

Materiality 2

Accepting Diversity and Creating a Rewarding Workplace

Amid changes in the business environment that are difficult to predict as well as diversification of customers' sense of values, we believe it is essential to build a diversity-oriented organization where diverse human resources can work together and play active roles equally in order to continue to be chosen by our customers.

Human resources are indispensable assets for the Company's growth. In order for them to create new value from various perspectives and for the Company itself to evolve flexibly, we are providing opportunities for our human resources to take on challenges and play active roles, providing education that leads to the growth of each employee, and developing an internal environment that enables us to leverage human resources.

Goal and progress

Medium-term target	Progress (FY2023)
Increase the number of female Store Managers to 100 (by FY2030)	Number of female store manager: 31 (18 increased from FY2021)
Improve the retention rate of female employees: reduce turnover rate to 5.0% (by FY2030)	Improve the retention rate of female employees: turnover rate 9.7% (1.9% improvement from FY2021)
Promote the operation of next-generation executive development program	Next-generation executive development: conducted training for executives and executive candidates, with 120 participants

Approach for women's participation and advancement

Given that more than half of our customers are women, we believe that the participation and advancement of female employees is essential in order to incorporate ideas from a woman's perspective into store operations and management. To this end, we believe it is indispensable to have the understanding and cooperation of all related layers and staff at each stage from recruitment to promotion to management positions and employee growth. The Group as a whole is planning a variety of measures that will lead to (1) training of female managers, (2) in-house awareness-raising activities, and (3) creation of a comfortable working environment.

Implementation of a training program that aims to produce female store managers

In February 2023, we launched the third phase of the "RISE!100" training program, which began in 2021 and aims to produce female store managers. In the training that occurs up to 20 times over half a year, the program includes learning figures-based management, compliance, and other know-how necessary for store operations, as well as interaction with current female store managers and branch presidents. This helps female employees build an internal network, eliminate anxiety about the store manager position, and form an impression of the career development of female employees.

Training will continue to be provided with regular follow-up for those who have completed the training with the aim of further enhancing the program.



Holding of seminars for the development of female managers

To develop female managers, we held a total of eight career development seminars (90 minutes each) with themes related to skill development for female employees of the PPIH Group, which were conducted by outside instructors with the aim of helping these employees improve their skills and acquire new knowledge.

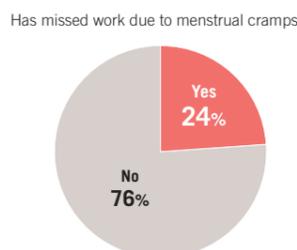
The themes, for example, communication, logical thinking, management, and leadership, promoted individual growth by strengthening skills and mindsets at work. A total of 200 female employees freely attended whichever seminars they were interested in.



Introduction of "low-dosage pill cost assistance"

An internal survey revealed that as many as 20% of female employees have taken time off work due to menstrual pain. As part of our efforts to create a comfortable working environment for women, we have introduced a benefit program in March 2023 in which the Group subsidizes the cost of low-dose birth control pills.

Low-dose birth control pills are said to be effective not only as a contraceptive but also for improving menstrual pain and PMS. By subsidizing the cost of taking the pills, we support female employees in maintaining their mental and physical health and contribute to creating a workplace where they can further demonstrate their abilities. We plan to analyze the relationship between taking birth control pills and productivity going forward.



Creating a work environment that fosters employee engagement

Providing internal systems and educational opportunities that maximize a sense of fulfillment and job satisfaction

We aim to create a highly productive organization in which the right people have the right jobs by providing reskilling programs to develop human resources with a high ability to adapt, and by building an environment and systems that enable career plans and career paths that respect independence and maximize fulfillment in accordance with positions, responsibilities, and affiliations.



Major human resource development programs and systems currently being implemented

- "Kizuki Skill Up Seminars" (self-growth seminars) are held for all employees to help them acquire new knowledge and skills.
- Activation of "Koubo.com" (internal recruitment system) for the purpose of career development and broadening experience
- Promotion of the "Million Star Program" (next-generation executive development program)

Relaxation of dress code rules

From February 2023, we have relaxed our dress code in order to create a workplace where each employee's style is respected and they can work in their own way.

We relaxed the dress code allowing employees to freely enjoy hair coloring and nail designing and have heard employees saying they were "more motivated" and "happy to be able to work with their own hair style." Some stores even saw an increase in the number of part-time job applicants.



Creating a comfortable working environment for employees who give birth and raise children

In order to support employees balance their work with childbirth and raising children, we have established various systems and are working to create an environment that makes it easy to take childcare leave.

Initiatives and systems currently being implemented

- Distribution of a support book for taking maternity/childcare leave (women's version/men's version)
- Support for babysitter and housekeeping services as part of employee benefits
- Establishment of "Don Kids" onsite daycare center, etc.



Maternity/paternity and childcare leave support book (Women's Edition/Men's Edition)

As I shouldered the responsibilities of being a general manager, I initially felt various emotions about taking childcare leave, including hesitancy, courage, and determination. But my supervisor and co-workers encouraged me to take the leave. As a result, I realized the importance of spending time with my family and the enormous amount of work my wife was doing. It also changed the way I approach my work. I pay more attention now about whether I can improve my efficiency and performance, and achieve good work-life balance. I have become aware that I must set an example for my colleagues who are considering maternity/paternity or childcare leave to follow in my footsteps, so that they can take their leave without hesitation and balance work with raising children with peace of mind afterwards. I will do my utmost to convey how wonderful it is for a company to have a culture in which it is the norm for men to take childcare leave, and encourage a mindset in which those eligible find it easy to take leave.



DQ Kyushu and Okinawa Branch 5 General Manager **Shinya Takeshita**

Frameworks and systems for maintaining both mental and physical health

In order for all employees to be able to work with peace of mind, it is above all necessary to provide an appropriate internal environment that enables them to maintain their mental and physical health. The PPIH Group is working to make improvements by establishing internal and external consultation services and conducting individual interviews to identify problems faced by individuals as well as problems in the working environment of the Group as a whole. We are striving to create an organization with high employee engagement that balances ease of working and job satisfaction by building an internal consultation system that allows each employee to feel comfortable voicing their views, and by promoting identification of problems and improvement measures that "flips the subject" to employees.