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Press materials

January 30, 2026
Isetan Mitsukoshi Holdings Ltd.

Isetan Mitsukoshi Holdings Ltd. Signs Agreement on Sustainability-Linked Loans with Sumitomo Mitsui Trust Bank

Isetan Mitsukoshi Holdings Ltd. (Director, President and CEO: Toshiyuki Hosoya) signed a loan agreement (hereinafter "the loan agreement") for sustainability-linked loans (SLL) with Sumitomo Mitsui Trust Bank, Limited (President: Kazuya Oyama).

1. Isetan Mitsukoshi Group's initiatives to address climate change

The Isetan Mitsukoshi Group practices sustainability management by addressing various social issues through its business activities and reinvesting the profits generated as management capital to help solve the next set of social issues. In our sustainability management, we have established four priority initiatives (materialities) to realize our vision and are promoting these initiatives in tandem with each of our business strategies.

< The Isetan Mitsukoshi Group's Four Priority Initiatives (Materialities) >

Priority Initiative Connecting people and local communities	Priority Initiative Contributing to a Sustainable Environment and Society	Priority Initiative Maximizing the Power of People	Priority Initiative Group governance and Communication
In order to enrich our customers' lifestyles, we are promoting initiatives that connect people with local communities. This includes creating venues for people to encounter the thoughts and sensibilities of others, as well as introducing the local cultures, traditions, and specialties of each Japan's region.	We will build a corporate foundation that ensures we can pass on a sustainable society to the next generation. We will achieve this through initiatives to address social issues related to the supply chain, including climate change and respect for human rights.	Guided by our corporate mission of "Touching people's hearts with human-driven experiences," we believe that maximizing the power of people for each employee will lead to greater corporate value for the Isetan Mitsukoshi Group. We will continue to invest in human resources on an ongoing basis.	We aim to maximize our corporate value by establishing and strengthening a sound and highly transparent Group governance system and are pursuing ongoing corporate governance reform, enhancing our internal control systems, and undertaking stakeholder engagement activities.

Climate change, a major social issue, is expected to have various impacts on our business. Furthermore, since greenhouse gas emissions occur as a result of our business activities, such as energy consumption at our stores and supply chain operations, this is also an issue we must address from a social responsibility perspective to help achieve a better future. Therefore, under the priority initiative "Contributing to a sustainable environment and society," we have set the realization of a decarbonized society as a primary objective.

In August 2025, our greenhouse gas reduction targets through 2030 were validated by the Science Based Targets initiative (SBTi). We are also focusing on specific initiatives to achieve these targets and have been expanding the number of stores introducing renewable energy.

<2030 Greenhouse gas emissions Reduction >

Scope	Reduction Targets
Scope1＋2	Reduce by 42% compared to fiscal 2023
Scope3 Part of category1	Reduce by 25% compared to fiscal 2023

2. About Sustainability-linked loans

SLL are intended to promote economic activity and growth that are sustainable by setting sustainability performance target (SPT) linked to sustainability targets based on the borrower's management strategy and linking the loan terms with performance on the SPT. The use of the funds raised via SLL is not limited to specific projects and can be utilized flexibly.

3. Background of the agreement and the SPT

With the aim of further strengthening our sustainability management, we have decided to utilize SLL to promote a PDCA cycle toward objective targets (KPIs) based on third-party reviews, and to enhance stakeholders' understanding of the Group's initiatives. This is the second SLL agreement the Company has entered with Sumitomo Mitsui Trust Bank.

In the case of the loan agreement, the SPT we set were to maintain our score on CDP Climate Change Questionnaire*1. In addition to assessing progress in reducing greenhouse gas emissions, CDP evaluates companies' climate change initiatives using a detailed and independent methodology that comprehensively considers the inclusiveness of disclosure, understanding and management of environmental risks, and the setting of ambitious and meaningful targets. Therefore, we have determined that the CDP Climate Change Score to be an appropriate metric for evaluating the Company's initiatives and progress toward a decarbonized society.

Furthermore, we received a third-party opinion*2 on the consistency with the SLL principles from Japan Credit Rating Agency, Ltd (President: Shokichi Takagi).

Description of SPT
Maintain a leadership level (A, A-) for the score on Climate Change Questionnaire released by CDP*1

We received an A rating on the CDP's 2025 Climate Change Questionnaire. We will continue to advance the reduction of greenhouse gas emissions and maintain and strengthen our framework for addressing climate change as a management priority. Through these initiatives, we aim to sustain and enhance the evaluations we receive from our stakeholders, including the CDP Climate Change Questionnaire.

*1. CDP is an international non-profit organization that works in the environmental field on issues such as climate change. CDP administers surveys on climate change responses using a standard questionnaire that collects information on CO_2 emissions and climate change from major companies around the world, based on the belief that climate change poses a risk to companies' management. CDP analyzes and assesses the answers in these questionnaires and assigns one of eight ranks, from A to D-, based on the initiatives taken by each company.

*2. Please refer to the website of Japan Credit Rating Agency, Ltd.
https://www.jcr.co.jp/en/

Sustainability publications and resources

Website	https://www.imhds.co.jp/corporate/sustainability/index.html
Integrated Report	https://www.imhds.co.jp/corporate/ir/library/annual-report.html
Sustainability Report	https://www.imhds.co.jp/corporate/sustainability/sustainability-report/index.html
Annual Securities Report	https://www.imhds.co.jp/corporate/ir/library/securitys-report.html

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