To whom it may concern

January 29, 2021

Isetan Mitsukoshi Holdings Ltd.

Agreement on sustainability-linked loans signed
Isetan Mitsukoshi Group will contribute to the realization of a sustainable society.

Isetan Mitsukoshi Holdings Ltd. (Director, President and CEO: Toshihiko Sugie) signed a loan agreement (hereinafter "the loan agreement") for sustainability-linked loans (SLL) in line with the principles of sustainability-linked loans laid out by the Loan Market Association (LMA*1) with Sumitomo Mitsui Trust Bank, Limited (President: Masaru Hashimoto).

SLL are intended to promote economic activity and growth that are sustainable in terms of the environment and society by setting sustainability performance targets (SPTs) linked to sustainability targets based on the borrower's management strategy and linking the loan terms with performance on the SPTs.

The Isetan Mitsubishi Group promotes sustainable initiatives so that it can remain a link between customers around the world who seek prosperity and people, communities, the times, and society. One of our priority initiatives is to build a sustainable society and times, and to achieve a sustainable society for the future, we pursue initiatives that help reduce environmental impact by providing safe and reassuring products and services, promoting a low-carbon society, and reducing resource use, among other efforts. In fiscal 2018, we set the Isetan Mitsukoshi Group Medium-Term Environmental Targets for 2030*2, and are working to gradually eliminate the Company's own plastic shopping bags at Group department stores in Japan and switch store lighting to LED. We are taking measures such as these to respond to climate change by reducing total CO2 emissions.

In the case of this loan agreement, the SPTs we set were to maintain and improve our CDP Climate Change Score*3. The Company received an A- on the CDP's 2020 Climate Change Questionnaire, and we aim to maintain and improve our CDP Climate Change Score by proactively pursuing climate change measures such as reducing total CO2 emissions.

We received a third-party opinion*4 on the consistency of our SPTs with the SLL principals and their rationality from Japan Credit Rating Agency, Ltd.

Description of SPTs
Maintain a leadership level (A, A-) for the score on climate change released by CDP*3

Main SDGs that this loan agreement contributes to
   

Overview of the loan agreement
Execution date: January 29, 2021 Loan period: five years Amount: 5 billion yen Use of funds: Business funds

The Isetan Mitsukoshi Group will continue to play a role as the link tying together customers and other stakeholders with people, community, the times, and society, and will also help achieve a sustainable society as a company.

Isetan Mitsukoshi Holdings website https://www.imhds.co.jp

Sustainability page https://imhds.disclosure.site

*1. LMA is an organization that works to improve the liquidity, efficiency, and transparency of the syndicated loan market in Europe, the Middle East, and Africa. Over 700 organizations in over 60 countries are members of the LMA.

*2. The Isetan Mitsukoshi Group has set a target of reducing total CO2 emissions (Scope 1 and 2) by 42% compared to fiscal 2013, the base year, by fiscal 2030. The Group's total CO2 emissions in fiscal 2019 were down 31.3% compared to fiscal 2013.

*3. 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 CO2 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.

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

【Contact for members of the media in regard to this matter】
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