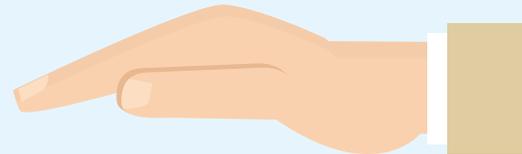


MARUI GROUP's Idea of Sustainability



We will achieve harmony between the happiness of all stakeholders through inclusion.

MARUI GROUP has turned its attention to the concept of "inclusion" to facilitate its efforts for providing fulfilling lifestyles for all customers. Inclusion entails including and reaching out to all those who have previously been excluded.

Our idea of sustainability requires that no one be excluded and that everyone be able to enjoy quality living, health, and prosperity. With similar goals in mind, international society adopted Transforming our World: The 2030 Agenda for Sustainable Development at the United Nations General Assembly, convened in September 2015. This agenda included the Sustainable Development Goals (SDGs), a set of 17 goals with 169

targets that have been embraced by Japan and 192 other countries worldwide.

Inclusion, or excluding no one, is part of the spirit of the SDGs, meaning that these goals point us in the same direction as adopted by MARUI GROUP's management, which seeks to achieve harmony between the interests and the happiness of all stakeholders. Through co-creation activities with all of its stakeholders, MARUI GROUP will actively contribute to the accomplishment of the SDGs through its business to help create a flourishing society in which everyone is included.



SUSTAINABLE DEVELOPMENT GOALS 17 GOALS TO TRANSFORM OUR WORLD



Four Core Themes

MARUI GROUP has defined four core themes based on the perspective of inclusion that it believes will further it as a company providing fulfilling lifestyles for all customers.

Core Theme 1

Customer Diversity and Inclusion

We will seek to develop products, services, and stores that bring joy to all customers, regardless of their age, gender, or physical characteristics.



Core Theme 2

Workplace Inclusion

Based on MARUI GROUP's corporate philosophy of striving to "continue evolving to better aid our customers" and "equate the development of our people with the development of our company," we will provide all employees with venues through which they can excel.



Core Theme 3

Ecological Inclusion

We will develop eco-friendly businesses that are considerate of natural capital and propose ecologically sound lifestyles that are in harmony with nature and the environment.



Core Theme 4

Co-Creation Corporate Governance

We will develop management frameworks that include stakeholders in order to achieve harmony between the interests and the happiness of all stakeholders.



Process for Establishing Core Themes

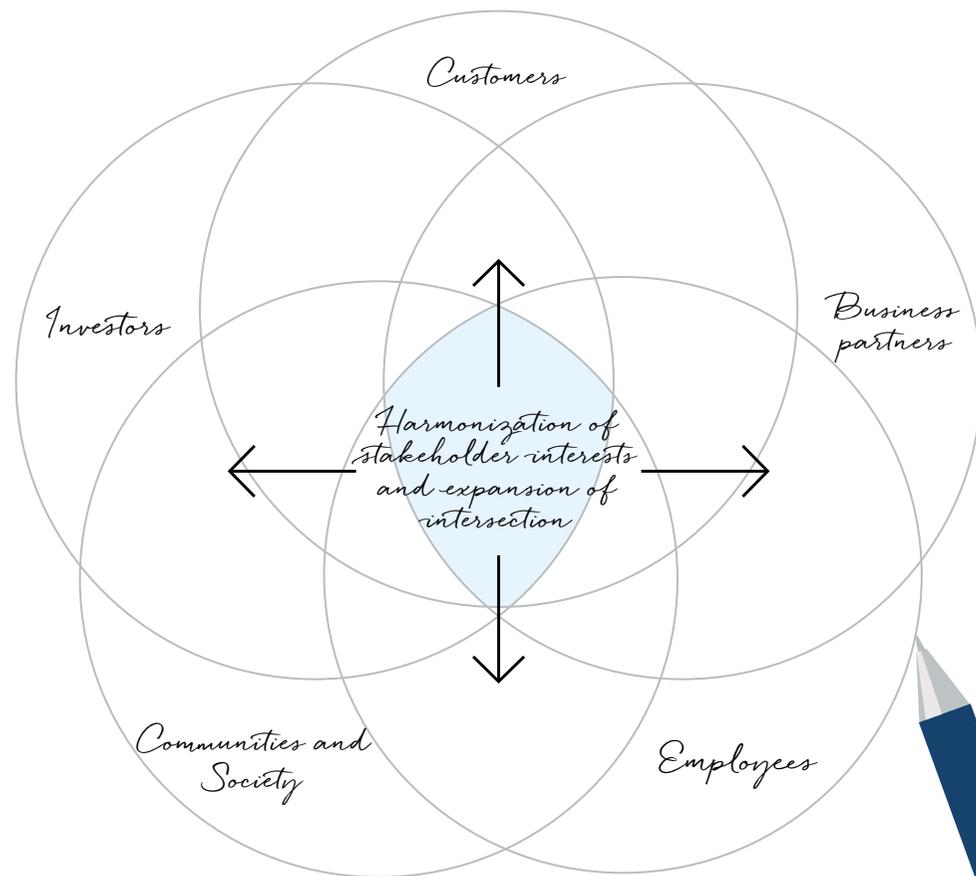
Focusing our concept of co-creation management and the impact this approach will have on society, the environment, and natural capital, we examined the issues and opportunities this approach will create, based on which we defined four core themes for initiatives from the perspective of inclusion. In formulating these themes, we held meetings with ESG-minded investors, sustainability experts, nonprofit organizations, and other stakeholders in the greater society as well as with customers, business partners, and Group officers and employees. In addition, we referenced the ratings of ESG evaluation institutions; internal and external guidelines, such as those of the Global Reporting Initiative, ISO 26000, the Sustainability Accounting Standards Board, and the International Integrated Reporting Council; and the SDGs.

Co-Creation with All Stakeholders

MARUI GROUP has a corporate culture of listening to customer input that dates back to its founding. Dialogue with customers and other stakeholders is exceptionally important to co-creation management, and we seek to always make communication constructive, never marginalizing others' opinions. Such dialogue is crucial to achieving harmony

between the interests and the happiness of all stakeholders. We must continue innovating our business frameworks and practices in order to increase the intersection between stakeholder interests and happiness. This is MARUI GROUP's approach toward innovation and its vision for co-creation management.

MARUI GROUP's View of Corporate Value



Co-Creation with Customers

The planning meetings we hold with customers are not just a venue for soliciting customer feedback; they are a co-creation activity that invites customers to take part in the value creation process for developing stores and products that all customers choose.



Planning Meetings Held with Customers

More than 600
(For planning Hakata Marui)

Customers Performing Sample Checks
1,000 per year
(For Rakuchin Kirei series of shoes)

Co-Creation with Shareholders and Other Investors

We established the IR Department in October 2015, and, in one year, we met with approximately 300 institutional investors, including those overseas. We then formed the ESG Promotion Department in October 2016, through which we are enhancing communication with ESG-minded investors and the disclosure of ESG information.



Institutional Investors Met with

Approx. 300
(Fiscal year ended March 31, 2016)

Shareholders Attending General Meeting of Shareholders
Approx. 470
(June 2016 meeting)

Co-Creation with Business Partners

The MARUI GROUP Procurement Policy was formulated in April 2016, and we conduct surveys and on-site investigations together with business partners to ensure a stable supply of products and confirm partners' human rights and work environment initiatives.



Business Partners Participating in Explanatory Forums

Approx. 100
(Fiscal year ended March 31, 2016)

Co-Creation with Employees

Our intra-Group project teams, including the Diversity Project Team, Marui Future Project Team, Healthcare Promotion Project, Medium-Term Management Visionary Committee, and other such forums, provide opportunities for employees to discuss and share thoughts with individuals from other companies.



Employees Participating in Intra-Group Project Teams

Approx. 320
(Fiscal year ended March 31, 2016)

Co-Creation with Communities and Society

MARUI GROUP participated in the TOKYO RAINBOW PRIDE 2016 LGBT pride event, held a regional development event that blended the popular anime series *Osomatsu-san* with a local shopping district, and worked to increase the number of EPOS card collaboration partners.



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Aggregate number of customers attending "OSOMATSU ICHI in Miyazaki" event

10,000
(March 17 - April 6, 2016)