● GHG emissions ● Waste emissions	● Fuel usage ● GHG emissions ● Waste emissions
Clothing and Food	Dependencies	● Use of soil, forests, and pastures for livestock feed and procurement of raw materials such as cotton and lumber ● Use of marine areas and extraction of natural fisheries resources ● Pollination by insects ● Water usage ● Fuel usage ● Electricity usage		● Fuel usage	● Fuel usage ● Electricity usage ● Water usage ● Paper usage	● Water usage ● Fuel usage ● Electricity usage
	Impacts	● Soil pollution due to such factors as excessive wood consumption and use of pesticides, deforestation, reduction of pastureland, land degradation, desertification ● Depletion of water resources, destruction of marine ecosystems (e.g. overfishing of juvenile fish) ● Wastewater and water pollution in food processing processes ● Energy usage ● GHG emissions ● Air pollution ● Waste emissions		● Air pollution ● Energy usage ● GHG emissions ● Waste emissions	● Air pollution ● Water pollution ● GHG emissions ● Waste emissions	● Microplastic runoff during laundering, water pollution ● Waste emissions
Packaging Materials	Dependencies	● Procurement of raw materials for paper packaging ● Water usage ● Fuel usage ● Electricity usage		● Fuel usage	● Fuel usage ● Electricity usage	
	Impacts	● Deforestation due to excessive logging ● Energy usage ● GHG emissions ● Air pollution ● Waste emissions		● Air pollution ● Energy usage ● GHG emissions ● Waste emissions	● Waste emissions	● Fuel usage ● GHG emissions during recycling ● Waste emissions

④ Assessment and response to risks and opportunities Assess Prepare

Based on the sorting out of dependencies and impacts on ecosystem services at Daimaru Shinsaibashi in steps (1) to (3), we identified and evaluated nature-related risks and opportunities that could affect our business activities, and discussed activities to address them. In addition, we qualitatively evaluated the impacts to our business activities on three levels (major, medium, minor) based on two criteria: “importance to our company” and “importance to our stakeholders.”

Item			Details of risks/opportunities	Impact	Details of activities
Risk	Physical	Acute	•Decrease in revenues due to store closures caused by extreme weather and increased natural disasters	Large	<ul style="list-style-type: none"> ●Strengthening the resilience of stores and offices through BCP development ●Improvement in disaster prevention performance of stores
		Chronic	•Increase in energy costs due to rising temperatures	Medium	<ul style="list-style-type: none"> ●Replacement with high-efficiency energy-saving equipment at the right time
			•Earnings instability due to a decrease in the number of agricultural and marine products handled owing to crop failures, lower quality, and reduced harvests •Decrease in number of customers visiting stores and changes in sales owing to rising temperatures and changing rainfall patterns	Medium	<ul style="list-style-type: none"> ●Discussion and strategy development for the procurement risks of critical food raw material
	Transition	Policy and regulations	•Increase in costs due to tighter regulations on GHG emissions	Medium	<ul style="list-style-type: none"> ●Reduction of GHG emissions through aggressive energy-saving measures in stores and increased switchover to renewable energy sources
		Market	•Increased difficulty in store development (exterior and interior design, including additions and renovations) and higher construction-related costs due to a shortage of building materials	Small	<ul style="list-style-type: none"> ●Greater use of domestically produced thinned lumber
			•Decrease in profits due to inability to meet growing consumer demand for sustainable products	Large	<ul style="list-style-type: none"> ●Expansion of environmentally friendly products such as certified products ●Switchover to environmentally friendly packaging materials such as FSC certified products ●Promotion of smart wrapping and simplified packaging options
		Reputation	•Loss of reputation due to inadequate sourcing of sustainably produced goods	Medium	<ul style="list-style-type: none"> ●Expansion of certified products ●Smart delivery (reduction in the number of deliveries)
			•Loss of reputation due to increased waste and lack of proper disposal	Medium	<ul style="list-style-type: none"> ●Introduction of AI demand forecasting service to reduce food waste ●Composting community activities by employees to reduce food waste ●Appropriate response to the Plastic Resource Circulation Act
		Resource efficiency	•Reduction in costs associated with efficient water usage	Small	<ul style="list-style-type: none"> ●Usage of rainwater and graywater ●Usage of water-saving equipment
Opportunity	Products and services		•Increase in the property value of buildings due to real estate development with sustainable sourcing of materials and reduced energy use	Large	<ul style="list-style-type: none"> ●Promoting the development of procurement rules and acquisition of various certifications (CASBEE, ZEB, etc.) and emphasizing them externally.
			•Increase in revenues due to increased handling of certified/sustainably produced goods	Large	<ul style="list-style-type: none"> ●Expansion of certified products ●Raising awareness and educating customers about certified products
	Markets		•Continuation and maintenance of store operations due to mitigation of storms, typhoons, etc.	Large	<ul style="list-style-type: none"> ●Establishment of environment for the enjoyment of ecosystem services (e.g., establish rules based on an understanding of location, vegetation, and climate characteristics)
			•Increase in customer traffic to real estate development and retail operations (land use) that take biodiversity and landscape into consideration	Medium	<ul style="list-style-type: none"> ●Implementation of rooftop greening and rooftop urban beekeeping
	Capital flow and financing		•Increase in financing capacity due to higher environmental value of buildings	Large	<ul style="list-style-type: none"> ●Acquisition of environmental certification for newly developed properties ●Raising of funds through green bonds, etc.
	Reputation		•Improvement in reputation by providing rooftop gardens and other places for relaxation	Medium	<ul style="list-style-type: none"> ●Rooftop greening and rooftop urban beekeeping
			•Improvement in reputation by promoting recycling-oriented business	Medium	<ul style="list-style-type: none"> ●Establishment of partnerships with other companies for resource recycling of waste plastics and food waste (e.g., POOL project, domestic SAF project, etc.)
	Ecosystem protection, restoration, rehabilitation		•Reduction of compliance costs by improving traceability of products (especially risk commodities)	Small	<ul style="list-style-type: none"> ●Strengthening of supplier engagement by conducting assessments, etc.
	Sustainable use of natural resources		•Improvement in store brand value through reduced use of paper products and increased use of alternative materials	Small	<ul style="list-style-type: none"> ●Switching to environmentally friendly packaging materials such as FSC certified packaging ●Promotion of paperless packaging

3 Specific examples of biodiversity initiatives (responding to risks and opportunities)

The reconstruction of Daimaru Shinsaibashi Store, which has a history of approx. 300 years, was completed in 2019 and reborn as a new landmark in Shinsaibashi. The new main building serves as a next-generation model store that incorporates advanced environmental initiatives, such as operating on 100% renewable energy.

Rooftop Greening

— Landscape-Conscious Store Development —

The 7th floor's 110 m² terrace, created at the time of the main building's reconstruction, is a "garden" filled with Japanese ash trees, olive trees, and other plants, where visitors can walk around. On the rooftop is also a 900m² "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 CO₂ emissions.



Rooftop Urban Beekeeping

— Biodiversity —

In 2019, we launched the Shinsaibashi Honey Project. Beehives were installed on the rooftop, which is approximately 900m² large and 60m above ground, for urban beekeeping. Approximately 200,000 bees fly out and collect nectar from flowers within a 3 km 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.



Composting

— Reduction of Food Waste —

As part of Daimaru Shinsaibashi Store's "SHINSAIBASHI Green Project" launched in 2022, a flower bed was created on the sidewalk in front of the store (along Midosuji 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.

Participation in the “Fry to Fly Project” to produce Sustainable Aviation Fuel (SAF)

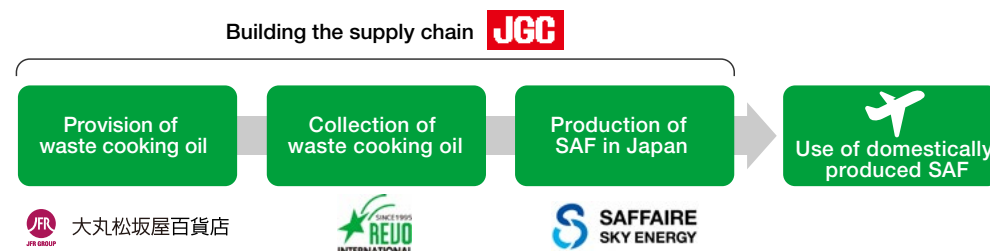
— Recycling waste cooking oil

Fry to Fly Project



Daimaru Matsuzakaya Department Store is participating in the “Fry to Fly Project,” an initiative for recycling waste cooking oil, aiming for the first large-scale production of sustainable aviation fuel (SAF) in Japan.

In September 2023, JFR signed a basic agreement with JGC Holdings Corporation, Rainbow International Corporation, and SAFFAIRE SKY ENERGY, LCC, and began providing waste cooking oil from restaurants and carry-out stores at Daimaru Shinsaibashi and Daimaru Ashiya stores. Matsuzakaya Ueno store joined in January 2024, followed by Daimaru Umeda store and Daimaru Sapporo in April 2024. These five stores generate approximately 53 tons of waste cooking oil per year (FY2023 results), which accounts for about 34% of the total generated by all stores. We will continue to consider expanding the number of stores that offer this service, and will communicate the importance of resource recycling to our customers by holding events that will serve as opportunities to raise awareness and spread the use of domestically produced SAF.



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 holds enough water to fill 600 bathtubs, and can be used to supply water 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.



*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. Saiffaire 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 cooking oil as raw material.

Metrics and Targets

The Company recognizes that biodiversity loss and climate change are inseparable issues, and has established metrics and targets to comprehensively resolve both issues and promote efforts to achieve them.

Metrics and targets used to manage nature-related risks and opportunities for the JFR Group

Target	Year	Details
GHG emissions	2050	Scope 1, 2, 3 Net zero GHG emissions* ¹
	2030	60% reduction of Scope 1, 2 GHG emissions (vs. FY2017)* ¹ Aim for 40% reduction of Scope 3 GHG emissions (vs. FY2017)* ¹
Ratio of renewable energy	2050	100% of energy used in business activities from renewable electricity* ²
	2030	60% of energy used in business activities from renewable electricity
Food recycling rate	2030	Food recycling rate of 85%
Development of environmentally friendly products	2030	Expand transaction volume of environmentally-friendly products, including certified products
Percentage of newly developed properties with environmental certification	2030	100% acquisition rate of environmental certification for newly developed properties

*1 Obtained SBT certification

*2 Joined RE100 in 2020

Toward the future

Going forward, the Company will continue to improve the effectiveness of our nature positive initiatives by prioritizing and expanding the scope of our efforts, and through active communication, such as by conducting biodiversity assessments of major business partners. We will also work to raise customer awareness by expanding our lineup of certified products.

Other Biodiversity Initiatives

Switchover to environmentally friendly packaging materials

Packaging materials used at Daimaru Matsuzakaya Department Stores were switched to environmentally friendly materials in September 2019. Paper shopping bags, including bags used for food products, and paper used for sales promotions have been switched to paper produced from properly managed FSC® certified forests and other controlled sources, leading to forest conservation.



Recycling of Unwanted Clothing—ECOFF

Launched in FY2016, ECOFF is a sustainable initiative to collect unwanted clothing, shoes, bags, and other items from customers at department stores and recycle and reuse the collected items into new materials and products.

The program has continued to grow every year thanks to the increasing environmental awareness of customers and their active participation, with the amount collected in FY2023 reaching 377t (total amount collected since FY2016: 1,845t), and the number of participants reached a record high.

In October 2023, we simultaneously held a fund-raising campaign where customers donated Daimaru Matsuzakaya points. The points were used as a “Green Fund” for greening and environmental education projects at schools and kindergartens in Osaka Prefecture.



Use of Domestic Lumber

Effective use of domestic lumber is very important in maintaining the multifunctional nature of forests.

J. Front Design & Construction, a hotel and office interior design company, participated in the redevelopment of an office building, and with the understanding of the client proposed and adopted the use of domestic lumber, which had not been effectively utilized, as materials for interior design and large planters.



Adoption of Temporary Fencing 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 it put to good use as recycled material. In collaboration with Daimaru Matsuzakaya Department Store, 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 has been properly disposing of gypsum board removed from demolition work at construction sites and recycling 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 takes time and effort to sort the waste onsite, we are utilizing gypsum board 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 mirrors 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, and the winning entries in the design competition were exhibited at the Daimaru Shinsaibashi store.



Exhibition Work: Breathing Life into Scrap Wood 2023



Create and Bring to Life "New Happiness."



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