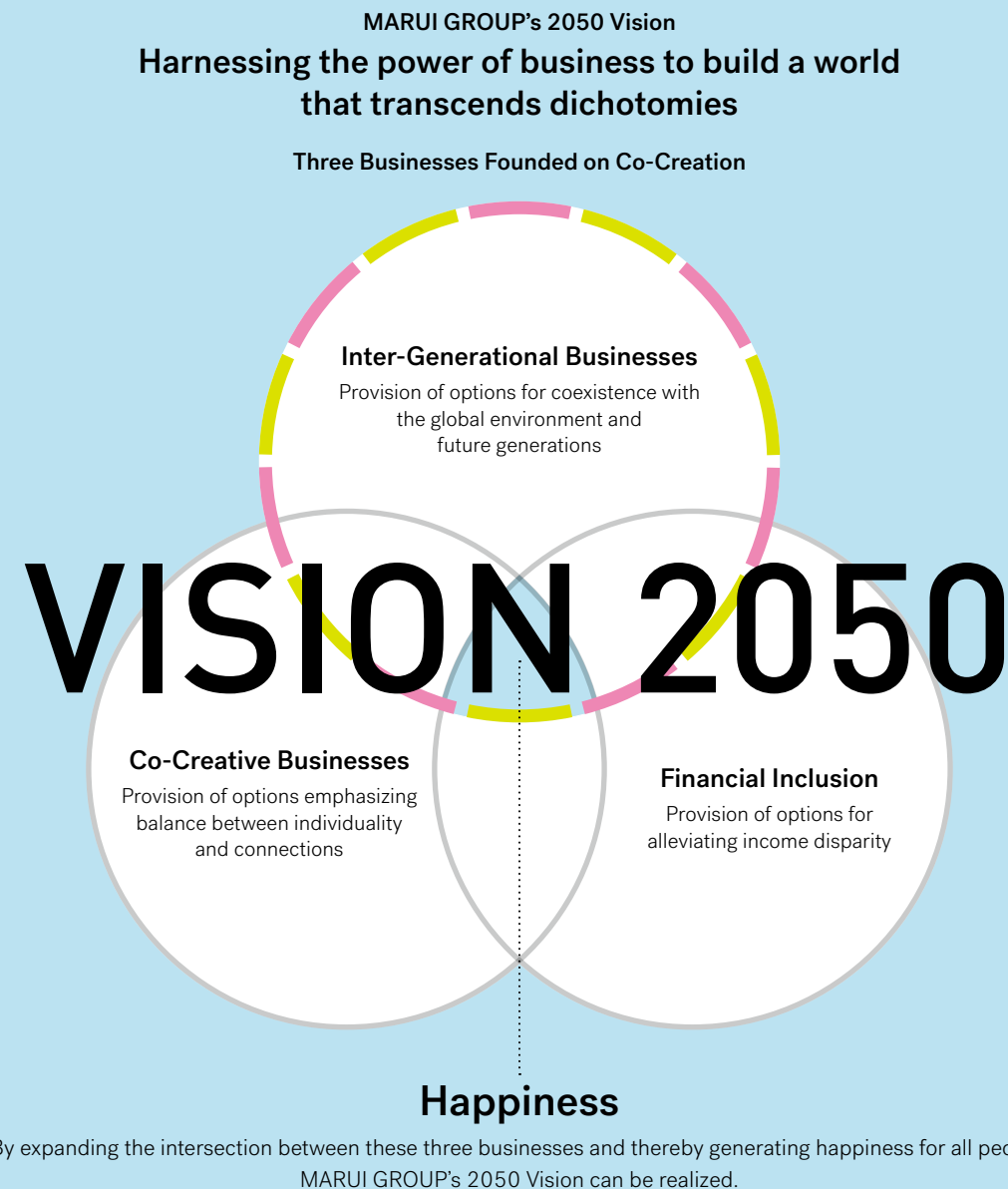




Focus on the Interests of Future Generations

MARUI GROUP's 2050 Vision is "Harnessing the power of business to build a world that transcends dichotomies." We have defined the following three businesses founded on co-creation that will form the basis for our efforts to realize this vision. Each of these businesses is designed to provide options for increasing the intangible value that is happiness. Of these businesses, this report will look at our progress with regard to inter-generational businesses.



Inter-Generational Businesses

MARUI GROUP has subdivided its inter-generational businesses* into green businesses and human businesses. Green businesses, in particular, have been given a central position among inter-generational businesses out of recognition of the fact that addressing environmental issues requires immediate consideration for future generations. Meanwhile, the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) are garnering a great deal of attention, and interest in the efforts of companies to address climate change is on the rise (see pages 50–55).

Against this backdrop, MARUI GROUP will maintain an emphasis on the stakeholder group that is future generations while viewing climate change as both a source of risks and a source of opportunities for creating new businesses. Human businesses have a role in supporting green businesses by fostering the employees that will advance us forward on this mission.

* For more information on inter-generational businesses, please refer to "Meaning of Wealth as Encapsulated in Richard Buckminster Fuller's 'Spaceship Earth' Model" (a discussion between MARUI GROUP Sustainability Advisor Peter David Pedersen and President Hiroshi Aoi) on pages 56–59.



1. Green Businesses

Options for Coexistence with the Global Environment

For its green businesses, MARUI GROUP has defined the indicators of environmental efficiency and ratio of circular revenue. In addition, we have received certification from the Science Based Targets initiative in March 2018 for our targets for reducing emissions of CO₂ and other greenhouse gases throughout the Group. The Company also became a member of RE100 in July 2018, declaring its target of sourcing 100% of its electricity from renewable energy by 2030 (along with a medium-term target of sourcing 70% by 2025). For more information on MARUI GROUP's initiatives pertaining to the TCFD, please refer to pages 50–55.

Long-Term Targets	Medium-Term Targets (5 years in the future)	Long-Term Targets (10 years in the future)	Ultralong-Term Targets (30 years in the future)
Environmental efficiency* ¹	10.2	15 or more	20 or more
Greenhouse gas emissions (Scope 1 & 2)* ²	20% reduction	80% reduction	90% reduction
Greenhouse gas emissions (Scope 3)* ²	—	35% reduction	—
Ratio of electricity sourced from renewable energy	70%	100%	—
Resource recycling rate	60%	70%	100%
Ratio of circular revenue* ³	30% or more	40% or more	50% or more

*¹ Environmental efficiency = Operating income ÷ CO₂ emissions

*² Scope 1 & 2 represent greenhouse gas emissions from the Group. Scope 3 represents greenhouse gas emissions from areas including raw material procurement, transportation, and use by customers.

*³ Ratio of circular revenue = Circular sales / Transactions ÷ Total Retailing segment transactions



2. Human Businesses

Options for Coexistence with Future Generations

It is stated in MARUI GROUP's philosophy that we should "equate the development of our people with the development of our company." Accordingly, we see a company as being a platform for supporting the growth of its people. MARUI GROUP is thus only able to grow when it effectively operates this platform. Conversely, MARUI GROUP will not be able to grow if its employees do not also grow. At MARUI GROUP, we endeavor to supply our employees with opportunities to develop the capacity for empathy needed to build creditability together with customers as well as a corporate culture that fosters the propensity for innovation necessary for exercising a pioneer spirit of creating opportunities. MARUI GROUP's long-term targets provide a wide range of options for coexistence with future generations through co-creation with external entities, which will be conducted alongside human resource investment and the cultivation of a corporate culture that fosters a propensity for innovation founded on co-creation.

Long-Term Targets	Medium-Term Targets (5 years in the future)	Long-Term Targets (10 years in the future)	Ultralong-Term Targets (30 years in the future)
Annual human resource investments	¥1 billion or more (continued over the long term)		
Voluntary participation by employees (aggregate)	10,000 employees or more each year (continued over the long term)		
Future MARUI GROUP leaders cultivated (aggregate)		120 or more	
Individuals capable of creating future value cultivated (aggregate)		4,000 or more	10,000 or more
Financial and sustainability education	Conducted in Japan (continued over the long term)		Conducted overseas