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Human Right

Rights

Well-Being Life for Custome

Urban Developmen

Local Revitalization

→ Human Capital

takeholders' Voice

Diverse Human Resources to Support Operations



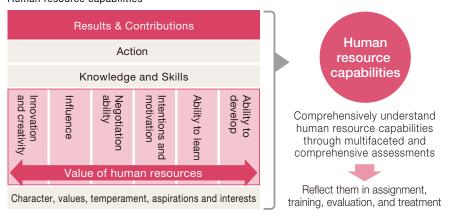
The JFR Group believes that "people" are the greatest resource for promoting sustainability management, and that without the growth of human resources, there will be no growth and development of the company. We recognize that our employees are a great asset. Therefore, we aim to be a "human resources development company" that maximizes their individuality and abilities and develops their capabilities.

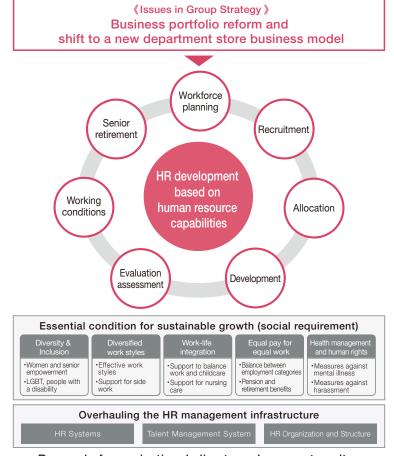
Human Resource Capabilities

In the past, there as a job-based HR system. Starting in FY2019, the Group began to focus on each individual and take a unique approach to enhance "human resources capabilities," a concept known as "human resource power-ism." This HR management system not only understands the visible aspects of each individual's achievements, behavior, knowledge and skills, but also the invisible aspects of human resource value, namely character, values, temperament, orientation and interests, to develop them through appropriate job assignments, and to evaluate and treat their achievements appropriately.

By incorporating and developing the perspective of "human capital value," we will be able to hone basic skills that will enable us to deliver results even in an uncertain business environment, and strategically assign human capital without regard to age or gender.

Human resource capabilities





Renewal of organizational climate and corporate culture

Social Initiativ<u>es</u>

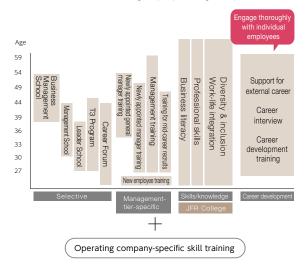
→ Human Capital

Human Resource Development —

The type of human resources that the Group wants to invest in are "autonomous employees," persons with an intrinsic motivation, a vision and goals, and the ability to actively undertake projects on their own initiative.

Our policy on human resource development is based on "selection and concentration," which means that we will streamline those programs that uniformly raise the level of our employees and invest heavily in selective, "self-initiated," publicly offered curricula.

Specifically, we will invest resources with emphasis on (1) early development and selection of younger workers, (2) revitalization through reskilling of middle and senior workers who are entering their second careers, and (3) development of management human resources with high versatility that is not limited to those within group operating companies.



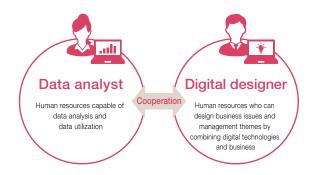
Digital Talent Development

Digital talent* is essential for future innovation. We have set the goal of developing 1,000 digital core human resources for the entire group by 2030, based on the assumption that at least one core digital talent will be assigned to each division of each group company.

In 2022, we began training core data analysts and digital designers, and 38 persons have completed the program as of August 2023.

Through this initiative, the Group aims not only to bring new value and change to day-to-day operations, but also to improve productivity through operational innovation and synergy creation through mutual collaboration across divisions and operating companies.

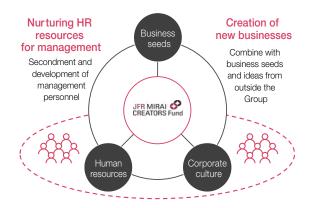
*Customer data-driven management that leverages data for business with data. digital technology, and business literacy, and human resources to support new businesses.



Establishment of JFR MIRAI CREATORS Fund

In October 2022, the Company jointly established the corporate venture capital JFR MIRAI CREATORS Fund with Ignition Point Venture Partners, Inc., which has extensive knowledge in venture capital business. This fund was set up primarily to strengthen the creation of new businesses through capital and business alliances with startup companies, and to reform the culture of the Minebea Group.

The vision of the Fund is to "make the future better and more interesting." By creating a system in which many Group employees can participate, we will develop future management talent and evolve into a corporate culture of "innovation" to realize the Group's vision.



Evolution of a innovation culture

Stimulate intrinsic motivation and promote new challenges

→ Human Capital

Promotion of Women's Empowerment

As 52.9% of all employees are women, the Group recognizes that promoting the empowerment of women is as an important management strategy for achieving corporate growth. Therefore, we are stepping up our efforts. In FY2022, the "Women's Empowerment Promotion Project" was implemented under the direct control of the President.

In addition, selective training called "Career Forum" was held for women who are expected to play an active role in the future. Training was provided on leadership skills and the mindset required to become a manager.

Women's Empowerment Promotion Project

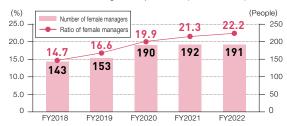
Project members, comprising of men and women selected from each operating company, discussed how to create an environment in which everyone can fully demonstrate their individuality and abilities. Recommendations were then made to the President.

Based on these recommendations, the Sustainability Committee members, including the presidents of each operating company, discussed the issues and the ideal state of the company, and finally, the President expressed his commitment to all employees to realize diversity and inclusion.

Appointment of Female Directors

J. Front Retailing has three female Directors (one Inside Director and two Outside Directors) out of a total of eleven Directors as of the end of May 2023, making the share of female Directors 27%.

Ratio of women in management positions (consolidated)



*The ratio of female managers from FY2021 onward has received independent third-party assurance from LRQA Limited

Encouraging male employees to take childcare leave

The Group wants to realize an environment in which each employee can work with satisfaction while balancing work and family life without being bound by the traditional gender role divisions between men and women, and to realize Well-Being Life for employees.

J. Front Retailing and Daimaru Matsuzakaya Department Stores offer an "Incentive for participating in childcare" based on the number of days a father takes for postnatal childcare leave (childcare leave at time of birth), as well as childcare support leave (available for three days each year for employees with children up to the end of the first month of elementary school), which can be taken by any gender.

Percentage of male employees taking childcare leave (consolidated)

FY2020	FY2021	FY2022
18.8%	43.6%	68.0%
(8 employees took leave)	(24 employees took leave)	(34 employees took leave)

^{*}The rate of male employees taking childcare leave from FY2021 onward has received independent third-party assurance from LRQA Limited.

LGBT Initiatives

The Group's Human Rights Policy, developed in 2019, clearly prohibits discrimination and harassment against sexual orientation and gender identity.

In March 2021, the Group newly established the "Same-Sex Partnership Rules" and a new "Gender Transition Support Leave" program. We have also established an "LGBT Consultation Desk" within all operating companies for employees to consult anonymously in order to create a work environment in which diverse employees can play an active role.

Through management training, e-learning for all employees, and awareness-raising on the company intranet, we are working to promote understanding of LGBT issues among all employees and to foster an inclusive culture that respects diverse personalities.

Shibuya PARCO has been hosting "PRIDE" under the theme of diversity since 2022. The interior and exterior of the building were decorated in rainbow colors, and events and exhibitions were held to free people from all borders and focus on each person's individuality.

