

Message from the President



Being an indispensable part of daily life for people and taking root in local society: These are two major themes for us as we work to build the future together with local communities.

Nobuo Domae

President and Representative Director

With our “Second Founding,” we will work to create a better world 100 years from now.

On behalf of all of us at Ryohin Keikaku, I want to express my sympathies to the many people who have been affected by the COVID-19 pandemic. I hope that the lives of everyone can return to normalcy very soon.

We are redefining our corporate purpose by reexamining the origins of Ryohin Keikaku.

In the fiscal year ended August 31, 2021, the COVID-19 pandemic impacted our operations in various ways, including shorter business hours at stores, but strong sales in Japan and improved earnings overseas led to growth in revenue and profits.

We introduced a new management structure in September 2021, which we consider our “Second Founding,” and began by redefining our corporate purpose with the aim of creating a better world 100 years from now. The medium-term business plan we launched in July 2021 incorporates the actions we will take in our “Second Founding.”

Our corporate purpose is to contribute to the realization of a truthful and sustainable life for all through our products, services, stores and business activities that consider the ideal relationship among people, nature and products, as well as a generous human society.

This corporate purpose expresses the essence of Ryohin Keikaku’s existence and the kind of value we provide to society.

The reason we redefined our corporate purpose lies in the origins of the MUJI concept that Ryohin Keikaku has developed. MUJI began as a social movement of “planning and manufacturing the products that are essential to daily life from the perspective of people, and promoting the distribution and use of those products to build a better world.”

MUJI started out in 1980 as a private brand of Seiyu Co., Ltd. (now Seiyu GK) with nine household goods and 31 food items that embodied the slogan “lower priced for a reason.” We manufacture products that retain their essence by focusing on selection of materials, streamlining of processes and simplification of packaging, even if the products are slightly different from common standards. This is the antithesis of the brand-driven consumer society, and is intended to liberate people from superficial brands and have them consider what true fulfillment really means.

In this way, for the past 40 years Ryohin Keikaku has been involved in a social movement that takes the perspective of people. As our business has expanded, though, the perception

of the value we provide, both among people outside the Company as well as to some extent within the Company, has diverged from our origins. In response, we returned to the starting point of the Company and expressed this value in common language that anyone can understand – our corporate purpose. This is not a remake of the corporate purpose because the president changed, nor an adaptation to fit the times, but rather a redefinition that we thought appropriate after taking a fresh look at our origins.

Ryohin Keikaku’s first mission is to provide products and services that are essential to daily life, with genuine quality and ethical value, at fair and affordable prices. Ryohin Keikaku’s second mission is to serve each local region by making our stores community centers that work with stakeholders to tackle local issues and make a positive impact in the region.

These two missions are the basis for how we fulfill our corporate purpose.

With the first mission, we provide products and services that are essential to daily life, and are neither excessive nor lacking in quality, but are just right – in other words, no-frills products and services that retain their essence without relying on brand logos and symbols. In the context of manufacturing, we commit to taking environmental and human rights issues into account in the provision of these products and services.

Our second mission is based on the philosophy that the stores that sell our products will serve not just as places of business, but as gathering places for people in the region and catalysts for connecting people to form communities. Store staff shall also voluntarily contribute to efforts to make the region better.

Ordinary retailers work to attract customers daily or weekly by spending money on advertising and offering discounts, touting their great products or promoting their bargain prices. Ryohin Keikaku, instead of spending limited resources on advertising that may provide only a short-term benefit, allocates resources to activities in which staff who work at our stores team up with local residents to make their community better. In doing so, the common (social) capital of community is formed. Our hope is that through the resulting trust built in the area, MUJI will be chosen for the products and services people use in daily life. We believe that with this approach, we can build relationships that are mutually beneficial for local people and for us.

2030 Vision

To be an indispensable part of daily life for people

To take root in local society

To realize this vision, we will

- **Practice independent store management and co-owned management**
- **Provide appropriate online services**
- **Be a leader in ESG management**

We want MUJI stores to be like the shopping streets of the past – places where local residents come together, each with their own thoughts and ideas. This creates greater connections between people. The staff of MUJI stores become invested in the ideas of local residents and work with them to respond to local issues. That's the role of a community center. As we develop these community centers throughout Japan, we will increase the number of people who are inspired by MUJI stores to contribute to local solutions and revitalization. People will see MUJI as just the right place to find products essential to daily life. These two missions may seem unconnected, but they share the same roots.

We make efforts to reduce our environmental burden and to respect individual human rights through our manufacturing, services and actions. Through our core value of “contributing to society and people” our employees and associates will proactively respond to issues facing society and the Earth.

In working to realize these two missions, Ryohin Keikaku regards the idea of “contributing to society and people” as its core belief. This core value has always been referred to internally as our “Grand Strategy,” and is deeply rooted in everything we do.

We will practice “public-interest and people-centered management,” where each of our employees and associates contribute to the public interest through our business activities and locally rooted stores, have a sense of ownership and take leading roles in the community. Through our

activities, we will create a highly profitable business structure, pay taxes properly and return profits to shareholders appropriately. Furthermore, we will strive to create long-term value for the Company by making a positive impact on society together with our stakeholders.

We recently established the management policy of “public-interest and people-centered management” in which every employee and associate will help to solve issues of local concern and contribute to the vitality of each region.

Conventional companies typically adopt a three-tiered structure in which financiers hire managers, governance is implemented, and managers hire employees and run the business. Ryohin Keikaku wants to change this structure to a “three-in-one” model in which everyone is an employee, business manager and shareholder.

Our vision is to establish highly profitable and sustainable business operations in which employees who live in each region contribute to the community there. We believe an effective way to do that is to position employees and associates not as workers, but as players, as business managers and as shareholders who appreciate proper contribution to the public interest.

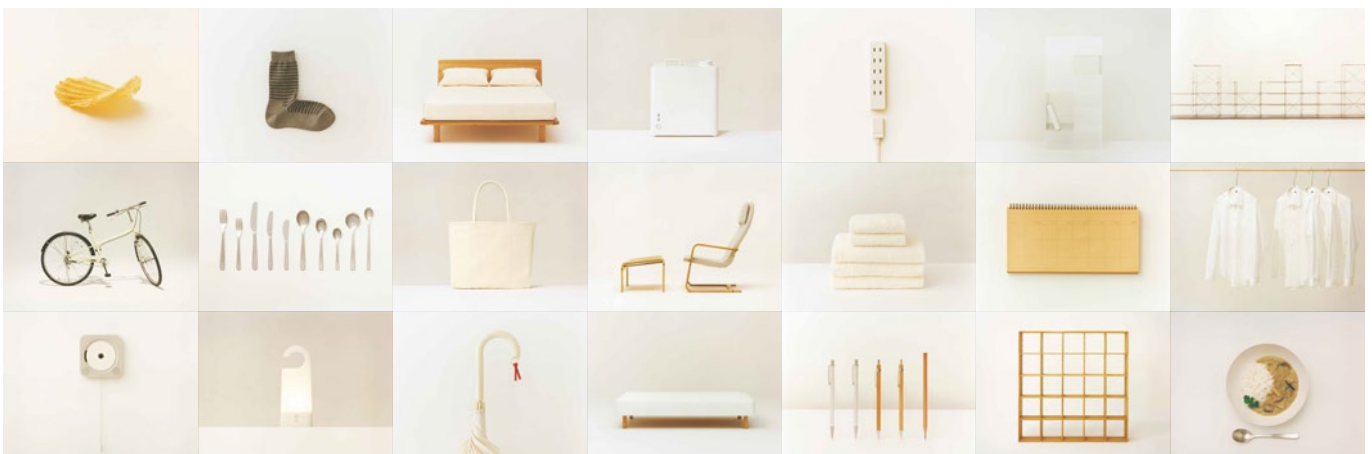
To achieve this, we have introduced an employee stock ownership plan (ESOP) to motivate employees to practice management that contributes to the public interest, and thereby increase earnings. I believe that if employees hold a certain number of the Company's shares, it will heighten their sense of ownership and managerial mindset, and increase their incentive to contribute to the development of both society and the Company.



Contributing to society and the community isn't some idea we force on our employees, rather it comes from their individual desires and efforts to make local communities better. We want each employee to be an organizational entity that works autonomously and independently to contribute to the community.

For governance, in addition to governance based on the capital markets, we must create an omnidirectional governance system that enables all stakeholders – employee shareholders, MUJI “fan” shareholders, governments, local people and others – to participate in and monitor Ryohin Keikaku’s activities. As a company that contributes to the public interest and practices coexistence and mutual prosperity with communities, we will incorporate the perspectives and opinions of stakeholders into management. Moreover, we will further deepen the conditions that make it easy for customers to participate in governance as shareholders through stock splits and shareholder meetings held after the General Meeting of Shareholders.

We have formulated the medium-term business plan based on the corporate purpose, missions, values and management principles I have outlined here. Realization of the medium-term business plan is in effect a contemporary social movement rooted in our core business and one that reflects our aim of creating a better world 100 years from now. In addition, transforming the thinking and behavior of employees will in turn lead to a major transformation of the organization itself.



The MUJI Brand

Now I want to briefly share my thoughts on MUJI as a brand. Among general brand-name products, there are occasionally some that are priced higher than the intrinsic value of the item itself based on a vague valuation of the brand logo attached. In contrast, through MUJI products and services, Ryohin Keikaku asks people to rethink their lifestyles with a more open mind and honest eyes.

From time to time, however, Ryohin Keikaku has also been seen as a company that boosts revenue by selling a “brand.” We have been asked, “Even though MUJI is a brand based on urban minimalism, as well as simple and stylish household products, and rarity is also important, why do you open stores in so many areas, and why are you pursuing expansion of scale?” and “Won’t cutting the prices so much damage the value of the MUJI brand?”

Rather than simply offering stylish appearance, MUJI wants to make the lives of many people better by rethinking the essence of products and services from an ideal people

perspective, and remaking and providing them with the necessary quality, but without extra frills. We want to support the essentials of daily life. In product selection, we will expand our lineup of products that are closely connected to people’s daily lives, and offer products that retain their essence. We will also review prices to make our products accessible to everyone, in every corner of Japan. To accomplish that, we will thoroughly review specifications and manufacturing from the most upstream point in the supply chain. We will open stores in every part of Japan, in keeping with our wish to bring good products, services and activities to as many people as possible. When opening stores, our first thought is solving the problems of people in that region. In addition, this may mean considering mobile sales or the use of other companies’ sales networks. Before we know it, the daily lives of people living in the town have changed for the better. Ideally, MUJI products and services will be chosen as a matter of course and be used by more people.

The Medium-term Business Plan Starting from Cultural Reforms

Finally, I would like to talk about the priority areas of the medium-term business plan.

Ryohin Keikaku’s vision for 2030 is to have its stores and staff be the most useful in each town where the Company operates, in every corner of Japan. This means that we will be the town’s top provider of products and services essential to

daily life. And in the town’s revitalization activities, we will also be a leader in terms of reliability and societal impact.

The three years starting in 2021 will be a period for laying a solid foundation to do that, and we have set the following four priority areas of the medium-term business plan.

Priority Areas of the Medium-term Business Plan

- 1. Develop exceptional and unrivaled products that are essential to daily life, and improve procurement and production processes**
- 2. Establish independent store management to create a community-based business model. Accelerate new store openings under this business model, while maintaining profitability.**
- 3. Develop a corporate culture in which all employees work proactively, driving independent growth in each store, region and country**
- 4. Build the business infrastructure and headquarters functions to support independent store management and localization**

We recognize that our stores play a central role in everything we do and will develop a culture and system of conscience and creativity on a global scale.



First, we intend to change the Company's culture, which is the foundation for everything we do. The culture we are aiming for is one in which all employees have a sense of ownership, think with a managerial perspective, and tackle the challenge of things that are new, interesting and true. We want a culture where employees and associates are not just workers, but players, and where they can experience personal growth. A highly sociable, sympathetic and outward-facing culture where each employee reacts sensitively to the world's social issues and takes the first step without hesitation. That is the kind of environment in which no one is left behind, and there is a role for each person and a place where they can flourish. We aim to become a company where employees accept and respect each other's values, regardless of position, and can constantly challenge themselves in pursuit of what is best for people and the Company.

For our business, our target is to capture the top mindshare for products essential to daily life. To accomplish that, we will fundamentally review development and production, down to the factory floor. In particular, we want to dramatically raise the competitiveness and mindshare of our core products, such as towels, bedding products, cleaning and laundry products, kitchenware, storage products, underwear, socks and personal care products.

In store development, we do not limit ourselves to opening stores only in commercial districts. We intend our store openings to be a catalyst for new store and regional development that contributes to town revitalization. The pace we are aiming for is a net increase of 100 stores annually in Japan, and 50 stores per year in mainland China, and we will develop the store management talent needed to conduct that smoothly.

In store management, setting up a Regional Business Unit in each area will help achieve the goal of having stores operated by community managers and store staff with a sense of ownership, which will boost business results and help achieve regional revitalization. We will work to create conditions that will enable new Regional Business Unit managers and community managers to steadily emerge, including those who put themselves forward, and produce results proactively and autonomously on a global level.

In digital services, e-commerce when combined with stores does more than just give a powerful boost to performance. It also stimulates the creation of new businesses that invigorate the region, including the launch of secondary markets that reduce social costs, the launch of healthcare services centered on the Healthcare Center and the launch of local experience services that lead to the use of local resources.

Our headquarters, which supports the business and local contribution activities of stores, will bring in new talent to join its existing staff, and through friendly competition staff there will achieve the highest professional standards. As a result, they will become a team of professionals who actively support stores in operating efficiently and autonomously.

We will carry out the medium-term business plan as a Company-wide endeavor to lay the groundwork for achieving our vision for 2030.

I would like to thank our stakeholders for their continued support of Ryohin Keikaku and MUJI.

Roadmap – 2030 Vision and Way Forward

2030 Vision

To be an
indispensable
part of daily life
for people

To take root in
local society

Practice independent store management
and co-owned management

Provide appropriate online services

Be a leader in ESG management

Products
and services
essential to
daily life

Stores as
community
centers

Regional
revitalization
through the
actions of store
staff

User-friendly
digital
services

A corporate
culture in
which all
employees
work
proactively

Operating revenue: JPY **3.0** trillion

Operating profit: JPY **450.0** billion

Number of stores: **2,500**

Average area of standard stores: **550** *tsubo**

Online sales ratio: **30**%

* 1 *tsubo* = 3,306 m²

Targets for 2024

Create the basis for our “Second Founding”

Actions

- 1** Develop exceptional and unrivaled products that are essential to daily life, and improve procurement and production processes
 - Rethink product lineup, quality, price and significance from the perspective of their use in daily life
 - Contribute to regional development in production areas by strengthening procurement and production process
 - Prevent inventory shortages and excesses by reinforcing supply chain management
 - Establish sustainable agriculture and food businesses and contribute to regional development
 - Launch the Space Design Office for renovation and space design
 - Launch a series of services to support people in their daily lives, including those related to healthcare and organizing the home
- 2** Establish independent store management to create a community-based business model. Accelerate new store openings under this business model, while maintaining profitability
 - Launch of Regional Business Units to establish a community-based business model
 - Double the pace of store development by opening stores in residential areas
 - Improve store cost efficiency by opening stores in residential areas and promote independent management
 - Strengthen digital team to build new services that support infrastructure such as e-commerce, payment and logistics functions based on communication between stores and customers
- 3** Develop a corporate culture in which all employees work proactively, driving independent growth in each store, region and country
 - Build a top management team capable of leading our “Second Founding”
 - Take new approaches to recruiting and training, and create new young leaders
 - Promote initiatives to pass down MUJI concepts to more people
 - Develop a proactive, independent and teamwork-oriented corporate culture
 - Establish systems to realize co-owned management
- 4** Build the business infrastructure and headquarters functions to support independent store management and localization
 - Strengthen human resources and improve the efficiency of headquarters administration departments
 - Strengthen IT team and ERP system
 - Structure logistics from the viewpoint of total social cost
 - Build platforms to support business activities and the localization activities of stores
 - Establish risk management functions

Operating revenue: **JPY 700.0 billion**

Operating profit: **JPY 75.0 billion**

Number of stores: **1,300**

Message from an Executive Officer



Ryohin Keikaku's New Management Structure

Proactive and Independent People and Organizations Contributing to the Public Interest Together with Local Communities

Jun Yokohama

Executive Officer in charge of Overall Administration

Focus of the first year of the medium-term business plan: lay the groundwork for opening 100 stores annually

With a view toward 2030, our current medium-term business plan has set targets for the fiscal year ending August 2024 of JPY 700 billion in operating revenue and JPY 75 billion in operating profit. Results for the fiscal year ended August 2021 were JPY 453.6 billion in operating revenue and JPY 42.4 billion in operating profit, so our targets for 2024 may appear rather ambitious, but the plan is not based solely on achieving numerical targets.

Ryohin Keikaku looks ahead to a better future 100 years from now and will conduct a variety of new initiatives to achieve that vision. During the first year of the medium-term business plan, we are focusing on human and organizational issues to lay the groundwork for opening 100 stores annually in

order to achieve our goal of having 2,500 stores in operation by 2030. To provide our complete lineup of products and services essential for daily life, we will increase the standard floorspace at new stores and raise the ratio of online sales. At the same time, we will contribute to local communities and implement more localized measures to resolve the issues they face.

Stepping up the pace of annual store launches in Japan from the current 20 to 100 raises an important question: once we have secured more locations and hired manager candidates, how can we train our employees in a relatively short time? In addition, more stores will necessitate a more robust supply chain capable of stably manufacturing and supplying a sizable number of products while maintaining MUJI quality. I believe that laying the groundwork for growth toward achieving the targets of the three-year medium-term business plan – which includes accelerating store openings – and

implementing various initiatives will enable us to reach the numerical targets for operating revenue and store openings.

Proactive and independent people and organizations are the keys to our future

As I mentioned earlier, during the first year of the medium-term business plan we will focus on transforming our people and organizations as we accelerate store openings to build an organization composed of people who work professionally and independently. Currently, we are focusing on mid-career hires, but we are encouraging all employees to set ambitious goals for themselves and to take on multiple tasks in order to grow as professionals. I expect our mid-career hires to have a deep understanding of MUJI's values as the basis for mastering their work and to inspire current employees to change the corporate culture Company-wide. A culture (teams or individuals) of waiting for instructions is incapable of doing something that has never been achieved before. It requires a mindset and attitude of acting proactively, independently and positively. To transform into that sort of organization with high-level problem-solving capabilities, we intend to raise the professionalism of each employee and revitalize our organization.

There is no predetermined path for achieving the goals set forth in the medium-term business plan, so the way we go about it will be left to the capabilities of our employees. Of course, since we face market competition, they are likely to be forced to react as the occasion demands, without everything going as planned. As employees continue fine-tuning to steadfastly produce results, those results will in turn improve their own capabilities. This will help them to achieve higher goals and create a chain reaction with the surrounding environment. Only when they can do this will we be able to achieve substantial growth. That will require true diversity in our organization. Bringing together people with diverse values, backgrounds and experience has started to have a positive impact in our organization in terms of broadening perspectives, accelerating progress and raising productivity. When different viewpoints are introduced, dissenting opinions and new approaches arise. It will be important to determine how we become an organization that can positively accept these different ideas and to reflect them in our actions while steadfastly preserving MUJI's foundational concepts and heritage.

Ryohin Keikaku, which is undertaking its "Second Founding," is adopting a new approach that entails entering unknown territories beyond the boundaries of the manufacturing and retailing industry. This will require comprehensive assessment of matters such as how to succeed and whose

help to ask for in order to make an impact on society. In that sense, a shift to diversity management is crucial, and will also be our starting point.

We will also create a working environment where everyone has the opportunity to display their abilities, effectively reflecting their competence and experience. Even if a company publicly claims to be contributing to society in a spirit of mutual cooperation, it cannot accomplish this objective if its internal atmosphere is one of survival of the fittest, where the weak are culled, working hours are long and harassment is rampant. Unless we are a welcoming organization where diverse employees who share MUJI's concepts respect each other and work together, we cannot even envision a future that lies 100 years ahead, never mind achieve that future.

In recent years, an increasing number of companies have been talking about their future in terms of sustainability, the SDGs or the like, but I think what will be required are organizations that are different in kind from those of the past. Rather than looking at Ryohin Keikaku as a single ecosystem that undertakes everything on its own, we want to be a company that is part of numerous ecosystems of small local communities that work with our employees, contributing to the overall public interest through this organic collaboration. The



new "public-interest people-centered management" philosophy that Ryohin Keikaku aims for differs from the conventional idea of a corporation. Under such management, employees who are attuned to teamwork, mutual assistance, and creating good organizations and environments will steadily grow inside the Company, and these results will spread outside the Company to connect with communities.

The urgent task of establishing a manufacturing and supply system that maintains MUJI quality

We will accelerate store openings by establishing a system capable of efficiently handling planning, manufacturing and supplying affordable products. The system must eliminate waste while ensuring MUJI quality. Doing so will require new production methods and process development based on deep-rooted partnerships with the manufacturers who supply us. For products essential to daily life, for instance, our plans will incorporate the concept of eliminating waste so that we make and sell only the products that are really needed. Moreover, maintaining constant order volume and high utilization rates at our suppliers' factories will enable them to achieve ongoing profit and avoid unnecessary capital investment. In this way, we will implement measures to balance cost and quality while reducing environmental impact together with our suppliers.

There will always be defective products that do not meet standards in the manufacturing process. If eliminating a defect in a product that is off by 1 mm in the manufacturing process doubles the manufacturing cost, I wonder whether it really needs to be eliminated, or whether it is even a defect in the first place. For example, some defective products could be sorted out at stores and sold at a reduced price. If a product can still be used even if it is off by about 2 mm, we can sell it by carefully explaining to the customer that selling rather than disposing of it will help to reduce environmental impact. If customers accept this, we can reflect the reduction in manufacturing costs in the product price. If quality standards in the manufacturing process are too strict, usable items might be discarded. At MUJI, we make a point of purchasing and selling vegetables that are slightly damaged – otherwise they might go to waste. This philosophy is the same for manufactured products.

In supply chain management, we will track the chain back upstream to improve traceability. In addition to raw materials and other items, we also check that there are no issues such as child labor. After first considering what is best for the Earth and peoples' lives, Ryohin Keikaku will place value on suppliers that are dependable and observe the rules of society, regardless of the country or region of manufacture.

ESG management that is part of the heritage of Ryohin Keikaku

To achieve its two core targets for 2030 of “being an indispensable part of daily life for people” and “taking root in local society.” Ryohin Keikaku will focus on the following three initiatives, the third of which relates to the ESG management that is a part of its heritage.

The first initiative is to “practice independent store management and co-owned management.” For Ryohin Keikaku to offer better lifestyles in Japan, it is essential to move away from a centralized organizational structure to a management style based on an autonomous decentralized organization driven by individual stores. Employees and stores will take ownership and conduct business and activities for society appropriate to their own values. We will roll out this approach together with local stakeholders.

The second initiative is to “provide appropriate online services.” The information infrastructure is social overhead capital and is not to be monopolized by anyone. Creating a profitable system that everyone can use is key. Moreover, becoming addicted to the convenience of digital technology creates a mindless dependence on excessive convenience. Ryohin Keikaku will utilize digital technology appropriately to provide online services that retain human warmth and emotions. I will give specific examples of our use of IT later.

The third initiative is to “be a leader in ESG management.” ESG is in vogue these days, but even from our beginnings Ryohin Keikaku has made a number of commitments in this area. For the environment, I already mentioned cutting back waste in the manufacturing process. We also use raw materials with low environmental impact and do our utmost not to use products or packaging that harms the global environment. Since our products are used in daily life, we are particular about what is in them and packaging materials as well as their functions.

For society, Ryohin Keikaku has always valued relationships of mutual cooperation. Conditions where only certain people benefit do not last long. For example, opening a huge commercial facility in a rural area increases convenience and enables cheaper purchases, but as a principle of competition the nearby shopping district is likely to fall into disuse and end up shuttered, among other problems. If things are left to take their course, a downward spiral will occur as the community declines, the town loses its charm, the population decreases over the medium term, employment opportunities are lost, and educational opportunities wane. The result is a society where it is not pleasant to live.

Therefore, as a private company, our employees will take ownership and work together with local residents and governments to resolve this problem. Independent store management by employees will reflect the Company's objectives, and we will also take advantage of local governance by involving people in the community who share the same feelings. Furthermore, I am sure that Ryohin Keikaku can have a positive impact on society using the know-how, assets, and corporate image it has built up over the years.

Contributions to local communities and a sense of inclusion have increased among companies and individuals in recent years, facilitating promotion of local cooperation. As a company that has conducted ESG management since its founding, Ryohin Keikaku wants to further this trend. This is our vision for the new company we aim to become through our “Second Founding.”

For governance, we will build a framework that involves all our stakeholders. We will create our own original ESG indicators from the perspective of public interest governance to utilize the governance of capital markets as we demonstrate Ryohin Keikaku’s approach to governance.

To conduct the initiatives mentioned above, we must first be highly profitable and have a sound financial foundation. In addition to increasing sales revenue, we will further strengthen our financial position while controlling financial risks by not allowing assets to grow beyond our ability to manage them. We will carry out careful and multifaceted consideration of the types of new stores we open, including regional and large-scale outlets. We will look to not just control risk, but also consider the impact on the surrounding area and the long-term social and economic implications. Rather than focusing on Ryohin Keikaku’s profit alone, we emphasize local collaboration to achieve long-term growth together with communities. For example, we consider it desirable to use the opening of a store as an opportunity to revitalize the surrounding community, increase the number of local business partners, promote local production for local consumption, and create new employment. We intend to open stores with the potential underpinning these objectives to benefit everyone involved.

Ryohin Keikaku’s use of IT and approach to DX

We are currently developing a core system in Japan utilizing IT to improve business efficiency and rolling it out to Group companies overseas via the cloud. Japanese employees previously developed and operated systems locally, but now that we have reached the time for a renewal, we intend to establish global supply chain management.

One example is the MUJI passport app that can access various information on MUJI. We will localize functions for each region as we roll the app out with the same interface all over the world as a communication tool that connects customers with MUJI. For customers, MUJI must be MUJI, no matter where in the world they shop.

We also intend to introduce digital technologies that fundamentally transform the way we communicate and work within the Company. We believe that changing accessibility to Ryohin Keikaku’s information assets and content will further raise the productivity and creativity of employees’ work.

In our current pyramid-shaped organizational structure, information flow is one-directional and limited. We will replace this structure with a system where employees can more readily and actively obtain information. Our ideal is for employees to be able to complete their work by discovering problems, seeking help and smoothly getting support from others, all on their own. Especially when a problem occurs in a store, I believe the utilization of digital technology is significant in that it enables the resolution of problems locally by connecting with others in ways that include the provision of information and support from headquarters.

The autonomous, decentralized management of individual stores that Ryohin Keikaku is working to promote will raise the efficiency of employees and stores. We also envision outcomes including product development originating from individual stores, the building of relationships with business partners, and the creation of local supply chains. The headquarters previously led development of core systems but going forward plans and ideas initiated by individual stores will be incorporated into Company-wide plans, so they will be reflected in core systems as well.

Of course, countless collaborative communication software programs are available. The important point in considering how Ryohin Keikaku incorporates and utilizes them is the initiative of its employees. When there is no initiative, introducing software merely as a mechanism will not work. Because of its relevance to our management and organizational structure, we will build a mechanism using digital transformation (DX) to share our image of what everyone will do and how to actually do it.

I believe that each of these improvements before us will lead to a new Ryohin Keikaku and lay the path to the future we envision.

