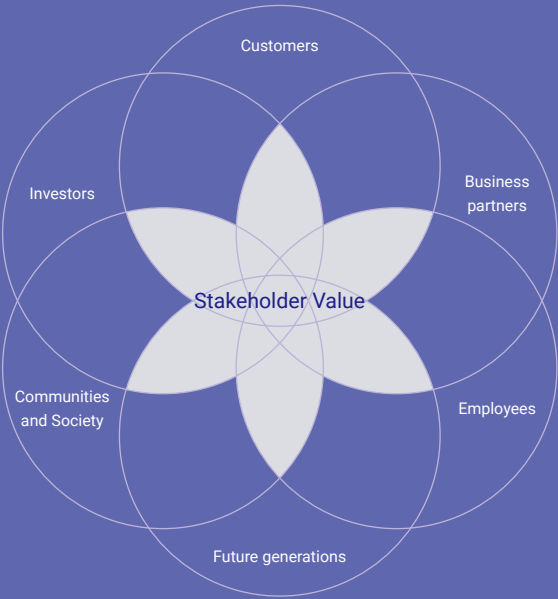


MARUI GROUP's Governance Focused on Six Stakeholder Groups

MARUI GROUP defines corporate value as being produced by creating harmony between the interests and happiness of all of its stakeholders and growing the intersection of these interests and happiness. To coincide with this view, we have begun practicing governance with a focus on our six stakeholder groups.

In June 2021, as the first step of this process, we appointed two new outside directors—Yasunori Nakagami and Peter David Pedersen. Also at this time, Reiko Kojima was appointed as an internal director. We also incorporated elements of the Board 3.0 model, a new governance model being promoted that entails actively involving external directors in management strategy planning and other facets of management. Specifically, MARUI GROUP established the Strategy Committee as a new advisory body to the Board of Directors tasked with examining medium-to-long-term business strategies. MARUI GROUP has also appointed new advisors from younger generations on whom it will call for advice based on their new perspectives and diverse values. Through these frameworks, the Company will accelerate governance focused on six stakeholder groups for the purpose of achieving its desired impact.



Members of the New Board of Directors Including Stakeholders



Hiroshi Aoi
President and Representative Director, Representative Executive Officer
Chairman of Management Committee and Compliance Promotion Board,
Member of Nominating and Compensation Committee, Sustainability
Committee, and Strategy Committee

Reason for appointment: Hiroshi Aoi has properly overseen the Board of Directors as the chairman and duly performed his supervisory functions with regard to important management decision-making and operational execution as the president and representative director of the Company since 2005. He has ample business experience and knowledge as a corporate manager and has overseen the overall operation of the Group and performed his duties properly as the Group representative executive officer. Based on the above reasons, the Company believes that he can fully perform his functions for facilitating the medium-to-long-term improvement of the corporate value of the Company.



Yasunori Nakagami
Representative Director and CEO, Misaki Capital Inc.
External Director, Chairman of Strategy Committee,
Member of Nominating and Compensation Committee

Reason for appointment: Yasunori Nakagami has accumulated a wealth of experience at management consulting firms and investment management companies through which he has amassed exceptional insight regarding corporate management that emphasizes capital markets. The Company thus judged that he would be able to contribute to the supervision of overall management from an independent and objective standpoint as an external director.




Hirotugu Kato
Director, Managing Executive Officer, and CFO
Chairman of ESG Committee and Insider Trading Prevention Committee,
Member of Management Committee, Sustainability Committee,
Strategy Committee, Compliance Promotion Board,
Public Relations IR Committee, and Internal Control Committee

Reason for appointment: Hirotugu Kato has overseen finance, investment research, sustainability, and ESG divisions and performed his duties properly as a managing executive officer of the Company. Based on the above reasons, the Company believes that he can fully perform his functions for facilitating the medium-to-long-term improvement of the corporate value of the Company.



Etsuko Okajima
President & CEO, ProNova Inc.
External Director, Member of Nominating and
Compensation Committee and Strategy Committee

Reason for appointment: Etsuko Okajima has experience and extensive knowledge in corporate management and is well versed in diversity policy and practices. She has performed her duties as an external director of the Company from an objective, independent position. The Company believes that she can continue to contribute to the reinforcement of the supervisory function for the management of the Company.



Peter David Pedersen
Representative Director, Next Leaders' Initiative for Sustainability
Professor, Shizenkan University
External Director, Chairman of Sustainability Committee

Reason for appointment: Peter David Pedersen has accumulated a wealth of experience at environmental and CSR consulting firms through which he has amassed exceptional insight regarding global-level sustainability management. The Company thus judged that he would be able to contribute to the supervision of overall management from an independent and objective standpoint as an external director.




Reiko Kojima
Director, Executive Officer, and CWO (Chief Well-being Officer)
General Manager, Wellbeing Promotion Department
Company Physician
Member of Management Committee and Sustainability Committee

Reason for appointment: Reiko Kojima has robust experience as a general physician, a Doctor of Medicine, and a company physician and has properly performed her duties in overseeing Groupwide well-being divisions as an executive officer. Based on the above reasons, the Company believes that she can fully perform her functions for facilitating the medium-to-long-term improvement of the corporate value of the Company.

Appointment of New Advisors from Younger Generations

MARUI GROUP appoints external experts with insight into business strategies and various business areas as advisors. We anticipate that such advisors will be powerful assets in the establishment of strategies for Groupwide efforts to accomplish the targets of the medium-term management plan and to improve corporate value over the medium-to-long term as we seek to address the rapidly changing operating environment and an ever-diversifying society. Regular meetings of advisors are held once every two or three months, at which the president, pertinent directors, executive officers, and representatives from relevant areas attend; advice is also sought on specific themes. In December 2021, MARUI GROUP appointed two representatives of younger generations as advisors to guide it in accommodating the needs of future generations.




Kyoko Ozawa
Member of Sustainability Committee
University Freshman

Sustainability Specialist

Reason for appointment: As the first chief future officer of euglena Co., Ltd., Kyoko Ozawa began offering insight regarding frameworks that unconsciously drive consumers to eco-friendly action and the elimination of products contained in plastic bottles in 2019 from the perspective of future generations. MARUI GROUP thus judged that she would be able to offer valuable input and advice for achieving the impact targets described in its medium-term management plan.

Appointed in December 2021




Sota Watanabe
CEO, STAKE TECHNOLOGIES PTE. LTD.
Director, Japan Blockchain Association

Public Blockchain Specialist

Reason for appointment: After founding STAKE TECHNOLOGIES in 2019, Sota Watanabe went on to develop Japan's Astar Network public blockchain. With substantial experience and insight regarding blockchain technology, MARUI GROUP judged that he would be able to offer valuable input and advice for promoting digital transformation based on its medium-term management plan.

Appointed in December 2021




Masakazu Masujima
Partner, Mori Hamada & Matsumoto

Fintech Specialist

Reason for appointment: Masakazu Masujima is a leading expert in the field of fintech with robust insight and experience. MARUI GROUP anticipates that he will offer proposals of specific growth investment targets, advice and proposals regarding entry into the securities business, and advice on fintech-related laws and regulations for use in the development of new fintech businesses.

Appointed in July 2016




Meyumi Yamada
Director, istyle Inc.

D2C Specialist

Reason for appointment: MARUI GROUP anticipates that Meyumi Yamada will provide up-to-date information on D2C ecosystems and customer success strategies and stimulate meaningful discussion in this regard to drive new value creation in the post-digital world.

Appointed in July 2017



Yutaka Matsuo
Professor, Department of Technology Management for Innovation, Artifacts, Center for Engineering, Graduate School of Engineering,
The University of Tokyo

AI Specialist

Reason for appointment: Yutaka Matsuo possesses a wealth of insight and experience as a leading authority in artificial intelligence (AI) research. In addition, he has devoted his efforts promoting the use of AI and the cultivation of human resources in this field. One such effort was the establishment of the Japan Deep Learning Association, an organization tasked with improving the competitiveness of industry in Japan with deep learning. MARUI GROUP anticipates that he will offer valuable suggestions and advice for utilizing AI to improve corporate value.

Appointed in October 2019




Yoshiki Ishikawa
Doctor of Medicine, Preventative Medicine Researcher, Representative Director, Well-being for Planet Earth Foundation

Well-being Specialist

Reason for appointment: Yoshiki Ishikawa possesses a wealth of experience and broad-ranging insight as a preventative medicine researcher. He is also one of Japan's foremost researchers of well-being and the representative director of the Well-being for Planet Earth Foundation. MARUI GROUP anticipates that he will offer valuable suggestions and advice pertaining to the Company's management.

Appointed in July 2020




Masayoshi Suzuki
Executive Vice President, BORDERLESS JAPAN CORPORATION
Member of Sustainability Committee

Social Specialist

Reason for appointment: Masayoshi Suzuki co-founded BORDERLESS JAPAN, one of the few companies in the world that only engages in social businesses, through which this company has addressed social issues pertaining to poverty, discrimination and prejudice, and the environment. MARUI GROUP anticipates that he will offer valuable suggestions and advice for resolving social issues to help create a flourishing and inclusive society.

Appointed in January 2019



Tomohiro Miyasaka
Venture Capitalist

Venture Investment Specialist

Reason for appointment: Tomohiro Miyasaka has been involved in initial public offerings associated with numerous investees including Sansan, Inc.; Mercari, Inc.; Money Forward, Inc.; RAKSUL INC.; Chatwork Co., Ltd.; and Uzabase, Inc. With this extensive background and robust insight, MARUI GROUP judged that he would be able to offer valuable input and advice for promoting forward-looking investments and gaining higher levels of trust from stakeholders.

Appointed in August 2021

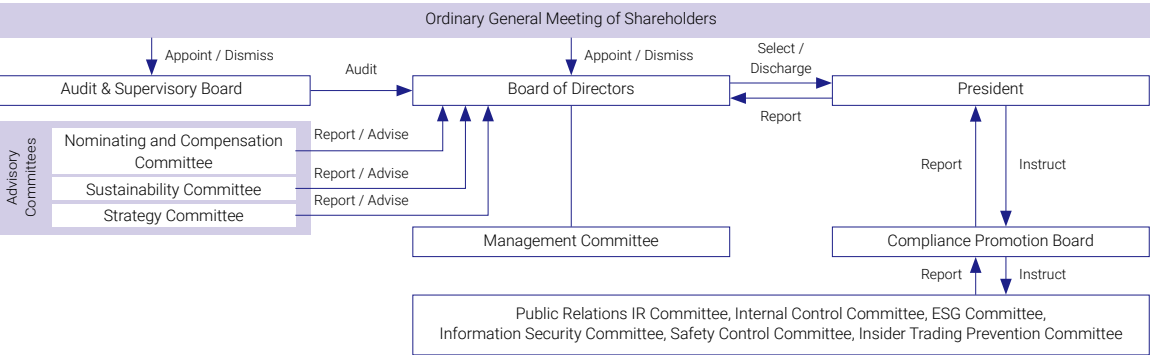
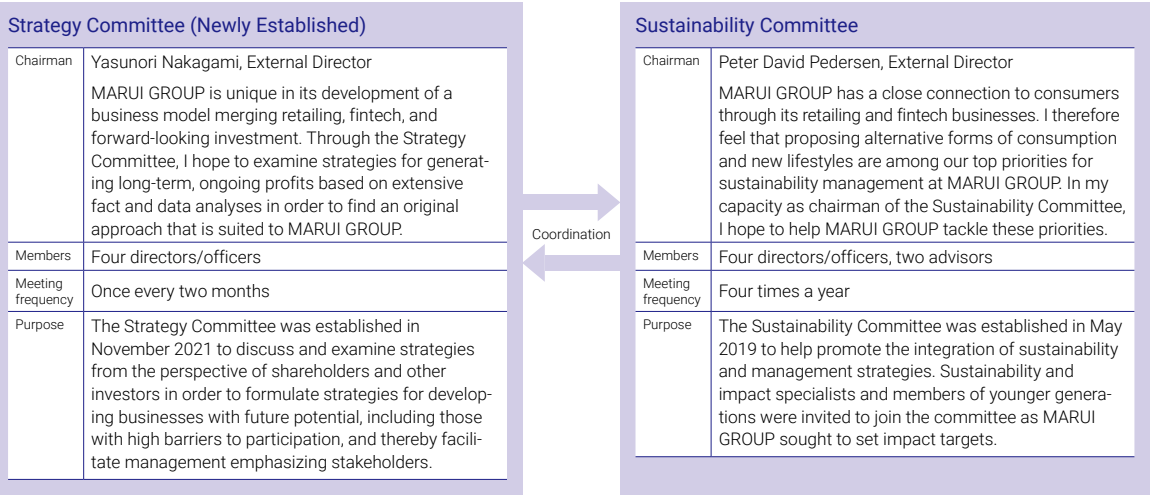
Corporate Governance System

Under the new corporate governance system launched in June 2021, the Board of Directors and the Company's various committees have been engaging in discussions that are not bound by previous conventions in search of the strategies, organizational structures, and human resources that will be necessary for achieving its three impact goals. One aspect of the new system is the Strategy Committee, which was established with the goal of discussing and examining MARUI GROUP's management from the perspectives of shareholders and other investors. This committee is helping us produce an even greater range of strategic proposals for businesses based on their barriers to entry. Moreover, the Strategy Committee coordinates with the Sustainability Committee to align our business and sustainability initiatives in order to develop management frameworks directly linked to positive impacts.

Major Agenda Items Discussed at Meetings of the New Board of Directors (June–November 2021)

- | | | |
|--|--|---|
| <ul style="list-style-type: none">• Discussion themes for the new Board of Directors• Revision of officer compensation systems• Establishment and revision of committees• Revision and augmentation of membership of Management Committee and other committees• Appointment of new advisors• Revision of regulations related to Board of Directors and Management Committee• Evaluation of Board of Directors' effectiveness | <ul style="list-style-type: none">• Changes to authority delegated to executive officers• Response to revision to Japan's Corporate Governance Code• Revision of MARUI GROUP Corporate Governance Guidelines• Production and disclosure of officer skill matrix• Partial revision of internal audit regulations• Status of cross-shareholdings and future measures• Cancellation of treasury stock | <ul style="list-style-type: none">• Status of investment projects and holding of unlisted securities• Transfer of stock listing to Tokyo Stock Exchange Prime Market• Directives for new business development• Organization and human resource development for post-digital world• Allocation of Co-Creation Management Academy participants• Issues and future initiatives pertaining to subsidiaries |
|--|--|---|

New Committee Structures and Purpose



Committee Membership
www.0101maruigroup.co.jp/pdf/committee_members_en.pdf



MARUI GROUP Corporate Governance Guidelines
www.0101maruigroup.co.jp/pdf/cgg_20210805_en.pdf



MARUI GROUP Corporate Governance Report
www.0101maruigroup.co.jp/pdf/cgr_en.pdf

Officer Skill Matrix

MARUI GROUP began disclosing annual officer skill matrixes with the publication of *VISION BOOK 2050* in 2019 in order to help stakeholders gain a more multifaceted understanding of the management skills and personal qualities of the officers that represent the Company in various business fields. Through discussions by the new Board of Directors held during 2021, it was decided that there were 14 skills, comprising shared skills and unique skills, that were required for achieving MARUI GROUP's desired impact through the advancement of its management and medium-term management plan. Based on this decision, we prepared a new skill matrix indicating the insight, experience, and skills of MARUI GROUP's 24 internal and external directors, Audit & Supervisory Board members, and executive officers (please see page 106).

Shared Skills

Common skills required for the Board of Directors to appropriately fulfill its function (insight, experience, and skills)

1. Corporate management
2. Management strategy formulation
3. Human resource management
4. Finances
5. Corporate governance
6. Risk management
7. Innovation

Unique Skills

Unique skills necessary for implementing MARUI GROUP's medium-term management plan (insight, experience, and skills)

8. Sustainability
9. Well-being
10. Digital transformation
11. Retailing
12. Fintech
13. New business development (forward-looking investments)
14. Investments in start-up companies (forward-looking investments)

Transcript of Board of Directors' Discussion

The following is an abridged transcript of a discussion by the Board of Directors regarding the skill matrix that took place across two meetings held in September and November 2021.

Nakagami: There is no need for MARUI GROUP's skill matrix to be like those of other companies. MARUI GROUP has its own purpose, and its skill matrix should thus focus on the skills that are necessary for achieving this purpose. Skills related to the Company's business could include industry experience and insight related to retailing and fintech.

Okajima: When considering the reasons why Japan's Corporate Governance Code expects companies to disclose skill matrixes, I think we don't necessarily need to focus on the areas of expertise of each officer. Rather, it would probably be better to think about the contribution everyone makes to the Board of Directors as a forum for management decisions.

Pedersen: I agree with both of you. The skill matrix should not be about filling in a template; it should be prepared as a message from MARUI GROUP.

Aoi: By incorporating your input, I hope to make a skill matrix that truly represents MARUI GROUP, something that closely resembles the ideas of purpose and impact that Mr. Nakagami spoke of. I think that we could really make a unique skill matrix by discussing this matter a little further.

Nakagami: In the past, MARUI GROUP has taken such unique steps as presenting external evaluations of the officers using frameworks like CliftonStrengths®.* The effectiveness of a board of directors is not only determined by the skills of its members, there also has to be a good match between the thought patterns of these members. I hope you will continue to release such evaluations in the future. Innovation is a very broad concept. Accordingly, the skill matrix could use concrete terms matched to your business strategies, like

"investments in start-up companies" and "new business development," as surrogates for this concept.

Pedersen: "Innovation" may be a little too broad, but I think that "investments in start-up companies" might be too narrow. You could talk about the co-creation of businesses.

Aoi: I think we could use "investments in start-up companies" to refer to forward-looking investments and include it in the shared skills category if we want to give it a broader nuance. I hope we can receive more input from you when refining future iterations of our skill matrix.

* The CliftonStrengths® assessment is a framework developed by Gallup, Inc., of the United States that defines 34 CliftonStrengths® themes created by consolidating some 5,000 behavior and thought patterns. This assessment is used in the human resource development programs of more than 90% of Fortune 500 companies.



Online Board of Directors' meeting held in September 2021

Future Leader Development Program Seeing Involvement from Officers and Advisors

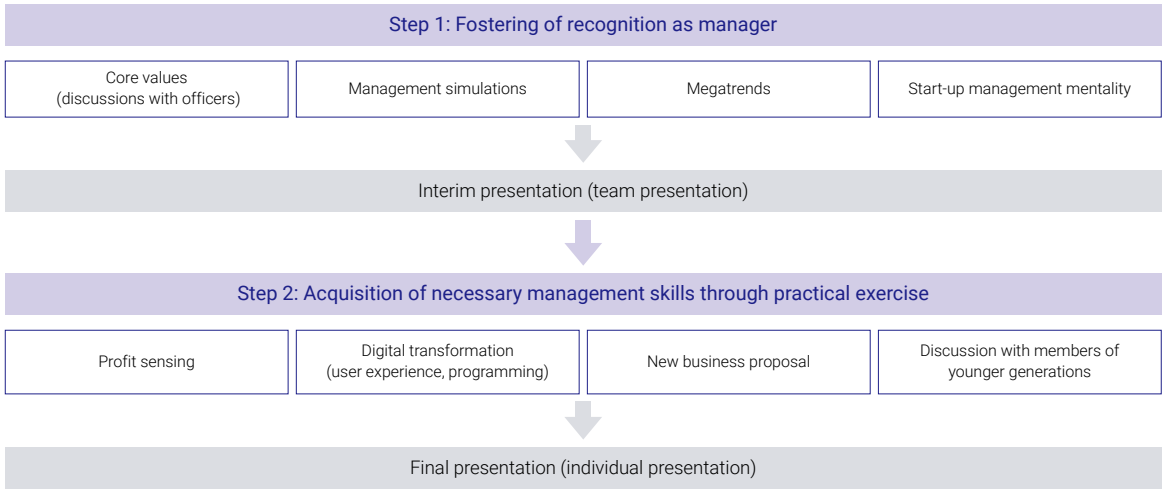
MARUI GROUP unveiled its Co-Creation Management Academy (CMA) future leader development program in April 2017 with the aim of identifying and cultivating human resources capable of promoting management innovation. This program is based on open application by individuals passionate about shaping the future of MARUI GROUP, and each year 10–20 candidates are selected from among these ambitious volunteers. To date, a total of 62 individuals have participated. Those selected are submitted to a one-year training curriculum developed under the guidance of external directors to instill in them a management perspective.

In the fiscal year ending March 31, 2022, the fifth year of the program, 12 individuals were chosen for participation with an average age of 32. Under the guidance of External Director Etsuko Okajima, these individuals are taking part in a one-year curriculum aimed at cultivating human resources that are able to undertake co-creative businesses with start-up companies and younger generations. After the completion of this curriculum, they will be seconded to partner companies or positioned in strategy or corporate planning positions as we monitor their ongoing development as future leaders.



Participants and instructor for fifth year of CMA program

CMA Program's Fifth Year Curriculum Road Map



Principal Instructors and Discussion Counterparties

Overall supervision	Etsuko Okajima, External Director	Start-up management mentality	Yuta Tsuruoka, CEO, BASE, Inc. Taejun Shin, Representative Director & CEO, Gojo & Company, Inc. Yosuke Miyama, Representative Director, Sparty, Inc.
Core values (discussions with officers)	Hiroshi Aoi, President and Representative Director Masao Nakamura, Senior Managing Executive Officer Tomoo Ishii, Senior Managing Executive Officer	Digital transformation (user experience, programming)	Yusuke Mizuno, Representative Director and CEO, Life is Tech, Inc.
Megatrends	Peter David Pedersen, External Director (Sustainability) Masayoshi Suzuki, Advisor (Social Impact) Yoshiki Ishikawa, Advisor (Well-being)	New business proposal	Kentaro Sakakibara, Representative Director, SAMURAI INCUBATE INC.



Energization through Well-being and Gender Equality

MARUI GROUP's goal in emphasizing well-being in management is to make all of its stakeholders happier. Employees are one such stakeholder, and ensuring that they are healthy and energized is of utmost importance. The World Health Organization (WHO) uses the word "well-being" in its definition of "health," which is as follows: "Health is a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity." MARUI GROUP aims to allow all of its employees to experience the type of well-being talked about in this definition. We believe that when every employee is empowered to utilize their individuality and skills to contribute to higher corporate value and consequently greater happiness for society, they themselves will also feel happier. This cycle of generating happiness is indispensable to the accomplishment of the impact targets described in MARUI GROUP's new medium-term management plan.

Resolution of Well-being Issues through Groupwide Project Teams

MARUI GROUP has established Groupwide project teams in which any employee can volunteer to participate. One of these teams is the Well-being Management Project Team.



Fifth-year Well-being Management Project Team members

This project team is engaged in discussion of various themes related to working while maintaining a strong sense of well-being. Based on these discussions, the team is formulating and implementing action plans for achieving our impact targets through well-being activities. Another well-being-related project team is the Gender Equality Project Team. MARUI GROUP recognizes that empowering its female employees in the workplace requires the development of gender-equal work styles. Developing these work styles is a task that cannot be accomplished by women alone, but rather one that requires reforms to the thinking of their families and coworkers and of society as a whole. As its first step in promoting these reforms, MARUI GROUP analyzed its degree of success with regard to the women's empowerment indexes it unveiled in 2014. This

information has been used to set new targets to be accomplished by the fiscal year ending March 31, 2026.

Women's Empowerment Indexes

	Indicator	Goal	FY2021 Result	FY2026 Target
Awareness and corporate culture reforms	Rate of elimination of gender preconceptions (ratio of employees rejecting preconceptions about gender roles)	Cultivation of a culture emphasizing well-being through elimination of preconceptions about the roles that people of specific genders should play in housework and child-rearing	37%	50%
	Ratio of applicable male employees taking childcare leave	Promotion of involvement of both parents in child-rearing	100%	100%
	Ratio of applicable male employees taking childcare leave within eight weeks of childbirth by partner	Encouragement of men to get involved in child-rearing from an early stage	36%	80%
	Ratio of applicable male employees taking childcare leave for one month or more	Establishment of foundations for ongoing involvement in child-rearing by men	9%	20%
	Rate of household chore and child-rearing participation by male employees	Improvement of rate of involvement in housework and child-rearing by men	30%	35%
	Ratio of female employees pursuing upper-level positions	Establishment of foundations for empowering female employees	70%	75%
Empowerment of female employees	Ratio of female leaders	Expansion of female representation in management	30%	40%
	Ratio of female managers	Encouragement of female employees to participate in management	15%	20%
	Ratio of female officers	Encouragement of female employees to participate in senior management	22%	30%

VOICE



Yoshiki Ishikawa
Advisor, MARUI GROUP
Doctor of Medicine;
Preventative Medicine Researcher;
Representative Director, Well-being
for Planet Earth Foundation

I am focused on how to measure reductions in the disparity in the use of time between men and women.

Well-being includes both objective and subjective elements. The objective elements can be measured in the form of data on such metrics as the rates of employees undergoing health examinations or taking paid leave and childcare leave. Subjective elements, meanwhile, include how empowered and motivated one feels in their work. The world I envision after the COVID-19 pandemic is not just one where we live without masks and enjoy resumed economic growth. I want a world in which everyone has true well-being, in other words, a world in which everyone experiences both objective and subjective well-being. In order to effectively promote well-being, a company must do so from both objective and subjective perspectives.

MARUI GROUP is a company that is truly committed to promoting well-being for both its employees and the rest of society. Looking at these committed efforts, I am focused on how to measure reductions in the disparity in the use of time between men and women going forward. For example, women have a tendency to devote more time to their work and family than men, and therefore spend less time on themselves. It is currently common for their husbands and male coworkers to fail to understand this difference between their ideal use of time and the reality of the situation, which has created a gender gap when it comes to well-being. By sharing this information among people of all genders, and reconciling these disparities, I hope to help improve contemporary lifestyles. This would help us enjoy the fundamental quality of well-being, which is just that—being well. I have high expectations for the activities of MARUI GROUP's Well-being Management Project Team and Gender Equality Project Team. I hope to see their activities spread throughout the Company and then into the greater society.



Akira Sato

Co-Founder and Representative Partner, Value Create Inc.

Akira Sato joined Nomura Securities Co., Ltd., in 1987, where he became a securities analyst in 1989. He co-founded Value Create Inc. together with Masahiro Mitomi, a certified public accountant in Japan and the United States, in May 2001. Over the years, he has held a number of positions, which have included being a part-time lecturer at the Department of Management of Technology of the Tokyo University of Science and director of WICI Japan. He also held director, outside director, and corporate auditor positions at overseas asset management companies, Rheos Capital Works Inc., long-term investment firm Commons Asset Management, Inc., Fuji Pharma Co., Ltd., and other companies. In 2016, Sato became general manager of the Investment Research Department at MARUI GROUP.

Reiko Kojima

Director, Executive Officer, and CWO (Chief Well-being Officer)
Company Physician
General Manager, Wellbeing Promotion Department, MARUI GROUP CO., LTD.

A physician by profession, Reiko Kojima spent roughly 10 years as a company physician at a major manufacturer. She began working at the occupational mental health unit of Kitasato University Graduate School of Medical Science in 2006, receiving her Doctor of Medicine in 2010. Kojima became a company physician at MARUI GROUP in 2011, later assuming her current positions of director, executive officer, CWO, and general manager of the Wellbeing Promotion Department in 2021.

Photographs show Sato and Kojima walking at the Four Seasons and Waterside Gardens biotope at Nakano Marui.

Broadening Scope of Well-being Activities

DIALOGUE 07 — AKIRA SATO — REIKO KOJIMA

Potential for Well-being That Extends Outside of the Company

Former leading securities analyst and current investor Akira Sato believes the excitement an organization exhibits is an intangible asset. Joined by Reiko Kojima, CWO, company physician, and proponent of well-being management at MARUI GROUP, he explores the meaning of this statement through an intellectual examination of topics ranging from the definition of well-being to the Group's future direction.

Improvement of Well-being through Empowerment and Excitement

Kojima: The Constitution of the World Health Organization (WHO), which was written in 1946, uses the word "well-being" in its definition of the word "health." The full definition of the constitution is "Health is a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity." In 2016, MARUI GROUP started up a Companywide project team based on the theme of health, which would eventually become the Wellbeing Promotion Project Team. I have been sharing the WHO's concept of well-being with project team members since this time. However, the idea of well-being was not one that was well known in Japan even just a few years ago. Not until recently did you hear people talking about the subject.

Sato: It is similar to the concept of outcome as it relates to the process of creating corporate value. It was only just recently that people have started to assess outcome for this purpose. Companies create products as their output, and people have now begun emphasizing the outcome of that output, such as the positive impacts they create for society. However, it was only just five years ago that this idea of outcome would be met with question marks. Even when I was still an analyst, I did not believe that quarterly financial results were directly linked to corporate value. For that reason, I found no excitement in the financial explanations at financial results briefings. I was more interested in going to factories to talk to engineers and other frontline workers. Seeing their enthusiasm gave me a better sense of the potential outcomes of a given company.

Kojima: Management academic Sumantra Ghoshal explained that the competitiveness of a company flows from the front lines.

Sato: Yes. And I wasn't the only one who felt this way. Many investors who were focused on the fundamentals also turned their attention to non-financial factors. I, personally, look at factors like a company's strengths, strategies, culture, the differences in the quality of its human resources, and employee turnover rates.

Kojima: Over the course of two decades, I worked as a company physician at a number of companies. My examinations of employees revealed that addressing an individual's health issues did not necessarily contribute to their happiness. Meanwhile,

people who were motivated to immerse themselves in their work or hobbies had a certain energy to them. This experience convinced me that empowering people and granting them a sense of excitement was a clear route to improving their well-being.

Well-being as Viewed from the Idea of Ecosystems

Kojima: When promoting well-being, selecting appropriate indicators is something that requires special attention. If we are asked what indicators are linked to improved profitability, our explanations become very abstract and roundabout, with no hard, direct link established. There are a lot of elements that contribute to well-being. It is therefore not as simple as saying, we launched a Companywide project and it resulted in this specific improvement in financial indicators. What are your thoughts regarding financial indicators for well-being, Mr. Sato?

Sato: There are two factors I would like to touch on in that regard. The first is technological progress. It has gotten a lot easier to quantify various changes. The pace of technological progress is such that we are substantially closer to the desired technologies today than we were even just five years ago. One example of new technology for quantifying well-being is Happiness Planet, a smartphone app that measures happiness scores. I understand that you have used this app in the past, Dr. Kojima. We have also recently seen the emergence of websites like OpenWork, a review and recruitment website that allows employees to post reviews of their companies. A number of current and former employees of companies use such websites to score their employers. Moreover, we are now able to perform analysis that reveals when a rise in a certain indicator has contributed to higher sales or stock prices, even after a period like 18 months. I suspect that we will see an increase in such tools going forward. The second factor is the idea that, perhaps, we don't even need to look at the numbers. What I mean to say is this, value is not about one-to-one relationships, where a single action has a direct impact on a single indicator. Rather, value is born out of what is more like an ecosystem. I want to talk with institutional investors about things like the reasons behind certain decisions or why they chose to emphasize a specific indicator. I believe that such conversations can give

a more overarching picture of these subjects. As opposed to focusing on the mechanics of companies, like how much input resulted in what output or what something's absolute value was, I think it would be better to look at companies like ecosystems.

Kojima: I believe that we are currently seeing the spread of such thinking.

Sato: MARUI GROUP advisor Yoshiaki Ishikawa speculated that well-being should be defined as "when you feel like things are going well." I think he touches on something incredibly insightful. It is important not to break things down too far. One way to look at this is to think about the forest of Meiji Jingu shrine. This forest was engineered by forestry expert Seiroku Honda with a vision for its completion 150 years later. He assembled a variety of trees from across Japan: tall trees, short trees, broad-leaf trees, conifer trees. He planted these in an inconsistent pattern while picturing how they would grow in this environment to get an idea of the completed forest that would emerge 150 years later. As a result, the Meiji Jingu forest is a lush and thriving forest today, 100 years after Honda started it. However, if Honda had broken down his view of the forest to look at things on a lower level, I do not think we would have the forest we have today. The same goes with finances. What others call "non-financial information," I call "pre-financial information." This is because I do not think we should look at aspects of a company as being either "financial" or "non-financial." Rather, I think that these two categories have more of an "and" relationship, as what is currently "non-financial information" may become an indicator of future performance if we look far enough down the line. This is why I brought this ampersand-shaped (&) decoration to today's discussion. "Non-financial" factors like well-being and impact will eventually have a financial impact. This is why I refer to information on these factors as "pre-financial information." Corporate value is predicated on the betterment of society. For this reason, we should look at the benefits for society, including those that do not immediately translate to corporate value, as elements of future corporate value. This value is something that cannot be accounted for when you gauge corporate value on the short time frame of one quarter or one year.

Analogy of Organizations as Bodies

Kojima: I can totally agree with the idea that we should not look at non-financial information and financial information in terms of an "or" relationship. For example, health issues are something usually categorized as non-financial information. The COVID-19 pandemic is a major health issue, but it has also had a massive impact on the financial performance of companies. Human rights issues are also something viewed as non-financial. However, as we have witnessed with the Black Lives Matter movement, human rights issues can also impact a company's business. As seen in these relationships, as well as in the recently emerging concept of dynamic materiality, this is not an "or" relationship.

I think that a good analogy can be made between

organizations and people's bodies. Every cell and every organ does not only act based on the commands of the brain. They function with a degree of autonomy based on feedback from the organism to work toward its own goal of survival.

Sato: I agree. Cells are at the same time individual organisms as well as parts of a larger organism. In this manner, there is a relationship between the individual and organization. I think I have heard something about a person's bowels having a mind of their own.

Kojima: What you are talking about is the gut-brain connection in which intestinal flora have a major influence on one's physical condition.

Sato: So, it wasn't cells, but bacteria.

Kojima: Yes, intestinal flora.

Sato: So, it is bacteria that is the source of the impact. There is perhaps something that can be learned by thinking about companies from that perspective.

Kojima: There is definitely a lot that can be learned. If all organs fulfilled the same function, there would be no problem with people being like slimes. But this is not the case. Livers have liver cells. Skin has skin cells. Because each cell has its own characteristics, the collective of these cells that is us is able to function as a single human. Cells themselves are always working and being replaced via metabolism. When we think of it like this, we will see that the human body is definitely the best analogy for an organization.

Sato: What you are saying resembles the idea of dynamic equilibrium put forth by Japanese biologist Shinichi Fukuoka. It would be great if we could link this mechanism to corporate value.

Future Direction for Well-being

Kojima: A lot of Japanese companies still expect employees to leave their values at home, put on their work face, and do what they are told. If MARUI GROUP can escape these conventions and show how it can succeed without them, other companies will be able to use this as an example. This would also move the Group closer to accomplishing its mission of bringing happiness to its employees.

Sato: One's physical and mental health as well as their happiness are all related. It is therefore odd to expect one to leave their values at home. How are conditions for MARUI GROUP employees in this respect?

Kojima: We still have a long way to go in this regard. MARUI GROUP has been fostering a corporate culture of voluntary participation for about a decade now, and the ratio of employees participating in the Company's various voluntary opportunities had risen to 80% in the fiscal year ended March 31, 2021. Our current task is to help employees express their personal values as a lingua franca and to encourage them to share these values with their colleagues so that everyone can feel joy in their work. To this end, the Companywide Wellbeing Promotion Project Team held a purpose workshop for around 200 employees.



Project team members mentioned how they hadn't had any opportunities previously to think about the overlap between their personal values and their work goals, and 95% of participants said that the workshop was a beneficial opportunity.

Sato: That is great.

Kojima: MARUI GROUP aims to foster a corporate culture founded on autonomy, in which employees are able to express their personal values as a lingua franca and turn their preferences and aptitudes into work.

Sato: What do you think should be MARUI GROUP's next step forward?

Kojima: The next step should be to use MARUI GROUP's initiatives and businesses to promote increased well-being throughout society. In 2020, the Wellbeing Promotion Project Team partnered with students from Otsuma Nakano Junior & Senior High School, which is located near the MARUI GROUP head office in Nakano, in an effort to energize the community. Students and employees prepared more than 1,400 cards containing messages of appreciation for their families and friends as well as for healthcare workers. These message cards were displayed in Nakano Marui, where they could be viewed by customers. The employees who took part in this event in an effort to contribute to the happiness of the community stated that they also felt more empowered as a result.

Sato: They got joy from seeing the joy their actions brought to members of the community.

Kojima: Exactly. Rather than just trying to promote well-being in the isolated environment that is a company, it is better to try and bring joy to society, an approach that can also contribute to higher employee engagement. The Nakano Marui event proved that people get the most joy by bringing joy to others. This is one of the reasons MARUI GROUP aims to help employees use their preferences and aptitudes in their work. For example, by having employees develop businesses based on their own interests, whether that be anime, K-pop, or something else, we can attract customers with similar interests and thereby bring joy to both customers and the employees. Our well-being initiatives should not be limited to employees, but should rather be advanced on targeting all stakeholders, including future generations, to bring joy to a wider range of people. This is the direction I think we should take in our well-being management.

Sato: I think the time frame we consider is important. Analysts tend to only formulate performance forecasts for a two-year period. However, if you only look to generate earnings on a two-year basis, it will be tempting to push your employees forward, even at the expense of their well-being. Conversely, some say that more than 60% of the corporate value of a company can be explained by its cash flows 10 years down the line. If we take this perspective, the physical and mental health of employees becomes more important than the earnings of a given fiscal year or the three-year plan of a company. If employees, and society as a whole, are not healthy, a company will not last 10 years. Based on this perspective, I think MARUI GROUP has chosen the right direction.

OUR FAVORITES

As of October 1, 2021

H_Hiroshi Aoi

President and Representative Director, Representative Executive Officer
President and Representative Director, okos Co., Ltd.
Director, D2C & Co. Inc.

I love movies, especially comedies. Luckily, 2021 was a good year for comedies. The pamphlet I hold is from a 2020 Taiwanese movie called *My Missing Valentine* that we just got in Japan in 2021. This is a love story about a woman who is a second too early and a man who is always a second too late. The fun is seeing the relationship develop between these two people who live in different worlds. This fantastical story takes place against a beautiful yet nostalgic backdrop, and even includes some scenes more akin to science fiction. The happy ending exudes a warm feeling of peace and happiness. I would also like to mention that this movie got me hooked on Douhua, a Taiwanese snack, over the summer. Its subtle taste brings with it a calming feeling of pleasure.



P_Peter David Pedersen

External Director
Professor, Graduate School of Leadership and Innovation, Shizenkan University
Representative Director, Next Leaders' Initiative for Sustainability

I love things that are based on a cross-generation perspective aimed at enriching our future, whether these be products, services, businesses, people, or organizations. I want to support things that can survive and evolve and help create a future that is more in tune with people. In 1994, I went on an exchange to Schumacher College in Devon, England. There, I learned from writer and scientist Fritjof Capra about the Gaia hypothesis, ecology, and the systems theory of life. I also value peace above all else. It was for this reason that I have devoted my life to ensuring the coexistence and survivability of all living things, including people and especially the future generations, given their aversion toward conflict. These are areas in which I am incredibly interested. My experience at this school shaped my values and the course I would walk in the future.



E_Etsuko Okajima

External Director
President & CEO, ProNova Inc.
Director, euglena Co., Ltd.

I love the act of co-creation through brainstorming with extraordinary people. I always carry around a miniature whiteboard that I use to map out diverse viewpoints to help stimulate innovation. My experience of co-creating with my various colleagues at Harvard Business School transformed my priorities from maximizing, stabilizing, and knowing to updating, changing, and being. Meanwhile, having a child shifted my focus from predicting the future to shaping the future. I now view my mission as being to indulge my obsession with seeking out extraordinary individuals, including those among younger generations, to connect with such individuals, provide them with opportunities, and engage in co-creation. I also hope to continue to draw out the potential of the MARUI GROUP team so that we can create a more exciting future together.



H_Hirotsugu Kato

Director, Managing Executive Officer, and CFO
In charge of IR, Finance, Sustainability, and ESG Promotion
Director, MARUI CO., LTD.
Director, tsumiki Co., Ltd.
President and Representative Director, D2C & Co. Inc.
Director, okos Co., Ltd.

I have with me my protein shaker, which I have been using at the gym for five years. This is the longest I have ever managed to keep going to the gym, and I was able to slim down as a result. To be honest, I have signed up for gyms several times in the past, but I would always quit within a year. This is because I was not very good at introducing myself to the established community that already existed at these gyms, which meant I always felt isolated. My current gym assigns me a personal trainer, which, of course, means that I am exercising more effectively. This also means that I do not have to feel isolated. After working out, my trainer will ice me down and then give me a massage. This is just pure bliss. My workouts are now an inseparable part of my well-being.

Y_Yasunori Nakagami

External Director
Representative Director and CEO, Misaki Capital Inc.

My favorite words are "hypothesis" and "playfulness." Hypotheses entail viewing the world from different angles and thus serves as a source of motivation for changing the future. I feel the most excitement when I am hypothesizing in this manner. Surprisingly, what I find most important when hypothesizing is a playful approach. Examining something from a new angle can tend to make one get a little too serious, but the trick to finding the best ideas is to take a playful approach and search freely. I brought cuff links with me today. Cuff links are generally used in formal occasions and can sometimes be used for extravagance. However, my favorites are the playful cuff links, like these beach sandal ones, or these tennis rackets, motorcycles, or triangles. I love to clip on these cuff links when I hypothesize.



R_Reiko Kojima

Director, Executive Officer, and CWO (Chief Well-being Officer)
General Manager, Wellbeing Promotion Department
Company Physician

My lifework is calling upon my background as a physician to contribute to the well-being of society. At graduate school, I researched how to energize people and organizations. Lately, I have been hooked on media related to China's *Records of the Three Kingdoms*. The highly relatable generals and strategists that appear in these stories show a level of commitment to their goals that is itself empowering to see. When I feel tired, I pop in a DVD and am rejuvenated with a new passion to proceed and a recognition of how happy I am to have the job of making people happy. People should not leave their values at home when they go to work. Rather, they should find a way to utilize their strengths and individuality in their work. I hope to help create a more accommodating society in which this will be possible. Recently, I have been having more opportunities to meet people outside of MARUI GROUP who share this vision, giving me a sense that the times are changing and are making me even more committed to my work.



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(focused on works from Communication University of China)



H Hitoshi Kawai

Audit & Supervisory Board Member (Full time)

A number of years ago, a gust of wind blew over the planters on my veranda. My rosemary shrub, which was the largest among those plants affected, had its trunk split in two by the impact. This got me a little down in the dumps. It was my fault for not taking proper care of the plant. The sprig I have with me is from the rosemary shrub after I managed to revive it. I have continued to care for this shrub since I bought it as a sapling at a gardening store on the Boso Peninsula some 20 years ago, and this rosemary shrub is now among the oldest of the more than 70 plants that can be found both in and around my house. This plant gives me peace with all the flowers it produces each year while also helping to spice up my meals. In case you haven't guessed, my hobby is gardening.

N

Nariaki Fuse

Audit & Supervisory Board Member (Full time)

I lived in Hokkaido for three years when I was still in elementary school. It was during this time that I first played ice hockey, and I have been in love with the sport ever since. I even kept playing it as a hobby after joining MARUI GROUP. This is the head gear that I used to wear back in the day. Ice hockey is an incredibly intense sport, with plays only lasting about a minute or so. Accordingly, teams are always switching out their members, which means that teamwork is much more important than individual talent. It was from this sport that I learned the value of cooperation and also gained the spirit of dedication that propels me to get things done. Today, MARUI GROUP is united in exercising its philosophy of co-creation. I look forward to contributing to these efforts by calling upon my spirit of dedication and what I learned from ice hockey.



T Takehiko Takagi

External Audit & Supervisory Board Member
Certified Public Tax Accountant

Here is a fountain pen that I have been using for more than two decades. Being stuck at home during the COVID-19 pandemic has given me a chance to reflect on my life. There is a saying in Japanese that essentially translates to "do what you can and wait for the heavens to judge." This sentiment has inspired me to move forward without fear for what might happen, and I am truly grateful for the environment that has allowed me to take this approach. I think that acting with sincerity is incredibly important, whether we are talking about people or about companies. MARUI GROUP shows such sincerity as it continues to make forward-looking investments based on its co-creation approach, even while feeling the impacts of the pandemic. I too am sincerely committed to helping the Company achieve its sustainability and well-being goals in my capacity as an Audit & Supervisory Board member.



Guri and Gura
Written by Rie Nakagawa, illustrated by Yuriko Omura, published by FUKUINKAN SHOTEN PUBLISHER INC.

M Masao Nakamura

Senior Managing Executive Officer, and CSO (Chief Security Officer)
In charge of Corporate Planning, Real Estate Operations
President and Representative Director, MARUI HOME SERVICE Co., Ltd.
President and Representative Director,
MARUI HOME SERVICE MANAGEMENT Co., Ltd.
Director, Epos Small Amount and Short Term Insurance Co., Ltd.

I love sitting in my hammock chair, on my veranda, with the sun glinting through the trees. As I rock back and forth, and let my head relax, my imagination springs into action, and I envision fun plans for the future, sometimes for my work, sometimes for my private life. I love the excitement I feel when lost in my mind. My attitude toward work may make me seem like a pragmatist, but I actually see myself as a romantic. I am also an optimist, believing that we can do anything as long as we want it bad enough. I like it when my job is fun. Of course, I have never worked in a job that wasn't fun. Maybe I am just the kind of person who finds fun in everything. Right now, I am filled with excitement for MARUI GROUP's efforts to co-create value as we shape a new future that is not confined by the limits of our common sense.



Y Yoko Suzuki

External Audit & Supervisory Board Member
Outside Director and Audit & Supervisory Board Member, Nippon Pigment Co., Ltd.
Member of the Board, Bridgestone Corporation
Auditor, Research Institute of Economy, Trade and Industry
Partner, Suzuki Sogo Law Office

Growing up in the lush nature of Fukuoka City, I have loved the *Guri and Gura* series of books since I was a kid. Wanting to experience the world contained in these books, I remember asking my mom to make pancakes and then eating these on a picnic. A lot of time has passed since then, and I am now a mom myself. Reading these books with my children, I am once again moved by seeing the forest creatures happily share their *castella* sponge cakes and reuse the shell of a big egg. When making our daily meals, I try to make sure that I use everything I buy to prevent food loss. Also, like the characters Guri and Gura, I always want to enjoy cooking and the act of eating itself. One of my hopes in helping build a sustainable society is to ensure that *Guri and Gura* can be read for generations to come.



T Tomoo Ishii

Senior Managing Executive Officer and CHRO (Chief Human Resources Officer)
In charge of General Affairs, Personnel, and Wellness Promotion

People cannot see the future. If you could, you would be some sort of superhuman. However, if one could see the future, I don't think it would be any fun. Sure, things would be easier, but it might actually be depressing for the prophet themselves. The feelings of joy and excitement we experience are a result of us formulating hypotheses about uncertain futures and working toward our goals to find success. There is nothing greater than when your vision for the future matches up with the one of the company you work at. We may feel a sense of lacking by ourselves, but we can form a strong organization if we are all aligned toward a single goal. This is the type of organization, the type of corporate culture, I hope to create. When I think about my future right now, there is a goal that I definitely want to accomplish: Getting beefed up!

OUR FAVORITES

Y_Yoshinori Saito

Managing Executive Officer
In charge of FinTech Business
President and Representative Director, Epos Card Co., Ltd.
Director, MRI Co., Ltd.
Director, tsumiki Co., Ltd.

When I was in my 20s, an older coworker took me to a well-established bar, where I had my first encounter with single malt whisky, and I have been a fan of whisky ever since. The greatest appeal of single malt is the sense of individuality each brand has. The distillery and the number of years of distillation give each whisky its own, clearly defined personality, characterized by differing colors, fragrances, and tastes. The COVID-19 pandemic has limited my opportunities to drink with friends, but I am still enjoying experiencing new, unique single malts at home. I take the same approach toward interacting with people in my work and private life as I do to whisky. I value the individuality of every person as I seek to expand my number of acquaintances. After the pandemic, I hope to go to Scotland with some of my good friends so that we can tour the distilleries there.



A_Akikazu Aida

Senior Executive Officer, CDO (Chief Digital Officer), and General Manager,
Customer Success Division and Corporate Planning Division
In charge of Co-Creative Investment
Director, D2C & Co. Inc.
Director, okos Co., Ltd.

Working out at the gym is what gives me the strength to keep going every day. It goes without saying that the gym helps me keep in shape. However, it is also an important element of my mental health as it offers me an opportunity to feel the joy of testing and surpassing my limits and gives my head a break when I shut out all unnecessary thoughts to focus on my breathing. I have always been optimistic, forward-looking, and true to myself, and using the gym as a mood changer helps me better enjoy the other aspects of my life. At the same time, I get tired of things easily, and I have a tendency to seek out new thrills to excess. I also am a people lover, and I find joy in engaging with different people. I therefore look forward to producing value that is beneficial to society through co-creation with a wide variety of people.



M_Masahiro Aono

Senior Executive Officer
In charge of Retailing Business
President and Representative Director, MARUI CO., LTD.

I love to see people's smiling faces. I made my debut on the sales floor 35 years ago, but I still remember the smile of a customer thanking me after they had purchased a wallet. I was struck; it is so amazing to be able to do a job that makes people smile. Around two decades ago, I was put in the position of selling yukata, traditional Japanese garments people often wear to festivals, and it was great seeing all of the smiling customers off on their way to a summer festival or to go see fireworks. Yukata definitely look best on smiling people. I continue to wear a yukata every summer. It is still the smiles of customers that motivate me today in our efforts to develop stores that do not sell and eventful stores. I also want to make our business partners smile. And our employees too. In fact, I hope to bring smiles to the faces of all of our stakeholders, including shareholders, communities, and even future generations. My business goal is to make as many people smile as possible, and I cannot forget about myself when it comes to this.



M_Masahisa Aoki

Executive Officer
CEO, tsumiki Co., Ltd.

When you want the thrill of speeding along untamed roads, but you just don't have the time, there is a small yet consistent group of people who turn to good old radio-controlled (RC) cars. I think I am pretty good at supporting the interests of others and taking these interests and turning them into businesses. When making such businesses, I always remember to have fun. Tackling a difficult task is not all fun and games, but I try to turn a challenge into an opportunity with a higher-than-necessary level of smiles. I feel like I am defined by MARUI GROUP's anime business, which was still new when I got involved. In this business, the synergy between the interests of employees and the interests of customers catalyzed rapid growth, and our anime business quickly reached a scale at which it is posting transaction figures in the tens of billions of yen. I am excited about the possibility of co-creating a new world together with passionate, or perhaps over-passionate, customers and business partners.

H_Hajime Sasaki

Senior Executive Officer
In charge of Architecture
President and Representative Director, AIM CREATE CO., LTD.

There are so many things I love: music, books, sports, sake, houses, cars, dogs, et cetera. However, it is not like I have broad knowledge about all of these things. Rather, I am the type of person who gets really into specific areas of my wider scope of interests. For example, I am currently into surfing, and my instructor often tells me to be careful not to overdo it. When I get into something, I really get into it, and I have to stop myself from dragging others into whatever I am obsessed with at the moment. Everyone is different, and I have to respect our differing values after all. I think everyone can understand getting passionate about something they love. I hope we can make a society in which everyone is free to passionately devote themselves to whatever it is that they love.



Y_Yoshiaki Kogure

Executive Officer
In charge of Audit

Recently, I have been spending all my time golfing, but I have to be honest and say that I like skiing the best. Skiing is what made me. I joined a ski club in my freshman year at university, but I had zero ski experience at the time. I remember spending the entire year preparing for the winter skiing season and devoting so much time to competitions, where I would take part in races that were over in about a minute. I never really accomplished much competitively, but I loved it nonetheless. It was this experience that gave me the dedication to see things through. I have with me the skis I used to use some 40 years ago. I am not using them anymore, but they were too important to me to throw away. When I see these scratched up, rusty old things, I can't help but want to take a trip down the slopes. But, I guess I still love golf too.





Yuko Ito

Executive Officer
General Manager, Group Design Center and Construction Department
Director, MARUI CO., LTD.
Managing Director, AIM CREATE CO., LTD.

At school, I used to love geography and geometry. I had a lot of fun looking at maps and imagining spaces. This passion led me to visit these spaces to see what they actually looked like. Climbing tall mountains rewarded me with a view and feeling of accomplishment that no map can provide, and this thus became my hobby. Later, my love of imagining spaces would drive me to become an architect. I would eventually be involved in developing numerous stores for MARUI GROUP. You could even say that I wrote the map for MARUI GROUP. The digital maps we have today let you experience various spaces without grabbing a compass or even leaving your home. I am now working to combine the ideas of the young digital natives who grew up in this world with my ability to invent spaces in order to create new value.

Mayuki Igayama

Executive Officer
President and Representative Director, MOVING CO., LTD.

I have always loved sports, though I have never been very good at them. I have been playing sports since I was a kid, starting by playing baseball with my friends and moving on to basketball, tennis, skiing, and eventually golf. Even now, I will often spend entire days off playing some kind of sport. As a side effect of this hobby, I have come to love the feeling of sore muscles and being worn out. But I really hate getting sunburned. I have been a dedicated user of SPF 50 sunscreen since I was in my 20s. I used to be the type of person who would get so caught up in my work that I had to do everything by myself. A health incident in my 40s, however, forced me to realize the limits of individuals and awakened me to the power of co-creation. I am now caught up in co-creation for realizing MARUI GROUP's vision.



Tatsuo Niitsu

Executive Officer
Director and General Manager, E-Commerce Business Department, MARUI CO., LTD.
Director, MOVING CO., LTD.
Director, okos Co., Ltd.

I have always been someone who gets completely absorbed in things. When I got hooked on bicycle races, I watched every race held overseas on cable TV. This spray I have with me is my own special blend of mint oil that I use to drive away bugs when I go traveling, my current obsession. My tendency to get absorbed in things is also an asset to my work. If something bothers me, I will keep at it until I am satisfied. If it ever looks like I am "spacing out," it is because I am lost in thought. If I were to try to assess myself objectively, I would say that I cannot help but take an interest in the unique characteristics of every individual. I hope to practice co-creation in which everyone involved can get absorbed in both unique talents and business models.



Junko Tsuda

Executive Officer
Director and General Manager, Sales Promotion Department, Epos Card Co., Ltd.

I love to tour various regions to indulge in their local culinary specialties. If you tell me a place has a unique culinary tradition or distinctive ingredients, I will dash to the location. I love food so much that I will sometimes, though admittedly rarely, take day trips to Mie Prefecture when clams are in season. I have been this way for more than 20 years. I also love enjoying drinks that have embraced the local culinary culture. It is a lot of fun to drink and chat with the regulars of an establishment. By being among people with different backgrounds and values, I have the opportunity to talk about and understand our differences and also to experience that feeling of joy when we find common ground. I look forward to co-creating with anyone willing to join me.



Takeshi Ebihara

Executive Officer and CIO (Chief Information Officer)
President and Representative Director, M & C SYSTEMS CO., LTD.

I have been a fan of the Yomiuri Giants baseball team since I was a kid. Even right now, I am curious about what the latest scores and standings are. I was on a baseball team when I was a kid, and this experience taught me the joy of winning as a team, utilizing our individual strengths while covering for our weaknesses. I found this experience most worthwhile. However, I always hated when people bunted. I was more interested in scoring big in each inning. This attitude carried over to my work. To date, I have been involved in numerous systems-related initiatives that were only successfully completed thanks to the support of our various partners. Going forward, I hope to take full advantage of our store and EPOS card infrastructure to score big in co-creation with stakeholders.

OUR FAVORITES

Miyuki Kawara

Executive Officer
Director and Store Manager, Kitasenju Marui, MARUI CO., LTD.

I love fashion. When I was job hunting, I attended an introductory presentation on MARUI GROUP. I was so happy for the opportunity to be able to go to Tokyo that I wore a flower dress to the presentation. My love of wearing adventurous outfits continued even after I joined the Company, with me showing up to work in a long skirt that dragged along the ground and even pants with a tiger's face on them. I was enjoying testing the limits of how far I could go. If you ask me why I love fashion so much, I would say because it fills me with a feeling of optimism. The things that give one this feeling will vary from person to person. In fact, the same person may draw optimism from different things under different circumstances. I hope to co-create businesses that give people this sense of optimism. Today, I have brought Ku-chan. She helps me relax and she has a lot of friends back at home.



SKILL MATRIX

Officer Skill Matrix



See page 91 for a discussion by the members of the new Board of Directors regarding the revision of the officer skill matrix.

For information on officer backgrounds, please refer to the following website.
<https://www.0101maruigroup.co.jp/en/ci/officer/>

For information on CliftonStrengths®, please refer to the following website.
<https://www.gallup.com/cliftonstrengths/en/253715/34-cliftonstrengths-themes.aspx>

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	CliftonStrengths®	Shared Skills							Unique Skills							Basis for Skills
	Domain of Overall Strengths: Top 5 CliftonStrengths®	Corporate management	Management strategy formulation	Human resource management	Finances	Corporate governance	Risk management	Innovation	Sustainability	Well-being	Digital transformation	Retailing	Fintech	New business development	Investments in start-up companies	
Hiroshi Aoi President and Representative Director, Representative Executive Officer	1. Futuristic 2. Ideation 3. Learner 4. Belief 5. Individualization															<ul style="list-style-type: none">○ Corporate management: Experience as president and representative director (April 2005 to present)○ Management strategy formulation: Involvement in corporate planning since prior to becoming president and representative director and in formulation of medium-term management plans collectively encompassing period spanning from 2014 to 2026 as president and representative director○ Finances: Oversight of capital policies as president and representative director○ Risk management: Chairman of the Compliance Promotion Board responsible for Groupwide risk management (October 2005 to present)○ Innovation: Leadership of business model innovation and evolution through measures including transition to fixed-term rental contracts, development of stores that do not sell, and redefinition of credit card business as fintech business○ Sustainability/Well-being: Promotion of Groupwide ESG initiatives, including 2019 establishment and disclosure of MARUI GROUP's 2050 Vision; participation in World Economic Forum's Global Future Council on Japan and other sustainability- and well-being-related committees○ Digital transformation: Definition of vision for post-digital era and promotion of stores that do not sell, housing tenants like D2C brands and content and subscription service providers○ Retailing/Fintech: Oversight of retailing and fintech businesses as president and representative director○ New business development: Leadership of launch of several new business projects through direct oversight○ Investments in start-up companies: Involvement in decisions to conduct investments totaling ¥13.4 billion in 31 start-up companies (as of September 30, 2021)
Etsuko Okajima External Director	1. Activator 2. Communication 3. Maximizer 4. Individualization 5. Achiever															<ul style="list-style-type: none">○ Corporate management: Experience as representative and CEO of GLOBIS Management Bank (July 2005 to May 2007) and president & CEO of ProNova Inc. (June 2007 to present)○ Management strategy formulation/Human resource management: Extensive track record as a management consulting expert specializing in management team enhancement and leader cultivation; involvement in cultivation of future leaders at MARUI GROUP○ Finances/Corporate governance: Extensive knowledge regarding finances and corporate governance gained from serving as an outside director at various companies○ Innovation: Discussions with managers and support for corporate innovation as part of main business○ Sustainability: Support for promoting diversity at various companies as part of main business, leadership in promoting empowerment of female employees at MARUI GROUP○ Well-being: Leadership exercised in discussions regarding improving corporate value through well-being as first chairperson of a Japanese well-being initiative committee established in 2021○ New business development: Establishment of ProNova Inc. in June 2007○ Investments in start-up companies: Insight regarding start-up companies gained as advisory board member of committee seeing participation by leaders in start-up company management
Yasunori Nakagami External Director Chairman, Strategy Committee	1. Strategic 2. Activator 3. Ideation 4. Futuristic 5. Command															<ul style="list-style-type: none">○ Corporate management: Experience as representative director and CEO of Asuka Corporate Advisory Co., Ltd. (March 2005 to July 2013) and representative director and CEO of Misaki Capital Inc. (October 2013 to present)○ Management strategy formulation: Two decades of experience providing management consulting services to a wide range of industries○ Finances/Risk management: Insight regarding finances and investment-related risk management gained through years of involvement in investing○ Corporate governance: Insight related to corporate governance gained as chairman of the Independent Directors Committee of the Japan Association of Corporate Directors (February 2018 to present)○ Innovation: Establishment of unique investment style by advocating new concept of being an engaged shareholder that works together with companies and their management○ New business development: Establishment of Misaki Capital Inc. in October 2013
Peter David Pedersen External Director Chairman, Sustainability Committee	1. Strategic 2. Input 3. Futuristic 4. Responsibility 5. Connectedness															<ul style="list-style-type: none">○ Corporate management: Experience as CEO of E-Square Inc. (September 2000 to October 2011), representative director of Next Leaders' Initiative for Sustainability (January 2015 to present)○ Management strategy formulation: Guidance of strategy formulation for collaboration with new companies and managers focused on environmental initiatives and Lifestyles of Health and Sustainability (LOHAS) and for related projects in self-established companies and NPOs○ Human resource management: Cultivation of future leaders as representative director of Next Leaders' Initiative for Sustainability○ Innovation: Advancement of numerous innovative sustainability initiatives, including introducing Japan to the concept of LOHAS, together with companies, universities, and government agencies○ Sustainability/Well-being: Co-founding of CSR and environmental consulting firm E-Square Inc. as start of more than 20-year career as sustainability specialist○ New business development: Founding of E-Square Inc., Next Leaders' Initiative for Sustainability, and various other companies
Hirotsugu Kato Director, Managing Executive Officer, and CFO	1. Harmony 2. Analytical 3. Responsibility 4. Consistency 5. Individualization															<ul style="list-style-type: none">○ Corporate management: Experience as president and representative director of D2C & Co. Inc. (January 2020 to present)○ Management strategy formulation/Corporate governance: Leadership of formulation of medium-term management plans and establishment and evolution of corporate governance systems as general manager of the Corporate Planning Division (April 2013 to March 2017)○ Finances: Background centered on finance and accounting divisions dating back to joining MARUI GROUP and experience as CFO (April 2019 to present)○ Risk management: Member of the Compliance Promotion Board responsible for Groupwide risk management (October 2015 to present)○ Innovation: Spearheading of capital measures including promotion of targeted balance sheet from perspective of investors since 2016○ Sustainability: Promotion of sustainability initiatives and proactive disclosure as officer in charge of sustainability and ESG promotion (October 2016 to present)○ Digital transformation: Leadership of Groupwide digital strategies as CDO (October 2017 to March 2019) and senior managing director of M & C SYSTEMS CO., LTD. (April 2018 to March 2019)○ New business development: Leadership in establishing tsumiki Co., Ltd., a company providing cumulative investment services through EPOS cards○ Investments in start-up companies: Involvement in decisions to conduct investments totaling ¥13.4 billion in 31 start-up companies (as of September 30, 2021)
Reiko Kojima Director, Executive Officer, and CWO (Chief Well-being Officer)	1. Maximizer 2. Learner 3. Arranger 4. Achiever 5. Self-Assurance															<ul style="list-style-type: none">○ Human resource management: Leadership in promoting wellness management contributing to improved corporate value as company physician (April 2011 to present)○ Risk management: Promotion of workplace risk management measures including those for prevention of overworking and mental health issues with occupational health and safety consultant qualifications○ Innovation: Promotion of development of highly creative organizations by going beyond scope of duties as company physician to plan Companywide project team and programs targeting senior management○ Sustainability/Well-being: Promotion of wellness management and well-being management through Companywide project team as general manager of Wellbeing Promotion Department (formerly Health Management Division, April 2014 to present) and CWO (May 2021 to present)

	CliftonStrengths® Domain of Overall Strengths: Top 5 CliftonStrengths®	Shared Skills							Unique Skills							Basis for Skills
		Corporate management	Management strategy formulation	Human resource management	Finances	Corporate governance	Risk management	Innovation	Sustainability	Well-being	Digital transformation	Retailing	Fintech	New business development	Investments in start-up companies	
Hitoshi Kawai Audit & Supervisory Board Member (Full time)	1. Ideation 2. Responsibility 3. Deliberative 4. Strategic 5. Arranger															<ul style="list-style-type: none"> ○ Management strategy formulation: Insight into management strategies gained from experience as general manager of the Corporate Planning Division of Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. (January 2013 to September 2014) ○ Finances: Robust practical experience and insight regarding finances and accounting gained from working at a bank ○ Corporate governance: Practical corporate governance insight related to business partners gained from working at a bank ○ Risk management: Insight regarding financial and accounting risks gained from working at a bank
Nariaki Fuse Audit & Supervisory Board Member (Full time)	1. Arranger 2. Responsibility 3. Analytical 4. Harmony 5. Achiever															<ul style="list-style-type: none"> ○ Corporate management: Experience as president and representative director of M & C SYSTEMS CO., LTD. (April 2013 to March 2018) ○ Corporate governance: Leadership of Groupwide IT governance and investment plans as president and representative director of M & C SYSTEMS CO., LTD. ○ Risk management: Insight regarding information security risks gained through more than 30 years of experience in core systems engineering, development, and operation ○ Digital transformation: Involvement in formulating systems development frameworks supporting expansion of fintech business as president and representative director of M & C SYSTEMS CO., LTD.
Takehiko Takagi External Audit & Supervisory Board Member	1. Harmony 2. Responsibility 3. Analytical 4. Arranger 5. Deliberative															<ul style="list-style-type: none"> ○ Finances: Specialized insight and robust experience regarding taxation and accounting gained in positions as chief of Kanazawa Regional Taxation Bureau and president of National Tax College ○ Corporate governance/Risk management: Qualifications as certified public tax accountant; auditing of taxation and other management risks based on robust experience as corporate auditor at other companies
Yoko Suzuki External Audit & Supervisory Board Member	1. Positivity 2. Includer 3. Achiever 4. Communication 5. Strategic															<ul style="list-style-type: none"> ○ Corporate governance/Risk management: Highly specialized insight as attorney; extensive knowledge on corporate legal affairs and legal compliance audits founded on robust experience and insight gained as outside director, corporate auditor, etc., at other companies ○ Retailing: Insight on retailing from perspective of corporate auditor gained in positions as an outside corporate auditor at retailing companies
Masao Nakamura Senior Managing Executive Officer and CSO (Chief Security Officer)	1. Individualization 2. Arranger 3. Maximizer 4. Woo 5. Communication															<ul style="list-style-type: none"> ○ Corporate management: Experience as president and representative director of MOVING CO., LTD. (April 2010 to March 2011); president and representative director of MARUI CO., LTD. (April 2011 to March 2016); president and representative director of AIM CREATE CO., LTD. (April 2016 to March 2019); and president and representative director of MARUI HOME SERVICE Co., Ltd. (April 2021 to present) ○ Management strategy formulation/Finances/Corporate governance: Experience as general manager of the Corporate Planning Division (March 2008 to March 2011) and officer in charge of corporate planning (April 2019 to present) ○ Risk management: Oversight of Groupwide risk management as CSO (April 2021 to present) ○ Innovation: Promotion of retailing business structural reforms through transition to fixed-term rental contracts ○ Retailing: Experience as officer in charge of retailing business (April 2015 to September 2017 and April 2020 to March 2021) and president and representative director of MARUI CO., LTD. ○ Fintech: Experience as officer in charge of fintech business (October 2017 to March 2020)
Tomoo Ishii Senior Managing Executive Officer and CHRO (Chief Human Resources Officer)	1. Analytical 2. Significance 3. Responsibility 4. Restorative 5. Relator															<ul style="list-style-type: none"> ○ Corporate management: Experience as president and representative director of MARUI FACILITIES Co., Ltd. (formerly CSC Service Co., Ltd., October 2008 to March 2013) and president and representative director of MOVING CO., LTD. (April 2017 to March 2019) ○ Human resource management: Experience as general manager of the Personnel Division (April 2013 to March 2016), officer in charge of personnel (April 2016 to present), and CHRO (May 2021 to present) ○ Corporate governance/Risk management: Experience as general manager of the Group Compliance Division (October 2005 to September 2007), general manager of the General Affairs Division (October 2007 to March 2013), and officer in charge of general affairs (April 2013 to present) ○ Sustainability: Experience as officer in charge of CSR promotion (September 2007 to March 2013) ○ Well-being: Experience as CHO (formerly Chief Operating Officer of Healthcare Promotion, April 2015 to May 2021) and officer in charge of wellness promotion (formerly officer in charge of healthcare promotion, April 2015 to present) ○ Retailing: Experience as deputy store manager in charge of general affairs at Tachikawa Marui (January to December 1999)
Yoshinori Saito Managing Executive Officer	1. Consistency 2. Harmony 3. Analytical 4. Significance 5. Relator															<ul style="list-style-type: none"> ○ Corporate management: Experience as president and representative director of Epos Card Co., Ltd. (April 2016 to present) ○ Management strategy formulation: Establishment of medium-term management plans for the fintech business, collectively encompassing period spanning from 2016 to 2026 as president and representative director of Epos Card Co., Ltd. ○ Finances: Experience as general manager of the Financial Department (July 2008 to March 2011) ○ Risk management: Insight regarding fintech-specific risks like delinquent debt and information security gained as president and representative director of Epos Card Co., Ltd. ○ Innovation: Promotion of unique strategy of maximizing share of household finances through expansion of rent guarantee services, etc. ○ Retailing: Experience as general manager of the Direct Marketing Department (April 2011 to March 2012) and the Demand Survey Department of MARUI CO., LTD. (April 2012 to March 2013) ○ Fintech: Experience as president and representative director of Epos Card Co., Ltd., and officer in charge of fintech business (April 2020 to present)
Masahiro Aono Senior Executive Officer	1. Positivity 2. Maximizer 3. Ideation 4. Intellection 5. Woo															<ul style="list-style-type: none"> ○ Corporate management: Experience as president and representative director of MARUI CO., LTD. (July 2020 to present) ○ Management strategy formulation: Establishment of medium-term management plan for the retailing business encompassing period spanning from 2021 to 2026 as president and representative director of MARUI CO., LTD. ○ Risk management: Member of the Compliance Promotion Board responsible for Groupwide risk management (April 2016 to March 2017 and October 2019 to present) ○ Innovation: Promotion of retailing business structure reforms through transition to fixed-term rental contracts ○ Retailing: Experience as president and representative director of MARUI CO., LTD., and officer in charge of retailing business (April 2021 to present)
Hajime Sasaki Senior Executive Officer	1. Maximizer 2. Strategic 3. Ideation 4. Adaptability 5. Relator															<ul style="list-style-type: none"> ○ Corporate management: Experience as president and representative director of MARUI CO., LTD. (April 2016 to March 2019), and president and representative director of Epos Card Co., Ltd. (April 2019 to present) ○ Management strategy formulation: Establishment of medium-term management plan for the retailing business encompassing period spanning from 2016 to 2020 as president and representative director of MARUI CO., LTD. ○ Risk management: Member of the Compliance Promotion Board responsible for Groupwide risk management (October 2014 to present) ○ Innovation/Retailing: Robust retailing experience as president and representative director of MARUI CO., LTD.; promotion of retailing business structure reforms through transition to fixed-term rental contracts ○ Sustainability: Promotion of sustainability in the construction field through collaboration with Sumitomo Forestry Co., Ltd., conducted as president and representative director of AIM CREATE CO., LTD. ○ Retailing: Experience as officer in charge of retailing and store operation business (April 2015 to March 2016) and president and representative director of MARUI CO., LTD. ○ Fintech: Experience as director and general manager of the Card Planning Division (October 2007 to September 2009) and director of Epos Card Co., Ltd. (April 2015 to March 2016)

	CliftonStrengths® Domain of Overall Strengths: Top 5 CliftonStrengths®	Shared Skills							Unique Skills							Basis for Skills
		Corporate management	Management strategy formulation	Human resource management	Finances	Corporate governance	Risk management	Innovation	Sustainability	Well-being	Digital transformation	Retailing	Fintech	New business development	Investments in start-up companies	
Akikazu Aida Senior Executive Officer and CDO (Chief Digital Officer)	1. Woo 2. Achiever 3. Communication 4. Positivity 5. Analytical															<ul style="list-style-type: none"> ○ Corporate management/Finances/Corporate governance: Experience as general manager of the Corporate Planning Division (April 2017 to present) ○ Risk management: Member of the Compliance Promotion Board responsible for Groupwide risk management (April 2019 to present) ○ Innovation: Promotion of increased investments in non-tangible assets for creating new businesses and transition to intellectual creation company as general manager of the Corporate Planning Division and officer in charge of co-creative investment (October 2021 to present) ○ Digital transformation: Oversight of digital transformation strategies as general manager of the Customer Success Division (October 2018 to present) and CDO (April 2021 to present) ○ Retailing: Experience as deputy store manager of Yurakucho Marui (April 2013 to March 2014) and of Hakata Marui (April 2016 to March 2017) ○ New business development/Investments in start-up companies: Experience as director of D2C & Co. Inc. (January 2020 to present); director of okos Co., Ltd. (May 2021 to present); and officer in charge of co-creative investment
Masahisa Aoki Executive Officer	1. Positivity 2. Maximizer 3. Harmony 4. Individualization 5. Includer															<ul style="list-style-type: none"> ○ Corporate management: Experience as president and representative director of MARUI CO., LTD. (April 2019 to June 2020) ○ Risk management: Member of the Compliance Promotion Board responsible for Groupwide risk management (April 2019 to present) ○ Innovation/New business development: Proposal of anime business; pioneering of MARUI GROUP's development of new businesses; and growth of anime business and contribution to transformation of retailing business as general manager of Anime Business Department (April 2016 to March 2019) and officer in charge of the anime business (April 2018 to March 2020) ○ Sustainability: Promotion of reuse and recycling initiatives as chief manager in charge of apparel recycling project (April 2010 to March 2011) ○ Retailing: Experience as store manager of Shinjuku Marui Annex (April to September 2015) and president and representative director of MARUI CO., LTD. ○ New business development: Experience as general manager of Co-Creative Investment Department (July 2020 to September 2021) and director of D2C & Co. Inc. (July 2020 to September 2021)
Yoshiaki Kogure Executive Officer	1. Achiever 2. Responsibility 3. Harmony 4. Arranger 5. Consistency															<ul style="list-style-type: none"> ○ Corporate management: Experience as president and representative director of MARUI FACILITIES Co., Ltd. (April 2013 to March 2021) ○ Management strategy formulation: Experience as general manager of the Corporate Planning Division (April 2011 to March 2013) ○ Human resource management: Experience as general manager of the Personnel Division (July 2008 to September 2009) ○ Finances: Experience as general manager of the Group Financial Department (March 2006 to July 2008) ○ Risk management: Audits of risks as officer in charge of audit (April 2021 to present) and a corporate auditor at Group companies (April 2021 to present) ○ Sustainability: Leadership of initiatives for sourcing 100% of electricity from renewable energy as president and representative director of MARUI FACILITIES Co., Ltd. ○ Retailing: Experience as general manager of the Voi Business Department of MARUI CO., LTD. (October 2009 to March 2011)
Yuko Ito Executive Officer	1. Discipline 2. Analytical 3. Deliberative 4. Focus 5. Responsibility															<ul style="list-style-type: none"> ○ Innovation: Leadership of Groupwide design management through open innovation with nendo inc. as general manager of the Group Design Center (April 2018 to present) ○ Sustainability: Promotion of sustainability in the construction field through collaboration with Sumitomo Forestry Co., Ltd., conducted as director of AIM CREATE CO., LTD. (April 2012 to present) ○ Retailing: Experience as director of MARUI CO., LTD. (April 2019 to present)
Mayuki Igayama Executive Officer	1. Analytical 2. Ideation 3. Achiever 4. Arranger 5. Responsibility															<ul style="list-style-type: none"> ○ Corporate management: Experience as president and representative director of MOVING CO., LTD. (April 2019 to present) ○ Risk management: Member of the Compliance Promotion Board responsible for Groupwide risk management (April 2016 to March 2017 and April 2019 to present) ○ Retailing: Experience as director and general manager of the Direct Marketing Department (April 2014 to March 2016) and director and general manager of the Omni-Channel Retailing Division of MARUI CO., LTD. (April 2016 to March 2019)
Junko Tsuda Executive Officer	1. Maximizer 2. Positivity 3. Arranger 4. Ideation 5. Woo															<ul style="list-style-type: none"> ○ Retailing: Experience as director and store manager of Marui Family Shiki (April 2015 to March 2017) and director and store manager of Marui Family Mizonokuchi of MARUI CO., LTD. (April 2018 to March 2019) ○ Fintech: Experience as director and general manager of the Cardholder Service Department (April 2019 to September 2020) and director and general manager of the Sales Promotion Department of Epos Card Co., Ltd. (October 2020 to present)
Miyuki Kawara Executive Officer	1. Positivity 2. Maximizer 3. Individualization 4. Achiever 5. Responsibility															<ul style="list-style-type: none"> ○ Sustainability: Experience as general manager of the CSR Promotion Department (April 2012 to March 2015) ○ Retailing: Experience as director and store manager of Marui Family Mizonokuchi (April 2019 to March 2021) and director and store manager of Kitasenju Marui of MARUI CO., LTD. (April 2021 to present) ○ Fintech: Experience as director and general manager of the Collaboration Card Business Department (April 2015 to March 2016) and director and general manager of the Sales Promotion Department of Epos Card Co., Ltd. (April 2016 to March 2018)
Tatsuo Niitsu Executive Officer	1. Individualization 2. Ideation 3. Arranger 4. Maximizer 5. Futuristic															<ul style="list-style-type: none"> ○ Digital transformation: Promotion of collaboration with artificial intelligence technology companies as director of okos Co., Ltd. (April 2021 to present) ○ Retailing: Experience as director and general manager of Sales Planning Division (April 2019 to March 2021), and director and general manager of the E-Commerce Business Department of MARUI CO., LTD. (April 2021 to present) ○ Fintech: Experience as director of Epos Card Co., Ltd. (April 2016 to March 2019) ○ New business development: Robust experience in new business development gained as leader of multiple new business projects
Takeshi Ebihara Executive Officer and CIO (Chief Information Officer)	1. Harmony 2. Responsibility 3. Positivity 4. Includer 5. Restorative															<ul style="list-style-type: none"> ○ Corporate management: Experience as president and representative director of M & C SYSTEMS CO., LTD. (April 2021 to present) ○ Risk management: Oversight of information security risk management as CIO (April 2021 to present) and president and representative director of M & C SYSTEMS CO., LTD. ○ Digital transformation: Experience as director and general manager of the Digital Transformation Promotion Department of M & C SYSTEMS CO., LTD. (April 2019 to March 2021) and CDO (April 2019 to March 2021) ○ Fintech: Experience as general manager of the Systems Department (April 2014 to March 2018) and director of Epos Card Co., Ltd. (April 2018 to March 2021)

RATINGS, AWARDS, AND RECOGNITION

MARUI GROUP established the IR Department in October 2015 and then the ESG Promotion Department in October 2016 to enhance communication with institutional investors and information disclosure. We have also identified the promotion of diversity and wellness (healthcare) management as key measures under the medium-term management plan with the aim of improving corporate value.



More detailed information on these and other awards and recognition can be found on the Company's corporate website.
www.0101maruigroup.co.jp/en/ci/award/index.html

Global Socially Responsible Investment Indexes



MARUI GROUP has been selected for inclusion in the Dow Jones Sustainability World Index for the third consecutive year, also claiming the No. 1 spot in the retailing industry, and has also been included in the Dow Jones Sustainability Asia Pacific Index for four consecutive years.



In RobecoSAM Sustainability Yearbook 2021, a compilation of companies displaying excellence in terms of ESG initiatives and information disclosure, MARUI GROUP was included in the Gold Class, building on its record of inclusion in the Bronze Class in 2019 and the Silver Class in 2020.



MARUI GROUP has been included in the FTSE4Good Index Series,*1 a series of indexes arranged by FTSE Russell that comprise companies meeting evaluation standards pertaining to ESG factors, for five consecutive years.



MARUI GROUP was included in the MSCI ESG Leaders Indexes,*2 an ESG stock index with high global recognition.



MARUI GROUP was selected for inclusion in the SOMPO Sustainability Index for four consecutive years. This index is compiled by Sompo Asset Management Co., Ltd., and used in its SOMPO Sustainable Investment Fund, which prioritizes ESG ratings by investigation firms.

Four ESG Indexes Utilized by the Government Pension Investment Fund



MARUI GROUP has been included in the FTSE Blossom Japan Index for five consecutive years. This ESG index is meant to reflect the performance of Japanese companies that meet various ESG-related requirements, and industry is therefore not considered when selecting companies for inclusion.

2021 CONSTITUENT MSCI JAPAN ESG SELECT LEADERS INDEX

MARUI GROUP was included in the MSCI Japan ESG Select Leaders Index*2 for the fifth consecutive year. This ESG index comprises Japanese companies with relatively high MSCI ESG Ratings in each industry selected from among the top 700 companies in terms of market capitalization after excluding those companies with the lowest MSCI ESG Rating of CCC.

2021 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

For five consecutive years, MARUI GROUP has been included in the MSCI Japan Empowering Women Index,*2 an ESG index for Japanese stocks consisting of companies that exhibit gender diversity excellence in each industry, based on the Global Industry Classification Standard, selected from among the top 700 companies in terms of market capitalization.



For the fourth consecutive year, MARUI GROUP was included in the S&P/JPX Carbon Efficient Index, which comprises companies included in the Tokyo Stock Price Index selected through a process that entails overweighting or underweighting companies in reflection of their disclosure of environmental information and their carbon efficiency (carbon emissions per unit of revenue).

JPX-Nikkei Index 400

MARUI GROUP was included in the JPX-Nikkei Index 400, a stock price index composed of companies with high appeal for investors that meet requirements of global investment standards, such as efficient use of capital and investor-focused management perspectives.



MARUI GROUP's new greenhouse gas emissions reduction targets, which were established in September 2019, have received certification from Science Based Targets, indicating that these targets are effective for keeping global warming below 1.5°C above pre-industrial levels.



In 2020, MARUI GROUP CO., LTD., was included in the Climate A-List, which represents the highest evaluation offered by CDP, for the third consecutive year in reflection of its endorsement of the recommendations of the TCFD and other initiatives to address climate change and practice information disclosure of a level that is high even viewed from a global perspective.

STOXX Climate Change Leaders Index

MARUI GROUP was selected for inclusion in the STOXX Climate Change Leaders Index in 2019 and 2020. This index is one of a series of low-carbon indexes developed in 2016 and the world's first index to focus on inclusion of companies featured on CDP's Climate A-List.



MARUI GROUP received the highest rank of A in the Development Bank of Japan Inc.'s DBJ Environmentally Rated Loan Program based on the high evaluation of its various initiatives for accomplishing its 2050 Vision.



ESG Finance Awards Japan is a program developed by Japan's Ministry of the Environment for the purpose of evaluating and recognizing companies engaging in ESG finance and environmental sustainability management initiatives. In 2021, MARUI GROUP was the only retailer to receive a bronze award in the environmentally sustainable company category of this award program.



MARUI GROUP received an award of excellence in the special renewable energy proliferation category of the Green Purchasing Award program out of reflection of its contributions to the expansion of green purchasing markets through initiatives such as the introduction of renewable energy and the issuance of the first green bonds to be offered by a Japanese retailer.



MARUI GROUP was included in the Health & Productivity Stock Selection for the fourth consecutive year in 2021, recognizing it as a company that is strategically addressing employee health and productivity management issues based on a management perspective. The Company was rated highly for its wellness management initiatives.



MARUI GROUP was chosen for inclusion in the Nadeshiko Brand for the fourth consecutive year based on the evaluation of its efforts in supporting two-income households by helping both men and women succeed. These efforts include official Groupwide initiatives and the promotion of inclusion in the workplace.



The Eruboshi certification system is a program through which companies engaged in superior activities based on the Act on the Promotion of Female Participation and Career Advancement in the Workplace are recognized by the Ministry of Health, Labour and Welfare. In 2020, MARUI GROUP was presented with a three-star rating.



MARUI GROUP was awarded with the highest rating of gold in the PRIDE INDEX for the fifth consecutive year. Our receipt of this recognition was based on our scheme of providing regular LGBTQ sensitivity training in video format and our communication of initiatives related to individuals and connections through the Inclusion Rally section of MARUI GROUP's community site.



CWO Dr. Reiko Kojima received the inclusion award in the 2021 Forbes JAPAN WOMEN AWARD, a program sponsored by Forbes JAPAN designed to recognize women forging their own path as well as companies fostering female leaders and professionals.



MARUI GROUP was ranked 1st in the retail category in the 2021 Awards for Excellence in Corporate Disclosure presented by the Securities Analysts Association of Japan. This ranking was a reflection of the Company's efforts to enhance and promote non-financial disclosure of ESG and other information and to practice engagement for improving corporate value.

Recognition as Excellent Integrated Report
MARUI GROUP's co-creation management reports have been recognized as excellent integrated reports for five consecutive years by institutions to which the Government Pension Investment Fund outsources the management of domestic securities. Reasons for the selection of *Co-Creation Management Report 2020* include the high evaluation of its outstanding disclosure regarding stakeholders.

*1 FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that MARUI GROUP CO., LTD. has been independently assessed according to the FTSE4Good criteria, and has satisfied the requirements to become a constituent of the FTSE4Good Index Series. Created by the global index provider FTSE Russell, the FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. The FTSE4Good indices are used by a wide variety of market participants to create and assess responsible investment funds and other products.

*2 THE INCLUSION OF MARUI GROUP CO., LTD. IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF MARUI GROUP CO., LTD. BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.