



Development of Autonomous Organizations That Continuously Produce Innovation

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" inspires us to view companies as a platform for the growth of their employees. We are therefore fostering human resources who are accepting toward one another, regardless of their age, gender, lifestyle, or sexual preference, and who can support our business model of co-creating happiness. We adopted a unique pure holding company system in 2007, granting our more than 5,000 employees access to shared Groupwide human resource systems. This move made it possible to realize such systems as intra-Group company profession changes and Groupwide project teams open to voluntary participation. To accelerate its business merging retailing, fintech, and now co-creative investment, MARUI GROUP is transforming its corporate culture based on three points. Through these transformations, we aim to develop autonomous human resources and a corporate culture founded on communication that can facilitate the continuous production of innovation via means such as co-creation with start-up companies.

Corporate Culture Transformations Enabling New Business Strategies

Ongoing growth by today's companies requires them to be able to respond to sudden operating environment changes by constantly evolving their business models and structures after they have become obsolete. However, changes in business strategies will prove ineffectual if the corporate culture that drives those strategies remains the same. Corporate cultures should not be built on the commitment of management but should rather be shaped from the bottom up by the autonomous action

of employees. The shaping of such corporate cultures takes place naturally over long periods of time, and this process requires creativity. Accordingly, there is no order or instruction that can stimulate this process. For this reason, we feel that corporate culture transformations should be spurred in conjunction with business strategies after having taken the time to cultivate the necessary foundations.

Mathematical Relationship Between "Corporate Cultures" and "Business Strategies"

New Business Strategies



Improvement of Corporate Value

New Corporate Cultures

Intra-Group Company Profession Change System for Fostering Empathy and Innovation

MARUI GROUP's profession change system is a unique human resource system that is shared throughout the Group and that allows for relocations between the Company and 12 Group companies. This system enables employees to experience a wide range of businesses, including retail at stores, IT, logistics, and credit card services through a program that is almost like changing one's profession. We have been promoting this system since April 2013, and 2,626 employees, or 61% of our entire employee base, had undergone profession changes as of April 1, 2020. A survey of employees that had undergone profession changes conducted in November 2016 revealed that 86% of such employees felt they had experienced personal growth after the change, indicating that this system is contributing to the cultivation of highly resilient employees.

The longer one works in the same position, the more they will be susceptible to being trapped in the preconceptions of that position. Being placed in a new profession, however, can enable employees to escape preconceptions. Such transitions thus contribute to the growth of the employees undergoing profession changes as well as to transformations in the new workplaces in which they are placed. Moreover, cross-Group relocations form connections throughout the Group, contributing to the enhancement of integrated Group management.

Going forward, we will complement these relocations by ramping up the secondment of employees to co-creative investees and other companies. We thereby aim to foster human resources that are adept at responding to change along with a corporate culture founded on open communication that is a fertile ground for innovation.

Number of Employees Changing Positions Between Group Companies

	FY2016	FY2017	FY2018	FY2019	FY2020
Number of employees changing positions (aggregate)	1,418	1,833	2,210	2,541	2,626
Ratio of employees changing positions (aggregate)	25%	34%	43%	52%	61%

Note: Figures use the total of employees changing positions in April and October of each year (excluding officers and managers).

Number of Employees Undergoing Secondment to Co-Creative Investees and Other Companies

	FY2016	FY2017	FY2018	FY2019	FY2020
Number of employees undergoing secondment (aggregate)	0	1	9	19	35
Number of companies receiving seconded employees (aggregate)	0	1	6	12	17

MESSAGE FROM AN EMPLOYEE

One of the human resource policies under MARUI GROUP's business model merging retailing, fintech, and co-creative investment is the cultivation of co-creative human resources. We therefore must develop frameworks for fostering human resources who, armed with a deep understanding of our core values, are able to create new businesses. Our ultimate goal is to develop a corporate culture in which co-creative human resources influence those around them, generating a virtuous cycle in which their actions lead to the development of new co-creative human resources, who in turn stimulate the growth of additional co-creative human resources. We began seconding employees to D2C brand and other strategic companies in 2018, and approximately 40 employees have undergone secondment over the roughly three years that followed. When these employees return to the Company, they actively apply the lessons learned through their secondment from the perspectives of both business and corporate culture. Some employees are seconded primarily to facilitate co-creation activities. By positioning these employees in divisions in fields relevant to their secondment upon their return, they can continue to promote co-creation from within the organization to accelerate our co-creation initiatives. Furthermore, the venture company perspectives these employees bring back with them are being incorporated into organizational management to co-create a new work communication culture.



Masami Endoh

Chief Manager
Human Resources Section
Human Resources Department
MARUI GROUP CO., LTD.

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Autonomous Organization Founded on Voluntary Employee Participation

Over the more than a decade since the Company underwent a management crisis in 2007, we have continued to promote a culture of voluntary participation by employees. Undertaking a new endeavor or creating something completely new can place a great burden on employees. The potential to create innovation is much greater when an employee has chosen to tackle such a challenge of their own volition, as opposed to being ordered to do so by supervisors. It is for this reason that MARUI GROUP has established Groupwide project teams and the Medium-Term Management Visionary Committee, which function as forums

for discussion of important management themes. Employees, who are the main driving force behind our business, can participate regardless of their age and rank. With each iteration, the number of applicants greatly exceeds the number of available slots, and we have thus chosen to select members based on essays. Furthermore, as all Group employees are provided access to the same human resource systems, employees from across the Group can apply, and those selected can participate in meetings during workhours from wherever they work in Japan.

Groupwide Project Teams Encouraging Autonomous Thought and Action

Members selected for Groupwide project teams discuss the given themes together with their colleagues and propose ideas over a period of one year, and take the knowledge and ideas learned while on the project teams back to their workplaces. This insight is used to formulate and implement action plans for shaping the business and work styles of their workplaces. Project members are changed on an annual basis, producing a new set of autonomous employees with increased knowledge and awareness each year and fostering a corporate culture that is conducive to business innovation. In the fiscal year ending March 31, 2021, project team activities will include a combination of online and offline events.



Please refer to the following website for details.
www.0101maruigroup.co.jp/en/sustainability/theme02/development_01.html



Diversity & Inclusion Project Team

Launched in 2011, the Diversity & Inclusion Project Team's activities are aimed at fostering respect and contributing to the happiness of all people by encouraging receptiveness to the diversity of all stakeholders.



Wellbeing Promotion Project Team

Established in 2016, the Wellbeing Promotion Project Team believes it is important to go beyond the basic approach of preventing illness to foster more energized and happy employees. It is thus promoting wellness management that combines these approaches inside and outside of the Company.



Masaki Kimoto

Wellbeing Promotion Project Team Member
 MARUI Fulfillment Department
 Solutions Business Division
 MOVING CO., LTD.

MESSAGE FROM AN EMPLOYEE

I applied for the Wellbeing Promotion Project Team because the Misato Web Sales Distribution Center, where I work, ranked among the worst 10 in the Group in the stress check conducted in 2019. I volunteered because I figured that involvement in the project team would give me insights into how we could reform our organization. In the project team activities, Dr. Reiko Kojima, a company physician and general manager of the Wellbeing Promotion Department, held a lecture teaching us how to manage energy related to the body, mood, mental state, and thinking. This lecture was easy to understand and very interesting, and I learned a lot. Apparently, Dr. Kojima has been giving this lecture since the inception of the Wellbeing Promotion Project Team, which is probably why wellness management is such an entrenched concept at MARUI GROUP. This lecture made me more committed to fully engaging with both my work and my family and enabled me to respond more positively to challenges. I am currently focusing my efforts on future generations. I want children to be able to learn and experience the fun and motivation of working so that they will have big dreams for the future.



Medium-Term Management Visionary Committee Receiving Over 1,000 Applications for Participation with Each Iteration

The Medium-Term Management Visionary Committee is an internal forum for discussing various topics that will be important to the future of Group management. Discussions are not limited to in-house personnel as external experts are also called to give lectures. At both online and offline events, active discussion is conducted among the roughly 300 members that are selected from the 1,000–1,500 applications received from employees of various ranks and divisions for each iteration.



Future View by kono yubi to-mare

MARUI GROUP posts summaries of the lectures by external lecturers conducted at meetings of the Medium-Term Management Visionary Committee

on its community site. We invite you to learn about the future course of MARUI GROUP through the maxims of experts shaping the future.



Please refer to the following website for summaries of the lectures by external lecturers (Japanese only).
www.to-mare.com/fv/

Committee Meeting Discussion Topics in 2019

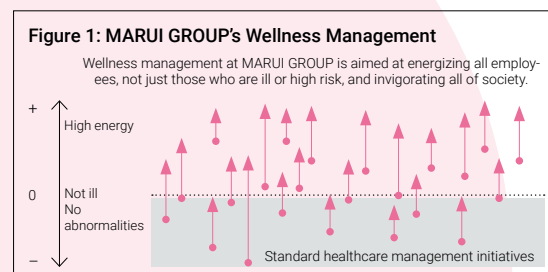
Feb.	Happiness x AI—Lecture by Dr. Kazuo Yano, Fellow and Director and Happiness Project Leader of Future Investment Division of Hitachi, Ltd.
Mar.	Venture Companies and New Businesses Viewed from the Perspective of Venture Capital—Lecture by Soichi Tajima, CEO and General Partner of Genesia Ventures, Inc.
Jun.	Financial Inclusion through Insurance—Lecture by Tooru Ushiroda, Representative of Office Baton Insurance Consultation Office
Jul.	Background for Direct-to-Consumer Brands, Physical Stores in a Digital Society, and Retail as a Service—Lecture by Yuichiro Mori, CEO/Founder of FABRIC TOKYO Inc.
Oct.	Japan's First Employee-Driven Effort to Source 100% of Electricity from Renewable Power with Visibility of Producers: Familiarity with the SDGs through the World's First Venture Combining Power and Blockchain—Eiji Oishi, Representative Director CEO of Minna-denryoku, Inc.
Nov.	Equal Opportunities Offered through Financial Access—Lecture by Taejun Shin, Co-Founder, Representative Director & CEO of Gojo & Company, Inc.
Dec.	Activity report by ultralong-term management research committee—Report by Yutaka Matsuo, Professor from the Department of Technology Management for Innovation; Artifacts, Center for Engineering; Graduate School of Engineering, Tokyo University; and Yoshiaki Ishikawa, Co-Founder and Executive Vice President of Campus for H Inc.
	Development of a Comfortable Society That Bridges the Gap Between Ideals and Reality—Lecture by Shoji Marukawa, Representative Director of Nature Innovation Group Co., Ltd.
	Panel discussion by employees having undergone profession changes or secondment

Committee Meeting Discussion Topics in 2020

Feb.	Businesses That Contribute to Sustainable Societies—Lecture by Akihiko Nagata, Executive Vice President and Head of the Healthcare Company at euglena Co., Ltd.
Mar.	Forum for sharing information on activities of the Wellbeing Promotion Project Team
Jun.	Life After the COVID-19 Pandemic: How to Realize Ideals and Happy Living—Lecture by Yoshiki Ishikawa, Representative Director of Well-being for Planet Earth Foundation
Jul.	Panel discussion by employees having undergone profession changes or secondment and work forum
Aug.	D2C Brands Shaping the Future—Lecture by Yasuhiro Sasaki, Director and Business Designer of Takram Inc. and Yuichiro Mori, CEO/Founder of FABRIC TOKYO Inc.
Sep.	Co-Creation with the Future Generations That Will Shape the Future—Lecture by Yusuke Mizuno, Representative Director and CEO of Life is Tech, Inc.
	Investor relations information sharing forum

Wellness Management Energizing Employees and Improving Happiness

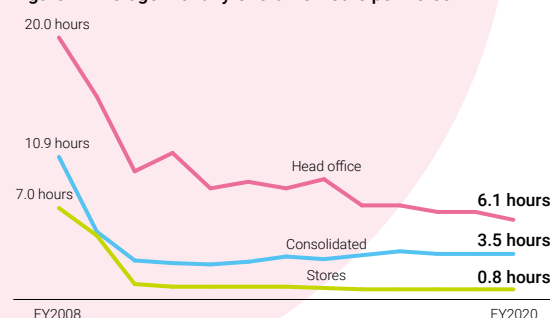
The goal of MARUI GROUP's wellness management is not just ensuring that all of our employees are healthy; we aim to make all of society a happier place by creating new value from the perspectives of wellness and well-being. Wellness management has been positioned as an important element of our strategies under the medium-term management plan and is thus being practiced on a Groupwide scale through coordination between the Wellbeing Promotion Department and MARUI GROUP's health insurance union (see Figure 1).



Work Style Reforms Creating a Venue for Contributions of All Employees

Recognizing that healthcare management is one facet of work style reforms, MARUI GROUP has been advancing reforms pertaining to work hour management and work system diversification since 2008. As a result, average annual overtime hours decreased to 42 and average monthly overtime decreased to 3.5 hours in the fiscal year ended March 31, 2020, representing notable increases in productivity (see Figure 2).

Figure 2: Average Monthly Overtime Hours per Person

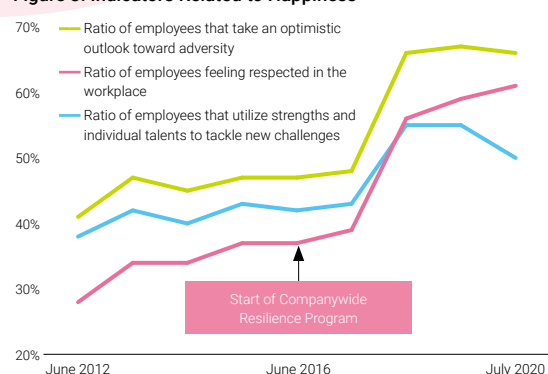


Wellbeing Promotion Project Team and Resilience Program

Established in 2016 as an official Groupwide project team, the Wellbeing Promotion Project Team is now in its fourth year. In the first and second years of its activities, this project team primarily focused on spreading awareness and understanding of wellness management. In its third year, this project team extended its activities to outside of the Company. The fourth year of this project team's activities kicked off in the midst of the COVID-19 pandemic. Members are thus highly motivated to make contributions from the perspective of wellness and well-being, and they continue to pursue this goal through a process of trial and error together with various stakeholders. The project team members received strong support from senior managers who have participated in the Resilience Program, which targets officers and managers. These managers are incredibly understanding of the autonomous activities of project team members, and they offer proactive support. As of September 2020, approximately 100 officers and managers had taken part in the Resilience Program, enabling them to better support internal wellness and well-being activities.

As a result of these activities, we have since seen massive improvements in self-efficacy and other indicators related to happiness in Companywide surveys. Specific items for which scores have improved include "I take an optimistic outlook toward adversity," "I feel as though I am respected in the workplace," and "I utilize my strengths and individual talents to tackle new challenges" (see Figure 3).

Figure 3: Indicators Related to Happiness



Members of Fourth Wellbeing Promotion Project Team

Self-Care Training

MARUI GROUP conducts a variety of self-care training programs, including one that stresses the diverse thought patterns of people and how awareness of this fact and different perspectives can prevent mental health issues. A characteristic of this program is how workplace supervisors play a central role while employees teach one another. To date, a total of 5,400 employees have taken part in these programs, representing more than 80% of all full-time employees (see Figure 4).

Improvement of Organizational Engagement through Stress Checks

The results of organization analyses via stress checks are being used to institute targeted measures aimed at items identified as important for specific workplaces (items that will contribute to improve work engagement). Committees are assembled to examine the results at individual workplaces so that each workplace can take proactive measures to address any issues. These efforts have led to four consecutive years of improvements in stress and work engagement scores (see Figure 5). In addition, 24 workplaces have volunteered to conduct two stress checks a year. Almost all of these workplaces showed improvements in the second check, with lower stress and higher work engagement (see Figure 6). Successful measures will be shared throughout the Company in the future to energize other workplaces.

Translation of Psychological Capital into Corporate Value

Energizing employees is of utmost importance to improving corporate value. One facet of MARUI GROUP's efforts for energizing employees is to track employee happiness. With the help of Hitachi, Ltd., we began measuring data on the movements of employees' bodies using the sensors installed in their smartphones to measure their degree of happiness. Employees use this data to change their behavior while assessing the types of work styles that contribute to improved scores. After a three-week experiment on raising the happiness score of employee teams, we administered surveys to employees to measure their psychological capital.*2 These surveys showed a 0.27 percentage point increase in psychological capital. Analyses based on massive quantities of data have found that this improvement translates to a rise of 5.3% in operating income (approximately ¥2.1 billion).

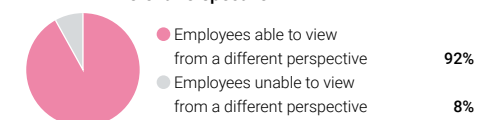


Members of happiness tracking project

These wellness management initiatives have been highly evaluated, resulting in MARUI GROUP being included in the Health & Productivity Stock Selection arranged by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange for three consecutive years. In addition, the Company has received the highest rank of A in Development Bank of Japan Inc.'s DBJ Employees' Health Management Rated Loan Program.

*2 Indicator proposed by U.S. management researcher Fred Luthans that represents employees' work confidence and overall positivity and that correlates with business profitability

Figure 4: Employees Able to View Their Thought Patterns from a Different Perspective

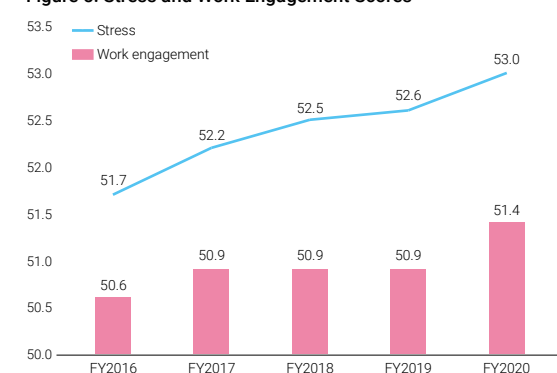


Employees Deepening Their Understanding Regarding Self-Care



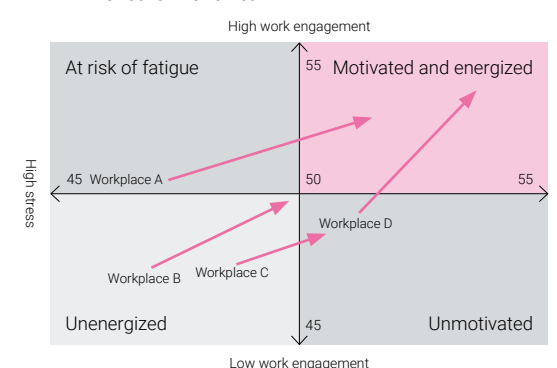
Note: Based on September 2020 employee survey

Figure 5: Stress and Work Engagement Scores*1



*1 The nationwide average is 50.0. Larger figures represent more favorable results.

Figure 6: Changes at Workplaces After Conducting Two Stress Checks in One Year

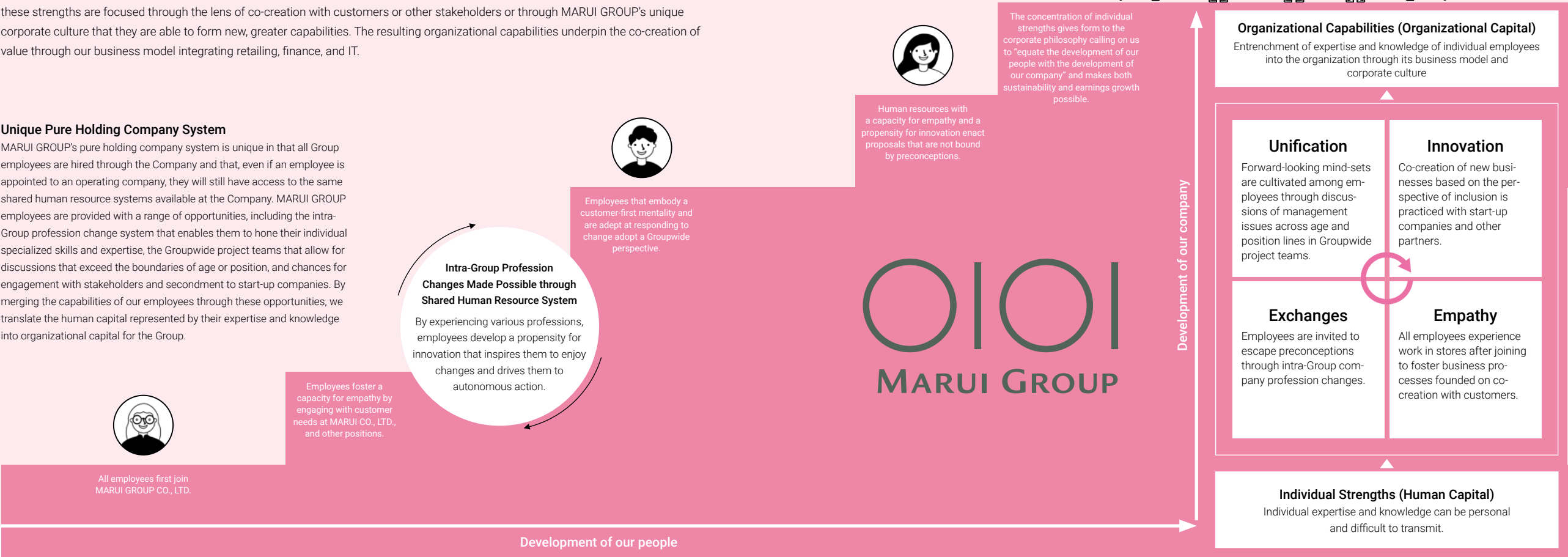


Translation of Individual Strengths into Organizational Capabilities via Understanding and Interaction

MARUI GROUP has established a framework for translating the human capital represented by the individual strengths of its employees into organizational capital. This framework is the integrated Group management achieved through the shared Groupwide human resource systems made possible by the transition to a pure holding company. Individual strengths are merely tacit knowledge. It is when these strengths are focused through the lens of co-creation with customers or other stakeholders or through MARUI GROUP’s unique corporate culture that they are able to form new, greater capabilities. The resulting organizational capabilities underpin the co-creation of value through our business model integrating retailing, finance, and IT.

Unique Pure Holding Company System

MARUI GROUP’s pure holding company system is unique in that all Group employees are hired through the Company and that, even if an employee is appointed to an operating company, they will still have access to the same shared human resource systems available at the Company. MARUI GROUP employees are provided with a range of opportunities, including the intra-Group profession change system that enables them to hone their individual specialized skills and expertise, the Groupwide project teams that allow for discussions that exceed the boundaries of age or position, and chances for engagement with stakeholders and secondment to start-up companies. By merging the capabilities of our employees through these opportunities, we translate the human capital represented by their expertise and knowledge into organizational capital for the Group.



EMPATHY

Capacity for Empathy

Ability to comprehend the position of others and build shared understanding to be more sympathetic to them

- Love of people and bringing joy to them
- Drive to understand the thoughts and pain of others
- Desire to work for the benefit of others

INNOVATION

Propensity for Innovation

- Drive to autonomous thought and action
- Ambition to continue growing by setting goals and learning
- Aspiration of tackling unprecedented challenges

Ability to find joy in changes and differences

- Positivity required to detect changes in society and the environment and to change oneself in response
- Receptiveness toward diverse perspectives and opinions



REIKO
KOJIMA



YOSHIKI
ISHIKAWA

HIROSHI
AOI



Happiness Arising from Well-being Amid the COVID-19 Pandemic

The idea that physical and mental health is intrinsically linked to happiness is at the heart of the concept of well-being. As we are pressed to reassess our values amid the global COVID-19 pandemic, the concept of well-being is gathering attention. In July 2020, President Hiroshi Aoi and MARUI GROUP's own Dr. Reiko Kojima spoke with Yoshiki Ishikawa, a leading well-being researcher and an advisor at the Company, on the topic of how to achieve happiness in the new era.

Values Spreading Among Millennials

Aoi: A lot of talk of stakeholder capitalism has been taking place since 2019, representing the rise of a new sense of value that prioritizes contributions to the interests of all stakeholders, a shift from the approach of solely focusing on shareholder interests. During the process of examining the interests of stakeholders, we couldn't help but wonder just how many people are satisfied purely by having their monetary interests accommodated. Monetary interests are, of course, something we need to address. However, we are also expected to provide value that cannot be measured monetarily. This statement is backed by data showing that around 60% of millennials expect companies to place the resolution of social issues above the pursuit of profit. This belief, which is antithetical to the prior approach of shareholder capitalism, has been spreading rapidly in recent years. This trend serves as the backdrop for the recent focus on well-being.

Ishikawa: I have only been promoting well-being in Japan for just about two years. At first, this idea was met with question marks, but it has since spread rapidly. This is perhaps due to younger generations coming into power. For example, the presence of millennials is increasing among shareholders and venture capital firms. In fact, it is likely that millennials will become the main proponent driving society by around 2025. Sustainability, diversity, and, yes, well-being are all values that millennials have grown up with.

Aoi: Ah, so the value that we had noticed, but previously been unable to name, was well-being.

Ishikawa: In the past, society has stressed a single path to success, underscored by the idea that good lives come from working at good companies and going to good schools. My generation grew up amid the last breaths of this view. People younger than me, on the other hand, are more interested in finding the lifestyle that they personally think is best. Hardly any of them are obsessed with becoming rich at all costs. This is understandable considering you don't need to be rich these days to be happy. People can afford most things.

Aoi: I think that people who have fully sated the desires for physical things that can be satisfied with money will find themselves starved for things money can't buy. This hunger arises from a sense of external pressure that restricts and prevents one from feeling free. This pressure could be seen as associated with the desires of younger generations for things like diversity, sustainability, and well-being.

Ishikawa: Up until now, the idea of capitalism was seen as absolute. The children of today, however, probably do not agree. We cannot help but wonder what the right way to live is. In the past, people wanted expensive things. Today, they are seeking something more pragmatic. One company I am looking at in this regard is HAIR O'RIGHT INTERNATIONAL CORPORATION.

Aoi: We have one of their stores in Yurakucho Marui.

Ishikawa: One tube of O'right toothpaste costs about ¥3,200. People might initially be put off by the price, but they will soon realize the value as this toothpaste is made from 100% recyclable materials and is good for their health in addition to the environment. In fact, it is made entirely from food. Considering that, we could almost say that ¥3,200 was the right price for



Well-being could be seen as an indicator that hints at the possibility of future social unrest. Well-being is therefore of utmost importance to ensuring medium-to-long-term stability in management.

Yoshiki Ishikawa, PhD

Representative Director
Well-being for Planet Earth Foundation
Advisor
MARUI GROUP CO., LTD.

Born in Hiroshima in 1981, Yoshiki Ishikawa is a preventative medicine researcher with a Doctor of Medicine, which he received from Jichi Medical University after graduating first from the School of Integrated Health Sciences in the Faculty of Medicine at the University of Tokyo and then from the Harvard School of Public Health. He is now the representative director of the Well-being for Planet Earth Foundation and is engaged in interdisciplinary research on what constitutes a good life together with companies and universities. He specializes in fields such as preventative medicine, behavioral science, computational creativity, and conceptual engineering and has written books on the subject of fulfilling lives.

toothpaste and that the stuff we have been using up until now has been too cheap. I suspect that the people of the future will be drawn to more sustainable and virtuous options.

Aoi: You touch on something incredibly important there. On the subject of sustainability, the biggest topic of late has been France's Danone S.A., which rewrote its articles of incorporation to define the company as an *entreprise à mission* (company with a mission). French corporate laws apparently are also changing to require companies to do more than just generate profit. Danone's rewriting of its articles of incorporation was a response to this regulatory change. It also looks like Danone has established a Mission Committee with a positioning similar to that of the board of directors at a standard company. If the company wants to do something that goes against the interests of shareholders, they have to get approval from the Mission Committee.

Importance of Well-being for Both Society and Companies

Kojima: You mentioned younger generations coming into power a little bit ago, Mr. Ishikawa. One change I have noticed is that, in the past two years, we have had three employees join who cited their reason for joining as a desire to participate in the Wellbeing Promotion Project Team.

Ishikawa: That is amazing. A little while ago there was a company in which employees were forced to telework for a period. When deciding the approach to be taken going forward, a younger employee suggested, to the president no less, that they only go to the office if there was a reason warranting a visit. This statement was founded on the belief that it should be the employee, not the company, that chooses the work style best for them. This story made me realize that we are entering into an era where people have more power than companies.

Kojima: The members of the 2020 Wellbeing Promotion Project Team helped plan an online school festival at a high school located near our head office in place of the regular school festival that they were unable to hold because of the COVID-19 pandemic. Rooted in this project was the belief that happiness comes from bringing joy to someone else, whether they be from within or outside of the Company. In other words, what these employees craved was not some expensive car, for example; it was to bring joy to as many people as possible. Regardless, when I talk about MARUI GROUP's wellness and well-being management practices at times such as when giving lectures at other companies, I still have people ask me how these efforts improve profits.



We were also concerned that the restrictions imposed in response to the COVID-19 pandemic would diminish employees' passion for work, but the result was the exact opposite.

Reiko Kojima

Executive Officer
Company Physician
General Manager, Wellbeing Promotion Department
MARUI GROUP CO., LTD.

Ishikawa: One way I can think of is cost reductions, as such efforts would have a large impact by lowering recruitment and branding costs. Moreover, chronically "low happiness" can cause political and social unrest after enough years. The fall of the Soviet Union is one example of this, as is the United Kingdom's decision to leave the European Union. For this reason, well-being could be seen as an indicator that hints at the possibility of future social unrest. Such unrest does not result in decreased happiness. It is the decreases in happiness that leads to this unrest. The same can be said of companies. If we look at individual departments in a company, a department where well-being and happiness continue to decrease is incredibly likely to have some issue down the line. Well-being is therefore of utmost importance to ensuring medium-to-long-term stability in management.

Changing Use of Time and Money Stemming from the COVID-19 Pandemic

Ishikawa: An important element of well-being is how people spend their time and money. When comparing different decades, we will see a clear change in how money is used.

Aoi: I definitely agree that the way people spend their time and money is changing. This is probably mostly due to the change in how time is used, which is giving rise to new ways of using money.

Ishikawa: Some people talk about how they allocate their money based on how they use their time.

Aoi: Like how people who spend a lot of time at home also spend a lot of money on their home.

Ishikawa: Exactly. It was suggested that, if you spend one-tenth of your time awake in transit, you should spend one-tenth of your money on transportation. This idea clicked with me. Whether time or money is well spent may depend on the values of the spender, but I think that this approach toward spending is in line with the times.

Kojima: You mean they should spend their money on well-being.

Ishikawa: The COVID-19 pandemic has changed people's values. People are now focusing on how best to spend their money in their more limited life spaces. In this regard, I would like to



This belief, which is antithetical to the prior approach of shareholder capitalism, has been spreading rapidly in recent years. This trend serves as the backdrop for the recent focus on well-being.

Hiroshi Aoi

President and Representative Director
Representative Executive Officer, CEO
MARUI GROUP CO., LTD.

talk about the weekly well-being surveys conducted in the United Kingdom. Every week, the United Kingdom polls 2,000 randomly selected individuals on their levels of happiness and satisfaction. The results of recent surveys have been incredibly interesting. Happiness and satisfaction have been falling for the past decade, but for some reason they jumped up following the lockdowns. I am sure that there are some people who are suffering under these conditions, but, on the whole, the people are happier and more satisfied. The reason is still unclear, but I think it might have something to do with the fact that capitalism has long brainwashed us into believing that money would buy us more free time. However, with their living spaces greatly restricted, when it came to doing something, the people of the United Kingdom were forced to reevaluate what was truly important to them.

Kojima: We were also concerned that the restrictions imposed in response to the COVID-19 pandemic would diminish employees' passion for work, but the result was the exact opposite. Scores related to work engagement and stress have improved over last year in the stress checks that are taken by almost all employees.

Ishikawa: This is just a theory, but I think the restrictions have made it easier for people to focus on the moment. Up until now, it was easy to be preoccupied with the future, always seeking more. This "more is better" mentality may have been replaced with "less is more."

Aoi: If we look at that idea in a slightly more abstract way, it could be seen as a form of harmony. The prior preoccupation with more, after all, did not allow for harmony.

Ishikawa: Happiness is an incredibly abstract notion. However, I think it boils down to how much joy you can find in your daily routine. For example, I used to hate washing dishes. My hands got chapped and it was boring. Realizing this was a problem, I put a portable speaker in the kitchen. When I first tried washing dishes while listening to music, I could not help but wonder why I did not think of listening to music in the kitchen much earlier.

Kojima: It is often said if you change your mind, your behavior will change; if you change your behavior, your habits will change; if you change your habits, your personality will change; and if you change your personality, your life will change. The current era might be the timing at which people decide to undertake such changes.