Sustainability

Priority Initiative 3 Improving the Satisfaction of Employees

Concept

In FY2023, we established the Isetan Mitsukoshi Group Corporate Philosophy. The Isetan Mitsukoshi Group Corporate Philosophy expresses what kind of value the Group can contribute to society, the kind of image we aim to project, and our raison d'être. All our initiatives concerning human capital will be based on this Isetan Mitsukoshi Group Corporate Philosophy.

Vision

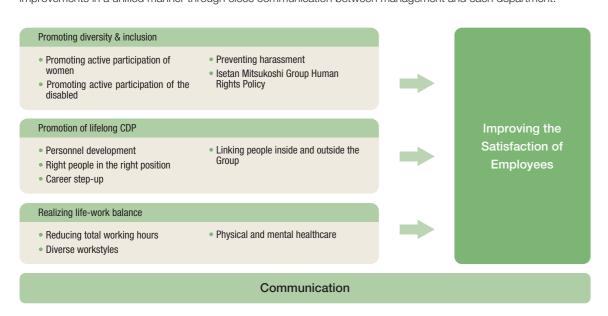
"Touching people's hearts with human-driven experiences" is the mission we have set forth in the Isetan Mitsukoshi Group Corporate Philosophy. In line with this mission, based on the belief that the growth of each and every employee and the maximization of their capabilities will lead to the growth of the Isetan Mitsukoshi Group, we will aim to achieve further corporate growth through the growth of individuals by providing job satisfaction and a comfortable working environment for employees (improvement of employee engagement).

Long-Term Goals and Current Status

	Current		Target for FY2024		Target for FY2030	
Promoting diversity & inclusion	Ratio of female managers *Across the Group (as of April 1, 2023)	30.6%	Ratio of female managers *Across the Group	33.0%	Ratio of female managers *Across the Group	38.0%
	Ratio of employees with disabilities *Isetan Mitsukoshi Ltd. and major Group companies in the Tokyo metropolitan area (as of June 1, 2023)	2.83%	Ratio of employees with disabilities *Isetan Mitsukoshi Ltd. and major Group companies in the Tokyo metropolitan area	3.00%	Ratio of employees with disabilities *Isetan Mitsukoshi Ltd. and major Group companies in the Tokyo metropolitan area	3.50%
Promotion of lifelong CDP	Companies achieving between 1,700 and 1,800 total working hours per year (*target 23 Group companies) (FY2022 results)	39.1%	Companies achieving between 1,700 and 1,800 total working hours per year *Target 23 Group companies	80.0%	Companies achieving between 1,700 and 1,800 total working hours per year *Target 23 Group companies	100%
Realizing life-work balance	Percentage of male employees taking childcare leave "Isetan Mitsukoshi Ltd. (FY2022 results)	97.4%	Percentage of male employees taking childcare leave "Isetan Mitsukoshi Ltd.	100%	Percentage of male employees taking childcare leave *Across the Group	100%
Communication	Engagement survey response rate *Across the Group (FY2022 results)	100%	Engagement survey response rate *Across the Group	100%		

Initiatives

We utilize regular quantitative surveys to clarify organizational and individual issues, as well as to undertake initiatives to make improvements in a unified manner through close communication between management and each department.



Promoting diversity & inclusion

Promoting active participation of the disabled

The Isetan Mitsukoshi Group will continue to adhere to its principle of employing people with disabilities, in the hope of ensuring that people with disabilities are given opportunities to demonstrate their abilities in their professional lives as members of the social economy.

- Employment at Isetan Mitsukoshi SOLEIL
- Employment at Aisei, a subsidiary of lwataya Mitsukoshi
- Registered as a Tokyo Metropolitan Government "Barrier-Free Mind" support company



Using creative ideas and consideration to create a rewarding workplace where people with disabilities can take on challenges



Their ultimate goal is not to become specialists who master a single task. They are trying to be all -rounders who can handle all of the more than 100 set jobs and tasks. They rotate to a different job every day, and once they have learned one job, they are ready to take on the next challenge, always striving to reach new goals.

Although manuals exist for each operation, every worker has his or her own way of learning the process. Therefore, they create their own original "work notebooks," which they use as their own personal textbooks to check the procedures and proceed with the work. The pages that increase each time they take on a new task are evidence of their efforts. I am very proud and happy to see them discussing their progress with their coworkers, chatting about how may tasks they have mastered.

Wataru Miyairi, President and Representative Director, Isetan Mitsukoshi SOLEIL Co., Ltd.

Promotion of lifelong CDP

Promotion of lifelong CDP CDP = Career Development Program

Based on the concept of lifelong CDP, the Company and the organization work together to provide employees with various opportunities for growth and support tailored to each individual's career phase. This creates a complex system that simultaneously realizes growth for both the individual and the Company.

- MANABI NO MORI (e-learning)
- Self-reporting
- Internal open calls
- Applying for challenging work
- . Temporary transfer within and outside the



Working at the forefront of customer contact by applying for challenging work, a system which enables employees to carve out their own careers

In April 2023, I was transferred to the Isetan Private Sales Department, Private Sales Group by applying for challenging work. Since joining the Company, I have worked in several stores, including a secondment to Takamatsu Mitsukoshi. Most recently, I had been working as a member of staff in a back office. While it was very rewarding to learn different perspectives than those I gained on the shop floor, I gradually began to feel a sense of distance from the storefront and customers, which made me feel lonely.

It was then that I remembered the words of a respected senior colleague, "You must carve out your own career." This made me rethink what it is that I really want to do. As was my motive for joining the Company, I recalled my desire to do work that would leave a lasting impression on the important pages of people's lives. This spurred me on to apply for challenging work in the Private Sales Group, where I could have direct contact with customers.

Having actually moved to my new position, I found that things were not as I had imagined them to be, and each day has been a series of trials and tribulations.

Nevertheless, I spend my days with the support of customers' words of gratitude and the support of my colleagues. I am grateful to be in this environment, and would like to accumulate efforts and experiences one by one, bringing me closer to making another page in customers' lives.

Tomohiro Hayakawa, Isetan Private Sales Department, Private Sales Group, Direct Sales Management Department, Isetan Mitsukoshi Ltd.

Life-work balance

Promoting women's participation in the workplace and enabling them to achieve life-work balance

It is essential that women, who make up approximately 70% of the Group's workforce, play an active role in the Company. We will continue working to create an environment in which women at various stages of their lives can work with a sense of fulfillment and comfort by enhancing our systems and support, and fostering an organizational culture and awareness among individual employees conducive to this.

- Reducing total working hours · Enhanced system of shortened working hours for childcare
- Promotion of taking annual paid leave
- . Promotion of telework, etc.



My wish to become a supportive parent who cherishes the feeling of gratitude

After maternity and childcare leave, I returned to work in 2023, taking advantage of the system of shortened working hours for childcare.

I am now in charge of planning for the Food Product Department at the Nihombashi Main Store, and am involved in the formulation of medium- to long-term plans for shop floors, media production, etc. From the time I joined the Company, I was surrounded by many senior colleagues who were actively working while raising children. As such, I had an image of what it would be like after returning to work, so I was not worried about coming back.

I love Isetan Mitsukoshi, as it is a great place for people of all generations, and I hope that it will continue to be here when my daughter grows up and my grandchildren after that. For that reason, I would like to continue to work in a job that allows me to be involved in the store.

I am grateful that I am now able to work as I am, with the support of those around me. Various life events can happen to anyone, not only childcare but also nursing care, illness, and so on. I think it is important to have the option for flexible work styles that allow people to continue with their careers in such eventualities, and to have a culture of mutual support. I hope that when my children grow up, I will be the one to support them.

Emiri Yahiro, Merchandise Manager, Sales Department 1, Sales Management Division, Isetan Mitsukoshi Nihombashi Main Store, Isetan Mitsukoshi Ltd.

44



45