



# INTEGRATED REPORT 2024

YAMADA HOLDINGS Group

## YAMADA HOLDINGS CO., LTD.

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# Starting with Gratitude

Yamada, which has been in business for 51 years and counting, boasts its management philosophy of “Creation and Challenge” and “Appreciation and Trust”.

Creating may be difficult, but if you don’t try, you can’t get started.

It takes time and effort to gain trust, but always remembering to thank our customers is our never-ending driving force.

To continue to grow like Yamada for the next 50 years, each of us will take our philosophy to heart and lead us into the future we envision.

## PICK UP

### Management Philosophy: Creation and Challenge

Our management philosophy “Creation and Challenge” was adopted in 1973, followed by the addition of “Appreciation and Trust” in 2007.

**P.06**

### A History of “Total-Living”

We look back on the history of the YAMADA HOLDINGS Group, which has progressed along with its management philosophy.

**P.12**



# With You, Always

There are as many living situations as there are families,  
and each family has its own daily life to face.  
It may not be all good, but we are gradually accumulating joy and happiness,  
and moving closer to the future we have envisioned.  
Yamada will continue to be there for each and every one of these lives.  
No matter how times change and the nature of society changes, our mission is  
to remain an indispensable part of people's lives.

## PICK UP

### Developing the "Total-Living" Strategy

See the background of our mission and the future Yamada is aiming for in more detail.

P.14

### What is "Total-Living?"

See through concept drawings what kind of "Total-Living" we aim for.

P.16



Management Philosophy — Creation and Challenge

With Appreciation and Trust, YAMADA HOLDINGS aims to be a strong company, to increase corporate value on a company-wide scale for the sake of contributing to society.

MISSION — In Support of “Total-Living”

Editorial Policy

The YAMADA HOLDINGS Group publishes the YAMADA HOLDINGS Group Integrated Report, providing an integrated report of financial and non-financial information in order to gain a deeper understanding of the Group’s corporate value for the benefit of all its stakeholders, including shareholders and investors. This report highlights the latest ESG activities and progress the YAMADA HOLDINGS Group has been doing through its business activities which strive for sustainable growth and improved corporate value based on the priority issues the Group identified in December 2019 for achieving the SDGs.

● Scope of Activities Covered by the Report

This report covers the activities and performance of the YAMADA HOLDINGS Group. Instances of “YAMADA HOLDINGS Group” or “the Group” throughout this report purport to YAMADA HOLDINGS CO., LTD. and its affiliated operating companies.

● Period Covered by the Report

April 1, 2023 - March 31, 2024 (FY2024)  
(Some activities in the fiscal year ending March 2025 also included.)

● Published

November 2024  
(Previous issue: October 2023, next issue scheduled: November 2025)

● Guidelines Referred to

- The IFRS Foundation’s Integrated Reporting Framework
- The Ministry of Economy, Trade and Industry’s Guidance for Integrated Corporate Disclosure and Company-Investor Dialogue for Collaborative Value Creation
- The Global Reporting Initiative’s Sustainability Reporting Standards 2016/2018/2019/2020/2021
- Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)

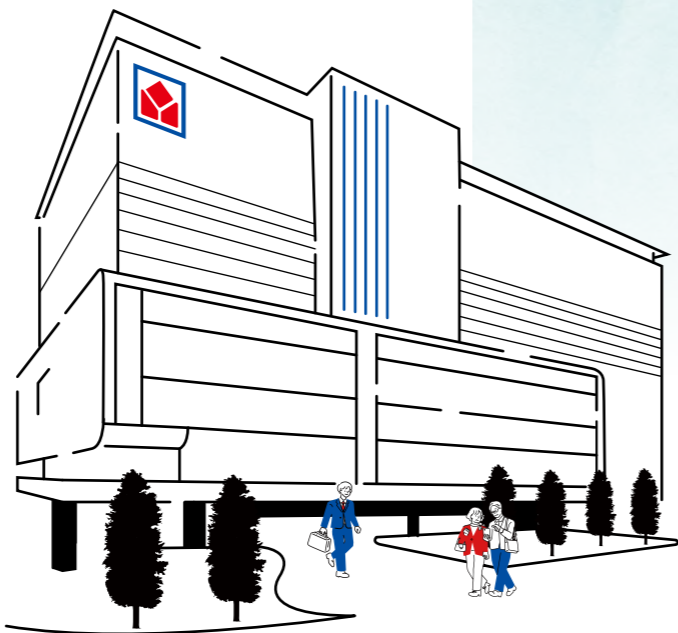
● Disclaimer

Information contained within this report is based on various assumptions and suppositions made by YAMADA HOLDINGS. Such information involves uncertainties and risks and may significantly deviate from actual outcomes, or the information itself may be objectively incorrect. No assurance can be given that stated future plans, targets, or measures will be met. Actual performance may differ from planned figures due to various unforeseen circumstances such as changes in the future business environment. The content of this report is for the purpose of providing information and is not for the purpose of soliciting investment. Officers and employees of YAMADA HOLDINGS and of its Group companies assume no responsibility for any direct, indirect or secondary damage or loss resulting from the use of this report or arising from the content thereof.

Information Disclosure Media

YAMADA HOLDINGS discloses information on its website and in various reports so that all its stakeholders can get an understanding of the Group’s efforts.

Website	
Corporate Websites	
Financial Information	Non-Financial Information
Investor Relations https://www.yamada-holdings.jp/lang-en/irdata.html	Sustainability https://www.yamada-holdings.jp/lang-en/csr_index.html
Securities reports and financial reports, etc.	Monthly CSR reports and ESG data, etc.
Publications	
YAMADA HOLDINGS Group Integrated Report	



CONTENTS

08

Messages from Senior Management

08 Chairperson and President CEO

12

Developing the “Total-Living” Strategy

- 12 A History of “Total-Living”
- 14 Developing the “Total-Living” Strategy
- 16 What is “Total-Living?”
- 20 Five Key Measures in Realizing the “Total-Living” Strategy
- 22 Promoting Store Development Tailored to Local Needs and Trade Areas

24

About the YAMADA HOLDINGS Group

- 24 Business Segments
- 26 FY2024 Highlights
- 28 Financial & Non-Financial Highlights

30

YAMADA HOLDINGS Group – Value Creation

- 30 Process of Enhancing Corporate Value
- 32 Priorities Towards Achieving the SDGs
- 34 Management Resources of the YAMADA HOLDINGS Group
- 36 Yamada’s Goal of Human Capital Management
- 37 Yamada’s DX Strategy
- 38 Consumer Electronics Segment and Housing Segment Value Chain

40

Business Progress

- 40 Consumer Electronics Segment
- 42 Housing Segment
- 44 Finance Segment
- 45 Environment Segment

46

Special Feature

- 46 Yamada’s Smart House Support Sustainable Lifestyles

48

Foundation for Value Creation

- 48 ESG & Sustainability Management
- 51 Environmental
- 64 Social
- 75 Governance

86

Corporate Data

- 86 Major Financial Data for 10 Years (Consolidated)
- 88 Corporate Information
- 89 Editorial Note

We will continue to develop our people  
for the next 50 years and continue to  
be the Yamada that society needs as  
an entity that supports “Total-Living”  
in the community.

#### Looking Back on FY2024 and Progress of the Mid-Term Business Plan

In 2024, the 51st year since our founding, YAMADA HOLDINGS has embarked on a new beginning aimed at the next 50 years. When we look at the business environment surrounding us, the depreciation of the yen, coupled with rising prices of energy resources and raw materials, has resulted in ongoing uncertainty. Additionally, while the economy and social activities are normalizing as we emerge from the COVID-19 pandemic, consumer spending has shifted towards leisure and services. This shift has led to a decrease in store visits in the home appliance retail industry, which is our Group’s main business, presenting a challenging situation.

Under such circumstances, our Group’s performance for the fiscal year ended March 31, 2024 experienced a decrease in both revenue and profit. However, we believe this was an

inevitable plateau in our efforts to maximize Group synergy through the “Total-Living” strategy, which has focused on housing since 2018. Currently, as concrete guidelines for advancing the “Total-Living” strategy, we are executing the YAMADA HLDGS 2025 Mid-Term Business Plan. This plan outlines five key initiatives: 1) Active promotion of store development, 2) Strengthening e-commerce, 3) Active development of SPA products, 4) Enhancing the comprehensive “Total-Living” proposals through YAMADA Smart House, and 5) Achieving targets by setting goals for issues for each operating company. We remain committed to thoroughly implementing these initiatives and achieving results. However, to translate these initiatives into concrete results, we believe it is necessary to further accelerate the pace of each measure.

### Noboru Yamada

Representative Director,  
Chairperson and President CEO

# Messages from Senior Management

Accelerating Synergy Creation for Recovery

As a home appliance specialty retailer, we handle the same products as other companies, making it fundamentally difficult to differentiate our products. It is precisely because of this tough situation that we need to implement structural reforms that leverage our strengths. For example, in recent years, we have been actively developing stores in our core consumer electronics segment to increase market share. Notably, we plan to develop experimental stores exceeding 14,000 sq. meters, such as "LIFE SELECT," as a pillar of business growth. However, large stores tend to take time to develop, and we view this speed as crucial to future growth. Additionally, by strengthening our proposals for home renovations and furniture interiors centered on home appliances and securing revenue, we will connect synergies through connected management via the "Total-Living" strategy. We will continue to work on store digital transformation (DX) to improve customer convenience and enhance the attractiveness of the stores themselves.

To significantly advance the "Total-Living" strategy, it is essential to drive progress in the housing segment, which should serve as our second pillar. Since the acquisition of SxL, a housing manufacturer, in 2011, we have been strengthening our business foundation through proactive M&As, including the Hinokiya Group for custom homes. We now believe it is time to go on the offensive,

enhancing our product and proposal capabilities centered around smart homes, which embody the culmination of the "Total-Living" strategy and Yamada's strengths. Our housing business is a late entrant and needs to strengthen local networks significantly, which is closely related to securing land. Although it is not easy, we believe we can make a strong recovery by applying the regional network and know-how we have developed over many years in the home appliance sales business. Furthermore, by combining our unique insurance and housing loans with a variety of financial products, we are confident that we can provide highly differentiated services that will be more accepted by the market.

Another notable aspect for predicting future sustainable growth is our efforts in overseas business in the consumer electronics segment. Our Group has been expanding its overseas business with the BEST DENKI brand, which became a subsidiary in 2012 in countries such as Singapore and Malaysia. Since opening our third directly operated store in Indonesia in 2022, we have steadily increased our number of stores, sensing great potential. The market is similar to that of Japan 50 years ago when the middle class rapidly increased. We plan to continue actively opening new stores with the intention of making Indonesia our second largest market after Japan.

Solving Social Issues through Business

In 2019, our Group identified Priorities Toward Achieving the SDGs as material issues and set goals towards their achievement, steadily advancing our initiatives by continuously checking progress. "Providing comfortable living spaces and establishing a social system" aligns directly with our Mission to support "Total-Living,"

"Developing employees and improving the work environment" is a theme that influences

the sustainability of our Group. The importance of human capital management, which views talent as capital and maximizes its value, has long been recognized. Our Group's management philosophy indicates: "Creation and Challenge—With Appreciation and Trust, YAMADA HOLDINGS aims to be a strong company, to increase corporate value on a company-wide scale for the sake of contributing to society."

To embody this, it goes without saying that cultivating and securing personnel who align with our philosophy is key. In recent years, our Group has been promoting personnel system reforms over several years to update how we utilize our greatest management resource, human capital. We recognize that enhancing human capital remains a critical challenge to continuously focus on in building a management foundation that can flexibly respond to an era where future predictions are difficult.

Furthermore, "Building a circular economy and protecting the global environment" is an initiative

to fulfill our Group's responsibility to sell, aiming to build a resource recycling system centered on reuse and recycling. With aims to utilize this initiative across stores nationwide, we are establishing a system for purchase, collection, and sales, and making proactive investments, including M&A, in reuse and recycling factories, waste incineration power generation facilities, and controlled landfill disposal facilities, primarily in the environmental segment. Although these efforts take time and money, they are important projects that demonstrate our Group's long-term stance and will grow into advancing these efforts.

Looking Ahead to the Next 50 Years

Our Group considers stable and continuous returns to stakeholders as an important matter. We decide dividend amounts by considering financial conditions and performance, while aiming to improve capital efficiency for sustainable corporate value enhancement. Meanwhile, we are actively developing stores under the "Total-Living" concept, promoting M&A to maximize synergies in each business segment, fostering talent, and making proactive investments toward building a circular society. We aim to strengthen our business foundation for sustainable growth and long-term corporate value improvement.

Since becoming a holding company in 2020, our Group has strengthened the executive officer system, focusing on managing, supervising, and supporting subsidiary companies to create synergies. The transition from a company with an audit and supervisory board to a company with an audit and supervisory committee, as decided at the 47th general meeting of shareholders held in June 2024, aimed to enhance Group governance and speed up decision-making. In the accompanying executive appointments, we minimized the number of directors. We implemented an executive officer

system to organically connect executives and leaders of each business company, promoting younger generations for the next era.

We have reached our 51st year, and as the founding owner-president, I am well aware that succession issues are a concern. I am prepared to step down as soon as a suitable next leader emerges. We are preparing to systematically produce leaders through a Next-Generation Executive Training program as a new initiative. However, there are significant tasks that only I can accomplish, and I intend to see them through properly.

Our Group's business, which supports the "Living" aspect of "food, clothing, and housing," has already become an indispensable part of social infrastructure, far exceeding the traditional framework of home appliance sales. Although we live in an era of rapid change and uncertainty, the past 50 years have not been easy. By maximizing the wisdom, experience, and connections cultivated through "Creation and Challenge" and "Appreciation and Trust", we aim to develop and entrust the talent that will support the next 50 years. We intend to remain a company that society needs more than ever.

## A History of “Total-Living”

With its management philosophy of “Creation and Challenge” and “Appreciation and Trust” in mind, the YAMADA HOLDINGS Group continues to grow by actively promoting a business approach that looks toward the future, and by reinforcing its financial position through sound capital policies to strengthen management resources through continuous reforms. The Group will continue to accurately understand the changing times to create systems that allow each segment to demonstrate synergy, and will continue along the “Total-Living” path to support customers’ housing with a variety of products and services.

1973»



### Consumer Electronics Segment

### Environment Segment

### Finance Segment



## 1973 Founded

Founded by the current chairperson, Noboru Yamada, when he opened the Yamada Denka Service electronics store in Maebashi City, Gunma Prefecture.

**1978**  
5 stores  
Annual sales ¥600 million  
**1983**  
Established YAMADA DENKI CO., LTD.  
**1989**  
Went public  
**FY1997**  
Net sales of ¥100 billion

**2000**  
Listed on First Section of TSE  
**2001**  
Issued the first Yamada Point Cards

**2004**  
Established the YAMADA DENKI Women's Track & Field Team  
Established employee training center “Soseijuku”  
**FY2005**  
Net sales of ¥1 trillion  
**2007**  
Established CSR department

**2001**  
Started home appliance reuse business with CIC for TVs, refrigerators and washing machines  
**2007**  
Started PC reuse and recycling business with INVERSENET

**1997**  
Established CIC

**2016**  
Established YAMADA FINANCE SERVICE

**2018**  
YAMADA SMALL AMOUNT SHORT TERM INSURANCE becomes a subsidiary

**2021**  
Launched YAMADA NEOBANK Full-scale entry into the housing loan business

**2023**  
House Depot Partners becomes a subsidiary

**FY2010**  
Net sales of ¥2 trillion  
**2010**  
Released the YAMADA app for smartphones  
**2012**



BEST DENKI became a subsidiary  
Azuma Metal became a subsidiary

**2013**  
Launched official online store, YAMADA web.com  
**2018**  
Launched the “Total-Living” strategy  
**2019**  
Otsuka Kagu becomes a subsidiary

**2020**  
Moved to a holding company structure  
**2021**  
Drew up the mid-term business plan  
**2021**  
Integrated consumer electronics businesses into YAMADA DENKI  
Merger combining seven consumer electronics retailers including BEST DENKI.



**2020**  
The Hinokiya Group becomes a subsidiary  
**2021**  
Established YAMADA JUKEN HOLDINGS  
Established as part of efforts to strengthen the housing sector since the early 2010s.

### Housing Segment

**1973** From a small electrical store to a nationwide chain of stores

**2000** Pushing forward as Japan's number one consumer electronics retailer in terms of sales

**2010** Striving to move from just consumer electronics into new areas

**2020** Developing the “Total-Living” Strategy

#### Store Formats



Affiliated electronics store



Multi-manufacturer retailer



Tecc Land



LABI



Outlet & Reuse store



Kaden Sumairu Kan

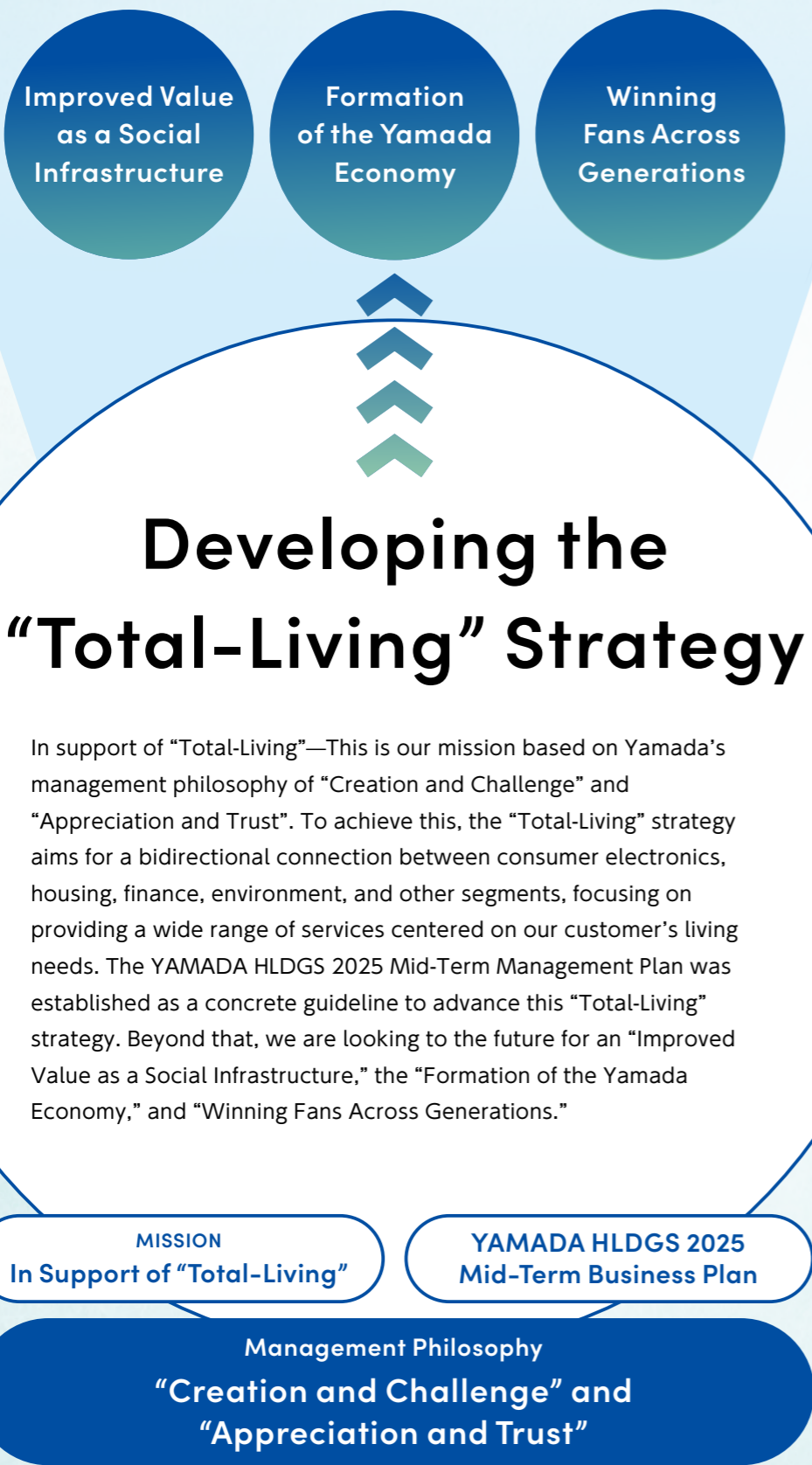


web.com store



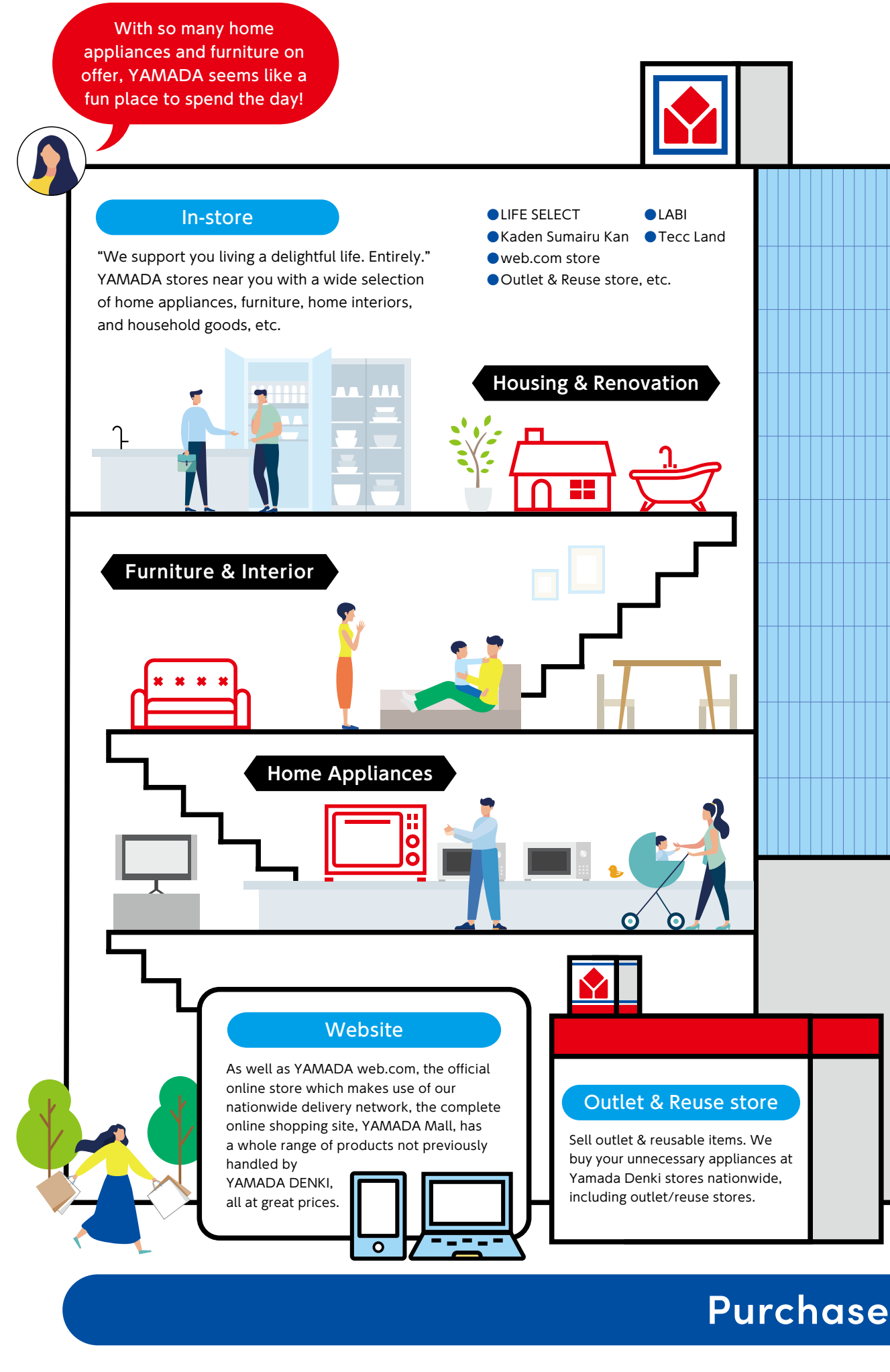
LIFE SELECT

Yamada’s vision for the future



Pillars of the “Total-Living” Strategy and Implementation of “Connected Management”





# What is "Total

The YAMADA HOLDINGS Group is developing businesses that altogether support everyone's life through a diverse network of nationwide stores and online services. Here we show YAMADA's goal of "Total-Living," from shopping for home appliances and furniture, to advice on housing and living, and how to live an environmentally friendly lifestyle.

## Delivery, Installation, and "Living" Advice



YAMADA's unique specialists are sales engineers who handle everything from dealing with customers in-store, to delivery, installation, and after-sales service, and who also respond to customer's "living" concerns.

As well as being able to buy products, it's great that I can ask Yamada for advice on renovations and after-sales service!

## After-Sales Service

Broken small home appliances are received in-store then sent off to the repair center or manufacturer for repair. For larger home appliances, a repair person can visit your home. Items purchased from other stores can also be serviced.



## Housing Advice



Proposing a total renovations package, from home exteriors and roofs to interiors, kitchens and bathrooms, as well as high-quality custom-built homes that leverage the strengths of the YAMADA HOLDINGS Group. Real estate related services are also provided, such as help finding an apartment and financial advice.

## New Builds & Renovations



Reservations for visiting show homes in different locations can be made on the YAMADA HOMES and Hinokiya Group websites. All enquiries are dealt with by highly qualified staff. Enquiries can also be made online from the comfort of your own home.

## Home Diagnostics



To protect the value of your home we provide a one-stop service, from a newly-built home quality inspection to maintenance after moving in and support for home living thereafter.

# -Living?"

With all the home appliances and renovations bought through Yamada, we now have the perfect family home. And with Yamada Points too there is so much on offer!

## Renovations



## Bathroom

## Kitchen

## Septic tank

## YAMADA Smart House

By equipping EVs (V2H-compatible electric vehicles), Vehicle-to-home (V2H) systems, and solar power generation systems as standard, we produce electricity without emitting CO<sub>2</sub> and optimize energy consumption within the home. This achieves "Energy Creation, Energy Storage, and Energy Saving," considering the global environment and responding to disasters.

## Solar Panels

## Insulation

## V2H System

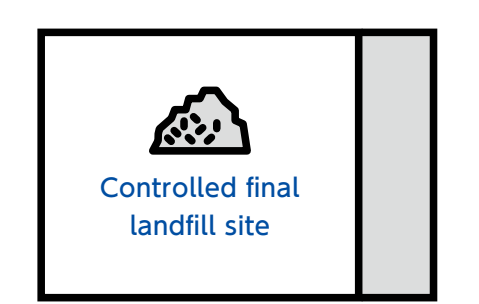
EV (V2H-compatible electric vehicle)

Electricity stored from solar power can be used to power your home.

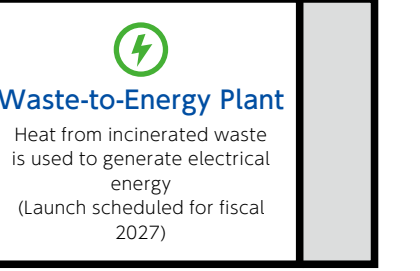
## Discharge

## Living

Save and use Yamada Points



Incineration residue



Non-recyclable



As a certified business in recycling small household appliances, we accept electrical appliances that are considered to be non-reusable and separate them into single materials. Large home appliances will also be handled in the future.

Non-reusable



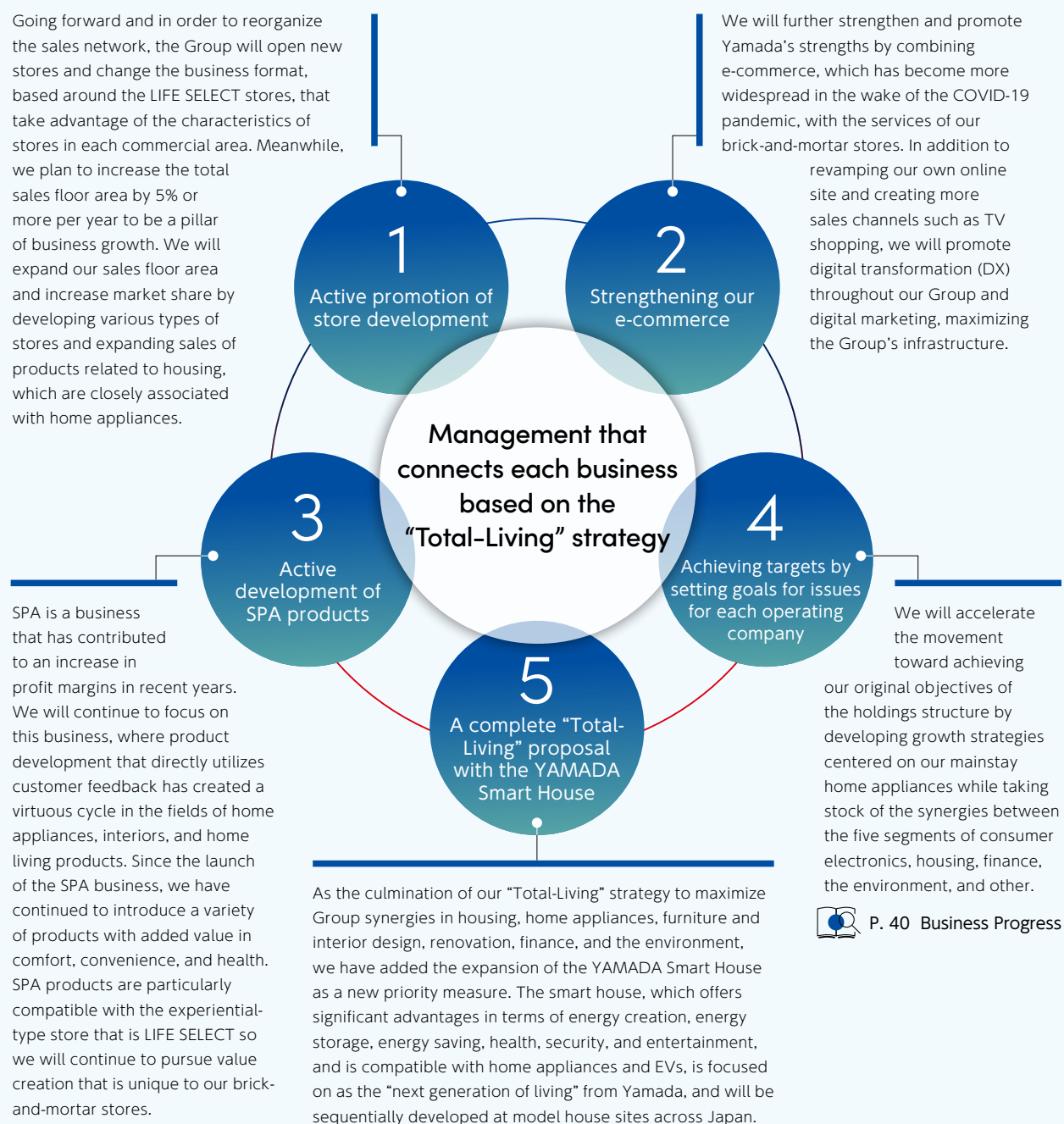
Group stores buy back purchased home appliances, check their operations, repair and clean them, and recondition them as reused products, which are then sold at outlet & reuse stores and some Tecc Land stores.

## Reuse & Recycling

## Five Key Measures in Realizing the “Total-Living” Strategy

The YAMADA HOLDINGS Group is pushing ever forward with its YAMADA HLDGS 2025 Mid-Term Business Plan.

This mid-term business plan aims to accelerate business growth through various measures around five pillars while continuing the conventional profit-oriented management approach based on our “Total-Living” strategy.



### New Measures Since Formulating the YAMADA HLDGS 2025 Mid-Term Business Plan

#### Overseas Deployment

Make Indonesia our second largest market after Japan by strengthening product lineup and promoting DX

#### New Product Launch

Plans to offer a 50th anniversary commemorative model (120 items) centered on SPA products, proposing more comfortable and convenient living spaces

#### Capital Investment

Operation of facilities for the establishment of the Group's complete circular resource system for the product cycle, centered on reuse and recycling

### Revision of the YAMADA HLDGS 2025 Mid-Term Business Plan ending FY 2025

In November 2021, the Group formulated the YAMADA HLDGS 2025 Mid-Term Business Plan and has been promoting the business plan, which is set to end in FY2025. However, the consumer electronics retail industry faced a difficult environment due to the yen's depreciation caused by the impact of the U.S.-Japan monetary policy and other factors that subsequently occurred, the soaring prices associated with the protracted situation in Ukraine, and the prolonged COVID-19 pandemic. We have revised our business plan for fiscal 2025 based on the above. Medium- to long-term numerical targets will be disclosed in the next plan.

#### Revision of the Financial Plan

##### Planned Sales for FY2025

**Planned** ¥2,000 billion  
**Revision** → ¥1,665.0 billion

##### Planned Sales for FY2030

**Planned** ¥2,500 billion  
**Withdrawal** → To be discussed in the next plan

#### Actual Results for the Planned Period

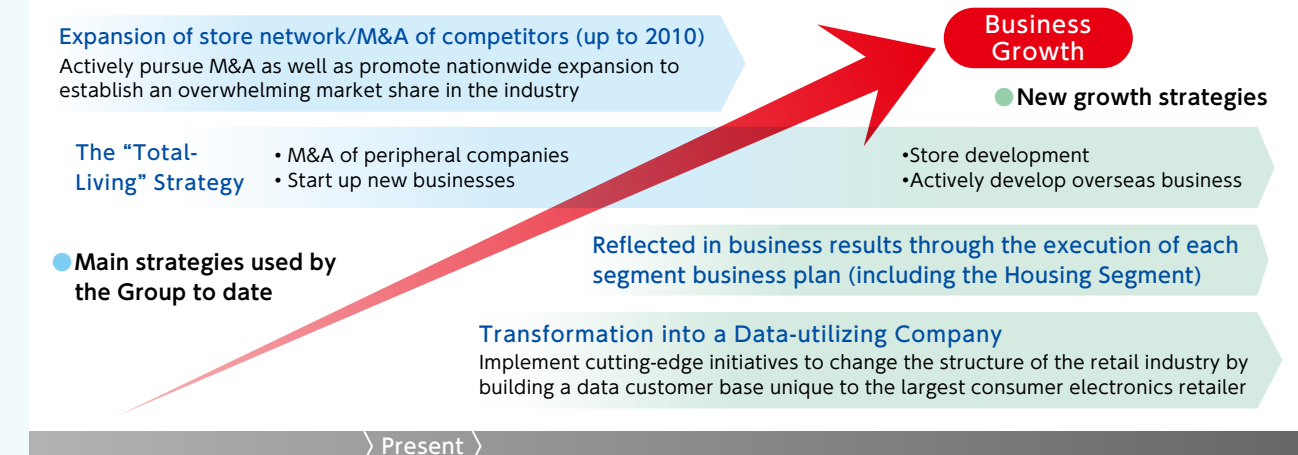
	FY2023	FY2024	FY2025 Planned
Net sales	¥1,600.5 billion	¥1,592.0 billion	¥1,665.0 billion
Ordinary profit	¥50.0 billion	¥47.0 billion	¥53.2 billion
Ordinary profit margin	3.1%	3.0%	3.2%

#### Factor Analysis of Target Deviation

Internal Factors	Consumer Electronics Segment	While focusing on opening large-scale LIFE SELECT stores, the scrap-and-build strategy for optimizing the store network within the area resulted in not achieving the annual 5% increase in sales floor area and missing the store sales targets.
	Housing Segment	The level of synergy achieved within the Group under the “Total-Living” strategy is taking longer than initially anticipated, resulting in unmet plans.
	Finance and Environment Segments	While profit margins have been maintained, they have not yet raised the overall profit margin, recognizing that further time and investment are necessary.
External Factors	At the time of planning, the entire consumer electronics market experienced significant growth in sales and profit margins due to the stay-at-home demand during the COVID-19 pandemic. However, the market as a whole has since struggled to grow.	
	Rising energy prices and product price increases due to the yen's depreciation have led to a decline in real wages.	

### Policy for Formulating the Next Mid-Term Business Plan

For the next plan to be disclosed in the future, we will enhance the accuracy of the plan to be formulated despite the difficulty in forecasting the market environment. Additionally, even after the plan is formulated, we will respond immediately to changes in the environment and build a system that allows us to flexibly revise our growth strategy and adapt to the environment as necessary.



## Promoting Store Development Tailored to Local Needs and Trade Areas

The YAMADA HOLDINGS Group aims to be a presence that supports the local “Total-Living,” closely attending to our customers by developing stores tailored to local needs and markets in all 47 prefectures.

### Japan (As of March 31, 2024)

In store development, we focus on “expanding sales area” across the entire network, promoting the proactive development of LIFE SELECT and optimizing and maximizing the efficiency of stores within each area, aiming to increase overall market share and performance in the region.

Additionally, we operate franchise (FC) stores as small-scale, community-focused establishments.

#### Directly operated consumer electronics stores

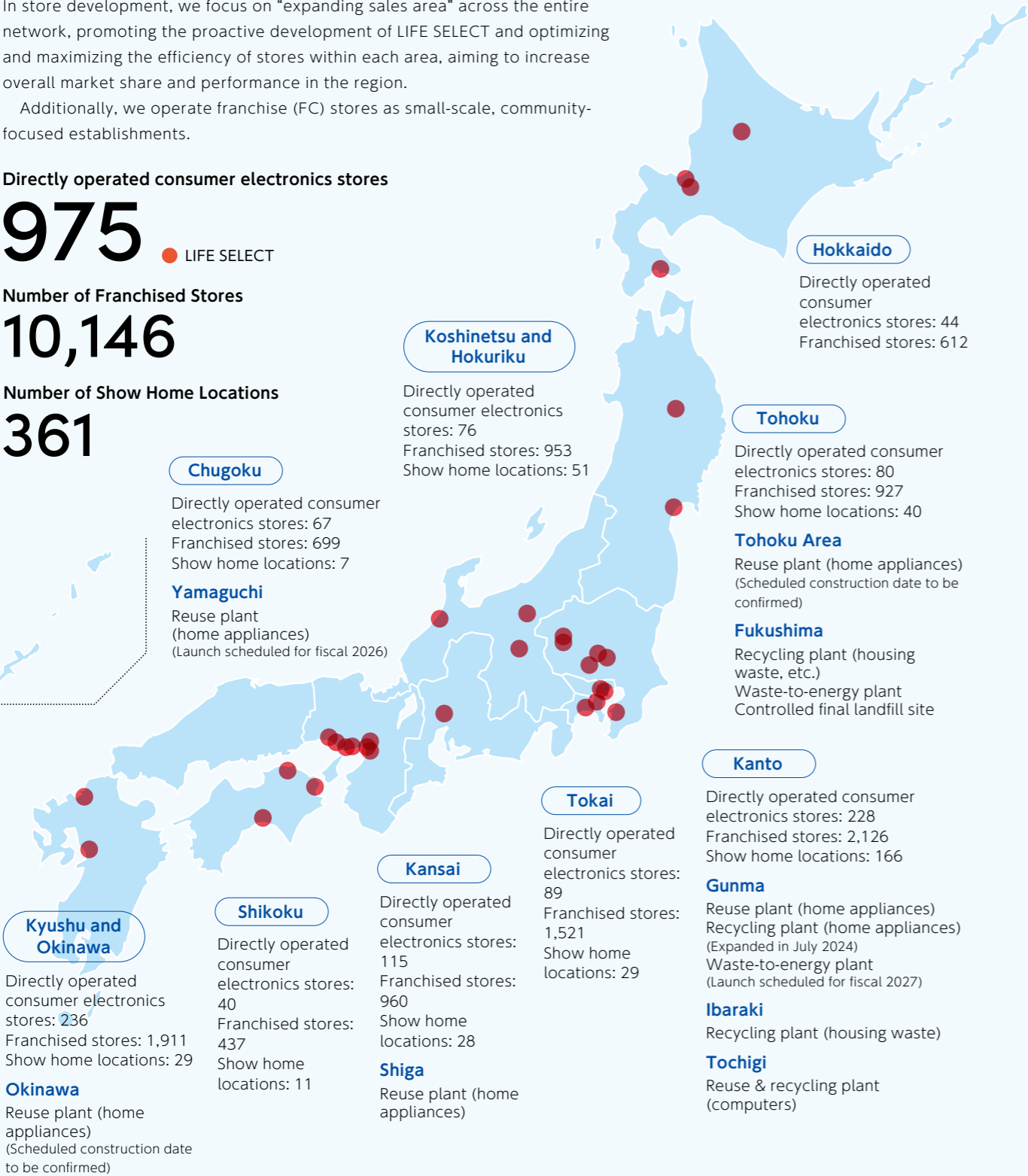
975 ● LIFE SELECT

#### Number of Franchised Stores

10,146

#### Number of Show Home Locations

361



#### Various directly operated consumer electronics stores

At Yamada Denki, the aim is to create an integral store network, centered around LIFE SELECT, a large, experience-oriented store, with different types of stores ideally located according to commercial area and customer needs. This area strategy of Yamada will not cause any internal competition between stores in the Group.



<b>LIFE SELECT</b> Stores offering “Total-Living” products and services centered on home appliances	32
<b>LABI</b> Consumer electronics store located in urban areas	15
<b>web.com</b> Consumer electronics store and hub for shipping online orders	29
<b>Tecc Land</b> Suburban consumer electronics store	534
<b>Kaden Sumairu Kan</b> Suburban store centered on sales and service geared toward home appliances and renovation projects	23
<b>Outlet &amp; Reuse Stores</b> Stores handling old and reused products	57
<b>In-shop stores</b> Stores located in shopping malls and other commercial facilities	26
<b>Tecc Land (Small Commercial Area)</b> Stores tailored to the characteristics of a small trade area population	74
<b>Community-based</b> Consumer electronics stores based in local communities	160
<b>PC specialist store</b> PC retailer focusing on TSUKUMO original computers	7
<b>Furniture Store</b> Otsuka Kagu	15
<b>Drugstore</b> Drugstore Kimuraya	3

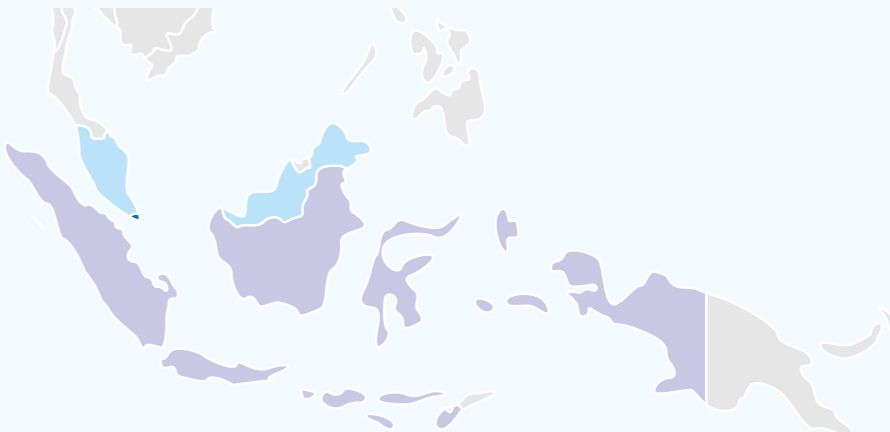
### Overseas (As of March 31, 2024)

In recent years, the Company has embarked on rebuilding its overseas network through directly management stores, particularly in Southeast Asia. In the future, we plan to strengthen existing stores in Singapore and open new stores in Indonesia and Malaysia, aiming to achieve the No. 1 share of sales in each country. In particular, we will work to make Indonesia our second largest market after Japan.

#### Directly operated consumer electronics stores

30

Malaysia	8
Singapore	13
Indonesia	9





YAMADA DENKI, will accelerate our “Total-Living” strategy in their respective segments.



## FY2024 Highlights

We look back on important events and topics in the YAMADA HOLDINGS Group from April 2023 through to March 2024.

### Business Related

▶ April 7

YAMADA BEST AEON BSD Store Opened in Indonesia



▶ April 14

Opened Tecc LIFE SELECT Maebashi-Yoshioka store on the site of the Company's place of origin



▶ June 2

Opened LABI Fujisawa in the long-established department store Saikaya Fujisawa



▶ June 30

Opened Tecc LIFE SELECT Nonoichi Okyozuka store, an interactive store in a shopping square offering comprehensive lifestyle solutions that transcends industry categories



▶ September 2

YAMADA HOLDINGS Jr. School event held for elementary school students to revitalize local communities and develop local sports culture for the sound development of youth



▶ June 9

Solar panels installed at CIC's YAMADA East Japan Reuse Center Gunma Plant



Messages from Senior Management

Developing the "Total-Living" Strategy

About the YAMADA HOLDINGS Group

YAMADA HOLDINGS Group - Value Creation

Business Progress

Special Feature

Foundation for Value Creation

Corporate Data

▶ July 1

The Hinokiya Group merges six subsidiaries into a new organization



▶ July 4

In collaboration with PLUGO Inc., with the aim of developing EV charging infrastructure based at stores, began providing PLUGO's charging services at LABI1 LIFE SELECT Namba

▶ July 11

Sales of AC smart charger, a charger for EVs, begin at YAMADA DENKI stores nationwide



▶ December 7

Total orders received for the Hinokiya Group's Zekkuchō central air-conditioning surpasses 26,000

▶ October 14

Start sales of the YAMADA Smart House that creates, storages, and saves energy



▶ March 22

Opened YAMADA BEST AEON MALL DELTAMAS in Indonesia



▶ March 29

YAMADA HOMES signs a business alliance agreement with SOHGO SECURITY SERVICES CO., LTD. to install the latest in home security as standard equipment in YAMADA Smart Houses



### PR/ Sustainability Related

▶ May 9

"Quiet Hour" to be held regularly at Tecc Land Sagamihara Store

▶ May 15

Support project for regional cooperation in club activities YAMADA's Bukatsu Go! (Let's Go Play!)



YAMADA HLDGS. becomes a special sponsor for the 12th Joshi Shogi Festival 2024



▶ January 3

"Quiet Hour" to be held regularly at 18 YAMADA DENKI stores in Kanagawa Prefecture

▶ February 13

▶ March 13

Food drive held at the Takasaki Head Office

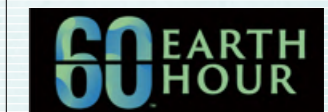


▶ March 18

Resolved to transition to a company with an Audit and Supervisory Committee and to establish a voluntary Nominating and Remuneration Committee

▶ March 23

Participated again in EARTH HOUR 2024, a global one-hour lights-out action for the Earth



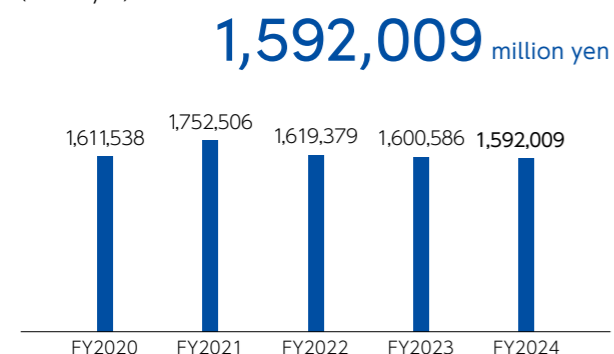
▶ March 23

Held the 1st YAMADA Photo Contest 2024

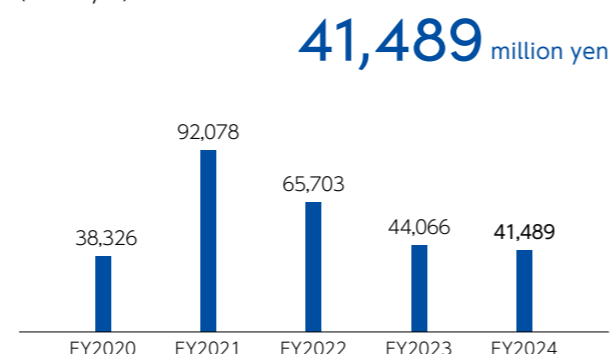
## Financial & Non-Financial Highlights

### Financial Information (Consolidated)

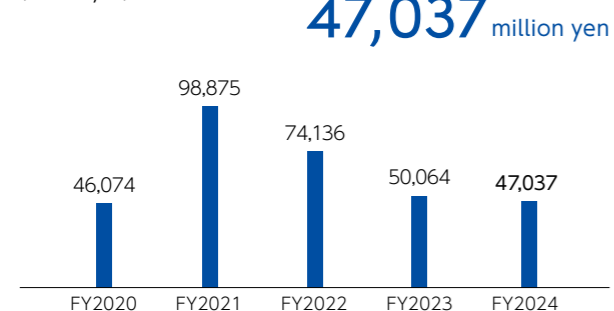
Net Sales  
(million yen)



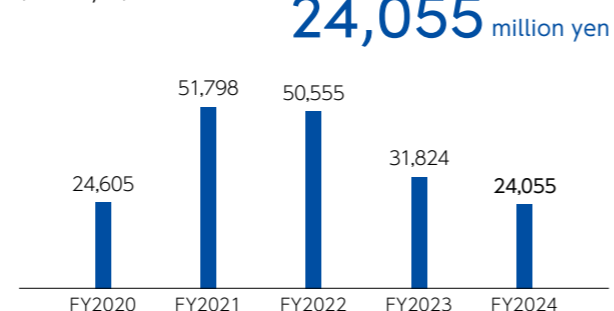
Operating Profit  
(million yen)



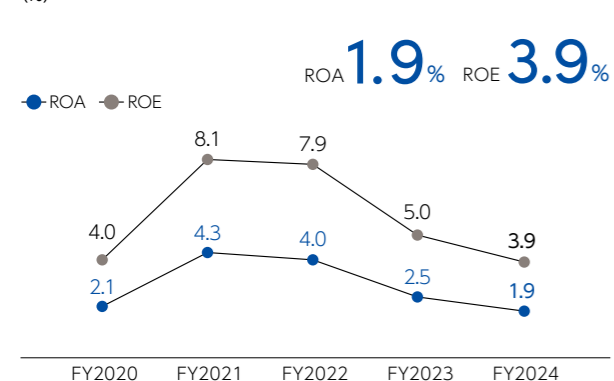
Ordinary Profit  
(million yen)



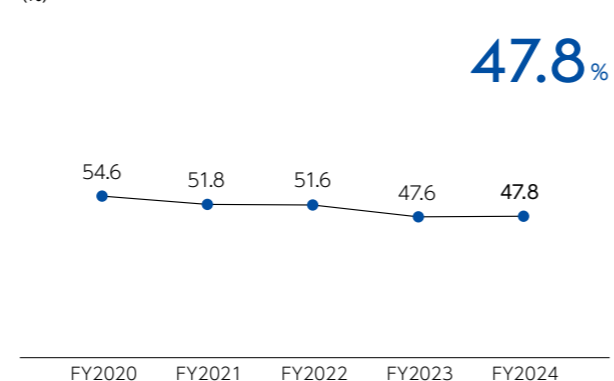
Profit Attributable to Owners of Parent  
(million yen)



ROA/ROE  
(%)



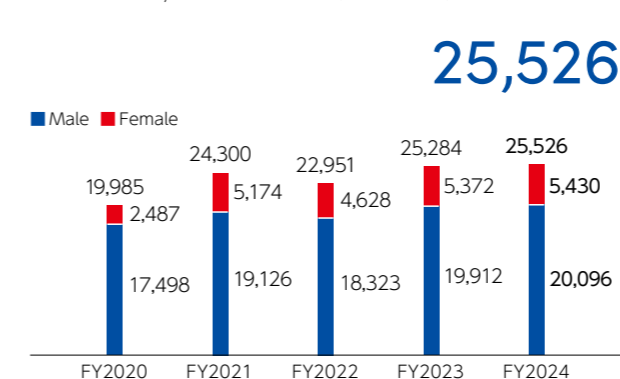
Equity Ratio  
(%)



### Non-Financial Information

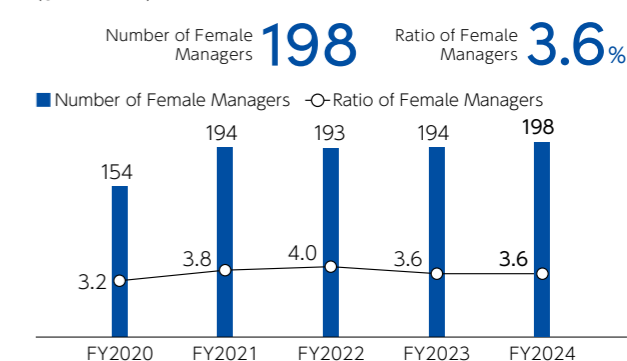
Number of Full-Time Employees

As of each fiscal year ended March 31 (consolidated)



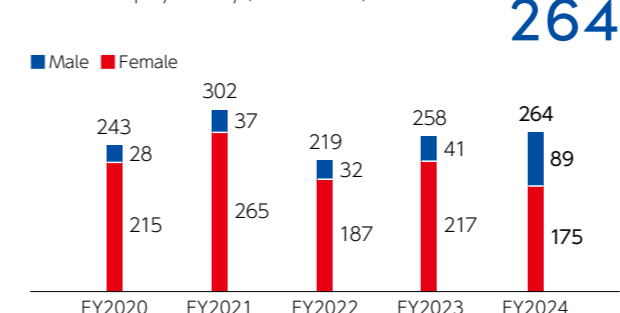
Number and Ratio of Female Managers (people, %)

As of each fiscal year ended March 31, full-time employees only (consolidated)



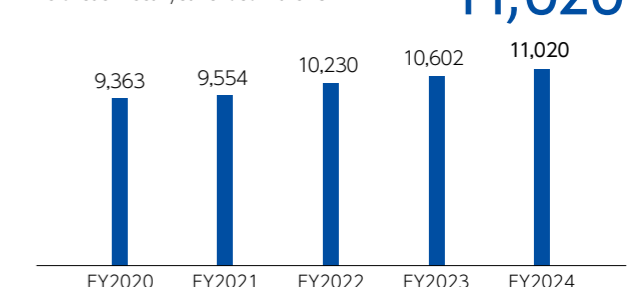
Number of Employees Taking Childcare Leave

Full-time employees only (consolidated)

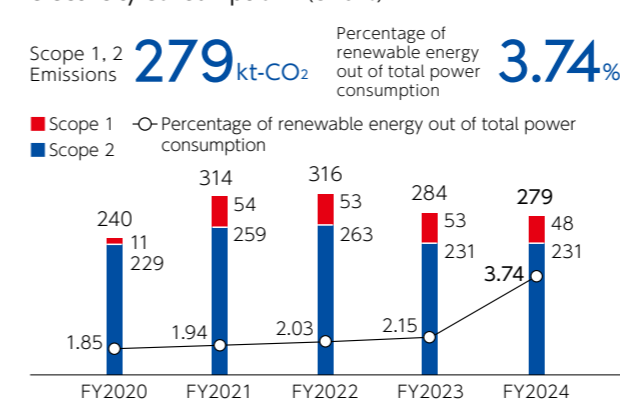


Total Number of Certified Home Appliance Advisors and Smart Masters<sup>\*1</sup>

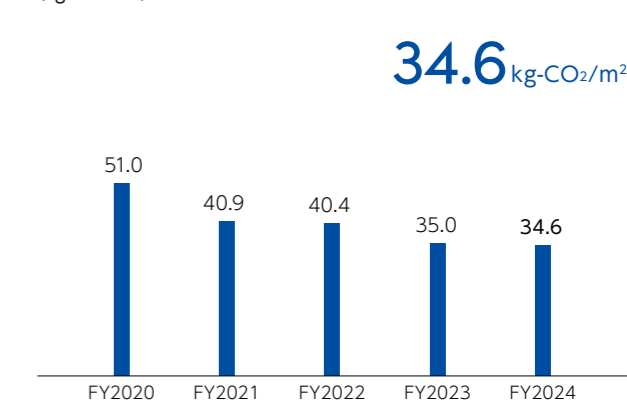
As of each fiscal year ended March 31



Scope 1,2 emissions <sup>\*2,3</sup> (Unit: kt-CO<sub>2</sub>),  
renewable energy rate as a percentage of total  
electricity consumption<sup>\*2</sup> (Unit: %)



CO<sub>2</sub> Emissions from Electricity Use per Floor Area<sup>\*1,2,4</sup>  
(kg-CO<sub>2</sub>/m<sup>2</sup>)



<sup>\*1</sup> Covers YAMADA HOLDINGS and its major operating companies.

<sup>\*2</sup> Previous years' values retroactively revised to improve accuracy.

<sup>\*3</sup> <Scope of date> FY2020: YAMADA DENKI (at the time) (non-consolidated)/From FY2021 onward: YAMADA HOLDINGS Group.

<sup>\*4</sup> Emission factor: 0.55kg-CO<sub>2</sub>/kWh was used until the fiscal year ended March 2020, but from the fiscal year ended March 2021 it has been changed to the latest emission factor for each electric utility.

Process of Enhancing Corporate Value

The YAMADA HOLDINGS Group utilizes various capital to develop businesses that support customers' "Total-Living." We will strive to improve the value of the whole Group through the practice of connected management that utilizes the synergies of each company while sincerely and flexibly responding to changes in society, demands from various stakeholders, and challenges for the future.



Priorities Toward Achieving the SDGs

In September 2015, the United Nations Sustainable Development Summit declared the Sustainable Development Goals (SDGs) for UN member states to achieve by 2030. Not only national governments but also private companies are expected to actively participate towards achieving these goals. The YAMADA HOLDINGS Group has identified its priority issues for achieving the SDGs and established quantitative and qualitative targets in order to promote understanding of the SDGs and initiatives in line with the SDG Compass.

STEP 1

Understanding the SDGs

As a first step to familiarize ourselves internally with the SDGs, we carry out training on the SDGs, conduct SDGs Meister tests as an in-house qualification, send out information in our newsletter, and put up prominent messages and posters in the headquarters.

STEP 2

Defining Priorities

We assessed our business and sustainability activities for the 17 goals and 169 targets. We then selected 11 of the SDGs that we will focus on from the five perspectives on the right, setting out the priorities for achieving them.

- Consistency with management philosophy
- Level of contribution to achieving SDGs
- Contributions unique to the YAMADA HOLDINGS Group
- Industry trends
- Consistency with the implementation guidelines set out by the Japanese government

Identified priorities towards achieving the SDGs

**Building a circular economy and protecting the global environment**  
By reusing and recycling second-hand home appliances and personal computers, we will contribute to the formation of a circular economy, and will focus our efforts on using renewable energy as well as developing and selling eco-friendly products.

**Developing employees and improving the work environment**  
We believe that people are the most important factor in our business operations. As such, we will educate our employees, promote diversity, and build a work environment that maintains a good work-life balance to achieve sustainable business development.

**Providing comfortable living spaces and establishing a social system**  
By offering not only consumer electronics, furniture and renovations, but also a "Total-Living" package, we will become a necessary part of society and will be able to become a YAMADA HOLDINGS Group supporting customers' living spaces.

STEP 3

Setting goals (see next page)

With specific initiatives and targets set for the identified priorities towards achieving the SDGs, we submit a report every year while implementing the PDCA cycle.

STEP 4-5

Integrating into Business & Continuing to Report and Communicate

Specific initiatives and goals are incorporated into the management plan, progress is reported regularly, and revisions of key issues are considered when necessary.

Targets and Results for the Priorities Toward Achieving the SDGs

	Objective		Target Year	FY2024 Results	Page
Building a circular economy and protecting the global environment	Percentage of renewable energy out of total power consumption	Increase on previous fiscal year	Every year	Up 1.59%points YoY	P. 56
	CO2 emissions from electricity use per floor area	Down 10.2% YoY	Every year	Down 1.1% YoY	P. 56
	Reducing Scope 1 and 2 CO2 emissions	Down 42% (based on FY2021)	FY2031	Down 11.1%	P. 56
	Percentage of home appliances (TVs, refrigerators, air conditioners) sold that meet the 100% energy-saving standard under the energy-efficiency labeling system	Increase on previous fiscal year	Every year	Up 2.0%points YoY	P. 58
	Sales of YAMADA GREEN certified products			Up 3.0% YoY	P. 58
	Sales of disaster prevention products (disaster prevention goods and portable power supplies)			Up 29.6% YoY	P. 58
	Reuse of 4 household appliances (TVs, refrigerators, washing machines and air conditioners)	300,000 units	FY2026	119,727 units	P. 53
	Reuse of computers	422,300 units	FY2025	405,025 units	P. 53
Developing employees and improving the work environment	Objective		Target Year	FY2024 Results	Page
	Frequency rate of accidents that require time off work	0.50 or less At YAMADA DENKI	FY2031	0.98	P. 73
	Controls on long working hours	Percentage of companies that reduce overtime hours YoY increase	Every year	Up 10.4%points YoY	P. 72
	Percentage of paid leave taken	80%	FY2031	64.0%	P. 72
	Ratio of female managers	10% or more	FY2031	3.6%	P. 70
	Percentage of female and male employees taking childcare leave	Maintain 100% for women, 80% or more for men At YAMADA HOLDINGS and YAMADA DENKI	FY2029	100% for women and 32.5% for men	P. 72
	Employee satisfaction survey (7 ratings: S, A, B+, B, B-, C, D)	Overall rating of A (See*1 for target companies)	FY2031	Overall rating of B	P. 73
	Average hours of training per employee	30 hours or more/year	FY2031	25 hours/year	P. 64
	Percentage of health checkups taken	100%	FY2031	95.9%	P. 74
Providing comfortable living spaces and establishing a social system	Percentage of stress tests taken	100%	FY2031	96.1%	P. 74
	Objective		Target Year	FY2024 Results	Page
	ZEH rate	50%	FY2031	41%*2	P. 59
	Solar panels shipped	50,000	FY2031	33,054	P. 59

\*1 Targets YAMADA HLDGS., YAMADA DENKI, YAMADA FINANCE SERVICE, CIC, INVERSENET, YAMADA HOMES, Hinokiya Group, Housetec, Chubu Nikka Service, and Nikka Maintenance.  
\*2 Results are aggregated from March 1 to February 28 of the following year in accordance with YAMADA HOMES' fiscal year.

# Management Resources of the YAMADA HOLDINGS Group

The various capitals that the YAMADA HOLDINGS Group has built up over the past 50 years not only support our daily business activities but are also the source for future growth. Guided by our management philosophy of "Creation and Challenge" and "Appreciation and Trust", we strive to enhance our six management resources of financial capital, human capital, social capital, manufacturing capital, natural capital, and intellectual capital, which will lead to improvements in the quality of services that support Yamada's strength of "Total-Living."

## Financial Capital

We aim to improve our corporate value by enhancing shareholder returns, improving capital efficiency, strengthening our management base, and finding the right balance while maintaining appropriate levels of equity capital. With our aim to promote and expand our "Total-Living" strategy, we will invest in growth over the medium to long term. This we will do while we use key metrics, such as ROA and ROE, in addition to the sales growth rate and ordinary profit ratio, to improve profitability, growth potential, and productivity.



Net assets  
**¥624.1 billion**  
ROA (return on assets)  
**1.9 %**  
ROE (return on equity)  
**3.9 %**

 P. 66

## Human Capital

We believe that human capital is the most important management resource for the sustainable development of our Group's business. As well as creating working environments that enable diverse human resources to fully demonstrate their individuality and abilities at operating companies with a wide range of possibilities, we will encourage future growth by presenting appealing career paths. We have also enhanced our internal and external support system for acquiring qualifications to gain greater expertise in each business field, and are also focusing on developing Yamada's own specialist sales engineers.



Number of full-time employees (consolidated)  
**25,526**  
Number of sales engineers  
**483**

 P. 22

## Social Capital

From the city center to the suburbs, our sales network of a wide range of business formats, both domestically and internationally, plays a role in the social infrastructure that supports the lives of everyone in the region. Each store is also a distribution base that covers the whole country, creating a delivery network that includes online sales to support customers' daily lives. And we aim to create new services that respond to local problems by utilizing the registered information of approximately 60 million Yamada members.



Number of stores  
**Japan 11,121**  
**Overseas 30**

## Manufacturing Capital

In order to create a circular economy completely within the Group, we are working to increase the number of home appliance reuse and recycling plants, and expand our network with plans to build new factories in West Japan and the Tohoku region. SPA products also are manufactured completely in-house, from product planning and development through to sales. These products are manufactured in cooperation with multiple factories that meet the conditions of high-quality high-performance product development.



Capital investment in reuse/recycling plants  
**¥0.82 billion**  
SPA product manufacturers  
**43**


 P. 53

## Natural Capital

Transitioning to a decarbonized society is identified as one of the most critical issues in our management, and we are setting specific targets for reducing CO<sub>2</sub> emissions and driving efforts to achieve them. Furthermore, through our reuse and recycling business, we strive to reduce waste and efficiently use natural resources. We are building a self-sufficient system centered on resource circulation, contributing to the reduction of environmental impact across society.



CO<sub>2</sub> emissions  
**279 kt-CO<sub>2</sub>**  
Number of appliances reused  
**Home appliances 119,727**  
**Computers 405,025**

 P. 53     P. 56

## Intellectual Capital

Through 50 years of experience in store development and the accumulation of know-how in customer service, we are working to develop and deepen services that meet local needs and support customers' "Total-Living." These intangible management resources will be incorporated into the Group's own training programs and the skills of professionals, such as sales engineers, to be shared as organizational knowledge. In recent years, we have been analyzing, integrating, and databasing vast amounts of customer data to enhance marketing, strengthen sales capabilities, and improve services.



 P. 37     P. 66

## Yamada's Human Capital Management



### Becoming a Rewarding Company with Employees that Can Make the Most of their Abilities

Representative Director, Vice President and Executive Officer in Charge of Human Resources and General Affairs Division

**Megumi Kogure**

The YAMADA HOLDINGS Group has identified “developing employees and improving the work environment” as a priority toward achieving the SDGs, and has established nine KPIs and a PDCA cycle to achieve this goal. In addition, considering the emerging shortage of labor and the importance of ongoing external disclosure of human capital information, we have been proactively investing in human capital, including undertaking radical personnel system reform starting from fiscal 2023.

Our Group, under the keyword “Total-Living,” comprises various business companies aiming for synergy, with YAMADA DENKI at its core, a company that has grown through customer service as a consumer electronics retailer. Personally, I have long experience in customer service after joining the Company. I believe customer service, symbolized by sales and service skills, truly represents “the power of employees” and is the origin of Yamada’s growth.

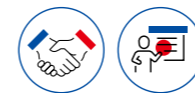
For our group’s sustainable growth, the power of excellent personnel is indispensable. The prerequisite is that our company must be an attractive workplace. Based on this philosophy, we have implemented measures including overtime reduction in store operations and undertaken radical reforms in working styles, which are finally starting to yield visible results. Like many other Japanese companies,

our Group has also been male-dominated for many years. I often receive attention as the company’s first female director, but I believe that creating a work environment that is comfortable for everyone, regardless of gender, will ultimately promote diversity and generate fulfilling work experiences for everyone.

To continue effectively utilizing our greatest management resource, our personnel, it is essential to enrich our systems and promote employee mindset changes. Recently, it has been pointed out that younger generations, regardless of gender, are less interested in career advancement, and I am concerned that such a mindset could hinder employee growth within our group. Therefore, we will continue to work on improvements to create an environment that supports timely and appropriate career advancement for employees.

“Employee happiness” and “employees feeling glad to work for our group” are goals that I consider essential for achieving the SDGs, specifically related to “developing employees and the improving the work environment.” Moving forward, our group will position human capital management as our growth strategy itself, aiming to further enhance our corporate value.

## Yamada's DX Strategy



### Improving Productivity through Business Innovation and DX Promotion

At YAMADA HOLDINGS Group, as part of our overall growth strategy, we are committed to advancing digital transformation (DX), which not only improves customer satisfaction through store DX but also reduces employee workload, enhances operational efficiency, and increases productivity across the Group.

We are promoting digital transformation of internal operations aimed at enhancing operational efficiency, including the implementation of a unified expense reimbursement system throughout the Company and automating labor-intensive call centers. In addition, we will give employees IT literacy training to effectively utilize these new systems.

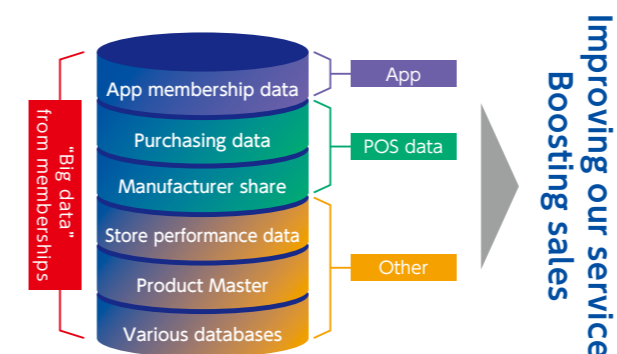
### Introducing Digital Transformation in Stores

At YAMADA DENKI, we are advancing DX in stores, starting with large stores such as LIFE SELECT. Services that utilize digital tools, such as promotions linked with apps, not only enhance customer convenience from product selection to purchase but also support the efficient operations of employees serving customers.

Examples of digital promotions include the “YAMADA Lottery,” which offers various coupons exclusively for digital members, “Visit Roulette,” which allows customers to earn Yamada points, and “YAMADA Live,” which communicates the appeal of products through live streaming. All these initiatives contribute to attracting customers, boosting sales, and enhancing product awareness and understanding. Additionally, we are promoting the digital shift in marketing by distributing ads through digital signage, video streaming services, and external digital media like websites. We will continue to create new experiential values for customers to make their shopping more enjoyable.

### Effective use of “Big data” from memberships

YAMADA DENKI is accelerating its digital shift by leveraging big data from its membership base. To enhance customer satisfaction, we are analyzing and integrating the vast member data previously held in segments and creating a database to utilize it for marketing, boosting sales, and improving our services. Furthermore, we are solidifying IT infrastructure, such as e-commerce sites, not only in Japan but also in overseas operations, promoting cross-group data utilization.



Consumer Electronics Segment and Housing Segment  
Value Chain

The Group's mainstay Consumer Electronics Segment and Housing Segment have a significant impact on the entire value chain. YAMADA HOLDINGS has therefore organized and mapped out the activities that need to be prioritized by understanding the risks and opportunities these impacts present.

Consumer Electronics Segment

		SDGs	Risks	Opportunities	Initiatives
Upstream	Purchasing and Procurement	4 8 12 13	<div>Home Appliances</div> <ul style="list-style-type: none"><li>Excess inventory of purchases due to climate forecasts (increase in air conditioner installations due to forecasts of extreme heat, etc.)</li><li>Drop in sales due to insufficient response to changes in customer demand and preferences</li><li>Disruption to supply chains from natural disasters</li></ul>	<div>Home Appliances</div> <ul style="list-style-type: none"><li>Replacement demand for eco-friendly products such as more energy-efficient home appliances</li><li>Growing demand for time-saving home appliances</li><li>Penetration of overseas brand home appliances</li><li>Growing demand for smart home appliances</li><li>Digital transformation in product procurement and inventory management</li></ul>	<div>Home Appliances</div> <ul style="list-style-type: none"><li>Business Partner Questionnaire Surveys</li><li>Formulation and sharing of trading policies</li><li>Use of weather merchandising</li></ul>
		SPA	<div>SPA</div> <ul style="list-style-type: none"><li>Impact on product sales prices due to exchange rate fluctuations</li><li>Impact on product sales prices due to raw material price fluctuations</li><li>Increase in procurement costs due to tighter laws and regulations</li></ul>	<div>SPA</div> <ul style="list-style-type: none"><li>Growing demand for the use of environmentally friendly raw materials</li><li>Stable procurement throughout the supply chain</li></ul>	<div>SPA</div> <ul style="list-style-type: none"><li>Business Partner Questionnaire Surveys</li><li>Manufacture of eco-friendly products using recycled materials</li><li>Development of product planning manuals</li></ul>
		SPA	<div>SPA</div> <ul style="list-style-type: none"><li>Instances of poor product quality</li><li>Loss of reputation due to poor product quality</li><li>Plant shutdown and injury due to accidents at work</li><li>Plant shutdown and physical impact on plants due to natural disasters</li></ul>	<div>SPA</div> <ul style="list-style-type: none"><li>Spread and greater demand for products developed in-house</li></ul>	<div>SPA</div> <ul style="list-style-type: none"><li>Creation of a manual for confirming laws and regulations at the product planning stage</li><li>Business Partner Questionnaire Surveys</li></ul>
Company	Manufacturing	4 8 12 13	<div>SPA</div> <ul style="list-style-type: none"><li>Instances of poor product quality</li><li>Loss of reputation due to poor product quality</li><li>Plant shutdown and injury due to accidents at work</li><li>Plant shutdown and physical impact on plants due to natural disasters</li></ul>	<div>SPA</div> <ul style="list-style-type: none"><li>Spread and greater demand for products developed in-house</li></ul>	<div>SPA</div> <ul style="list-style-type: none"><li>Creation of a manual for confirming laws and regulations at the product planning stage</li><li>Business Partner Questionnaire Surveys</li></ul>
	Distribution	11 12	<ul style="list-style-type: none"><li>CO<sub>2</sub> emissions from operations</li><li>Operation shutdown and delays in distribution due to climate disasters</li><li>Distribution delays due to labor shortages, worsening workplace environment</li><li>Soaring logistics and labor costs</li></ul>	<ul style="list-style-type: none"><li>Nationwide store and logistics network</li><li>Spread and expansion of e-commerce</li></ul>	<ul style="list-style-type: none"><li>No engine idling</li><li>Improving the working environment by reducing the number of delivery vehicles and optimizing transportation</li><li>Improving transportation efficiency by consolidating transportation networks</li><li>Reduction and reuse of packaging materials</li></ul>
	Store management / Sales	12 13	<ul style="list-style-type: none"><li>Loss of sales opportunities due to lack of inventory</li><li>Deteriorating profits due to competition from other companies</li><li>Drop in customer satisfaction, shortage of human resources, decrease in orders, and injury due to accidents at work</li><li>Private data leaks</li><li>Loss of trust due to lack of consideration for privacy</li><li>Loss of trust due to inappropriate advertising and marketing</li></ul>	<ul style="list-style-type: none"><li>Widespread use of various payment methods</li><li>Nationwide store and logistics network</li><li>Respond to inbound demand</li><li>Penetration of experiential stores</li><li>Continuation of urban redevelopment projects</li><li>Spread of digital advertising</li><li>Stronger collaboration between physical stores and e-commerce</li></ul>	<ul style="list-style-type: none"><li>More distinctive and characteristic store formats</li><li>Practicing appropriate methods of delivering products, services, and information to customers</li><li>Stronger information security</li><li>Training to heighten environmental awareness</li><li>Digital transformation at stores</li><li>Creation and use of response manual in the event of natural disasters</li></ul>
Downstream	Delivery / Installation	4 5 8	<ul style="list-style-type: none"><li>Delivery and installation delays due to climate disasters</li><li>Decrease and aging of workers responsible for various jobs</li><li>Difficulty in securing specialists / outflow of human resources</li><li>CO<sub>2</sub> emissions from operations</li></ul>	<ul style="list-style-type: none"><li>Spread and expansion of e-commerce</li><li>Demand for living support for the elderly in depopulated areas</li><li>Development of installation program tailored to current trends</li><li>Providing a living support service</li></ul>	<ul style="list-style-type: none"><li>Customer surveys</li><li>No engine idling</li><li>Developing sales engineers</li><li>Customer Satisfaction (CS) Manager certification training for partner companies and CS improvement meetings</li></ul>
	After-sales support	9 12 13	<div>Home Appliances</div> <ul style="list-style-type: none"><li>Accidents resulting from product misuse</li><li>Product-related accidents after repairs</li></ul> <div>SPA</div> <ul style="list-style-type: none"><li>Handling of recalled products, quality improvement, and compensation for damages</li><li>Dealing with defective products after sales due to quality defects, returns, and refunds</li></ul>	<div>Home Appliances</div> <ul style="list-style-type: none"><li>Expanded market share and business opportunities with eco-friendly products</li><li>Expanded subscription market</li><li>Nationwide store and logistics network</li></ul> <div>SPA</div> <ul style="list-style-type: none"><li>Greater demand for product improvement and technology based on customer feedback</li></ul>	<ul style="list-style-type: none"><li>Maximizing carbon emission reductions during product use</li><li>Gathering information to understand customer needs</li><li>Development, manufacture and provision of products with less impact on the environment</li><li>Long-term warranties</li><li>Setup customer help desk</li></ul>
	Reuse / Recycle / Waste disposal	11 12 13	<ul style="list-style-type: none"><li>Chemical contamination</li><li>CO<sub>2</sub> emissions from operations</li><li>Generation of waste</li><li>Insufficient response to the disposal and recycling of finished goods and packaging materials</li></ul>	<ul style="list-style-type: none"><li>Booming reuse market</li><li>Demand for reuse as a way of safeguarding against higher cost of living</li><li>Growing environmental awareness</li><li>Changes in consumption behavior</li></ul>	<ul style="list-style-type: none"><li>Reduce waste</li><li>Reduce carbon emissions</li><li>The 3Rs</li><li>Construction of product life cycle within the Group</li></ul>

Housing Segment

		SDGs	Risks	Opportunities	Initiatives
Upstream	Material procurement and transportation	8 10 13	<ul style="list-style-type: none"><li>Logistics delays due to natural disasters</li><li>Distribution delays due to labor shortages, worsening workplace environment</li><li>CO<sub>2</sub> emissions from operations</li><li>Soaring logistics and labor costs</li><li>Price hikes in building materials and constraints on supply</li></ul>	<ul style="list-style-type: none"><li>Strengthening of supply chain management</li><li>Procurement of environmentally friendly materials to lower the environmental burden and increase customer satisfaction</li><li>Stable procurement by reviewing appropriate inventory sizes</li><li>Diversification of suppliers to avoid procurement risk</li><li>Secure logistics providers</li></ul>	<ul style="list-style-type: none"><li>Strengthening and promotion of CSR procurement</li><li>Promotion of decarbonization of the supply chain and respect for human rights, including secondary and tertiary suppliers</li><li>Improvement of efficiency of loading and logistics by reviewing product production bases</li><li>Diversification of suppliers and use of multiple purchasing of main materials by establishing multiple purchasing systems</li></ul>
		8 13	<ul style="list-style-type: none"><li>Cyber-attacks on production systems</li><li>Production stoppage due to large-scale disasters, etc.</li><li>Suspension of operations due to industrial accidents, etc.</li><li>Decline in construction quality due to shortage of craftsmen, unreasonable construction schedule, etc.</li></ul>	<ul style="list-style-type: none"><li>Reduction of logistics costs through multi-site production</li><li>Improved productivity through automation of equipment</li></ul>	<ul style="list-style-type: none"><li>Strengthening of quality control through the use of advanced technology</li><li>Promotion of decarbonization through recycling of raw materials, energy conservation, energy conversion, etc.</li><li>Thorough quality control in the production process</li><li>Thorough safety training for workers</li></ul>
		4 9 13	<ul style="list-style-type: none"><li>Design changes due to changes in laws and regulations</li><li>Change or discontinuation of housing policy or homeownership assistance measures</li><li>Shrinking new housing market</li><li>Loss of order opportunities due to understaffing</li><li>Design errors and building code violations</li><li>Obsolescence of current products</li></ul>	<ul style="list-style-type: none"><li>Development of products with low environmental impact</li><li>Improvement of performance and reduction of costs by introducing new materials and construction methods</li><li>Facilitation of financing through cooperation with financial institutions</li><li>Diversification of customer needs</li></ul>	<ul style="list-style-type: none"><li>Regular communication to understand issues and needs and build close relationships</li><li>Recruitment through outsourcing and securing talent with an eye on M&amp;A</li><li>Reduction of human error by reducing workload and improving work efficiency through introduction of design software, etc.</li><li>Strengthening training of design, manufacturing, and product development personnel</li></ul>
Company	Marketing	9	<ul style="list-style-type: none"><li>Intensifying competitive environment</li><li>Lack of appropriate sales channels</li><li>Lack of communication with customers</li><li>Lost orders due to lack of construction facilities during peak season</li><li>Plan postponement or cancellation due to soaring construction costs</li><li>Loss of trust due to lack of consideration for privacy</li><li>Sales force decline and loss of opportunities to win orders due to shortage of sales staff and outflow of sales staff outside the Company</li><li>Private data leaks</li></ul>	<ul style="list-style-type: none"><li>Development of new construction facilities</li><li>Expansion of sustainability-related businesses</li><li>Utilization of social media and similar platforms</li><li>Provision of full equipment warranty</li><li>Expansions of sales channels</li><li>Lifestyle changes and diversification of values</li><li>Diversification of performance required for housing (e.g., environmental friendliness, natural disaster resistance, infectious disease resistance, etc.)</li></ul>	<ul style="list-style-type: none"><li>Switching to sales of materials to builders, etc. and switching to construction in cooperation with trading companies</li><li>Development of new products to increase market share among builders and house builders</li><li>Holding quality meetings with suppliers and factory inspection on a regular basis to improve any indicated issues and aim for zero accidents</li><li>Practicing appropriate methods of delivering services and information to customers</li><li>Capturing profit-earning opportunities by developing new products in response to changes in the environment and customer needs</li></ul>
		4 12	<ul style="list-style-type: none"><li>Decline in construction capacity due to aging of construction engineers, etc., and shortage of human resources</li><li>Decrease in productivity at construction sites due to deterioration of the natural environment caused by global warming, etc.</li><li>Occupational and public accidents</li></ul>	<ul style="list-style-type: none"><li>Improvement of productivity through the introduction of robots, AI, and other construction ICT</li></ul>	<ul style="list-style-type: none"><li>Training of engineers through collaboration with subcontractors</li><li>Establishment of response flow for onsite accidents</li><li>Implementation of audits</li><li>Thorough information management</li></ul>
		4 12	<ul style="list-style-type: none"><li>Private data leaks</li><li>Lack of product information</li><li>Inadequate repair and after-sales service system</li><li>Secondary complaints due to inadequate response</li><li>Decrease in responsiveness due to an increase in after-sales services resulting from an increase in the number of properties delivered</li></ul>	<ul style="list-style-type: none"><li>Improvement of efficiency and accuracy of inspections through collaboration with inspection agencies</li><li>Use of AI to support after-sales services</li><li>Provision of full equipment warranty</li><li>Provision of maintenance plans and expansion of maintenance services to capture revenue opportunities</li></ul>	<ul style="list-style-type: none"><li>Regular owner visits, building good rapport</li><li>Updating and optimizing the after-sales service management system</li><li>Strengthening of customer response capabilities through the use of IT, etc.</li><li>Strengthening of training of after-sales service personnel, etc.</li></ul>
Downstream	After-sales service (maintenance)	4 12	<ul style="list-style-type: none"><li>Private data leaks</li><li>Lack of product information</li><li>Inadequate repair and after-sales service system</li><li>Secondary complaints due to inadequate response</li><li>Decrease in responsiveness due to an increase in after-sales services resulting from an increase in the number of properties delivered</li></ul>	<ul style="list-style-type: none"><li>Improvement of efficiency and accuracy of inspections through collaboration with inspection agencies</li><li>Use of AI to support after-sales services</li><li>Provision of full equipment warranty</li><li>Provision of maintenance plans and expansion of maintenance services to capture revenue opportunities</li></ul>	<ul style="list-style-type: none"><li>Regular owner visits, building good rapport</li><li>Updating and optimizing the after-sales service management system</li><li>Strengthening of customer response capabilities through the use of IT, etc.</li><li>Strengthening of training of after-sales service personnel, etc.</li></ul>
		11 12 13	<ul style="list-style-type: none"><li>Increase in the amount of waste disposed</li><li>CO<sub>2</sub> emissions from operations</li><li>Environmental pollution due to improper disposal of waste, violation of laws and regulations</li></ul>	<ul style="list-style-type: none"><li>Advantage over competitors through offering environmentally friendly housing</li><li>Continue to achieve zero emissions</li><li>Growing interest in environmental protection and reuse</li></ul>	<ul style="list-style-type: none"><li>Reduction of waste onsite through promotion of hybrid construction methods</li><li>Promotion of environmental conscious design based on the Product Environmental Assessment Implementation Standards</li><li>Proper processing in compliance with various laws and regulations</li></ul>
		11 12 13	<ul style="list-style-type: none"><li>Increase in the amount of waste disposed</li><li>CO<sub>2</sub> emissions from operations</li><li>Environmental pollution due to improper disposal of waste, violation of laws and regulations</li></ul>	<ul style="list-style-type: none"><li>Advantage over competitors through offering environmentally friendly housing</li><li>Continue to achieve zero emissions</li><li>Growing interest in environmental protection and reuse</li></ul>	<ul style="list-style-type: none"><li>Reduction of waste onsite through promotion of hybrid construction methods</li><li>Promotion of environmental conscious design based on the Product Environmental Assessment Implementation Standards</li><li>Proper processing in compliance with various laws and regulations</li></ul>

## Consumer Electronics Segment

### Yoshinori Ueno

Representative Director and President  
YAMADA DENKI CO., LTD.

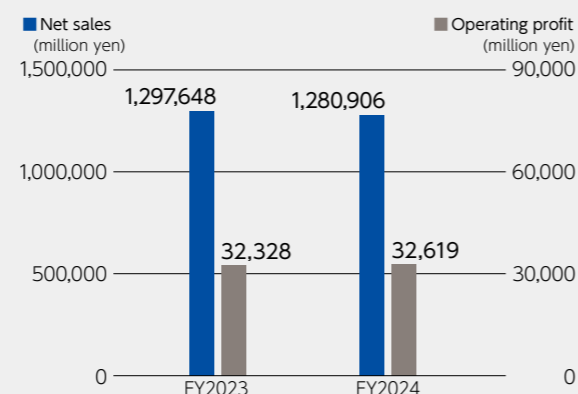
In the consumer electronics retail industry, as competition intensifies with online retailing and direct sales by manufacturers, it has become more essential than ever to accurately understand customer needs and respond quickly with foresight.

In the Consumer Electronics Segment, we see these changes in the market environment and increased competition as opportunities for further evolution and growth. We believe it is crucial to pursue transformation through proactive approaches such as deploying more efficient sales strategies using data analysis and AI, and enhancing customer relationships, aiming to provide value that exceeds stakeholder expectations.

For the Consumer Electronics Segment, fiscal 2024 onward will be a phase in which the “Total-Living” strategy will be fully operational and begin to show results. We will practice business strategies (see next page) as a starting point for “connections” that respond to the continuously changing lifestyles of our customers, and we will play a role in solidifying our position as the backbone of the entire YAMADA HOLDINGS Group. Meanwhile, as we continue to grow, we will enhance our educational efforts to bolster the capabilities of our people who support this growth. By doing so, we aim to lift the overall vitality of our organization and expand this into our housing, finance, environmental, and other businesses. By closely coordinating these areas, we aim to build a more sustainable and growth-oriented business model than ever before.



### FY2024 Net Sales/Operating Profit\*



### Risks

- Decrease in consumer purchasing power due to rising prices and yen depreciation
- Increased costs due to rising logistics costs, and increased labor costs due to shortage of labor

### Opportunities

- Active development of various store types
- Larger sales floor areas
- Increased demand for e-commerce
- Store and product development in response to growing environmental awareness

\*From the current fiscal year, due to the merger of subsidiaries, the sales business of pharmaceuticals and daily necessities, which was previously included in “Other,” and the extended service business for home appliances, previously included in “Finance,” are now included in “consumer electronics.” As a result of this change, segment information for the previous fiscal year has been prepared based on the reportable segment classification for the fiscal year under review.

## Business Strategy based on the YAMADA HLDGS 2025 Mid-Term Business Plan

- Promotion of aggressive store development and optimization and maximization of store efficiency within the area
- Further strengthening of e-commerce and promotion of store DX
- Strengthening of sales infrastructure based on digitalization and omni-channel utilization
- Active development of SPA products that directly incorporate customer feedback
- Expansion of business in Indonesia and other Southeast Asian countries

### Major Initiatives and Results in Fiscal 2024

For fiscal March 2024, the consumer electronics retail industry faced challenging conditions due to economic and social circumstances, such as reduced home appliance purchases and fewer store visitors, resulting in decreased revenue but increased profits.

As part of the mid-term business plan’s key initiative on the aggressive promotion of “Store Development,” 23 new stores were opened to expand market share, including 4 new strategically important large stores named “LIFE SELECT.” Meanwhile, existing stores utilized generative AI to standardize issue identification and achieve early improvements, stabilizing performance. Additionally, the number of stores handling reused home appliances was expanded, surpassing 300. Overseas, business expansion was focused mainly in Southeast Asia, increasing the number of stores to 30.

Efforts were made to strengthen e-commerce by refreshing the EC site while also promoting store DX to enhance customer convenience and employee productivity, merging physical stores with the EC site. Furthermore, investments continued in the EC business, TV shopping, and the remodeling and interior business, which are pivotal in coordinating with other segments. In addition, as a response to the “2024 Problem” in the logistics industry and to address the increase in raw material and import costs due to the depreciating yen, efforts were made to review cost structures and promote logistics reform, including joint use of logistics networks. There was also a focus on optimal personnel placement through the consolidation of stores.

### Challenges and Prospects for Fiscal 2025

We will continue to strive for market share expansion through area store development centered around LIFE SELECT stores and aim to improve profit margins by maintaining and continuing optimized pricing strategies. Additionally, we will enhance product profit margins and expand our growing remodeling and furniture interior business by augmenting our SPA products and the range of our 50th-anniversary commemorative models.

We will continuously work on expanding our e-commerce business by maximizing the use of Group infrastructure, improving inventory turnover through optimized inventory management, and continuing to review our cost structure. We aim to enhance productivity and operational efficiency by optimizing logistics costs for logistics hubs and the 2024 problem, proper personnel placement through store consolidation and efficiency, digitalization of promotions through enhanced acquisition of digital members, and the optimization and maximization of initiatives through the use of DX.

### TOPIC

## Expanding Store Presence in Southeast Asia

In the Consumer Electronics Segment, we are promoting business and store developments overseas that realize “Total-Living” based on store know-how cultivated in Japan, incorporating unique commercial practices of each country. In March 2024, we opened our ninth directly managed store in Indonesia, located inside AEON MALL DELTAMAS. This store is one of the largest in the Indonesian market and is the first in Indonesia to introduce toys & sanitary products, making it a consumer electronics retailer with a concept based on experiential and sensory sales floor proposals. Moving forward, we will focus on further store development and personnel training to develop stores optimized for market needs.



YAMADA BEST AEON MALL DELTAMAS (Open March 2024)

## Housing Segment

### Tatsuo Kobayashi

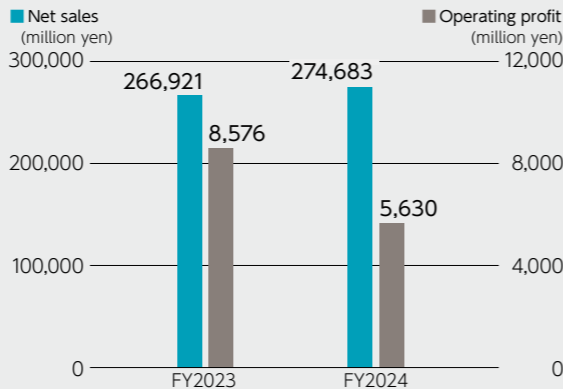
Representative Director and President  
YAMADA JUKEN HOLDINGS Co., LTD.



YAMADA JUKEN HOLDINGS plays a crucial role in managing and supervising the business strategies of each company in the housing segment, which is central to the "Total-Living" strategy.

The business environment surrounding the housing segment is challenging; however, having experienced the COVID-19 pandemic, social and environmental changes have diversified lifestyles and increased opportunities to reconsider housing needs. Against the backdrop of climate change and severe natural disasters such as major earthquakes, there is a growing demand for high-quality, safe, and secure housing with high added value. Furthermore, as the move toward achieving a decarbonized society accelerates, providing high-quality housing that can be lived in for a long time is seen as a critical issue going forward. We view these trends as business opportunities and will respond to societal needs by providing homes with excellent concepts. Meanwhile, we will also focus on renovations, maintenance, and second-hand home purchase and resale, helping to create the circular economy promoted by the YAMADA HOLDINGS Group. By creating high-quality housing stock that is more environmentally friendly, more comfortable, better for our health, and longer-lasting, we will aim to solve social issues and create a sustainable and prosperous society.

### FY2024 Net Sales/Operating Profit



### Risks

- Shrinking market due to declining population and households in Japan
- Cost increases due to a shortage of skilled workers
- Less desire to buy homes due to rising long-term interest rates

### Opportunities

- Diversification in homebuilding due to the diversification of lifestyles
- Increasing demand for high-quality, safe, and secure housing
- Growing demand for highly airtight, highly insulated, and energy-efficient homes driven by a decarbonization mindset
- Expansion of the used housing, remodeling, and renovation market

### Business Strategy based on the YAMADA HLDGS 2025 Mid-Term Business Plan

- Promotion of a wide range of housing proposals that are high-quality, reasonably priced, and clearly define product characteristics
- Expansion of services across business domains such as electronics, furniture, and finance
- Promotion of a positive cycle within the housing segment that leads to mutual customer referrals for housing equipment products and maintenance services
- Expansion of the YAMADA Smart House
- Expansion of housing sales using high-insulation materials

### Major Initiatives and Results in Fiscal 2024

For fiscal 2024, the housing segment overall experienced increased revenue but decreased profits. The Hinokiya Group achieved increased revenue and profits, reaching a record high, due to the strong performance of its real estate investment business related to income property sales and its insulation business, along with promoting operational efficiency through concentrated management resources and initiating business development in the Hokkaido area. Although YAMADA HOMES saw increased revenue due to strong performance in used purchase resale and subdivision, it experienced decreased profits due to a lack of completed new orders from the previous fiscal year, a reduction in gross margin caused by rising costs of housing materials, and increased selling and administrative expenses from expanding sales staff and aggressive advertising investments to improve sales capabilities. YAMADA HOMES is currently undertaking developmental and fundamental structural reform, with expected performance improvements in fiscal 2025. Housetec, which is responsible for developing and manufacturing home items like baths and kitchens, achieved increased revenue and profits through accumulating projects in the bathroom business, revising product pricing strategies, and thorough expense control.

### Challenges and Prospects for Fiscal 2025

We aim to strengthen our sales system through aggressive personnel recruitment and leverage DX to shorten and streamline the period from order to construction, aiming to expand custom and ready-built homes through a land-attached subdivision and housing sales strategy. In particular, we will focus on expanding sales of the YAMADA Smart House, the culmination of our "Total-Living" strategy, launched in October 2023, and new home appliance equipment. Additionally, we aim to expand our successful used purchase and resale business, strengthen connections with real estate agents, and establish "housing consultation counters" utilizing the YAMADA DENKI network. By leveraging our Group's management resources, we will actively propose various financial products, including our own insurance and low-interest, long-term loans, to customers.

### TOPIC

### Striving as a Group to Achieve a Comfortable and Enriched Living

The Hinokiya Group focuses on selling custom homes equipped with "Zekkuchō," which maintains a comfortable temperature year-round, while Nihon Aqua promotes the use of "Aqua Foam," a foam insulation material with excellent airtightness and insulation performance. Owing to their W-Barrier construction method of aluminum heat shielding which blocks infrared rays, the homes built by Hinokiya are extremely airtight and incredibly well insulated. As of December 2023, the cumulative number of orders for "Zekkuchō" reached 26,000 homes. Going forward, the Group will continue to make every effort to provide more comfortable living spaces for our customers.



A worker sprays Aqua Foam into a wall

## Finance Segment

### Kenichi Koyano

Representative Director and President  
YAMADA FINANCE SERVICE Co., Ltd.

The Finance Segment, centered around YAMADA FINANCE SERVICE, was established to support the "Total-Living" strategy from a financial perspective. To engage with customers throughout their lives, we have built a system that responds to a wide range of financial needs, including home loans, renovation loans, the development of various insurance products, an insurance agency network, and a funds settlement business, providing customer-focused financial services. The Finance Segment also aims to showcase "Yamada-like" qualities in its contributions to the Group's efforts in SDGs, focusing on offering various loans for energy-creating, energy-storing, and energy-saving homes and renovations, as well as developing insurance products that align closely with home appliance, furniture, and home sales. Going forward, we will enhance the range and competitive conditions of Yamada's unique financial products, acting as "A partner to make customer dreams come true."



#### Risks

- Risk of market interest rate increases on various fixed rate denominated loans

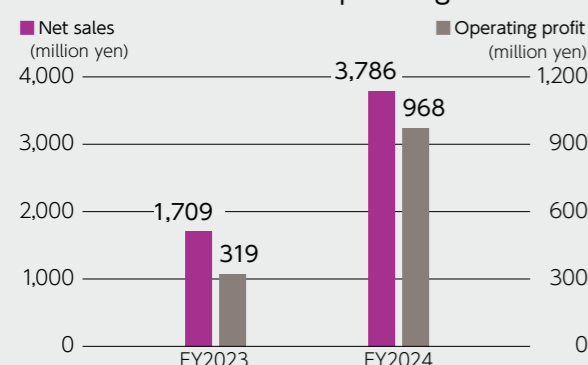
#### Opportunities

- Yamada's unique home loan offerings
- Promotion and adoption of open banking
- Proposing unique financial schemes related to the renovation business

#### Business Strategy based on the YAMADA HLDGS 2025 Mid-Term Business Plan

- Promotion of the "Total-Living" strategy centered around YAMADA NEOBANK home loans
- Enhancing customer convenience through the revision of various financial products
- Establishing a system to respond to a wide range of financial needs related to housing in a one-stop manner

#### FY2024 Net Sales/Operating Profit\*



\*From the current fiscal year, due to the merger of subsidiaries, the sales business of pharmaceuticals and daily necessities, which was previously included in "Other," and the extended service business for home appliances, previously included in "Finance," are now included in "consumer electronics." As a result of this change, segment information for the previous fiscal year has been prepared based on the reportable segment classification for the fiscal year under review.

#### Major Initiatives and Results in Fiscal 2024

For fiscal 2024, there was an increase in revenue and profit due to the profit contribution from House Depot Partners Co., Ltd., which became a wholly-owned subsidiary through M&A in the previous fiscal year, increased sales from strengthening the sales structure of YAMADA NEOBANK home loans, the expansion of performance by YAMADA SMALL AMOUNT SHORT TERM INSURANCE CO., LTD., and the strong performance of the renovation loan business. By proposing financing schemes using YAMADA NEOBANK home loans for purchasing appliances, furniture, renovations, and smart house-related equipment, we will continue to support the "Total-Living" strategy financially and aim to maximize Group synergy.

## Environment Segment

### Mitsumasa Kuwano

Representative Director and President  
YAMADA Environmental Resource Development Holdings Co., Ltd.

YAMADA Environmental Resources Development Holdings acts as an intermediary holding company overseeing the Environment Segment, ensuring that each business company can conduct stable business activities while actively investing in the growing environmental industry to expand and deepen the business from a long-term perspective.

In recent years, as designated pricing systems by home appliance manufacturers have expanded and prices have risen, the use of reused home appliances as a customer choice has become increasingly prevalent. As the Environment Segment, we will continue to promote the reuse and recycling business as an effective means for customers to contribute to the conservation of the global environment without conscious effort. We have already established a scheme for recycling home appliances that cannot be reused. Going forward, we will aim to realize a sustainable society by further strengthening advanced recycling facilities and building a Group-complete circular resource system.



#### Risks

- Intensifying purchasing competition due to booming reuse/recycling market

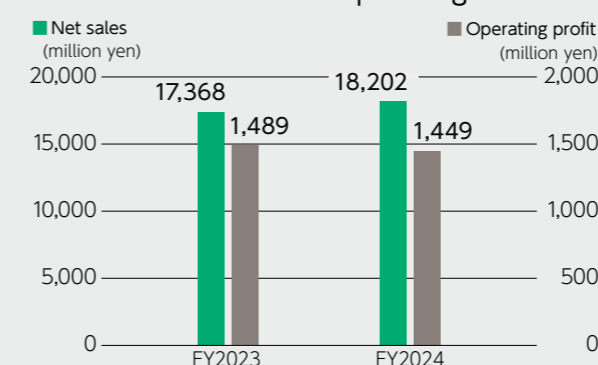
#### Opportunities

- Expansion of stores that handle Outlet & Reuse items
- Operation of waste-to-energy plan (scheduled to being operation in FY2027)

#### Business Strategy based on the YAMADA HLDGS 2025 Mid-Term Business Plan

- Establishment of a Group-complete circular resource system
- Expansion of business through strengthening facilities and equipment, and M&A
- Enhancement of reuse and recycling processing capacity and strengthening resource sorting capabilities

#### FY2024 Net Sales/Operating Profit



#### Major Initiatives and Results in Fiscal 2024

For fiscal 2024, despite the steady growth in the reuse production system and sales revenue as a result of efforts towards building a Group-complete circular resource system, there was an increase in revenue but a decrease in profit due to the impact of the operational halt at the Azuma Metal Saitama Plant in September 2023. Currently, reconditioned products are being handled at over 300 YAMADA DENKI stores, with sales performing well. In February 2024, we acquired a new factory in Tochigi Prefecture primarily to increase the production of reused computers.

## Supporting Sustainable Lifestyles:

## Yamada's Smart House

The YAMADA Smart House, launched in October 2023, is a home that represents the culmination of the YAMADA HOLDINGS Group's "Total-Living" strategy, proposing a next-generation way of living.

The home is based on a custom-built house with high airtightness and insulation, as well as excellent seismic resistance, and supports a safe, secure, and environmentally friendly sustainable lifestyle by connecting all equipment within the home through IoT.

## Saving Energy through Smarts

The YAMADA Smart House is equipped with a solar power generation system and storage batteries, and it comes standard with a home energy management system (HEMS) that visualizes household energy consumption and optimally controls electrical equipment and appliances. By automatically controlling the entire process of generating, storing, and using electricity, the system not only enables self-sufficiency in power but also allows for efficient electricity consumption. Usage can be monitored on displays installed within the home, and the system can also be linked to a smartphone app.

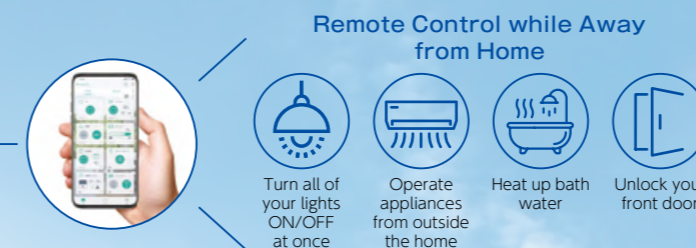
## Supporting Full Security\*

The automatic surveillance system, with cameras and sensors installed within the home, enables the detection of intruders and early fire detection, enhancing home security and disaster prevention. By remotely controlling curtains and turning lights on and off, a homeowner can simulate that someone is still in the home even during long absences. A smart lock, which can be opened and closed by scanning a smartphone or key card, boasts high security.

\*Includes optional items. Some operations require compatible devices.

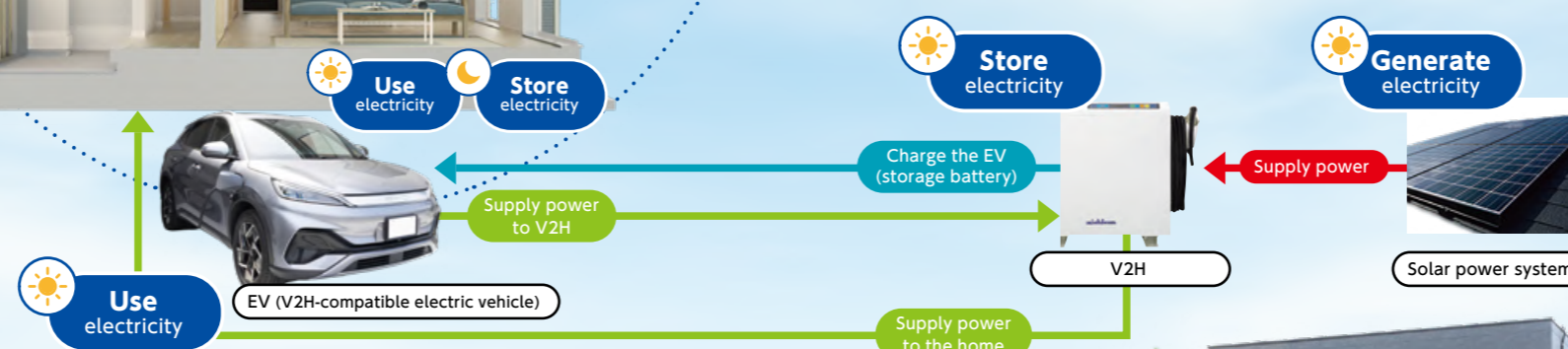
## Connected IoT

With the smartphone app linked to HEMS, a homeowner can control all of your home's electrical equipment and appliances at once, even from afar. One can manage everything from lights and air conditioning to robotic vacuums and filling the bathtub—all from a phone. It makes life easier, more comfortable, and energy-efficient, helping out in lots of ways.



## Create and Store Energy using V2H

The YAMADA Smart House comes standard with an EV (V2H-compatible electric vehicle) and utilizes a V2H (Vehicle to Home) system, allowing the large-capacity battery in the EV to be used as a power source for the home. Excess solar power generated during the day charges the EV through V2H, while at night, the EV supplies power to the home, minimizing energy loss and promoting a lifestyle that is both cost-effective and environmentally friendly. While typical home storage batteries have a capacity of about 5 kW to 7.5 kW, an EV has a capacity of over 20 kW, allowing more stored power to be used for self-consumption, making it highly effective as a disaster preparedness measure.



Koichi Kiyomura

Representative  
Director and President  
YAMADA HOMES CO.,  
LTD.


## Providing Disaster-Resistant and Long-Term Living Smart House

Based on high-quality custom homes provided by YAMADA HOMES, the YAMADA Smart House integrates various appliances, home equipment, furniture, interior designs, insurance, finance, and even EVs. I consider it a product that maximizes the synergies of the YAMADA HOLDINGS Group. Combining energy creation, storage, and efficiency functions, this sustainable concept aims for energy self-sufficiency and environmental consideration, holding the potential to become the standard for future homes. Furthermore, our smart house is committed to being a safe home resilient to disasters, adopting earthquake-resistant structures for all homes in line with long-life quality housing standards, ensuring a long and comfortable living environment. Additionally, smart houses offer significant economic benefits in the long run, which can also be seen as a sustainable aspect. In the future, we are considering creating facilities where one can experience staying in a YAMADA Smart House to better appreciate its appeal. We will continue to contribute to building a sustainable society by offering homes that propose next-generation lifestyles, made possible by YAMADA.

ESG & Sustainability Management

Basic Approach

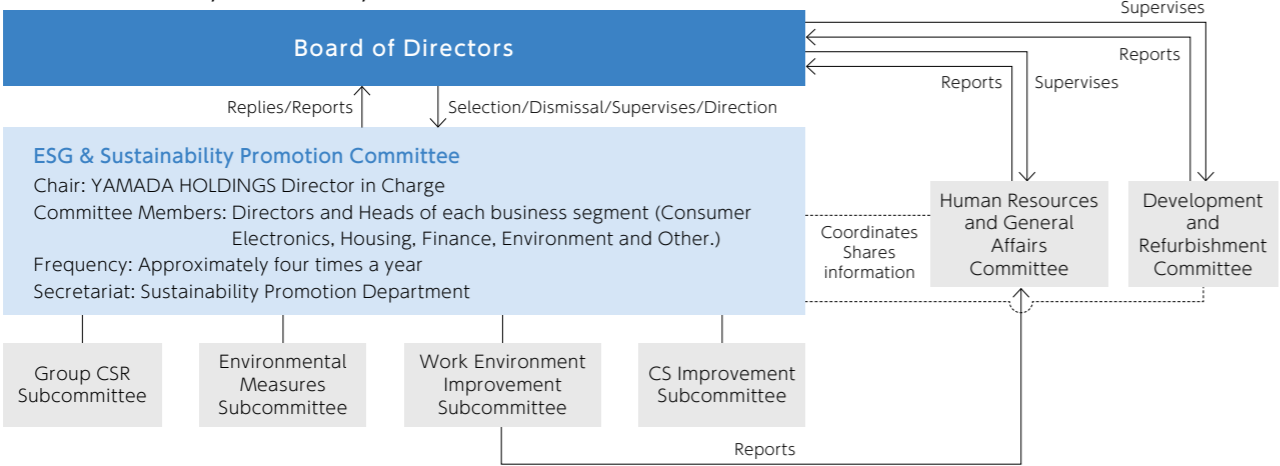
The YAMADA HOLDINGS Group’s management philosophy is “Creation and Challenge” and “Appreciation and Trust.” The Group is engaged in various businesses and initiatives for its own growth and development of society. It also plays a role in supporting the social infrastructure with a network that utilizes numerous types of store formats. With the aim of being a corporate Group that continues to grow with society, YAMADA HOLDINGS is promoting sustainability activities based on Appreciation and Trust with respect to its stakeholders in accordance with its specific guidelines, the Code of CSR Ethics. Furthermore, in order for the Group to continue to be a company that contributes to solving social issues and improves corporate value, it recognizes that consideration of environmental, social and governance (ESG) factors is essential. By actively working both inside and outside the company, the Group will contribute to the realization of a sustainable society.

 **Code of CSR Ethics**  
[https://www.yamada-holdings.jp/lang-en/policy\\_csr-ethics.html](https://www.yamada-holdings.jp/lang-en/policy_csr-ethics.html)

Governance

The YAMADA HOLDINGS Group has established the ESG & Sustainability Promotion Committee as a place to deliberate policies and measures on environmental and social issues and to confirm the progress of its targets. The committee makes decisions on all the important matters related to ESG and sustainability. The four subcommittees under the ESG & Sustainability Promotion Committee, namely the Group CSR Subcommittee, the Environmental Measures Subcommittee, the Work Environment Improvement Subcommittee, and the CS Improvement Subcommittee, discuss the content of individual activities and confirm targets and progress of ongoing activities. In addition, a system for sharing and coordinating information on efforts to create sustainable stores has been established in the Development and Refurbishment Committee, and on human rights issues and gender discrimination in the Human Resources and General Affairs Committee.

ESG & Sustainability Promotion System Chart



Overview of Sustainability-Related Subcommittee Activities

Subcommittees	Frequency	Activities
Group CSR Subcommittee	4 times a year	Oversees progress of Group companies' initiatives on ESG, the SDGs, and sustainability
Environmental Measures Subcommittee	Monthly	Monitors performance of environmental measures and raises awareness of sustainability and SDGs
Work Environment Improvement Subcommittee	Monthly	Raises awareness on the SDGs and sustainability on the theme of improving the work environment
CS Improvement Subcommittee	Monthly	Gathers customer feedback, considers improvement measures and shares results on discussions and investigations to prevent problems from reoccurring

Strategy


At YAMADA HOLDINGS Group, we recognize the importance of sustainability challenges and engage in business activities to address them in order to fulfill our mission of “Total-Living.” Our Group identifies and evaluates sustainability-related risks and opportunities to prioritize key issues, integrating them into our business activities while aiming to establish sustainability management. To help create a sustainable society through business as a Group, YAMADA HOLDINGS has formulated, and is working toward, goals linked to material issues related to the SDGs.

 **P. 32** Priorities Toward Achieving the SDGs

Risk Management

The YAMADA HOLDINGS Group recognizes that sustainability-related risks are serious risks to the sustainability of its business. Therefore, sustainability-related risks are incorporated into the company-wide risk management framework, and the Risk Management Committee regularly reviews and evaluates these risks and opportunities to identify those that require priority attention. For high-priority risks, measures are considered by each subcommittee, implemented by relevant departments, and monitored to manage the risks effectively.

 **P. 38** Consumer Electronics Segment and Housing Segment Value Chain

 **P. 60** Information Disclosure Based on TCFD Recommendations

 **P. 83** Risk Management

Metrics and Targets

The YAMADA HOLDINGS Group sets targets for each of its material issues related to specific SDGs, and regularly monitors the progress of all metrics at the ESG & Sustainability Promotion Committee.

 **P. 32** Priorities Toward Achieving the SDGs

Sustainability Training & Education

YAMADA HOLDINGS Group regularly conducts training on sustainability to promote activities across all companies in the Group.

In fiscal 2024 and in continuation from the previous year, videos talking about the sustainability issues that employees should be concerned about in their daily work and how to address these issues were shown to all employees, including those at Group companies, on the Group’s dedicated learning site, My Learning. YAMADA HOLDINGS has also established the SDGs Meister System, an internal certification system, as an educational system to help the Group face the key issues of the SDGs. The Group encourages its employees to gain qualifications for the purpose of improving knowledge about the SDGs and developing human resources who can see social issues as their own so they can change their actions. As of March 31, 2024, there were 875 certified employees in the program.

We will continue to promote and expand initiatives throughout the Group to further foster sustainability awareness among employees.

Overview of the SDGs Meister Test

classification	Certification Requirements	Tests
SDGs Pre-Meister	After passing three exams aimed at acquiring basic knowledge on the SDGs, reports on individual SDGs initiatives Scope of questions: •Exam 1: Concept of the SDGs •Exam 2: Our Group’s approach to the key issues of the SDGs •Exam 3: Understanding Diversity, Equity & Inclusion	Twice yearly
SDGs Meister	After being certified as an SDGs Pre-Meister, passes exams related to the SDGs, and ESG, etc.	

Stakeholder Engagement

The YAMADA HOLDINGS Group is working to increase corporate value by building relationships of mutual appreciation and trust through a healthy dialogue with all its various stakeholders, including its customers, all its shareholders and investors, all its suppliers and business partners, and its employees and local communities.

Stakeholder	Responsibility to Fulfill	Issues to the Resolved	Means of Dialogue
Customers	The YAMADA HOLDINGS Group is promoting a customer-first approach in its business operations. The Group strives to continuously improve services, including employee training, in order to gain customer feedback and to ensure customer satisfaction throughout the organization.	<ul style="list-style-type: none"><li>• Development of services to support our customers' "Total-Living"</li><li>• Optimal product proposals</li><li>• High customer service and proposal skills</li></ul>	<ul style="list-style-type: none"><li>• Customer service at all YAMADA HOLDINGS Group stores</li><li>• Customer help desk</li><li>• Customer questionnaires - direct to store manager</li><li>• Information on the website</li><li>• All types of social media</li></ul>
Shareholders & Investors	The YAMADA HOLDINGS Group aims to maintain sustainable growth and increase corporate value in order to meet the trust and expectations of its shareholders. The Group also makes efforts to ensure active communication by disclosing information in an appropriate, timely and fair manner.	<ul style="list-style-type: none"><li>• Constructive dialogue</li><li>• Timely and accurate disclosure</li><li>• Reflecting customer opinions in management</li><li>• Transparent disclosure</li></ul>	<ul style="list-style-type: none"><li>• General meeting of shareholders</li><li>• Investor meetings</li><li>• Financial results briefings</li><li>• Individual visits</li><li>• Conferences for overseas investors</li><li>• Integrated Report</li></ul>
Suppliers and Business Partners	The YAMADA HOLDINGS Group strives to maintain a sound, fair and equitable relationship with its manufacturers and business partners, aiming for coexistence and co-prosperity based on a long-term relationship of trust.	<ul style="list-style-type: none"><li>• Fair and Impartial Trading</li><li>• Achieve a sustainable supply chain</li><li>• Build healthy relationships</li></ul>	<ul style="list-style-type: none"><li>• Supplier surveys</li><li>• Shoeikai (Dialogue with business partners)</li><li>• Business talks and training for delivery and construction companies</li></ul>
Employees	The YAMADA HOLDINGS Group believes that people are the most important element of its operations. As such the Group provides a system that enables employees to feel satisfied in their work and promotes fair and proper performance appraisals. At the same time, the Group is working to develop employee skills and improve the working environment.	<ul style="list-style-type: none"><li>• Human Resource Development</li><li>• Good working environment</li><li>• Diversity, Equity &amp; Inclusion</li><li>• Health and safety at work</li><li>• Fair and impartial personnel evaluations</li></ul>	<ul style="list-style-type: none"><li>• Training and seminars</li><li>• System to propose improvements</li><li>• Internal whistleblowing desk</li><li>• Health and Safety Committee</li><li>• Employee satisfaction surveys</li><li>• Career-up Sheet - A system for talking directly with the Human Resources director</li><li>• In-house intranet</li><li>• Company newsletter - "Harmony"</li><li>• Labor-management consultations</li></ul>
Local Communities	The YAMADA HOLDINGS Group has a close relationship with everyone in the community through its nationwide store network, and it can say that the local community is the very foundation of the Group. As a good corporate citizen, the YAMADA HOLDINGS Group strives to live in harmony with the local community and deepen its relationship of trust.	<ul style="list-style-type: none"><li>• Build trust</li><li>• Solving social issues through the nationwide network of stores</li></ul>	<ul style="list-style-type: none"><li>• Regional reconstruction efforts</li><li>• Donations and fundraising activities</li><li>• Volunteering</li><li>• Athletics classes</li><li>• Yamada Noboru Memorial Foundation activities</li><li>• Reuse and recycling plant tours</li></ul>
Government and Administrative Authorities	The YAMADA HOLDINGS Group maintains appropriate relationships with the government, relevant ministries and agencies, and local government, to facilitate the running of its business.	<ul style="list-style-type: none"><li>• Compliances with laws and regulations</li><li>• Proposals to industry associations and government policy</li></ul>	<ul style="list-style-type: none"><li>• Exchange of information with the Japan Major Consumer Electronics Appliance Distributor Association and the SEIDANREN (The federation of industry for national life and consumer's association)</li><li>• Tax office (putting up blue tax return posters)</li><li>• Police station (helping to prevent bank transfer fraud, traffic safety meetings, etc.)</li><li>• Ministry of Economy, Trade and Industry, and Ministry of Finance (various surveys)</li></ul>

Environment

Basic Approach

YAMADA HOLDINGS Group operates with the mission of supporting "Total-Living." Recently, environmental issues have become challenges directly impacting customers' lives. The YAMADA HOLDINGS Group supports the lives of its customers from the perspective of solving environmental issues by providing environmentally friendly services and products in each segment based on its environmental policy.

Risks and Opportunities

As natural disasters intensify with climate change, violations of environmental laws and regulations can lead to a loss of social trust and consequently pose challenges to the continuity of business activities. On the other hand, adequately responding to demands for climate change measures through business activities and establishing systems for resources circulation can enhance corporate value.

Our Response to these Risks

Following an environmental management system and applying the PDCA cycle, we strive to reduce our environmental impact. In response to climate change, we have set CO<sub>2</sub> reduction targets for the entire Group and are working to reduce emissions throughout our business activities, including introducing renewable energy. We are also focusing on building a unique circular system to promote the reuse and recycling of home appliances.



Environmental Policy  
[https://www.yamada-holdings.jp/lang-en/policy\\_environmental.html](https://www.yamada-holdings.jp/lang-en/policy_environmental.html)

Environmental Management Promotion System

At YAMADA HOLDINGS, the ESG & Sustainability Promotion Committee takes the lead in decision-making to promote environmental management across segments. Under the supervision of the ESG & Sustainability Promotion Committee, the Environmental Measures Subcommittee and Group CSR Subcommittee hold meetings to monitor progress and verify goals.

All the head offices of YAMADA HOLDINGS, YAMADA DENKI, CIC, as well as Azuma Metal, YAMADA HOMES, Housetec, and Aizu Dust Center have obtained ISO 14001 certification and carry out environmental management activities. Efforts will be expanded going forward from Group companies also, to strengthen management in the environmental field.

ISO 14001 initiatives  
<https://www.yamada-holdings.jp/info/policy/iso14001.html>  
(in Japanese only)

Environmental Education

The YAMADA HOLDINGS Group conducts Company-wide environmental education to raise employees' awareness of reducing environmental impact. We disseminate environmental information through Company newsletters and intranet and support employees in obtaining certifications as Home Appliance Advisors and Smart Masters recognized by the Association for Electric Home Appliances. At YAMADA HOLDINGS and YAMADA DENKI headquarters, we conduct department-specific environmental education in line with ISO 14001, including study sessions with reading materials, to stimulate engagement in environmental issues.

- P. 49 Sustainability Training & Education
- P. 66 Gaining External Qualifications
- P. 67 Improving Customer Service



Material Flow (Fiscal year ended March 2024)

The YAMADA HOLDINGS Group is striving to reduce its impact on the environment by monitoring and managing the amount of energy used in business activities, as well as CO<sub>2</sub> and waste emissions.

INPUT

Energy	
Electricity*	522,091 MWh
Of which, renewable energy	19,531 MWh
Gasoline	8,133 kL
Kerosene	91 kL
Light Oil	4,423 kL
Heavy Oil A	2,104 kL
LPG	307 t
City Gas	5,047 thousand m <sup>3</sup>
Cold Water	22,968 GJ
Hot Water	14,593 GJ
Steam (non-industrial)	177 GJ

\* Most recent emission factor used for each electric utility

YAMADA HOLDINGS Group



OUTPUT

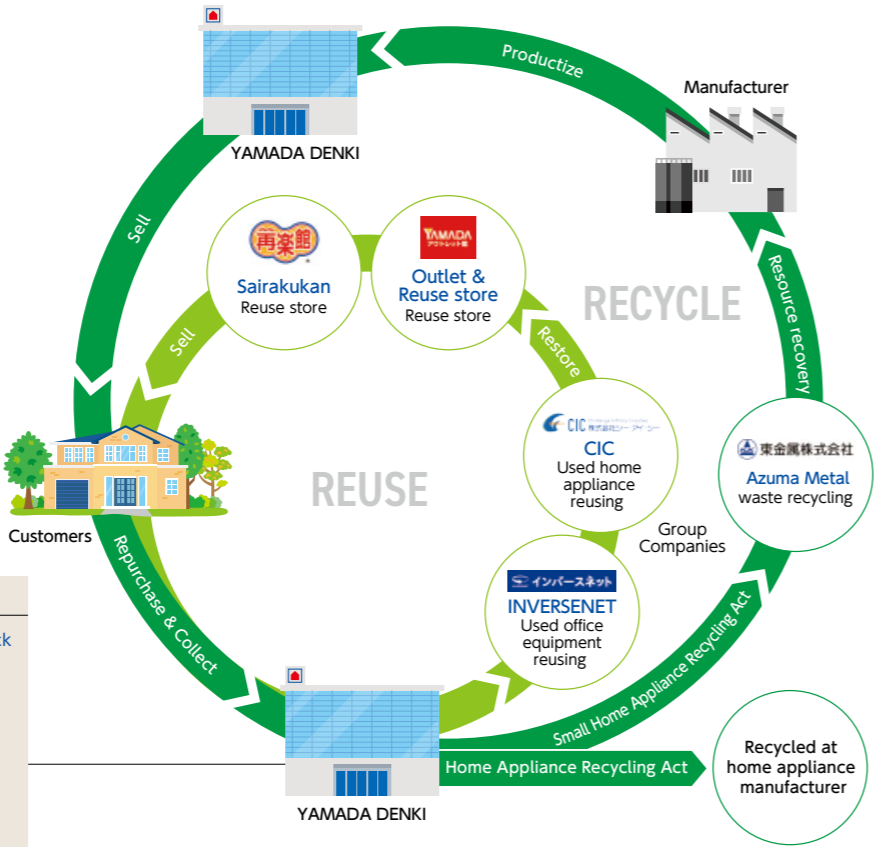
CO <sub>2</sub> emissions
279kt-CO <sub>2</sub>
Amount of industrial waste disposed
172,109 t

Reducing Waste and Resource Recycling

The YAMADA HOLDINGS Group, in line with its environmental policy, has helped to reduce its impact on the environment in society as a whole by completing the product life cycle within the Group. This has been done by constructing a system to reuse and recycle used electrical appliances collected from customers.

The Cycle of Reuse & Recycling

Buy back and collection service	
▶ Unwanted home appliances that meet buyback criteria (year of manufacture, etc.)	→ Buy back from customers for reuse
▶ Unwanted home appliances that do not meet buy back criteria	→ Recycled after payment of recycling fee
▶ Goods that do not meet buy back criteria / cannot be recycled	→ Collected as waste



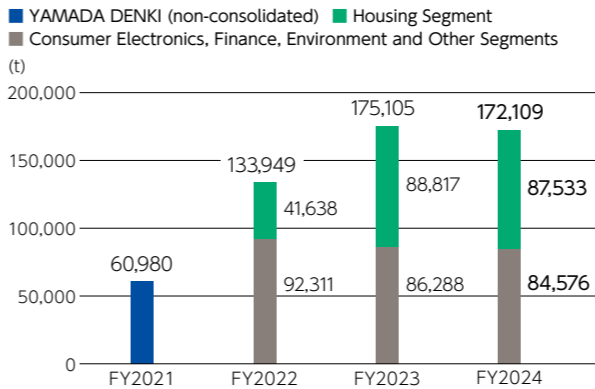
Initiatives to Reduce Waste

In accordance with relevant laws, YAMADA DENKI properly disposes of waste material from its stores as well as discarded home appliances from customers not covered by the Home Appliance Recycling Act. Specifically speaking, home appliances taken in store are classified into one of three categories: reuse, recycle, or dispose. Products that meet the Company's criteria are given a new lease of life at reuse plants as reused products and sold at YAMADA Outlet & Reuse stores and other stores. As for products that don't meet the reuse criteria but which can be recycled, these are meticulously sorted at recycling plants and separated into component materials such as iron, aluminum, and stainless steel. This then goes on to be reused as raw materials in lots of other different products. Waste is outsourced to an external recycling company for recycling. Products that cannot be recycled are disposed of in landfill.

Additionally, in the housing segment, wood is pre-processed at factories for more efficient use of resources. We are also making efforts to reduce industrial waste, including packaging and waste materials form construction sites.

Going forward, we will increase the number of products that can be reused and recycled by building systems and using machines with advanced sorting functions, leading to a reduction in waste.

Amount of industrial waste disposed



\* The Hinokiya Group (housing segment) has been added to scope from FY2023.

The 3Rs

YAMADA Environmental Resources Development Holdings is engaged in the business of reuse, reducing waste and its proper disposal (recycling), and using recycled materials with a focus on electrical appliances. The Company efficiently collects used

products and reuses them wherever possible to resell and deliver on to customers. The Company also comprehensively recycles products that cannot be reused, with the recycled materials used as raw materials for new products.

● Reuse

Regarding the reuse of home appliances, the YAMADA HOLDINGS Group is building a complete distribution network for the reuse of home appliances, from the repurchase of quality products through to recycling and sales, centered on CIC which develops environmental resources. Our reuse centers provide a service that allows customers to purchase reused home appliances with peace of mind by giving every product a thorough cleaning, check and repair, as well as a warranty of up to 24 months from the day the product is purchased. In May 2022, a new plant was built in Gunma Prefecture with the aim to increase production of reused products. The new plant is equipped with an automated warehouses that stores various used home appliances sent from all over the country, as well as an automatic washer for washing machine drums. In July 2024, we started construction of the Yamaguchi Plant in order to achieve our production target of 300,000 units for fiscal 2026. As for the reuse of computers, INVERSENET recovers second-hand computers for resale. Looking ahead, we will continue to make the most of our advanced technological capabilities to increase the number of reused products.



The new plant at the YAMADA East Japan Reuse Center Gunma Plant

Reuse of 4 household appliances (TVs, refrigerators, washing machines and air conditioners)

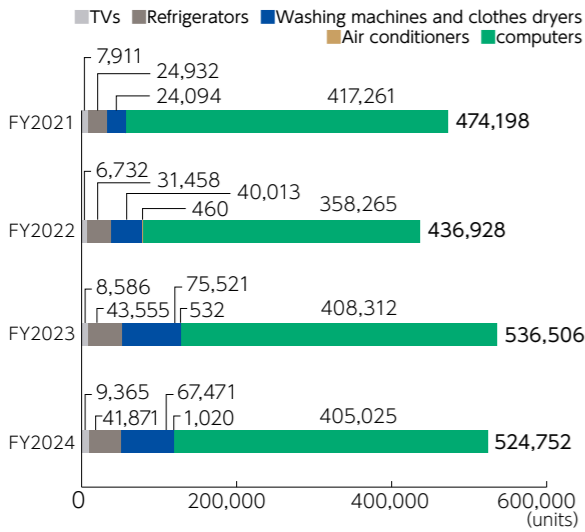
Target	FY2024 Results
FY2026 300,000 units	119,727 units

Reuse of computers

Target	FY2024 Results
FY2025 422,300 units	405,025 units



Reuse of 4 household appliances (TVs, refrigerators, washing machines, air conditioners) and computers

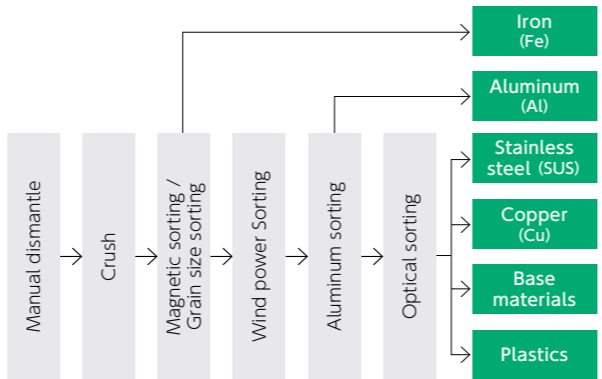


● Reducing Waste and Proper Disposal of Waste (Recycling)

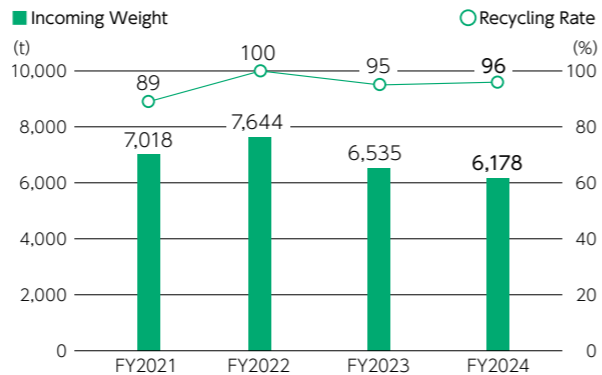
YAMADA DENKI collects used small home appliances at all of its stores based on the Act on Promotion of Recycling of Small Waste Electrical and Electronic Equipment (Small Home Appliance Recycling Act\*). Used home appliances collected in stores are sorted by high-precision machines within the Group (Azuma Metal) and meticulously classified by material, such as plastic and metal, for recycling. In July 2024, a new recycling plant was completed in Gunma Prefecture. We will continue to promote resource recycling efforts as a unified Group.

\* A law that encourages the formation of a circular economy whereby a government-certified business operator collects and processes electrical machinery and appliances, excluding the four categories of home appliances subject to the Home Appliance Recycling Act (TVs, air conditioners, refrigerators and freezers, and washing machines and clothes dryers).

Recycle Flow of Used Small Home Appliances



Incoming Weight and Recycling Rate of Small Home Appliances



● Utilization of Recycled Materials

As well as reusing and re-marketing used home appliances received from customers, materials made from recycled resources are developed into eco-friendly products and then sold. We have introduced shopping baskets, pallets for reuse factories, and carry handles for small appliances made from recycled plastic materials, contributing to sustainable efforts. In the future, the Group will aim to develop and sell products in various fields such as housing.



Pallets at the Reuse Fujioka Plant

Water Resource Conservation

Our Group manages water treatment properly during the reuse process in environmental projects, striving to conserve water resources by reducing water usage through recycling and other means. Our reuse production plants consume approximately 30,000 m³ of water annually. Our automatic washing tub cleaners adopt a recycling system that filters and reuses hot water without using detergents. Hypochlorous acid water is used for refrigerator disinfection, aiming to reduce environmental impact. We will continue to focus on water resources initiatives, working to maintain and manage the natural environment to preserve biodiversity.

Development, Distribution and Maintenance of Eco-Friendly Septic Tanks that Meet Social Demands

Housetec, which has housing and environmental equipment as one of its core businesses, is engaged in the water environment business and is focusing on the development and sale of septic tanks. The installation of septic tanks for new home builds is stipulated in law in Japan (excluding planned sewerage treatment areas). As such, single-type septic tanks that handle only wastewater from toilets, and combined-type septic tanks that treat all domestic wastewater, including from the kitchen and bathroom, have

become widely used. The revised septic tank law that came into effect in 2020 encourages existing single-type septic tanks to be converted into combined-type tanks. The combined septic tank developed by Housetec is designed to replace single septic tanks, achieving space efficiency. In addition to its energy-efficient design, it uses lightweight and highly durable DCPD\* resin, providing strong resistance to disasters such as earthquakes, with a proven track record of installation in various locations. Our Group companies, Nikka Maintenance and Chubu Nikka Service, are involved in the maintenance, inspection, and installation of septic tanks, supporting our customers' living environments. We will continue to focus on the development, dissemination, and maintenance of environmentally friendly septic tanks, aiming to further improve water environments and promote biodiversity through water conservation efforts.

\* DCPD: Dicyclopentadiene



Combined treatment septic tank Haibakki KRS type

Structural diagram

Tackling Climate Change

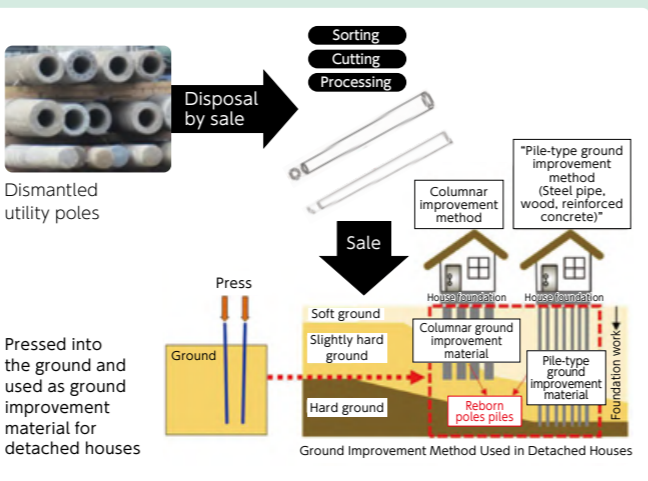
The YAMADA HOLDINGS Group recognizes responding to climate change as a crucial issue in achieving a sustainable society. To reduce CO₂ emissions associated with overall business activities, we are enhancing climate-related disclosures in line with TCFD recommendations and implementing measures through business activities.

Initiatives to Reduce Carbon Emissions

To promote the reduction of CO₂ emissions from our business activities, our Group actively works to reduce emissions at the product use stage by encouraging customers to replace their appliances with energy-efficient models. Additionally, we have set a CO₂ emissions reduction target in fiscal 2024, to reduce greenhouse gas emissions in Scope 1 and 2 by 42% by fiscal 2031 compared to fiscal 2021.

Development of Residential Group Improvement Material Using Dismantled Utility Poles

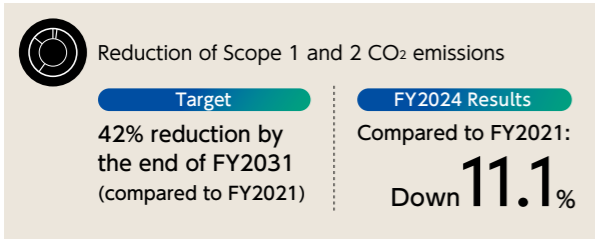
YAMADA HOMES, in collaboration with TEPCO LOGISTICS and TEPCO Power Grid, has jointly developed a method to repurpose dismantled utility poles as ground improvement material for residential homes. This method generates less CO₂ compared to recycling utility poles and contributes to more efficient resource utilization. We will continue to work toward a sustainable society by balancing environmental impact reduction with the comfort of our customers' lifestyles.



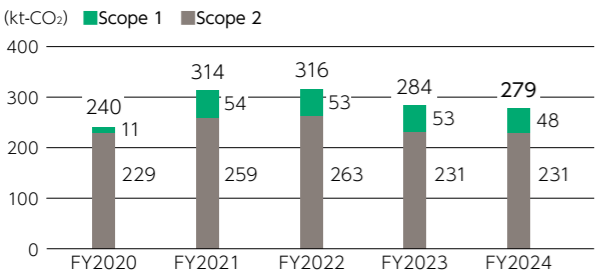


● CO<sub>2</sub> Emissions (Scope 1, 2)

The total volume of Scope 1 and 2 emissions in the YAMADA HOLDINGS Group for the fiscal year ended March 31, 2024 decreased by 5 kt-CO<sub>2</sub> year-on-year to 279 kt-CO<sub>2</sub>.



CO<sub>2</sub> Emissions (Scope 1, 2)



Scope of data:  
Fiscal 2020: YAMADA DENKI (at the time) (non-consolidated)  
From fiscal 2021: YAMADA HOLDINGS Group  
\* Previous years' values have been retroactively revised to improve accuracy.

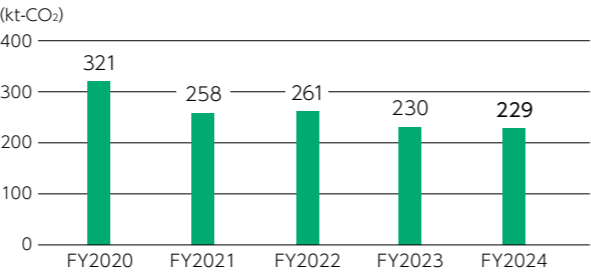
● CO<sub>2</sub> Emissions from Electricity Use

The YAMADA HOLDINGS Group is continually and proactively working to reduce CO<sub>2</sub> emissions associated with its business activities. In order to reduce CO<sub>2</sub> emissions from electricity use, 3.74% of all electricity comes from renewable energy sources. Moreover, since June 2022, we have been working to save power in our YAMADA DENKI stores in response to the government's request to cut down on electricity. By reducing the number of ceiling lights used and turning off appliances on display, we reduced CO<sub>2</sub> emissions from electricity use in fiscal 2024 by approximately 1kt-CO<sub>2</sub> compared to fiscal 2023.

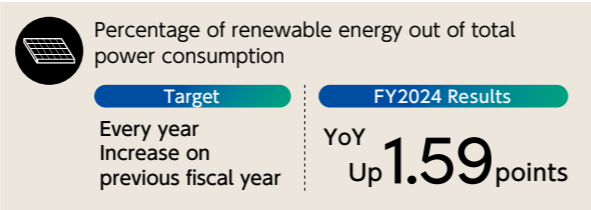


Poster promoting energy saving at YAMADA DENKI stores

CO<sub>2</sub> Emissions from Electricity Use<sup>\*1, 2, 3</sup>



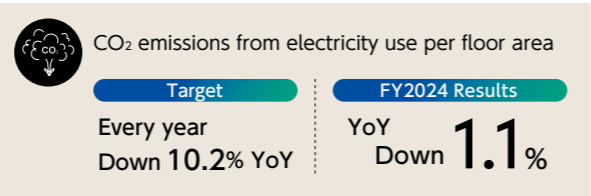
\*1 Emission factor: 0.55kg-CO<sub>2</sub>/kWh was used until the fiscal year ended March 2020, but from the fiscal year ended March 2021 it has been changed to the latest emission factor for each electric utility.  
\*2 Data for YAMADA HOLDINGS and its operating companies.  
\*3 Previous years' values retroactively revised to improve accuracy.



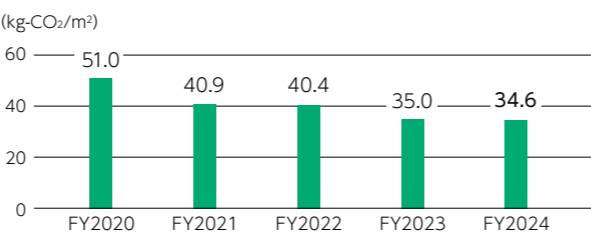
Percentage of renewable energy out of total power consumption (%)

FY2020	FY2021	FY2022	FY2023	FY2024
1.85	1.94	2.03	2.15	3.74

\* Previous years' values have been retroactively revised to improve accuracy.



CO<sub>2</sub> emissions from electricity use per floor area<sup>\*1, 2, 3</sup>



\*1 Emission factor: 0.55kg-CO<sub>2</sub>/kWh was used until the fiscal year ended March 2020, but from the fiscal year ended March 2021 it has been changed to the latest emission factor for each electric utility.  
\*2 Data for YAMADA HOLDINGS and its operating companies.  
\*3 Previous years' values retroactively revised to improve accuracy.

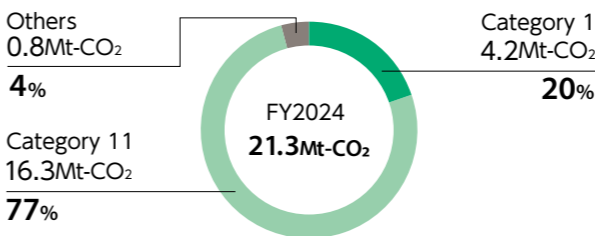
● CO<sub>2</sub> Emissions (Scope 3)

The YAMADA HOLDINGS Group calculates CO<sub>2</sub> emissions for the entire supply chain in order to reduce the environmental impact in all its business activities. Of the Scope 3 emissions for fiscal 2024, use of sold products (Category 11) accounted for the largest share at 77% of the total, followed by purchased goods and services (Category 1) at 20%. We will continue to monitor and reduce CO<sub>2</sub> emissions throughout the supply chain.

CO<sub>2</sub> Emissions (Scope 3)

	Scope 3	Associated Activity	FY2024 Emissions
Category 1	Purchased Goods and Services	Procurement of raw materials	4.2 Mt-CO <sub>2</sub>
Category 2	Capital Goods	Expansion of capital goods and production facilities	104 kt-CO <sub>2</sub>
Category 3	Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2	Fuel- and energy-related activities	47 kt-CO <sub>2</sub>
Category 4	Upstream Transportation and Distribution	Procurement distribution / contracted distribution where Yamada is shipper	309 kt-CO <sub>2</sub>
Category 5	Waste Generated in Operations	Waste generated from operations	107 kt-CO <sub>2</sub>
Category 6	Business Travel	Employee business travel	9 kt-CO <sub>2</sub>
Category 7	Employee Commuting	Workers commuting	28 kt-CO <sub>2</sub>
Category 11	Use of Sold Products	Use of Products by Consumers	16.3 Mt-CO <sub>2</sub>
Category 12	End-of-Life Treatment of Sold Products	Disposal of products by end user	173 kt-CO <sub>2</sub>
Category 14	Franchises	Scope 1 and 2 emissions of franchisees	2 kt-CO <sub>2</sub>
Total			21.3 Mt-CO <sub>2</sub>

Breakdown of Scope 3 Emissions



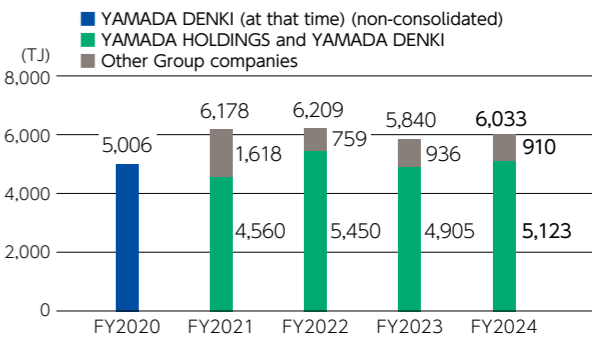
Efforts to Reduce Energy Use

The YAMADA HOLDINGS Group is working to visualize the amount of electricity through energy-saving activities, such as switching to LED lighting in its offices and stores, and through an application that analyzes electricity usage by equipment and time using demand controllers.

Reducing energy use is also a consideration in store development. When developing a new store, YAMADA DENKI can reduce energy use by building a single-story structure, eliminating the need to install escalators and elevators to the second floor. Further reductions in energy use have been achieved by improving thermal insulation by reducing the number of windows, and by replacing mercury lamps with LEDs for exterior lighting in stores. Comparing the electricity usage per sq. meter between stores that were built 23 years ago on average to those built 8 years ago on average, the stores with an average age of 8 years showed a reduction in electricity usage of about 15% (as of March 2023).



Energy Usage



Scope of data:  
Fiscal 2020: YAMADA DENKI (at that time) (non-consolidated)  
From fiscal 2021: YAMADA HOLDINGS Group  
\* Previous years' values have been retroactively revised to improve accuracy.

Expanding the Use of Renewable Energy

YAMADA HOLDINGS has been using green power since the fiscal year ended March 2009. 100% of the power used at the Yamada headquarters building in Takasaki City is green power. In June 2023, solar panels were installed at the YAMADA East Japan Reuse Center Gunma Plant to provide approximately 55% of the electricity used in plant operations.



Moreover, solar panels on store rooftops generated 49,377 MWh\* in fiscal 2024, helping to reduce our impact on the environment through the sale of electricity.

\* Group companies involved: YAMADA DENKI, YAMADA HOMES, Shuken, HOKUSHINHOUSE, Housetec, INVERSENET, Azuma Metal, BPC



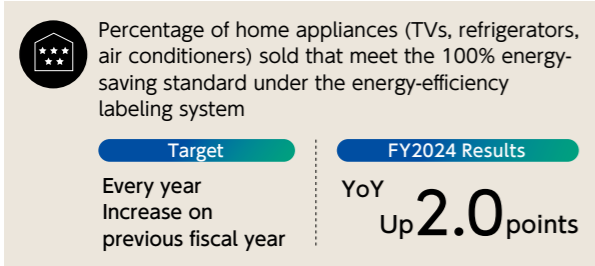
Promotion of Energy Conservation in Distribution

In YAMADA DENKI's logistics operations, we request subcontractors and partner companies to cooperate with turning off vehicles when stopped, maintaining a high implementation rate of over 98% for fiscal 2024. We are also promoting environmentally friendly logistics by reducing the number of vehicles used by devising load capacity, shortening vehicle mileage in product delivery by utilizing an efficiency system for inter-store transfers, and testing the effectiveness of five EV vehicles as business vehicles in stores on a trial basis.

Business Initiatives

● Promoting the Use of Energy-efficient Appliances

At YAMADA DENKI, employees and sales engineers with extensive product knowledge recommend replacing home appliances with energy-efficient ones when serving customers. Additionally, "unified energy-saving labels" are posted near the relevant products so customers can easily find energy-saving home appliances. In fiscal 2024, the percentage of home appliances (TVs, refrigerators, air conditioners) sold that met the 100% energy-saving standard under the energy-efficiency labeling system was 42.8%, achieving the target of a year-on-year increase.

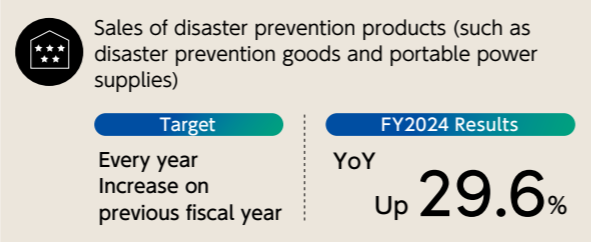


● Sales of Disaster Preparedness Products

As the severity of global warming increases, natural disasters caused by climate change are expected to occur frequently in Japan, leading to heightened interest in disaster preparedness products and a potential rise in demand.

The Group sees the promotion of disaster preparedness products as an opportunity to address climate change while responding to these natural disaster risks.

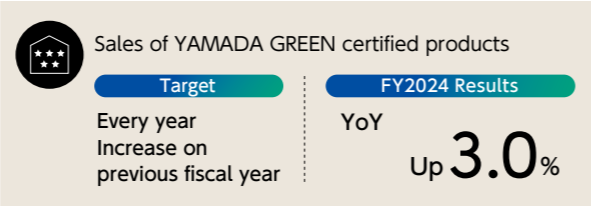
In fiscal 2024, the expansion of sales areas for portable generators, home storage batteries, and disaster prevention goods across all YAMADA DENKI directly operated stores resulted in sale of ¥1,988 million, an increase from the previous year.



● The YAMADA GREEN Logo

In July 2021, the YAMADA HOLDINGS Group created the YAMADA GREEN logo as a symbol of its commitment to the environment. The five letters of GREEN embody the meanings of Global, Resource, Ecology, Evolution, and Next. It expresses our determination to realize a resource-recycling society and further contribute to the creation of a sustainable society. In conjunction with this logo, we have also established the YAMADA GREEN Certification System whereby companies can display the YAMADA GREEN logo on products, initiatives, and reused products that meet YAMADA HOLDINGS' own environmental standards (not applicable to energy-saving home appliances).

Sales of YAMADA GREEN certified products for fiscal 2024 totaled ¥3,843 million, achieving our target of a year-on-year increase.



Poster used at Outlet & Reuse Stores

Information about YAMADA GREEN  
<https://www.yamada-holdings.jp/csr/green.html>  
(in Japanese only)

Educational Toys that are Friendly to People and the Environment Certified as YAMADA GREEN

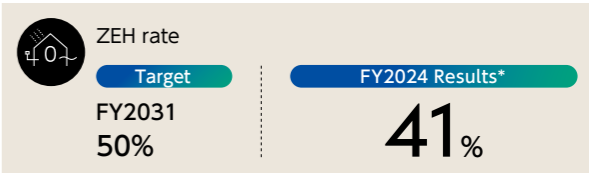
Kawada Co., Ltd.'s education toy "diablock® OKOMEIRO®," certified in fiscal 2024, is made from domestic biomass plastic using rice that is not suitable for consumption. The toy features a double spring structure and rounded corners, making it easy to separate the blocks and ensuring safety so that even stepping on it is not painful. Kawada Co., Ltd. also donates a portion of the proceeds from the sale of this product to support children's cafeterias.



● Promotion of Improving the ZEH Rate

YAMADA HOMES is seeking to provide eco-friendly housing and services such as improving heat insulation and adopting advanced energy-saving equipment and solar powers to make net Zero Energy Houses (ZEH) more widely known. At the same time, the Company aims to protect the global environment and realize a

comfortable and prosperous life for Group customers by promoting a lifestyle that does not waste energy. Additionally, the ZEH rate of homes sold by YAMADA HOMES reached 41% in the fiscal year ending February 29, 2024.



ZEH Rate of Homes Sold by YAMADA HOMES\* (%)

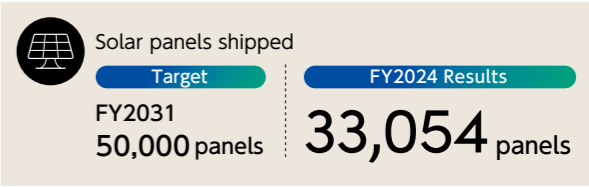
Feb. 2019	Feb. 2020	Feb. 2021	Feb. 2022	Feb. 2023	Feb. 2024
20	13	17	25	27	41

\* Results are aggregated from March 1 to February 28 of the following year in accordance with YAMADA HOMES' fiscal year.

● Providing Resilient Homes Equipped with Solar Power

The YAMADA HOLDINGS Group aims to popularize resilient homes equipped with solar power generation systems and storage batteries, and actively promotes the installation of solar panels not only in new homes but also in renovation proposals. Additionally, by visualizing solar power generation output and electricity usage with the HEMS monitor, energy created is not wasted, and that this will have the effect of raising awareness about saving energy.

We shipped 33,054 solar panels in fiscal 2024, compared to our target of 50,000 solar panels shipped by fiscal 2031. Moving forward, we will contribute to building a safe and secure society through proposals such as YAMADA HOMES' YAMADA Smart House and our Energy Revolution Z, which combines the Hinokiya Group's solar systems with V2H.





Information Disclosure Based on TCFD Recommendations

Based on its “Total-Living” concept, the YAMADA HOLDINGS Group handles a wide variety of home appliances, housing equipment, furniture and interior goods that support customers’ lifestyles. These products are manufactured and processed not only in Japan but also in other parts of the world, using various resources from each region. For this reason, we believe that tackling climate change and preserving the natural environment are important themes for the sustainable growth of the Group.

For disclosure based on the Task Force on Climate-related Financial Disclosures (TCFD), the Group is looking at the current state of the whole Group, developing a governance system, and examining strategies, risk management, metrics and targets. Going forward, we will continue to appropriately manage the risks associated with climate change, and view various changes toward a carbon-free world as business opportunities that will lead to sustainable growth.

Governance

At YAMADA HOLDINGS, the Board of Directors discusses important management and business strategies, makes policy decisions, and supervises the ESG & Sustainability Promotion Committee. The ESG & Sustainability Promotion Committee makes decisions on important matters, and subcommittees thereunder discuss the details of individual activities and confirm the progress of activities and targets. In addition, the ESG & Sustainability Promotion Committee examines important issues, such as climate change risks and opportunities identified from scenario analysis, and regularly reports to the Board of Directors on the status of addressing these risks, so that the Board of Directors can fully exercise its supervisory function.

P. 48 ESG & Sustainability Management

Strategy

Based on the TCFD recommendations, the Group has established the target businesses, timelines, and scenarios to analyze and assess the climate change risks and opportunities.

Scenario Analysis Assumptions

Scenarios	Global temperatures up by 1.5°C and 4.0°C
Businesses*	Consumer Electronics Segment, Housing Segment, Environment Segment
Period	Impact from 2030 to 2050

\* Covers all directly operated YAMADA DENKI stores in Japan that account for the highest percentage of net sales in the Group as a whole and businesses most affected by climate change.

1.5°C Scenario (High Transition Risk, Low Physical Risk)

This scenario sees regulations and policies for decarbonization tightened and measures against climate change progressing with the temperature rise from pre-industrial levels at around 1.5°C to 2.0°C. As customers’ preferences for products and services change and companies are more strongly required to tackle climate change, it is likely that transition risks, including less customers and greater reputational risk, will increase if the companies fail to do so. Conversely, it is assumed that the physical risks would be relatively low compared to the 4.0°C scenario, with for example, more extreme and prevalent disasters caused by climate change being suppressed to some extent. (Reference: The International Energy Agency’s Net Zero Emissions by 2050 Scenario)

4.0°C Scenario (Low Transition Risk, High Physical Risk)

A scenario in which sufficient measures against climate change are not taken and the temperature rises around 4.0°C from pre-industrial levels. It is assumed that physical risks would increase, with for example, more extreme natural disasters, rising sea levels, and an increase in abnormal weather events. As a result, it is thought that climate change-resilient products and services in terms of good BCP will become more competitive. Conversely, it is assumed that transition risks would be low, with for example, the government’s lack of tighter regulations. (Reference: The Intergovernmental Panel on Climate Change’s RCP8.5 Scenario)

Scenario Analysis Results

Risk Type	Category	Risk	Time Scope	Relevant Business				Effect on Business	Impact Level	Response	Business Impact
				Home Appliances	Housing	SPA	Environment				
Transition Risks	Policy/Regulation	Carbon tax/Carbon pricing	Short-to-Medium-Term	●	●	●	●	Company electricity costs increase owing to carbon pricing (carbon tax, etc.)	High	● Managed power-on/off for lighting, air-conditioning, and exhibits at YAMADA DENKI stores ● Switched to LED lighting in parking lots, on signboards, etc. at 809 YAMADA DENKI stores ● Improved energy use efficiency by generating power from heat when incinerating waste at the Yamada Energy Plant	Estimated carbon tax payable in 2030: ¥3.6 bn
				●	●	●	●	Necessary to develop price competitiveness including carbon pricing, low-carbon materials and construction technology	High	● Actively supported suppliers’ decarbonization activities, responding to the risk of rising procurement costs ● Carried out more joint procurement with Group companies ● Responded to the risk of rising procurement costs by streamlining production lines and manufacturing technologies ● Promoted development of low-carbon products by implementing an environmentally friendly design assessment during product design	Minimum –¥15.3 bn Maximum –¥65.5 bn
	Policy/Regulation	Energy-saving regulations	Short term	●	●	●	●	Tightening of regulations such as energy-saving standards	High	● Provided opportunities to learn about relevant laws and regulations by supporting the acquisition of external qualifications such as Home Appliance Advisor and Smart Master ● Encouraged all employees to understand and acquire knowledge about energy-saving through the in-house SDGs Meister System qualification to promote, by way of explanations, consumers to switch to more energy-efficient products that will contribute to a carbon-free / low-carbon society ● Promoted widespread use of energy-saving home appliances through active participation in local government subsidies to replace products for energy-saving home appliances ● Responded to the risk of rising procurement costs by further streamlining procurement and delivery	One-year increase in unit sales –9% –¥35.4 bn
									High	● Actively supported suppliers’ decarbonization activities, responding to the risk of rising procurement costs ● Responded to the risk of rising procurement costs by further streamlining procurement and delivery	Minimum –¥0.4 bn Maximum –¥2.1 bn
	Market	Changes in customer behavior	Short term	●	●	●	●	Increased store/office operating costs due to rising energy costs	High	● Carefully managed power-on/off for lighting, air-conditioning, and exhibits at YAMADA DENKI stores ● Switched to LED lighting in parking lots, on signboards, etc. at 809 YAMADA DENKI stores ● Reduced CO <sub>2</sub> emissions from electricity use on a medium- to long-term profit/loss neutral basis	Average closing cost per store: ¥15 m
								The replacement cycle of durable consumer goods (mainly home appliances and furniture) will lengthen, leading to drop in sales	High	● Encouraged all employees to understand and acquire knowledge about energy-saving through the in-house SDGs Meister System qualification to promote, by way of explanations, consumers to switch to more energy-efficient products that will contribute to a carbon-free / low-carbon society ● Promoted widespread use of energy-saving home appliances through active participation in local government subsidies to replace products for energy-saving home appliances ● Responded to the risk of rising procurement costs by further streamlining procurement and delivery	One-year increase in unit sales –9% –¥35.4 bn
	Physical Risks	Acute	Short term	●	●	●	●	Damage or suspension of business due to natural disasters at stores, sales offices, or plants, and disrupted distribution and transportation networks, resulting in drop in sales	High	● Considered location and layout of new stores and show homes on the basis of possible flood damage ● Strengthened measures against water risks at stores and show homes, etc. based on results of water risk assessment ● Created recovery manuals in the event that stores / sales offices / plants stop functioning ● Formulated business continuity plans for procurement and distribution systems ● Use of IT in operations and negotiations ● Increase product inventories	1 day suspension of business: –¥0.9 bn
									High	● Considered location and layout of new stores and show homes on the basis of possible flood damage ● Strengthened measures against water risks at stores and show homes, etc. based on results of water risk assessment ● To respond to more extreme natural disasters, assessed the degree of danger at locations using hazard maps and other means, formulating BCP in readiness for disasters	1 day suspension of business: –¥0.9 bn
Physical Risks	Chronic	Changes in precipitation/ weather patterns	Short term	●	●	●	●	Damage or suspension of business due to heavy rain at stores, sales offices, or plants, and disrupted distribution and transportation networks, resulting in drop in sales	High	● Considered location and layout of new stores and show homes on the basis of possible flood damage ● Strengthened measures against water risks at stores and show homes, etc. based on results of water risk assessment	1 day suspension of business: –¥0.9 bn
								Changes in vegetation and timber procurement areas lead to increased timber procurement costs	High	● Secure timber suppliers in readiness for forest protection	Maximum +¥4.7 bn
Physical Risks		Rising average temperatures	Long term	●	●	●	●	Customers less likely to go out, refraining from purchasing in store	High	● Strengthened sales channels with e-commerce ● Use of IT for online consultations and business negotiations	–¥0.4 bn for 20 days of extreme heat



Risk Type	Category	Risk	Time Scope	Relevant Business				Effect on Business	Impact Level	Response	Business Impact
				Home Appliances	Housing	SPA	Environment				
Opportunities	Resource Efficiency	Reuse and recycling	Short-to Medium-Term	●			●	Increased sales due to the recycling of customers' home appliances	High	● Furthered efforts to build circular economy by expanding reuse and recycling plants	Sales volume: +300,000 units Sales: +¥5.5 bn
	Products and Services	Relaunch of low-carbon and decarbonized products and services	Short term	●	●	●	●	Increased sales due to promotion of energy-saving home appliances	High	● Strengthened sales of products and services that help reduce environmental impact in all business segments ● Provided more economic support through financial services such as flat-rate systems	Increased customer traffic and sales
		Changes in consumer preferences	Short term	●	●	●	●	Increased sales of energy-saving home appliances and eco-friendly products	High	● Strengthened sales of products and services that help reduce environmental impact in all business segments ● Developed YAMADA GREEN certified products jointly with suppliers to improve lineup of sustainable products ● Expanded sales of furniture made from oil palm waste materials	—

Impact is determined by the following criteria.  
High: Impact on revenue is ¥100 million or more    Medium: Impact on revenue is ¥10 million or more  
Low: Impact on revenue is less than ¥10 million

Risk Management

We consider climate-related risks as one of the most significant risks impacting our Group's business and integrate them into our Company-wide risk management process. For long-term risk and opportunity assessments, approximately every three years, the Sustainability Promotion Department conducts a detailed analysis of "external environmental changes" such as political, economic, social, and competitive changes due to the transition to a decarbonized society and "physical changes" due to the progression of global warming. We analyze the probability that various changes may occur and the financial impact if these risks materialize to identify risks and opportunities. For risks and opportunities with a financial impact on revenue exceeding ¥100 million, they are reviewed by the Risk Management Committee and evaluated as significant risks and opportunities for the Group. Based on the risks and opportunities assessed there, we revise our environmental policy and reflect these in identifying and evaluating key issues, major initiatives, and goal setting.

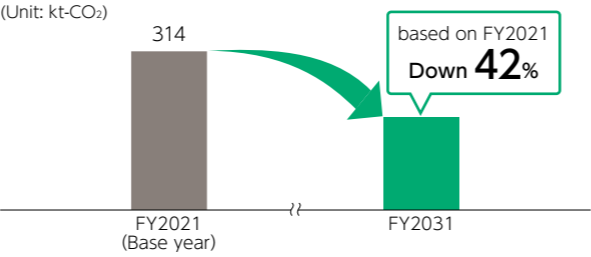
For short- to medium-term risk and opportunity identification and evaluation, we gather information on "external environmental changes" and "physical changes" throughout the fiscal year. In light of the

response status of each department and Group company, we analyze the validity and achievement of targets twice a year (once every six months) and re-evaluate significance. If significant revisions arise, they are discussed, identified, and evaluated at the ESG & Sustainability Promotion Committee, which meets quarterly, or four times per year. The discussions held by the ESG & Sustainability Promotion Committee are reported to the Board of Directors once a year.

Metrics and Targets

The Group has set a goal of reducing CO<sub>2</sub> emissions in Scope 1 and 2 by 42% by fiscal 2031, compared to fiscal 2021.

CO<sub>2</sub> Emissions (Scope 1 and 2) Targets



Third Party Guarantee

### Independent Assurance Statement

June 17, 2024

Mr. Noboru Yamada  
Representative Director,  
Chairperson and President CEO  
YAMADA HOLDINGS CO., LTD.

**1. Purpose**  
We, Sustainability Accounting Co., Ltd., have been engaged by YAMADA HOLDINGS CO., LTD. (hereinafter "the Company") to provide limited assurance on the Company's performance indicators for the year ended March 31, 2024, which are 48.4 kt-CO<sub>2</sub> for Scope1, 231kt-CO<sub>2</sub> for market-based Scope2 and 21.3 Mt-CO<sub>2</sub> for Scope3 (Category 1,2,3,4,5,6,7,11,12,14). The purpose of this process is to express our conclusion on whether the CO<sub>2</sub> emissions were calculated in accordance with the Company's standards. The Company's management is responsible for calculating the CO<sub>2</sub> emissions. Our responsibility is to independently carry out a limited assurance engagement and to express our assurance conclusion.

**2. Procedures Performed**  
We conducted our assurance engagement in accordance with International Standard on Assurance Engagement 3000 (ISAE 3000) and 3410 (ISAE3410). The key procedures we carried out included:

- Interviewing the Company's responsible personnel to understand the Company's standards
- Reviewing the Company's standards
- Performing cross-checks on a sample basis and performing a recalculation to determine whether the CO<sub>2</sub> emissions were calculated in accordance with the Company's standards.

**3. Conclusion**  
Based on the procedures performed, nothing has come to our attention that causes us to believe that the CO<sub>2</sub> emissions have not been calculated in all material respects in accordance with the Company's standards.

We have no conflict of interest relationships with the Company.

Takashi Fukushima  
Representative Director  
Sustainability Accounting Co., Ltd.

# Social

## Basic Approach

The YAMADA HOLDINGS Group regards its employees as an essential management resource for the sustainable development of the Company. As such, the Group is working to create an environment for securing human resources with diverse experience and values and where those employees can maximize their abilities, flourish, and play an active role. We have established a human resource development policy to promote skill development and improvement through employee training and evaluation. Additionally, based on our company environment improvement policy, we actively work to maintain a safe and secure working environment.

### Risks and Opportunities

Lack of human resource development efforts can reduce customer satisfaction as well as employee motivation. Deterioration of the working environment can also cause occupational accidents. On the other hand, by systemizing human resource development and providing opportunities for diverse personnel to play an active role, we can expect to raise the level of customer service and proposal skills of all employees, which will lead to higher customer satisfaction.

### Our Response to these Risks

Focusing on practical education through on-the-job training and the use of learning support tools, we nurture customer service and proposal skills to improve the satisfaction of employees and customers. We will manage and ensure the working environment in accordance with our Health and Safety Policy.



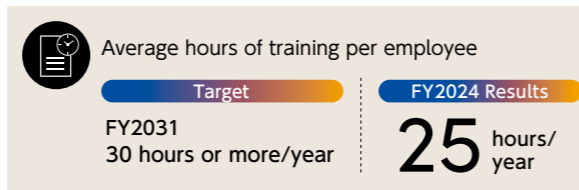
**Human Resource Development Policy**  
[https://www.yamada-holdings.jp/lang-en/policy\\_human-resource.html](https://www.yamada-holdings.jp/lang-en/policy_human-resource.html)

**Company Environment Improvement Policy**  
[https://www.yamada-holdings.jp/lang-en/policy\\_environment-improve.html](https://www.yamada-holdings.jp/lang-en/policy_environment-improve.html)

## Human Resource Development

On its path toward the “Total-Living” strategy, the YAMADA HOLDINGS Group is striving to secure human resources capable of responding to a wide range of customer needs based on a broader spectrum of products and services as well as future expansion into other business areas. In terms of human resource development and rebuilding the training system to suit the current times when it is difficult to predict the future, the Group has set the theme of “development and training for self-starting human resources and a self-starting organization.” The Group endeavors to develop human resources who can nurture people and organizations to achieve results as a team, and who can learn and make decisions in a rational way based on experience and information to create more efficient and streamlined operations. The Group seeks to do this by providing training that emphasizes human skills and conceptual skills, in addition to traditional forms of training focused on technical skills (ability to do one’s work). More specifically, as well as the planned implementation of tiered training, education and training programs will be improved

by enhancing specific measures based on employee satisfaction surveys to ensure the Group continuously keeps the very best employees.



### Tiered Training

YAMADA HOLDINGS and YAMADA DENKI are giving tiered training under the banner of “cultivating human resources who can think and act on their own—upgrading our basic OS of awareness and mind.”

#### ● Training for New Employees

New recruits learn the skills needed to be YAMADA HOLDINGS Group employees through the use of such resources as online study sessions and e-learning programs, as well as acquiring basic knowledge by using the products themselves, and become fully fledged employees after the end of a training period

in the workplace. In line with the curriculum, new employees check on a weekly basis with senior employees running the training programs how much they have learned, with follow-up training carried out half a year and one year after they join the Company. We have also established a dedicated consultation desk in an effort to create a system that makes it easy for new employees to continue working in an unfamiliar environment.



Training for new employees

#### ● Developing Next-Generation Leaders

The YAMADA HOLDINGS Group is working to develop next generation leaders in all levels of the Company for its sustainable growth. Employees participate in cross-industry exchange training to learn the principles of management and improve their leadership capabilities. Content learned is shared with the employee’s manager who checks the progress of their efforts. We are also helping to improve the skills of each and every employee by appointing senior employees to be in charge of training new recruits.

These more experienced employees learn training techniques and ways to improve motivation without having to fall back on intuition or experience, and play a vital role in promoting the growth of junior employees. To give top sales staff the capabilities to make proposals that further enhance customer satisfaction, they are provided with learning opportunities, including training in ICT and IoT as well as on the latest products.

#### ● Yamada Leadership Academy

The YAMADA HOLDINGS Group conducts tiered-based middle and top management training at the Soseijuku employee training center for employees at the section manager level or above, for sales managers and store managers, and for employees at operating companies at the general manager level or above. Under the theme of developing self-starting human resources and a self-starting organization, external instructors are invited to provide mind training and strengthen team building and management skills. There is also a focus on cross-border training through group discussions with other departments and other operating companies. The purpose of this training

### Tiered Training System

Tier	Part-Time	General Employee	Skilled Employee	Section Manager	Manager
Skills Required	<ul style="list-style-type: none"> <li>•A fresh perspective</li> <li>•Ability to make proposals</li> <li>•Communication skills</li> <li>•Career design</li> <li>•Making good habits</li> <li>•Self-reliance, self-starter, self-responsibility</li> <li>•Business etiquette</li> </ul>	<ul style="list-style-type: none"> <li>•Business etiquette</li> <li>•Communication skills</li> <li>•Listening skills</li> <li>•Ability to ask questions</li> <li>•Time management</li> <li>•Mental toughness</li> <li>•Open mind</li> <li>•Independence</li> <li>•Professionalism</li> </ul>	<ul style="list-style-type: none"> <li>•Work efficiency</li> <li>•Problem-solving skills</li> <li>•Mentoring skills</li> <li>•Leadership</li> <li>•Team building</li> <li>•Motivation management</li> <li>•Teaching</li> <li>•Coaching</li> <li>•Followership</li> <li>•Self management</li> </ul>	<ul style="list-style-type: none"> <li>•Ability to make contributions</li> <li>•Ability to make proposals</li> <li>•Ability to instruct subordinates</li> <li>•Problem-solving skills</li> <li>•Leadership</li> <li>•Team building</li> <li>•Motivation management</li> <li>•Teaching</li> <li>•Coaching</li> <li>•Followership</li> </ul>	<ul style="list-style-type: none"> <li>•Business management</li> <li>•Training management</li> <li>•Ability to shape future</li> <li>•Analysis methods</li> <li>•Giving direction</li> <li>•Decision-making skills</li> <li>•Management literacy</li> <li>•Financial management skills</li> </ul>
Training	Conceptual Skills	<ul style="list-style-type: none"> <li>•Training for mid-career hires</li> <li>•Online product study sessions</li> </ul>	<ul style="list-style-type: none"> <li>•Training for new employees</li> <li>•Training for young employees</li> </ul>	<ul style="list-style-type: none"> <li>•Mid-level employee training</li> <li>•Low-level manager training</li> <li>•Study sessions for new graduate educators</li> <li>•Harassment education</li> <li>•Online product study sessions</li> <li>•Product e-learning</li> </ul>	<ul style="list-style-type: none"> <li>•Low-level manager training</li> <li>•Mid-level manager training</li> <li>•Yamada Leadership Academy</li> <li>•Harassment education</li> </ul>
	Human Skills	<ul style="list-style-type: none"> <li>•Product e-learning</li> </ul>	<ul style="list-style-type: none"> <li>•Product e-learning</li> </ul>		<ul style="list-style-type: none"> <li>•Executive and senior manager training</li> <li>•Training for next-generation executives</li> <li>•Yamada Leadership Academy</li> <li>•Harassment education</li> </ul>
Special	Training for new store managers and employees				
	Sales engineer training				
	SDGs education				
Self-Development	Learning content for self-development				
	Compliance training				
In-House Tests	In-house qualification tests (conducted twice a year)				
External Qualifications	External qualification follow-up training (recommended qualification), Home Appliance Advisor, Smart Master, Sleep Advisor, etc.				
Internal Qualifications	Meister education, various meisters (TV, air conditioner, cleaner, beauty, smart speaker, digital camera, etc.)				



is also to educate top management who will lead the next generation of the Group, including the acquisition of managerial perspectives, as such, the YAMADA HOLDINGS Group will continue to enhance and expand its training programs. The training is a two-year development program with 493 people having participated up to fiscal 2024.



Number of training participants  
(as of March 31 each year)

FY2022	FY2023	FY2024
1st-7th groups of trainees	8th-14th groups of trainees	15th-21st groups of trainees
153	175	165

\* Number of new participants

#### Developing Sales Engineers

At YAMADA DENKI, there are currently 483 sales engineers (as of the end of March 2024) working in stores across the country. The aim is to make customers' lives more comfortable by developing sales engineers into technicians and advisors who can recommend everything from home appliances and furniture to interiors and home renovations at times when there are an increased number of deliveries and installations such as during the summer, New Year holidays and fiscal year-end.

As part of the training of sales engineers, who are responsible for all aspects of product sales, delivery, and installation, the program focuses on practical training to acquire skills in the installation of air conditioners and other equipment. We are also working to raise the professional competence level of all sales engineers and promote the acquisition of external qualifications. Based on an annual training plan, more than 60% of our sales engineers have obtained the Second Class Electric Works Specialist's license through regular lectures given by specialized instructors.

In terms of recruitment, we are focusing on training sales engineers regardless of nationality or gender, as well as on further recruitment from industrial high schools.

#### Gaining External Qualifications

When customers purchase home appliances,

employees need to have the relevant expertise in order to provide appropriate advice on such things as how the product works, what it can do, when to use it, where to install it, and other preferences. YAMADA DENKI has been focusing on encouraging employees to get externally qualified as Home Appliance Advisors<sup>\*1</sup> or as Smart Masters<sup>\*2</sup>. This has resulted in more and more qualified employees. The Company has also been actively encouraging employees to gain external qualifications, such as certified sellers, architects, or as interior stylists, as these skills are a necessary part of being able to provide proposals on furniture and renovations. The acquisition of external qualifications is not only for improved customer satisfaction, but also leads to maintaining and improving employee job satisfaction, which is why we are strengthening our efforts throughout the Group.



- \*1 A qualification for professionals in sales and customer service of home appliances, giving accurate advice for customers on product selection, use, and troubleshooting.
- \*2 A qualification related to smart houses, giving a wide understanding of homes, home appliances, housing equipment, and energy management, to support the construction of smart houses that meet customers' needs.

Number of Qualified Employees  
(as of March 31 each year)

Qualification	FY2022	FY2023	FY2024
Home Appliance Advisor	8,956	9,346	9,723
Smart Master	1,274	1,256	1,297
Photo Master	1,679	1,613	1,636
Certified Sellers (1st to 3rd Grade)	1,268	1,011	1,057
First Class Architect	227	165	148
Second Class Architect	727	590	545
First Class Building Operation and Management Engineer	178	141	132
Second Class Building Operation and Management Engineer	154	150	152
Real Estate Notary	580	556	561
Sleep Advisor	595	625	638
Interior Stylist	190	215	299
Second Class Electric Works Specialist	627	657	811
Second Grade Certified Skilled Professional of Financial Planning	203	129	132
Total	16,658	16,454	17,131

\* Total number within the YAMADA HOLDINGS Group

#### Improving Customer Service

In order to improve customer service skills, YAMADA DENKI provides practical training with a focus on on-the-job training (OJT), as well as systematic training via online training and e-learning programs. Moreover, to further improve the quality and accuracy of services, customer surveys are conducted in stores, on deliveries, and during after-sales services, as well as via various social media channels, with the results used for employee training purposes. Furthermore, as part of strengthening renovation proposals in order to augment "Total-Living" services for the living environment, initiatives are being carried out to enhance job-specific training, including training manuals and interior study sessions for employees.



#### Enhanced Learning Support Tools

To give consistent sales services from home appliances to home interiors and renovations, YAMADA DENKI has been rolling out its own learning site, called My Learning, to employees on product knowledge and sales techniques. We also share videos with an emphasis on demonstration and role-playing so that employees can learn independently as needed. The company is also working to create a more fulfilling educational environment by enhancing content that focuses on social and environmental issues such as human rights and anti-corruption.



My Learning  
Screenshot from website

#### Improving Our Ability to Make Proposals

In addition to gaining product knowledge, various measures are being taken to accurately understand the needs of customers in order to recommend the best products to them. To develop more specific proposal skills, we conduct Group training at stores with outside instructors, and 1,321 employees participated in this training in fiscal 2024.

#### Strengthening Proposals for Renovations

YAMADA DENKI is working to strengthen its proposals for renovations to improve the comfort and convenience of customers' lives. "Total-Living" proposals are made not only for home appliances but also for kitchens and bathrooms, interiors and exteriors, as well as for furniture. By training up various advisors, employees at YAMADA DENKI can give more detailed advice with regard to customers' homes. Moreover, employees qualified as architects give pertinent proposals to meet the needs of customers looking to extend or make improvements to their homes.



#### Improving Delivery and Installation

At YAMADA DENKI, we aim to improve our service to our customers not only when selling products, but also after the products have been sold, during delivery and installation.

#### Training to Certify CS Managers

In order to standardize efforts to improve customer satisfaction (CS) in product delivery and installation, every year YAMADA DENKI requests its partner companies to train as certified CS Managers. Training is given to certify a person in charge at the respective companies with guidance on the standards that YAMADA DENKI expects with respect to customer satisfaction, manners, how the technicians operate, product delivery and installation. Training sessions consist of educational training, group discussions



and a written test. For fiscal 2024, 457 CS Managers participated in continuing education training. Under this system, YAMADA DENKI certifies CS Managers at partner companies with the aim of maintaining their levels of customer service to the same level as YAMADA DENKI employees.

● **Training based on Customer Survey Results**

Customer surveys are conducted to assess the level of customer satisfaction. Results from the surveys are analyzed, and based on the results of the analysis, policies are drawn up to improve customer satisfaction. These policies are made known to companies involved in the survey at customer satisfaction meetings held four times a year so that the partner companies can then inform their respective shop floors. In fiscal 2024, in-person sessions resumed in addition to online sessions, with 21 companies participating.

**Human Resources and Performance Appraisals**

● **Building a Performance Appraisal System**

YAMADA DENKI emphasizes a merit system not based on seniority, and as such is building a fair, impartial, and transparent performance appraisal system. The Group aims to build and operate such a performance appraisal system while reviewing appraisal criteria as necessary, and improving customer satisfaction through ensuring its employees gain a wider product knowledge to constantly and continually improve the quality of its customer service. In the employee evaluations held twice a year, individual targets are set in accordance with assessment indicators from each department and evaluated on a multi-level basis. Feedback is then given to each employee, and goals for the next year are set.

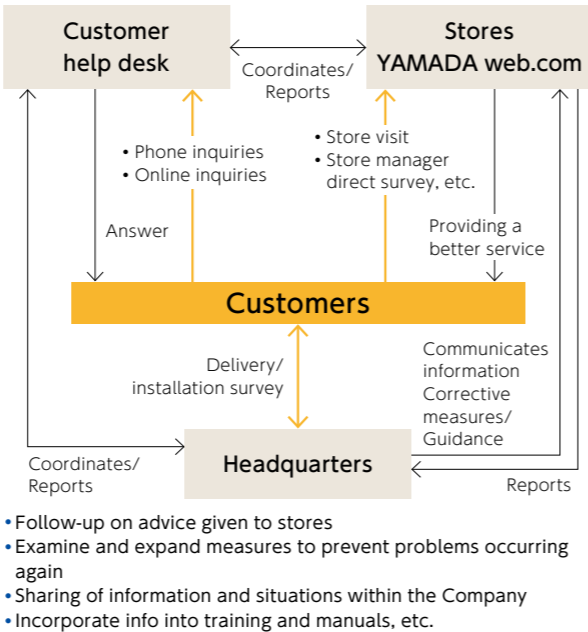
● **Annual Employee Commendation Program**

Each year, YAMADA HOLDINGS commends top performers in the consumer electronics segment in terms of the stores and corporate sales offices which have made large sales in relation to their size, and individuals with the highest annual sales, etc. In fiscal 2024, 66 people were given awards across 9 stores and 3 sales offices, including the Best Sales Award.

**Customer Satisfaction Initiatives**

YAMADA DENKI is seeking to offer a wide range of products, all at reasonable prices, with a kind and courteous customer service. The Company is working hard to satisfy customers not only at the time of purchase, but also right up to and beyond the time customers start using its products, including the after-sales services of product delivery, installation, repair, and support. The Company also listens to feedback from the sales floor and from customers to improve its service for the better.

**System to Improve Customer Satisfaction**



**Setup customer help desk**

In fiscal 2023, YAMADA DENKI set up a range of call centers, as appropriate, within the Group so that it can make the most of customer feedback. A customer help desk has been set up at the headquarters where a system has been created to listen to customer feedback and respond promptly after cooperation between relevant departments. In response to the feedback received, regular meetings are held once a month. In addition to reports on the drafting of specific improvement plans, and the status of implementation and improvement efforts being reported to executive officers, information is shared with each department at in-house company manager meetings. A call center has also been set up dedicated to repairs and various other services in an effort to improve services. Going

forward, the Company will continue to collect and analyze customer feedback with the aim of further improving levels of customer satisfaction.

**Customer Feedback**

(No. of cases)

	FY2022	FY2023	FY2024
Complimentary feedback	625	616	590
Suggestions for improvement	615	545	462

**Customer Service Training**

At our call centers, receptionists are evaluated and given feedback based on audio recordings of actual interactions with customers, using a checklist that incorporate evaluation items to improve response quality. We also provide training through feedback to improve the quality of customer service. Going forward, we will continue to work to further improve our responses, including how we collect customer feedback.

**Comfortable Shopping Time for All Customers**

YAMADA DENKI regularly holds a "Quiet Hour" at

some of its stores to ensure that all customers can enjoy shopping in a comfortable environment. The "Quiet Hour" is an initiative to adjust the in-store environment to temporarily alleviate sound overlap and light stimulation by cutting in-store background music and broadcasts and reducing lighting, in consideration of those with sensory sensitivity to sound and light. Regular implementation began in May 2023 at Tecc Land Sagamihara, and was expanded to 18 stores<sup>\*1</sup> in Kanagawa Prefecture in February 2024. We will continue to expand the scope of implementation to create an environment where more customers can enjoy shopping comfortably.

In addition, we have installed sanitary boxes in private men's restrooms for customers and employees at YAMADA DENKI stores<sup>\*2</sup> nationwide. We have placed these sanitary boxes to address people who need them, such as those who require the use of pads and adult diapers due to treatment for prostate cancer, bladder cancer, or due to aging, and have trouble finding a place to dispose of used sanitary products.

<sup>\*1</sup> LABI, excluding in-shop stores  
<sup>\*2</sup> Excluding some in-shop stores

**VOICE**

**Regarding the "Quiet Hour" Initiative**

We started this initiative to ensure that everyone can shop with peace of mind. Prior to implementation, we began by conducting study sessions for store employees to learn about and understand the "Quiet Hour". Store employees commented that their store was too quiet and that they were surprise to find so many sound-emitting promotional tools in the store. Customers commented that explanations were easy to hear and the atmosphere was relaxed. Issues identified during the implementation of the program will be shared with the head office and utilized to expand the number of stores implementing the program in the future. We will continue to promote customer-oriented initiatives to ensure that all customers can comfortably shop with us.

**Takashi Sugawara**  
Kanagawa YAMADA President  
YAMADA DENKI CO., LTD.



In-store quiet hour

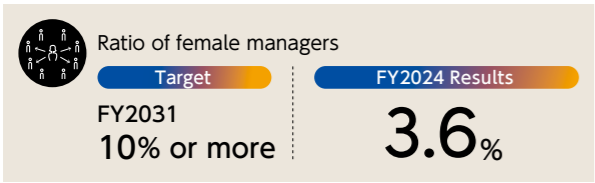


Diversity, Equity & Inclusion

The greatest management resource for the YAMADA HOLDINGS Group is its human resources. Positioning diversity, equity and inclusion as part of the Group’s “growth strategy” will help to create a workplace environment where diverse human resources can play an active role. Human resources nurtured in such a work environment will work hard together, and by continuing to create valuable products and services will grow sustainably together with the Group’s stakeholders.

Supporting the Success of Women in the Workplace

The YAMADA HOLDINGS Group recognizes that creating a work environment in which all female employees can pursue their private lives while simultaneously advancing their careers based on their own intentions and desires is the foundation for further corporate growth. The Group has set a target of women taking at least 10% of managerial positions. As of the end of March 2024, women make up 3.6% of all managerial positions. The Group will continue to promote initiatives such as improving the workplace environment so that more women can play active roles in the Company.



Action plan based on the Act of Promotion of Women’s Participation and Advancement in the Workplace (YAMADA HOLDINGS)

Duration	April 1, 2024 to March 31, 2029
Target	20% or more at the section manager level, 10% or more at the department manager level, and 20% or more executives to be women
	Maintain 100% rate for female employees taking childcare leave, and aim for a rate of 80% or more for male employees

Action Plan for Promoting Women in the Workplace  
[https://www.yamada-holdings.jp/csr/female\\_success.html](https://www.yamada-holdings.jp/csr/female_success.html)  
(in Japanese only)

Fostering Understanding of LGBTQ+ Issues

To promote understanding of LGBTQ+ issues, YAMADA HOLDINGS has created training videos on everything from basic knowledge about sexual minorities to how to interact with them in the workplace, and has made them available on its own dedicated learning site, My Learning. YAMADA HOLDINGS promotes acceptance and respect for diversity among its employees.

Employing People with Disabilities

The stores, offices and headquarters at YAMADA HOLDINGS are accessible throughout for people with disabilities. The Company is therefore striving to create an environment where all employees with disabilities can work with peace of mind. When deciding on assignments, we interview the individual to determine the type of work they can perform, taking into consideration the characteristics of each individual.

Appointing Foreign Employees

The YAMADA HOLDINGS Group recruits without settings standards for nationality in order to strengthen its response to diverse customers. For non-Japanese employees, we provide support for acquisition of Japanese language certification and create an environment in which they can play an active role regardless of their department or duties. In 2023, we endorsed the Basic Guidelines for the Acceptance of Foreign Nationals set forth by the SEIDANREN (The federation of industry for national life and consumer’s association). YAMADA DENKI will continue to secure the most talented employees while diversifying its human resources within the Company.

Reemployment System for Retirees

The retirement age for employees at YAMADA HOLDINGS is 63 years old but the Company has introduced a reemployment system that allows employees to work up to the age of 75. Senior talents with sophisticated skills and knowledge are playing an active role by helping to lead other employees. The recruitment age is scheduled to be extended to 65 years old in April 2025.

Employee Data (full-time employees only)  
(as of March 31 each year)

Type		FY2022	FY2023	FY2024
Number of new employees	Male	358	573	514
	Female	241	303	235
	Total	599	876	749
Average number of years service		12.6	9.9 <sup>*1</sup>	10.4
Turnover rate (%)		6.1	6.4	6.0
Percentage of employees with disabilities (including non-full-time employees) (%) <sup>*2</sup>		—	2.3	2.4
Retirees reemployed (%)		89.0	82.3	78.6
Number of foreign employees	Male	85	108	110
	Female	93	105	95
	Total	178	213	205

<sup>\*1</sup> Average number of years service has become shorter owing to the promotion of contracted full-time employees to full-time employees.  
<sup>\*2</sup> Number of employees disclosed up until fiscal 2022, but changed to percentage from fiscal 2023.

Promoting a Good Work-Life Balance

In order to create a comfortable workplace environment, the YAMADA HOLDINGS Group believes it is important to provide a work environment that respects a good work-life balance. As such, the Group has established a comprehensive system where each and every employee can balance work with childcare, nursing care, and other life events so that employees can choose a flexible working style especially during times of need with childcare and nursing care, etc. We will continue to strive to create a workplace environment where employees can work with peace of mind, and to become a rewarding company to work for.

YAMADA HOLDINGS’ Main Support Systems (as of April 2024)

Type	System	Description
Childcare	Maternity leave	8 weeks before delivery (14 weeks for multiple births), 8 weeks after delivery
	Childcare leave at birth (postpartum childcare leave for fathers)	Available for up to 4 weeks within 8 weeks after the child is born
	Childcare leave	Available until child reaches the age of 3 (until the age of 1 by law)
	Shorter working hours for childcare	Available until child graduates from elementary school (up to 3 years old by law)
	Time off for childcare	5 days leave may be taken for a child that is going into elementary school (10 days for 2 children or more) in cases where time off is needed to look after a sick child, or for vaccinations or medical check-ups, up until the time child starts elementary school
Nursing care	Nursing care leave	Up to 184 days leave may be taken to care for a family member
	Time off for nursing care	5 days leave may be taken per year to care for a family member (10 days for 2 or more family members)
	Shorter working hours for nursing care	Up to 3 years of shorter working hours may be taken care for a family member
Other	Long break shift system	It is possible to leave work for a longer period of time than the set break time for personal reasons. The shift system may be used when the total number of hours worked before and after the long break is the same or more than the number of predetermined hours in the working day.
	Menstrual leave	When a female employee finds it too difficult to work on a menstruation day, they may request leave and receive normal pay
	Accumulation of expired annual paid leave	Up to 60 days of annual paid leave which has expired after a period of time may be accumulated. Upon prior request from the employee, this leave can be used when the employee is absent from work due to illness or injury or undergoing fertility treatment, or when caring for a family member as stipulated in the nursing care leave regulations, after all annual paid leave has been used up.
	Hometown employees	Employees who work in general work positions may be transferred to locations around the country. After working for a certain period of time at the new location transferred employees may return back to the original location.
	Consecutive leave	Up to 7 consecutive days leave
	Special leave for female workers to receive health guidance or medical checkups in accordance with the Maternal and Child Health Act	Up to the 23rd week of pregnancy, one day of leave may be taken every 4 weeks; from the 24th to 35th week of pregnancy, one day of leave every 2 weeks; and from the 36th week until childbirth, one day every week may be taken.
	Reemployment system	A system that allows employees who have to retire due to reasons such as childcare or nursing care to return to work (within 5 years)



System Usage Data (full-time employees only)  
(as of March 31 each year)

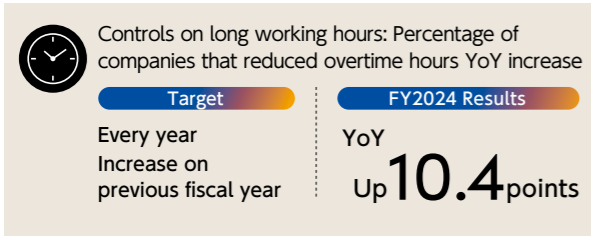
Type		FY2022	FY2023	FY2024
Paid leave taken (%)		46.2	51.0	59.4
Number of employees taking childcare leave	Male	32	41	89
	Female	187	217	175
	Total	219	258	264
Number of employees taking shorter hours for childcare	Male	7	9	32
	Female	581	628	965
	Total	588	637	997
Number of employees taking nursing care leave	Male	2	3	6
	Female	5	0	6
	Total	7	3	12

Introduction of Area Employee System

YAMADA DENKI is running an area employee system so that employees do not have to relocate. The system enables employees to choose a working style in line with their own life plan or family environment whether for childbirth or looking after children or elderly parents. In fiscal 2024, 11.4% of employees used the system.

Reducing Long Work Hours

YAMADA DENKI has introduced a Work Interval System to ensure at least 11 hours of rest between the end of one's workday and the start of the next workday to improve work efficiency and reduce overtime work, in addition to complying with labor-related laws. In fiscal 2024, the percentage of Group companies that reduced overtime hours to curb long working hours reached 70.4%, achieving the goal of increasing these figures year-on-year every fiscal year.



Responding to Workplace Reforms in the Logistics Industry

YAMADA DENKI is promoting various initiatives to respond to the reform of work styles in the logistics

industry. In addition to introducing a two-day weekend at the distribution center, the Company is working to improve efficiency by adjusting delivery dates to stores according to the volume of goods, utilizing basket carts and foldable containers when delivering goods to stores, and reducing the delivery time per store.

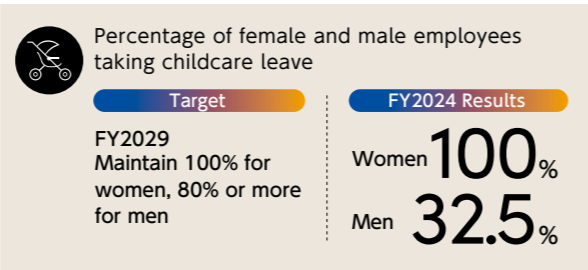
Promoting More Use of Annual Paid Leave

The YAMADA HOLDINGS Group strives to promote the use of paid leave as part of its efforts to provide a comfortable working environment for all employees. In addition to allowing employees to take paid holidays in half-day increments, we are working to improve the take-up rate through a system that of stretches of seven consecutive holidays including planned holidays and public holidays.



Childcare and Nursing Care System

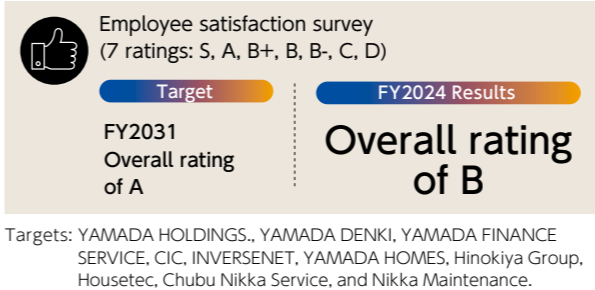
Regardless of gender, YAMADA HOLDINGS encourages employees to take childcare and nursing care leave so that they can work flexibly. In 2022, with respect to childcare leave, the period of continuous service required to take leave was reduced from one year to three months, the system was revised to allow employees to take leave up to two times in installments, and a new childcare leave at birth system was established. We are working to create an environment in which it is easy for male employees to take childcare leave by providing examples of male employees who have taken childcare leave in our company newsletter and working to raise employee awareness.



At YAMADA HOLDINGS and YAMADA DENKI

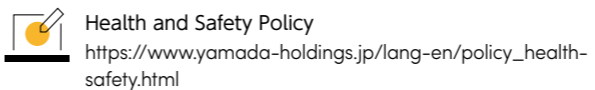
Employee Satisfaction Surveys

Starting in fiscal 2022, YAMADA HOLDINGS conducted employee surveys using a new method with the aim to improve employee motivation and productivity by setting issues and implementing measures based on the survey results. For fiscal 2024, the scope of the survey was expanded to include YAMADA HOLDINGS and YAMADA DENKI, as well as eight Group companies. The overall satisfaction level was judged as "B," which was not an altogether pleasing result. The main issues raised included physical and mental health, and career aspirations for managers. The results are disseminated throughout the Group via an internal newsletter. In the next fiscal year, we will work to address these issues and make improvements.



Health and Safety at Work

Based on the idea that maintaining and improving a healthy and safe work environment and promoting health for all employees forms the basis of the Company's survival, the YAMADA HOLDINGS Group works to ensure health and safety at work, creates a comfortable work environment, facilitates job performance and improved productivity, and manages employee health.



System to Promote Health and Safety at Work

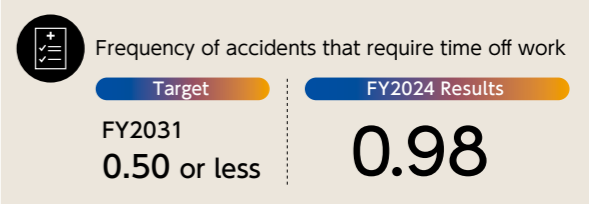
YAMADA HOLDINGS promotes occupational health and safety under the supervision of the Board of Directors, and reports monthly to the Board of Directors on the number of occupational accidents and measures taken. In addition, YAMADA HOLDINGS and YAMADA DENKI have established a Health and Safety Committee chaired by managers and held once a month at all business sites. The committee also sets

a theme for the year (based on important matters and matters for consultation). Activities and discussions take place around the monthly theme with the results submitted to and managed by the labor section at headquarters.

Main Initiatives to Prevent Accidents at Work

YAMADA HOLDINGS and YAMADA DENKI have determined priority issues to reduce the number of accidents in the workplace, and are taking various measures, including monitoring and managing work-related accidents. In order to eliminate risks that lead to serious injury etc., the Group has been working to prevent recurrences by preparing unsafe incident reports and examining individual cases. In the event of an accident at work, the Group is obliged to put measures in place at the store concerned and with all relevant parties to prevent the accident from ever happening again. YAMADA DENKI has set a goal of a frequency rate of accidents that require time off work of 0.50 or less. In fiscal 2024, this rate was 0.98.

In addition, YAMADA HOMES conducts safety patrols and provides training, including for subcontractors. YAMADA HOLDINGS will strive to improve levels of safety management throughout the Group.



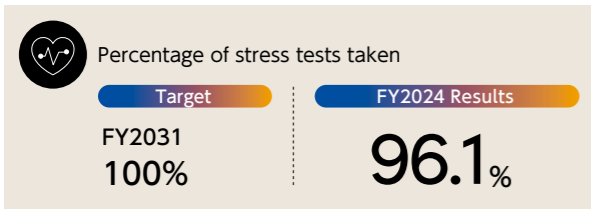
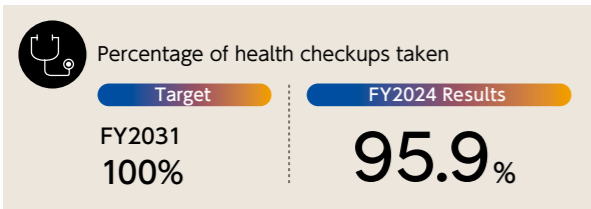
At YAMADA DENKI

Health Management and Mental Health

YAMADA HOLDINGS and YAMADA DENKI provide awareness and guidance on health management and mental health so that employees can make the most of their abilities and engage in their jobs. In terms of physical health, the Group carries out regular health checks for the purpose of preventing lifestyle-related diseases, and carries out specific health guidance based on the results. With regard to mental health, the Group conducts stress tests based on laws and regulations, and works to reduce the risk of mental illness by raising awareness of employees' own levels of stress. In addition, a sleep improvement program, "Nemuri no Ouendan" developed by NTT PARAVITA has been introduced on a trial basis for employees who wish to improve their sleep through stress



checks. YAMADA DENKI also invites occupational health physicians to conduct mental health training twice a year for store managers. Moreover, the Group has established a consultation desk (toll free number) in cooperation with a medical institution so that employees can talk to someone if they need to. Furthermore, in order to gain the right knowledge about mental health and how to handle any issues in case of emergency, life-care training is being provided to employees in managerial roles from occupational health physicians.



Percentage of Stress Tests and Health Checkups Taken (%)			
	FY2022	FY2023	FY2024
Percentage of health checkups taken	93.8	97.9	95.9
Percentage of stress tests taken	92.7	93.2	96.1

## Respect for Human Rights

With the progress of globalization, companies are trying to get to grips with international norms such as the World Declaration on Human Rights, the ILO's Fundamental Principles and Rights at Work, and the United Nations' Guiding Principles on Business and Human Rights. As such the YAMADA HOLDINGS Group is required to address human rights issues of various stakeholders affected by its business activities, and not just within the organization.

Based on the content of its respect for human rights in its CSR Code of Ethics, the YAMADA HOLDINGS Group has established a human rights policy which

sets out the Group's due diligence on human rights, the remedies and corrective measures to be taken in the face of human rights abuses, and education on human rights. The Group will continue to fulfill its responsibility to respect human rights throughout all of its business activities.

**Human Rights Policy**  
[https://www.yamada-holdings.jp/lang-en/policy\\_human-rights.html](https://www.yamada-holdings.jp/lang-en/policy_human-rights.html)

### Human Rights Initiatives

The YAMADA HOLDINGS Group, in accordance with its human rights policy, participates in external projects related to human rights and conducts training on the theme of various human rights issues that arise in business execution, with the aim of raising awareness and building a culture of respect for human rights. For fiscal 2024, we endorsed the Basic Guidelines for the Acceptance of Foreign Nationals set forth by the SEIDANREN. In-house training was also conducted for directors and managers on the subject of Act for Eliminating Discrimination against Persons with Disabilities. Furthermore, we will conduct surveys of business partners and identify human rights issues by understanding their working environments.

### Human Rights Due Diligence

In order to respect the human rights of all stakeholders involved in our business activities, the YAMADA HOLDINGS Group will continue to develop our system to implement human rights due diligence to identify and mitigate impacts on human rights, based on the United Nations Guiding Principles on Business and Human Rights and the Japanese government's Guidelines for Respecting Human Rights in Responsible Supply Chains.

In April 2024, as an initial process, we conducted a human rights risk questionnaire for YAMADA HOLDINGS and YAMADA DENKI to identify key human rights risks. Going forward, we will promote initiatives based on the results of the survey.

#### Questionnaire results

Significant human rights risks	<ul style="list-style-type: none"><li>Excessive and unreasonable working hours</li><li>Freedom to move one's residence</li><li>Consumer safety and the right to know</li><li>Information security</li><li>Intellectual property rights</li></ul>
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# Governance

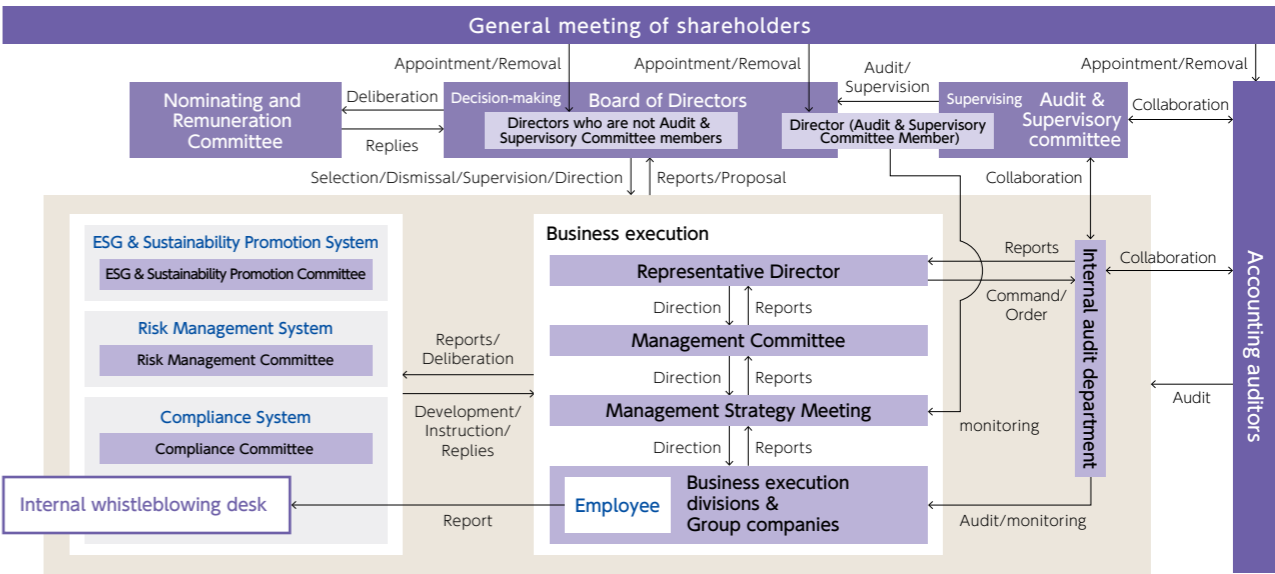
## Basic Approach

The YAMADA HOLDINGS Group strives to build a solid management foundation that meets the expectations of its diverse stakeholders by continuously strengthening corporate governance. Through rigorous compliance and applying good corporate ethics, we will increase transparency and practice reliable and resilient management in a hugely changing business environment, which will lead to sustained growth of the Group as a whole.

## Corporate Governance

YAMADA HOLDINGS works to clarify management responsibilities, make quick management decisions, maintain and improve corporate value and stakeholder value while enhancing management transparency and conducting fair corporate activities.

Corporate Governance Chart (as of June 27, 2024)



Board of Directors	Comprised of 12 directors. The chairperson is the representative director. Regular board meetings are held once a month, and extraordinary board meetings are held when necessary. Discusses and decides important management matters and oversees the progress of business performance.
Audit & Supervisory Committee	Consists of five directors who are Audit & Supervisory committee member. Held once a month. Directors attend important meetings such as the Management Strategy Meeting and commit the business execution divisions in accordance with the audit standards, etc. established by the Audit & Supervisory Committee. Conducts audits, monitoring, and other activities in the execution of directors' duties.
Management Committee	Held twice a month. Decides a broad range of management policies and strategies, based on discussions and evaluations of reports and proposals on management policies, strategies, challenges, and business execution.
Nominating and Remuneration Committee	Eight directors, the majority of whom (five) are independent outside directors, ensure objectivity and transparency in the process of determining executive personnel and remuneration.

Corporate Governance System

YAMADA HOLDINGS transitioned from a company with an Audit & Supervisory Board to a company with an Audit & Supervisory Committee on June 27, 2024. We will further enhance corporate governance by strengthening the auditing and supervisory functions of the Board of Directors, and together with our stakeholders, aim to achieve further sustainable growth and increase corporate value over the medium to long term. In addition, a voluntary Nominating and Remuneration Committee was established to improve management transparency and accountability. Through these efforts, we will strive to build a stronger corporate governance structure.

Corporate Governance System Overview (as of June 27, 2024)

Main items	Description
Type of organization	Company with an Audit & Supervisory Committee
Chairperson of the Board of Directors	Representative Director
Number of directors	12 (of which 2 female)
Number of outside directors	5 (all independent)
Number of directors who are not Audit & Supervisory Committee members	7 (of which 2 female)
Number of outside directors	2 (both independent)
Number of directors who are Audit & Supervisory Committee members	5
Number of outside directors	3 (all independent)
Number of executive officers	14
Term of office of directors who are not Audit & Supervisory Committee members	1 year
Term of office of directors who are Audit & Supervisory Committee members	2 years

Main Items Discussed at the Board of Directors (FY2024)

Matters Discussed	<ul style="list-style-type: none"><li>● Matters related to stock and corporate restructuring</li><li>● Approval and resolution of financial statements, reports and dividends</li><li>● Matters related to treatment and appointment of directors and auditors</li><li>● Approval of basic management policies</li><li>● Approval of business plans, budgets and expenditures</li><li>● Asset management</li><li>● Procurement and management of funds</li><li>● Sustainability-related considerations</li><li>● Matters related to execution of duties</li><li>● Approval of revision and enactment of regulations</li></ul>
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Assessment of Board's Effectiveness


YAMADA HOLDINGS conducts surveys of directors and corporate auditors to analyze and evaluate the effectiveness of the Board of Directors. In fiscal 2024, the effectiveness of the Board of Directors was again sufficiently secured. We will continue to improve the functions of the Board of Directors based on the results of the effectiveness assessments and checking the status of improvement.

Details of Board Effectiveness Assessment for FY2024

Assessment Method	
The Board secretariat determines the items to be assessed, and conducts a questionnaire survey for the eight directors and four auditors (total 12) from January to March, gathers the results then analyzes and evaluates them.	
Assessment Item	<ul style="list-style-type: none"><li>• Role/function</li><li>• Size/structure</li><li>• Operation</li><li>• Internal control / auditing body</li><li>• Relationship with outside directors</li><li>• Relationship with shareholders and investors</li></ul>
Overview of Assessment Results and Future Actions	
While confirming the proper functioning and effectiveness of the Company's Board of Directors, based on its active discussions and speed of decision-making and execution, the Company has set priority tasks for the Board of Directors to fulfill in the future.	
<b>Priority Issues 1</b> Strengthening the governance structure	
Policy	Enhanced relationships of trust with stakeholders, including transitioning to a company with an Audit & Supervisory Committee, establishing a voluntary Nominating and Remuneration Committee, making the Internal Whistleblowing System independent, reporting the status of IR and SR activities, and exchanging opinions among directors.
<b>Priority Issues 2</b> Appropriate provision of training opportunities	
Policy	Ensure that training opportunities are adequately provided and the environment is conducive to enhancing the roles required of board members.
<b>Priority Issues 3 (Ongoing Issues)</b> Expand ESG initiatives	
Policy	Clarify long-term goals for the entire Group at Board of Directors and ESG & Sustainability Promotion Committee, promote more practical discussions, and expand initiatives.
<b>Priority Issues 4 (Ongoing Issues)</b> Development of support systems	
Policy	Enhance the content of materials for internal officers and review of pre-shared materials, better respond to various deliberations and reports as a holding company, and enhance and improve the efficiency of discussions at the Board of Directors.

Internal Control System

YAMADA HOLDINGS operates an effective governance system by continuously strengthening its compliance, information management and risk management based on the Company's Internal Control System Basic Policy. The Risk Management Committee and Compliance Committee also fully share important matters to members of each department and each operating company by way of the Compliance Subcommittee, thereby making every effort to strengthen the management system to improve the effectiveness of internal control.

**Internal Control System Basic Policy**  
[https://www.yamada-holdings.jp/lang-en/policy\\_internalcontrol.html](https://www.yamada-holdings.jp/lang-en/policy_internalcontrol.html)

Executive Remuneration

YAMADA HOLDINGS' executive remuneration is determined in accordance with regulations and within the total amount of remuneration approved at the general meeting of shareholders, taking into consideration the degree of contribution, the financial situation and the economic climate, and of which draft is submitted to the Nominating and Remuneration Committee, which reports to the Board of Directors after deliberation. Remuneration for directors that are Audit & Supervisory Committee members and outside directors is fixed in order to maintain proper and effective management supervision.

Total Remuneration for Each Executive Class, Total by Type of Remuneration, and Number of Executives Applies To (FY2024)

Executive class	Total remuneration (million yen)	Total by type of remuneration (million yen)			Number of executives applies to
		Basic remuneration	Performance-linked remuneration	Non-monetary rewards	
Director (of which are outside directors)	641 (15)	298 (15)	81 (—)	261 (—)	8 (3)
Audit & Supervisory Board members (of which outside)	60 (10)	60 (10)	— (—)	— (—)	5 (3)
Total (of which are outside officers)	701 (25)	358 (25)	81 (—)	261 (—)	13 (6)

\* The Company transitioned from a company with an Audit & Supervisory Board to a company with an Audit & Supervisory Committee as of June 27, 2024. The above total amount of remuneration is for fiscal 2024, before the transition to a company with an Audit & Supervisory Committee.

New Fiscal Year Policy Presentation

Each year, the YAMADA HOLDINGS Group holds a meeting at the YAMADA HOLDINGS headquarters with the participation of executives, representatives from every Group company, and employees to present its management policy. Representative directors from YAMADA HOLDINGS present policy for the following fiscal year while each segment gives a review on their respective annual action plans, reports on progress, and presents future goals.



IR activity

YAMADA HOLDINGS holds financial results briefings for analysts and institutional investors. At the briefing sessions, senior management directly explain YAMADA HOLDINGS' management philosophy and policies, current performance, and future business strategies to give investors an opportunity to gain a deeper understanding of the Group.

Details of IR Activities

Target audience	IR activity
Domestic institutional investors and analysts	<ul style="list-style-type: none"><li>● Quarterly briefings</li><li>● Financial results briefings</li><li>● Individual visits</li><li>● Online meetings</li><li>● Monthly preliminary report (from October 2023)</li></ul>
Overseas institutional investors	<ul style="list-style-type: none"><li>● Online meetings</li><li>● Participation in conferences for overseas investors</li></ul>

Number of Meetings with Investors

FY2022	FY2023	FY2024
208	204	223

Directors and Officers



Representative Director,  
Chairperson and President CEO  
**Noboru Yamada**  
Born on February 11, 1943

1983 Sep. Representative Director and President  
2008 Jun. Representative Director, Chairperson and CEO  
2013 Jun. Representative Director, President and CEO  
2016 Apr. Representative Director, Chairperson and Chairperson of the Board of Directors  
2019 Jun. Representative Director and Chairperson  
2021 Apr. Representative Director, Chairperson and CEO  
2021 Sep. Representative Director, Chairperson and President CEO (present post)



Representative Director and  
Vice President  
**Megumi Kogure**  
Born on October 18, 1976

As the director in charge of the "employees," who are essential for revitalizing and maintaining the Company, I believe my mission is to provide "employee happiness". We will embody "employee happiness" by expanding actions to enhance employees' sense of belonging, while continuing our efforts to have our diverse stakeholders understand our values.

2017 May Junior Executive Officer, Head of Secretary Office  
2018 Jun. Director and Senior Executive Officer, Head of Secretary Office and Head of Human Resources Development Office  
2019 Apr. Director and Senior Executive Officer, Head of Secretary Office and General Manager of Human Resources and General Affairs Division  
2020 Jun. Director and Managing Executive Officer, General Manager of Human Resources and General Affairs Division  
2021 Apr. Director and Executive Officer in charge of Human Resources and General Affairs Division  
2022 Apr. Representative Director and Senior Managing Executive Officer in Charge of Human Resources and General Affairs Division  
2024 Jun. Representative Director, Vice President and Executive Officer in Charge of Human Resources and General Affairs Division (present post)



Director and Executive Officer  
**Tsuyoshi Nagano**  
Born on January 20, 1967

For about three and a half years after joining the Company, I was in charge of special assignments in the Chairperson's Office, mainly involved in identifying and executing M&A and business alliance projects. As the officer in charge of corporate planning and strategy, I would like to look at the wide range of business areas of our Group and plan and execute growth strategies as a hub function of the holding company management, which tends to be divided vertically.

2015 May Representative Director and President of SBI Wealth Partners Co., Ltd.  
2017 Mar. Managing Director of Sharaku Partners Co., Ltd.  
2018 Dec. Representative Director and President of Social Mobility, Inc.  
2020 Nov. Joined the Company as in Charge of Special Assignment in the Chairperson's Office  
2021 Apr. Outside Director of FOMM Corporation (present post)  
2022 May Secretary General of The Japan Major Consumer Electronics Appliance Distributor Association (present post)  
2024 Jun. Director and Executive Officer, Head of Integrated Corporate Planning Office (present post)



Director  
**Tsukasa Tokuhira\***  
Born on May 3, 1954

As an expert in distribution, I use my knowledge to check the governance of YAMADA HOLDINGS and make recommendations for future growth. The home appliance market is sluggish due to declining consumption from a shrinking population and aging customer-base, but as a leading company in the distribution of home appliances, we will take on challenges in fields where growth is expected to create new demand, thereby helping to solidify our position.

1977 Apr. Joined Hanbai Noritsu Zoshin Honbu Co., Ltd.  
1984 Apr. Manager of Guidance Division at Hanbai Noritsu Zoshin Honbu Co., Ltd.  
1987 Feb. Representative Director and President of Fic Limited (present post)  
2007 Jul. Representative Director and President of Cross Co., Ltd. (present post)  
2014 Jun. Outside Director of the Company (present post)



Representative Director and  
Vice President  
**Yoshinori Ueno**  
Born on December 02, 1971

My role is to develop and implement strategies to achieve sustainable growth while maintaining our market leadership position. In strengthening our business with the "Total-Living" strategy at its core, we believe it is important to utilize AI and big data to more accurately identify customer needs and enhance product proposals and services accordingly.

2014 Apr. Joined the Company as Head of Sales Strategy Office, Sales and Marketing Division  
2016 Jun. Director and Senior Executive Officer, General Manager of Sales Strategy Division and Head of Housing Collaboration Sales Strategy Office  
2018 Apr. Director and Managing Executive Officer, General Manager of Merchandise Division  
2020 Jun. Director and Senior Managing Executive Officer, General Manager of Sales and Merchandise Division  
2020 Oct. Director and Senior Managing Executive Officer, General Manager of Sales and Merchandise Division, YAMADA DENKI CO., LTD.  
2022 Apr. Representative Director and President of YAMADA DENKI CO., LTD. (present post)  
2024 Jun. Representative Director, Vice President and Executive Officer (present post)



Director and Senior Managing  
Executive Officer  
**Kenichi Koyano**  
Born on January 28, 1961

I will implement ESG management as an officer responsible for administration, finance, and various investment plans. In our "TotalLiving" strategy, we will strive to build lifelong relationships with our customers through new construction, remodeling, and the provision of various financial products, while continuing to focus on the development and provision of various financial products from the customer's viewpoint.

2009 Jun. Managing Executive Officer, Deputy General Manager of Administration Division of the Company  
2012 Jun. Director and Managing Executive Officer, Head of Finance Office, Administration Division, and Manager of Affiliates Profitability Management Department  
2013 Jun. Director and Senior Executive Officer, Head of Finance Office, Administration Division and Head of Management Office for Affiliated Companies and Manager of Affiliates Profitability Management Department  
2015 Mar. Director and Senior Executive Officer, General Manager of Administration Division, and Head of Management Office for Affiliated Companies  
2016 May Representative Director and President of YAMADA FINANCE SERVICE Co., Ltd. (present post)  
2024 Jun. Director and Senior Managing Executive Officer (present post)



Director  
**Miki Mitsunari\***  
Born on February 29, 1972

As an outside director, I endeavor to gain a wide range of perspectives and knowledge so that the "Total-Living" strategy can not only be more beneficial for customers and contribute to the development of local communities, but also so that it can help lead to the resolution of social issues such as the environment, aging, and disaster prevention. As we celebrate 50 years since the Company was founded, I will continue to make efforts so that we can continue to grow as a company that is loved by everyone in the community.

1994 Apr. Joined TOKYU LAND CORPORATION  
2001 Feb. Joined FUJI RESEARCH INSTITUTE CORPORATION (now Mizuho Research & Technologies, Ltd.)  
2011 Sep. Representative Director of FINEV inc. (present post)  
2020 Mar. Outside Director at Funai Soken Holdings Inc.  
2020 Jun. Director at Japan Accreditation Board (present post)  
2020 Jun. Outside Director of the Company (present post)  
2022 Jun. Outside Director at Solasto Corporation (present post)  
2023 Jun. Outside Director at YUASA TRADING CO., LTD. (present post)



Director (Audit & Supervisory  
Committee Member)  
**Makoto Igarashi**  
Born on August 4, 1964

It is my role to ensure there is sound management of the Group through auditing the business and accounts of the holding company that controls the five business segments. By making use of my experience and knowledge from working in Group businesses, I will do my best to improve corporate value and growth of the Company over the medium- to long-term, and as the pillar that supports this, help to strengthen governance.

1999 Jun. Director, Manager of Accounting Department of the Company  
2001 Apr. Managing Director, Deputy General Manager of Merchandise Management Division  
2003 May Senior Managing Director, General Manager of Administration Division  
2005 Jan. Director and Senior Managing Executive Officer, General Manager of the Sales and Marketing Division  
2008 Jun. Director and Senior Managing Executive Officer, Head of Overseas Business Strategy Office  
2013 Jun. Director and CFO, General Manager of Administration Division  
2014 Jun. Audit & Supervisory Board member  
2024 Jun. Director (Audit & Supervisory Committee member) (present post)

(As June 27, 2024)  
\* Independent officer under the listing rules of the Tokyo Stock Exchange



Director (Audit & Supervisory Committee Member)  
**Kenji Yamazaki**  
Born on January 28, 1968

In Group governance, inter-company flows must function smoothly. My understanding is that audits exist to inspect whether this flow is functioning properly, to detect errors and predictive signs at an early stage, and to encourage improvements. With the guidance of our seniors, we will work to strengthen governance in cooperation with the internal audit department, a place where I have worked in the past, and in cooperation with operating companies.

1999 May Manager of Information System Department  
2000 Jul. Head of the Internal Audit Office, Administration Division  
2002 Jan. Head of the Internal Audit Office and General Manager of Management Department, Administration Division  
2009 Apr. Executive Officer, Head of the Internal Audit Office  
2012 Apr. Senior Executive Officer, Head of the Internal Audit Office  
2021 Apr. Executive Officer, Head of the Audit Office, General Manager of Audit Department No.1  
2021 Jun. Audit & Supervisory Board Member of YAMADA DENKI CO., LTD. (present post)  
2024 Jun. Director (Audit & Supervisory Committee Member) (present post)



Director (Audit & Supervisory Committee Member)  
**Kunimitsu Yoshinaga\***  
Born on November 20, 1945

I believe that the primary role expected of an outside director is to get involved so that YAMADA HOLDINGS can continue to be number one in Japan in the field of corporate governance. Based on the experience I have cultivated as a banker and as a public servant both locally and overseas, I would like to be able to demonstrate my strengths in auditing and supervision in promoting Yamada's sustainability.

1969 Jun. Joined the Bank of Japan  
1970 Oct. Joined the Ministry of Finance  
2005 Jun. Joined THE TOWA BANK, LTD. as Senior Managing Director  
2007 May Representative Director and President of THE TOWA BANK, LTD.  
2020 Jun. Representative Director, Chairperson of THE TOWA BANK, LTD.  
2021 Jun. Corporate Advisor of THE TOWA BANK, LTD.  
2022 Jun. Corporate Honorary Advisor of THE TOWA BANK, LTD.  
2022 Jun. Outside Director of the Company  
2024 Jun. Outside Director (Audit & Supervisory Committee Member) (present post)

(As June 27, 2024)  
\* Independent officer under the listing rules of the Tokyo Stock Exchange



Director (Audit & Supervisory Committee Member)  
**Somuku Iimura\***  
Born on April 14, 1953

I find extreme purpose and a great sense of rewarding to work hard to ensure that the operations of the largest consumer electronics company in Japan are carried out legally. As a lawyer and Director (Audit & Supervisory Committee Member), I believe that my main role is to check that the directors are performing their duties properly with a focus on compliance, and as such, I will do my best to build a better company by making full use of my domestic and international legal experience.

1986 Apr. Registered as a lawyer and joined Masuda & Ejiri Law Firm  
2014 Jun. Outside Director at Maruha Nichiro Corporation  
2016 Jun. Outside Audit & Supervisory Board member of the Company  
2017 Feb. Outside Audit & Supervisory Board Member at Nachi-Fujikoshi Corporation  
2019 Jan. Joined Nishimura & Asahi Law Firm  
2020 Jan. Joined Natori Law Office (now ITN Partners) as a Senior Partner  
2020 May Outside Audit & Supervisory Board Member at SANYO SHOKAI LTD. (present post)  
2020 Jun. Outside Director at The Furukawa Battery Co., Ltd. (present post)  
2020 Dec. Executive Partner of ITN Partners (present post)  
2024 Jun. Outside Director (Audit & Supervisory Committee Member) (present post)



Director (Audit & Supervisory Committee Member)  
**Hirohisa Ishii\***  
Born on September 19, 1958

Expanding and strengthening the Group's governance system as a holding company is expected to become an even more important task for the Group going forward. From the viewpoint of a Director (Audit & Supervisory Committee Member), I will do my best to contribute to the sound development and expansion of the Group's business from a nonpartisan standpoint by making use of the experience I have cultivated at banks and companies.

1982 Apr. Joined The Dai-ichi Kangyo Bank, Limited (now Mizuho Bank, Ltd.)  
2010 Apr. Executive Officer, Mizuho Corporate Bank, Ltd. (now Mizuho Bank, Ltd.)  
2013 Jun. Director Deputy President, Mizuho Asset Management Co., Ltd. (now Asset Management One Co., Ltd.)  
2016 Oct. Managing Director at Mizuho Bank, Ltd.  
2018 Jun. Representative Director and President of Heart Agency Co., Ltd.  
2020 Jun. Outside Director and Audit & Supervisory Committee Member of TOTOKU ELECTRIC Co., Ltd. (now TOTOKU INC.)  
2023 Jun. Outside Audit & Supervisory Board Member of the Company  
2024 Jun. Outside Director (Audit & Supervisory Committee Member) (present post)

To realize the Group's management philosophy, promote the "Total-Living" strategy, and strengthen governance through the transition to a company with an Audit & Supervisory Committee, the Company's directors have been selected from among the skills (knowledge and experience) that are particularly expected of them to fulfill their roles and responsibilities and appropriately exercise their decision-making and management oversight functions. Items marked with "●" are areas in which we have particular expectations.

Skill Matrix (As of June 27, 2024)

	Name	Position	Years in office	Corporate Management/ Organizational Operation	Internal Control (Including Legal and Risk Management)	Store Development	Marketing	Logistics/Services	IT/DX	Human Resources/Talent Development/ Human Resource Development	Finance/ Accounting	ESG/Sustainability	FY2024	
													Attendance at the Board of Directors	Attendance at Audit & Supervisory Board
Director	Noboru Yamada		41 years	●	●	●	●	●				●	17/18	—
	Megumi Kogure		6 years	●	●					●		●	18/18	—
	Yoshinori Ueno		—	●	●	●	●	●	●				—	—
	Kenichi Koyano		—	●	●						●	●	—	—
	Tsuyoshi Nagano		—	●	●				●				—	—
	Tsukasa Tokuhira	Independent/ Outside	10 years				●			●			18/18	—
	Miki Mitsunari	Independent/ Outside	4 years			●			●			●	18/18	—
Director (Audit & Supervisory Committee Member)	Makoto Igarashi		10 years	●	●						●		17/18	11/12
	Kenji Yamazaki		—	●	●				●				—	—
	Somuku Iimura	Independent/ Outside	8 years		●								18/18	12/12
	Kunimitsu Yoshinaga	Independent/ Outside	2 years								●		18/18	—
	Hirohisa Ishii	Independent/ Outside	1 year								●		14/14 <sup>*1</sup>	9/9 <sup>*2</sup>

Note: Items marked with a "●" are those skills the Group particularly expects. They do not represent all knowledge and experience.

\*1 There have been 14 meetings of the Board of Directors since Mr. Ishii took office


\*2 There have been 9 meetings of the Audit & Supervisory Board since Mr. Ishii took office

Overview of Each Field

Field	Outline Areas in which Directors are Expected to Demonstrate their Skills
Corporate Management/ Organizational Operation	Embody the management philosophy of "Creation and Challenge," "Appreciation and Trust," and respond to the diversification of the market environment and values, while promoting the "Total-Living" strategy across the five segments of the Company. Skills to make management decisions, plan, and execute management plans and strategies to ensure the sustainable growth, development, and enhancement of corporate value of the Group.
Internal Control (Including Legal and Risk Management)	Skills to identify various risks associated with business activities, continuously enhance compliance, information management, risk management and other initiatives, operate an effective governance structure, and strengthen and promote management systems to improve the effectiveness of internal controls.
Store Development	Skills to promote the "Total-Living" strategy, including active development of LIFE SELECT stores, opening new stores in areas where we have not yet opened stores, promoting scrap and build, and improving existing store strength through remodeling, in order to increase market share across the region by building a store network and optimizing and maximizing store efficiency in the area.
Marketing	In addition to basic marketing skills and sensibility from the customer's perspective to respond precisely and flexibly to market changes and each trade area, skills to promote a digital shift in sales promotions using the "big data" of members in marketing strategies, the development of digital sales promotions using the Company's own apps, and store digital transformation (DX) using new technologies to promote the "Total-Living" strategy.
Logistics/Services	Skills to promote the "Total-Living" strategy by addressing the 2024 logistics problem in Japan, as well as delivery, construction, and service systems in promoting overseas business strategies.
IT/DX	Skills to promote the "Total-Living" strategy by transforming business through the use of digital information and data across the Group, including the creation of new value at real customer contact points, promotion of data utilization across the Group, and going through a digital shift of marketing initiatives.
Human Resources/ Talent Development/ Human Resource Development	Viewing employees as an indispensable management resource for the sustainable development of the Company, the Group is working to develop and improve the abilities of its employees through securing and nurturing human resources and through appraisals. Skills that help to actively promote securing a safe and secure working environment that respects diversity and individuality, making it a healthy and easy place to work.
Finance/Accounting	Skills for compiling and appropriately reporting financial and accounting information, improving capital efficiency through Group cash management, and promoting loans, various types of insurance, and the development of new financial products, in order to support the "Total-Living" strategy from the financial side.
ESG/Sustainability	Skills to identify sustainability risks and opportunities and promote Group-wide efforts to build a sustainable society and solve social issues through our own business.

Compliance

The YAMADA HOLDINGS Group positions compliance as one of the most important management issues, and recognizes that, as a corporate citizen, not only legal compliance, but also compliance with social norms is essential. By practicing the YAMADA HOLDINGS Group Code of Conduct which serves as an action guideline for realizing the Group's management philosophy, we are making all of our employees more aware about the issue of compliance and we are working to establish and thoroughly ensure compliance is carried out.

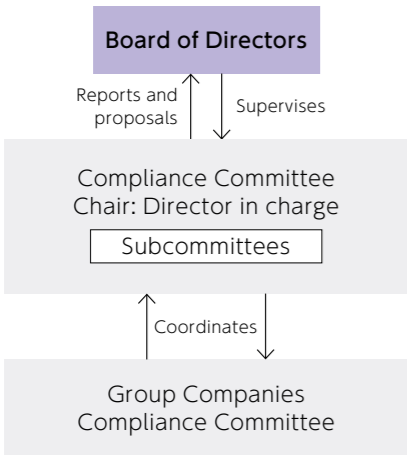


**YAMADA HOLDINGS Group Code of Conduct**  
[https://www.yamada-holdings.jp/lang-en/policy\\_code-of-conduct.html](https://www.yamada-holdings.jp/lang-en/policy_code-of-conduct.html)

Compliance Promotion System

YAMADA HOLDINGS has established a Compliance Committee, chaired by the director in charge, to ensure thorough compliance throughout the Group. At the monthly Compliance Committee meeting, the status of compliance management at each Group company is confirmed to identify any problems and discuss improvement measures. The Group is also striving to improve its compliance system through various subcommittee topics. Compliance committees are also held once a month at Group companies to exchange opinions and to hold study sessions on issues arising from each company. Content from all committee discussions is reported to the Board of Directors as required with information shared and any appropriate measures taken.

Compliance Promotion System



Compliance Committee Topics (FY 2024)

Topic		Description
April	Insider trading prevention	Conducted study sessions on insider trading prevention
May	Dissemination of the Internal Whistleblowing System	Conducted study sessions on the Whistleblower Protection Act and the Internal Whistleblowing System
June	Anti-harassment measures	Conducted study sessions on handling harassment
July	Consumer Contract Act and the Act on Specified Commercial Transactions	Conducted study sessions on the Consumer Contract Act and the Act on Specified Commercial Transactions
August	Subcontracting Act	Conducted study session on the Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors
September	Invoicing system	Conducted study sessions on the invoicing system
October	Anti-corruption initiatives	Conducted study sessions to familiarize employees with anti-corruption regulations
November	Act against Unjustifiable Premiums and Misleading Representations	Conducted study sessions on stealth marketing
December	Customer harassment prevention	Conducted study sessions on handling customer harassment
January	Measures to protect personal information	Conducted study sessions on the Act on the Protection of Personal Information
February	Antimonopoly Act	Conducted study sessions on the prevention of abuse of superior bargaining position
March	Proper understanding of working hours	Conducted study sessions on the proper understanding of working hours

Compliance training

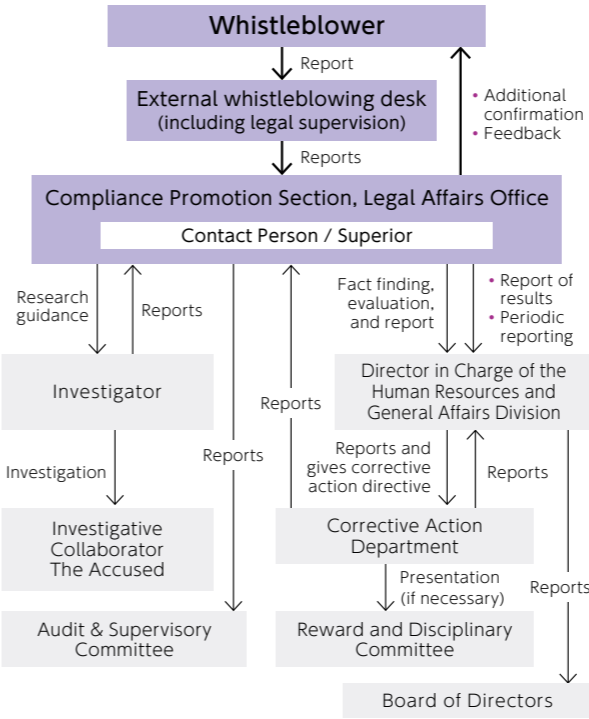
YAMADA HOLDINGS holds compliance training to further promote understanding of topics under discussion. Every year, the Legal Office selects topics that are strongly related to the work of the Group. Our training in fiscal 2024 was designed to improve more specific knowledge by collaborating with the General Affairs, Accounting, and CS Management Departments. We are also working to improve the content of the training by using questionnaires. In addition, we used online learning tools to support voluntary training by employees, and held study sessions for compliance officers of Group companies that are highly relevant to each topic. The Merchandise Department holds training as and when needed to learn correct store management and gain knowledge based on the basic principles of legal compliance.

Internal Whistleblowing System

In order to prevent compliance violations, including on matters related to harassment, discrimination, bribery,


corruption, and human rights, the YAMADA HOLDINGS Group operates an internal whistleblowing system by setting up a point of contact as a means to receive reports from all Group employees. Every effort is being made to protect whistleblowings based on the Rules on the Internal Whistleblowing System so that any person may be able to come forward anonymously. In March 2024, the whistleblower contact point was changed from internal to outsourced in order to strengthen the protection of whistleblowers. The Board of Directors regularly reports on the number of reports received, case summaries, results of responses to the reports, and the progress of those reports not yet fully addressed. 165 whistleblowing reports were received in fiscal 2024, which were properly dealt with.

Internal Flow of the Internal Whistleblowing System



Antisocial Forces

The YAMADA HOLDINGS Group has established its Basic Policy on Elimination of Antisocial Forces and is developing a system in collaboration with external specialist agencies and police authorities to deal with antisocial forces.



**Basic Policy on Elimination of Antisocial Forces**  
[https://www.yamada-holdings.jp/lang-en/policy\\_antisocial.html](https://www.yamada-holdings.jp/lang-en/policy_antisocial.html)


Anti-corruption Initiatives

The YAMADA HOLDINGS Group strives to ensure fair

and transparent transactions based on its Trading Policy, a code of ethics for all employees. Our Trading Policy complies with the laws and regulations of each country and prohibits bribery, including the giving and receiving of inappropriate entertainment and gifts. In addition, in September 2023, the Company formulated its Anti-Corruption and Anti-Bribery Regulations to prevent corruption and bribery.

Initiatives on the Antimonopoly Act and Subcontracting Act

The YAMADA HOLDINGS Group complies with all applicable laws and regulations and has established an Antimonopoly Act Compliance Manual to promote fair business activities. In fiscal 2024, there were zero violations of the Antimonopoly Act, Subcontractor Act, or other laws.



**Trading Policy**  
[https://www.yamada-holdings.jp/lang-en/policy\\_trading-policy.html](https://www.yamada-holdings.jp/lang-en/policy_trading-policy.html)

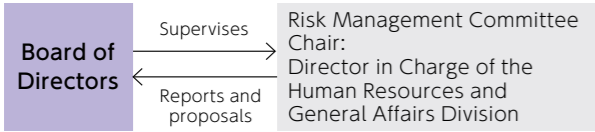
Risk Management

As well as identifying various risks related to its business activities and implementing appropriate countermeasures, the YAMADA HOLDINGS Group shares necessary information to mitigate and prevent any risks from materializing.

Promotion System

Every month YAMADA HOLDINGS holds the Risk Management Committee, chaired by the Director in Charge of the Human Resources and General Affairs Division, to build a risk management system that includes every Group company. The content of discussions from these committee meetings is also reported back to the Board of Directors. The Risk Management Basic Rules have been established as a system for preventing risks and as a means for addressing any risks that have arisen. Each division operates in accordance with these rules. In terms of information security, a personal information protection policy and an information security basic policy have been formulated in order to properly manage customers' personal information. The Security Committee (held once a month), chaired by the General Manager of Group ITDX, makes every effort in terms of information security by identifying any information security risks both internally and externally, formulating countermeasures and reporting progress.

The Risk Management System



Responding to Major Risks in Business Activities

The YAMADA HOLDINGS Group has set out the risks that may have a significant impact on its business results and financial position, and measures to mitigate these risks.

● Risk Identification and Assessment

Under its risk management system, the Group identifies Company-wide risks and strives to prevent or detect risks at an early stage. The Risk Management Committee

will further identify and assess risks throughout the Group to formulate specific measures in the future.

● Emergency BCP Measures

YAMADA HOLDINGS established Business Continuity Plan (BCP) management rules in preparation for large-scale disasters, etc., and regularly reviews and revises these rules. A system has been established to minimize damage in the event of an emergency, with for example, setting up an emergency management HQ at headquarters and appointing people to share information at each business site. Moreover, in the event of an emergency, such as an earthquake or fire, the Group carries out disaster prevention drills and manual-based training at the headquarters and at each store, to ensure an appropriate initial response while securing the safety of its customers.

Major Risks and Countermeasures

Type	Risk	Countermeasure	Impact Level
Risks related to earthquakes and natural disasters	Damage to store facilities or power outages caused by typhoons, earthquakes, or torrential rain may lead to business interruptions or hinder product procurement, resulting in a significant decline in sales and a significant impact on business results.	<ul style="list-style-type: none"><li>Construct safety management system centered on emergency management HQ</li><li>Regular review and update to the disaster response manual</li><li>Training for employees</li><li>Stockpile disaster supplies (212 stores and distribution bases)</li></ul>	High
Risks related to the supply of original brand products	In the event of a disaster in China where main manufacturing contractors are based, there may be insufficient or no supply of our original products, which may have an impact on business performance and financial position.	<ul style="list-style-type: none"><li>Build system to mitigate disaster risks for manufacturing contractors</li><li>Diversify and seek out new contractors</li></ul>	Medium
Risks related to information security	In the event of any tampering or leaking of information due to natural disasters, computer viruses, unauthorized access, etc., any such customer data breach may negatively impact the Group's reputation and corporate image, which may affect its business performance and financial position.	<ul style="list-style-type: none"><li>Thorough compliance with information security and privacy policies</li><li>Hold study sessions to raise awareness among employees on information security</li><li>Obtain international standard ISO/IEC 27001 certification (Takasaki Headquarters)</li></ul>	Medium
Risks related to product purchasing and inventory	With disruption to the distribution network due to natural disasters, changes in relationships with business partners, a global shortage of resources, or a collapse of the supply chain, etc., it may be difficult to purchase products and secure inventories as planned, which may have an impact on business results.	<ul style="list-style-type: none"><li>Diversify suppliers in each product category</li><li>Hold regular purchasing and inventory meetings with purchasing managers in each category</li></ul>	Medium
Risks associated with large-scale epidemics	Due to the impact on management resources owing to major outbreaks of infectious diseases such as influenza, the stable supply of products and services may become difficult, which may have an impact on business performance and financial position.	<ul style="list-style-type: none"><li>Rigorous infection control measures that put the health and safety of customers, shareholders, business partners, employees, etc. first</li><li>Ascertain employee safety during emergencies and put in place steps to return to work</li><li>Implement measures in line with the guidelines of The Japan Major Consumer Electronics Appliance Distributor Association</li></ul>	Medium
Risks related to housing quality assurance	Although housing quality is thoroughly controlled, if a serious quality-related problem arises due to unforeseen circumstances, it may have a significant impact on business performance and financial position.	<ul style="list-style-type: none"><li>Use of materials that comply with laws and regulations, development of proper construction systems</li><li>Training to raise employee awareness of quality assurance</li><li>Quality assessments and analysis of demands through customer surveys, etc.</li><li>Quality inspections by third-party agencies</li></ul>	High
Overseas expansion	In store development centered on Southeast Asia, changes in the internal political situation in each country, national conflicts, demonstrations, and other events could cause closures or make it difficult to continue operations, which could affect the Group's business performance and financial position.	<ul style="list-style-type: none"><li>Close communication with partners and business partners familiar with the local economy, environment, customs, etc.</li><li>Establish a system to make timely and appropriate business decisions</li></ul>	Medium

Supply Chain Management

To ensure fair and transparent transactions, the YAMADA HOLDINGS Group is working to strengthen its supply chain management by ensuring compliance with the transaction policies for Group companies and suppliers. The Group deals with various suppliers in Japan, including major consumer electronics and furniture manufacturers, household product manufacturers and wholesalers. Many of the manufacturers with which the Group deals with are companies making exceptional efforts. The Group aims to build sound partnerships with its business partners by utilizing knowledge and sharing information on the social responsibilities mutual to both parties in the trading relationship.

Trading Policy

[https://www.yamada-holdings.jp/lang-en/policy\\_trading-policy.html](https://www.yamada-holdings.jp/lang-en/policy_trading-policy.html)

● Business Partner Questionnaire Surveys

Among its emphasis on corporate social responsibility throughout the entire value chain, the YAMADA HOLDINGS Group promotes compliance in areas such as the environment, society, and ethics based on its Code of CSR Ethics. Since the Group's products and services are provided to customers via a number of domestic and foreign corporations, the Group believes that all relevant laws and regulations should be complied with at every stage to ensure products and services are provided in an environmentally, socially and ethically acceptable way. For this reason, a questionnaire survey is conducted once a year targeting major business partners. The results from the responses are collated and analyzed, and hearings or requests for improvement are carried out if any companies are deemed to be high risk.

● Business Partner Questionnaire Survey Results for Fiscal 2024

From fiscal 2022, YAMADA HOLDINGS has been using the CSR Procurement Self-Assessment Questionnaire published by the Global Compact Network Japan (GCNJ) to conduct a self-assessment questionnaire with a total of 114 questions on 9 topics, including human rights, the environment, and the supply chain.\*

For fiscal 2024, 626 companies were targeted, for a response rate of 62.3% to the survey. The number of companies decreased by 15 or 1.7 percentage points from fiscal 2023, due to changes in the

Group's structure resulting from the consolidation of subsidiaries and other factors. As well as identifying business partners with low scores in a comparative analysis with the previous fiscal year to get an understanding of the situation through dialogue, plans for improvement are put forward and corrective measures are taken as necessary. We will continue to implement the self-assessment questionnaires to strengthen management of the supply chain.

\* For YAMADA HOLDINGS business partners, Group company business partners, major YAMADA DENKI business partners, and SPA product manufacturers

Information on the Business Partner Questionnaires

Business partners	Type	FY2022	FY2023	FY2024
YAMADA HOLDINGS' business partners	Number of companies	121	280	289
	Response rate (%)	43.0	56.1	49.1
Group company business partners	Number of companies	314	247	220
	Response rate (%)	53.8	67.6	71.8
YAMADA DENKI main business partners	Number of companies	80	75	74
	Response rate (%)	63.8	62.7	63.5
SPA product manufacturers	Number of companies	37	39	43
	Response rate (%)	70.3	100	100
Total	Number of companies	552	641	626
	Response rate (%)	54.0	64.0	62.3

● Selecting SPA product manufacturers

YAMADA HOLDINGS mainly selects ISO9001-certified companies as manufacturers for its SPA products. Inspections are carried out at the factories of some of these manufacturers at different times: initially, before mass production, regularly (once every three years), and at random. Furthermore, the status of their ISO 14001 certification is verified every year to strengthen our response to environmental risks.

## Major Financial Data for 10 Years (Consolidated)

(million yen)

	38th	39th	40th	41st	42nd	43rd	44th	45th*	46th	47th
	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
<b>Profit and Loss</b>										
Net sales	1,664,370	1,612,735	1,563,056	1,573,873	1,600,583	1,611,538	1,752,506	1,619,379	1,600,586	1,592,009
Operating profit	19,918	58,158	57,895	38,763	27,864	38,326	92,078	65,703	44,066	41,489
Ordinary profit	35,537	62,734	66,040	47,335	36,889	46,074	98,875	74,136	50,064	47,037
Profit attributable to owners of parent	9,340	30,395	34,528	29,779	14,692	24,605	51,798	50,555	31,824	24,055
<b>Assets</b>										
Net assets	509,397	557,722	585,547	588,740	591,593	645,166	672,545	676,277	611,775	624,174
Total assets	1,122,407	1,146,722	1,159,456	1,175,568	1,184,042	1,163,494	1,252,599	1,271,668	1,271,181	1,288,994
<b>Cash Flow</b>										
Cash flows from operating activities	22,982	△23	43,855	61,689	36,023	62,433	122,281	21,084	43,740	54,559
Cash flows from investing activities	△20,232	△13,437	△15,279	△12,668	△8,469	△8,234	△14,777	△22,265	△25,209	△21,911
Cash flows from financing activities	△41,487	4,732	△24,382	△32,920	△27,461	△58,091	△82,837	△16,647	△29,453	△25,592
Cash and cash equivalents at end of year	39,691	30,664	34,981	51,326	51,175	48,397	73,760	56,470	46,486	54,350
<b>Financial Indicators</b>										
Common stock (100 million yen)	710	710	710	710	710	710	710	711	711	711
Equity ratio (%)	43.2	46.6	48.4	49.8	49.7	54.6	51.8	51.6	47.6	47.8
Price earnings ratio (times)	42.18	13.92	12.91	17.35	30.02	15.19	9.50	6.23	11.33	12.68
ROA (%)	0.8	2.7	3.0	2.6	1.2	2.1	4.3	4.0	2.5	1.9
ROE (%)	1.8	6.0	6.3	5.2	2.5	4.0	8.1	7.9	5.0	3.9
<b>Share Information</b>										
Net assets per share (yen)	643.03	666.03	697.46	731.57	723.55	721.37	792.26	785.50	853.67	892.39
Basic earnings per share (yen)	11.73	38.22	43.00	36.77	18.18	28.38	62.82	60.96	40.25	34.78
Diluted earnings per share (yen)	11.72	38.16	42.89	36.65	18.07	27.01	62.53	60.67	40.02	34.53

Note:  
The Accounting Standards for Revenue Recognition (ASBJ Statement No.29, March 31, 2020) have been applied since the beginning of the 45th business year (fiscal 2022). As such, all figures for the 45th business year and thereafter are the figures after these accounting standards have been applied.

Corporate Information (As of March 31, 2024)

Editorial Note

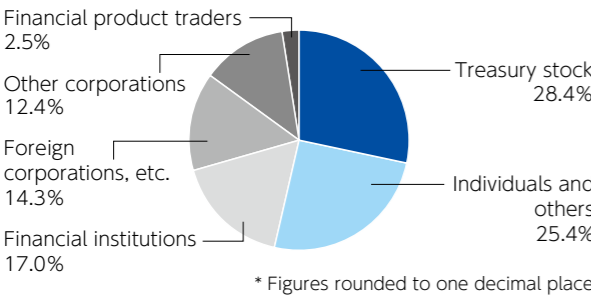
Corporate Profile

Company name: YAMADA HOLDINGS CO., LTD.  
Headquarters address: 1-1 Sakae-cho, Takasaki-shi, Gunma 370-0841 Japan  
Founded: April 1973  
Established: September 1983  
Common stock: ¥71.1 billion  
Total assets: ¥1,288.9 billion (consolidated)  
Capital adequacy ratio: 47.8% (consolidated)  
Number of employees: 25,526 (consolidated)

Stock Information

Total number of authorized shares: 2,000,000,000  
Total number of issued shares: 966,863,199  
Number of shareholders: 436,581  
Listed stock exchange: Tokyo Stock Exchange  
Shareholder register administrator: Mizuho Trust & Banking Co., Ltd.

Shareholding Ratio



External Evaluation



YAMADA HOLDINGS receive a high rating of "A-" in "Climate Change 2023" published by CDP.



FTSE Blossom Japan Sector Relative Index

This index is composed of companies that excel in addressing environmental, social, and governance (ESG) issues. YAMADA HOLDINGS has been selected by this index since 2022.

2024 CONSTITUENT MSCI Nihonkabu ESG SELECT LEADERS INDEX

2024 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

The MSCI Japan ESG Select Leaders Index is an index that selects stocks from each industry sector with high environmental, social, and governance (ESG) ratings. YAMADA HOLDINGS has been selected as a part of this index since 2020. The MSCI Japan Empowering Women (WIN) Select Index is an index that selects Japanese companies with high gender diversity scores that promote women's activities. YAMADA HOLDINGS has been selected as a part of this index since 2020.

THE INCLUSION OF YAMADA HOLDINGS 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 YAMADA HOLDINGS CO., LTD. BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEX ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.

Major Shareholders

Shareholder name	Number of shares held (thousand shares)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	78,953	11.41
TECC PLANNING Co., Ltd.	65,327	9.44
Custody Bank of Japan, Ltd. (Trust Account)	29,061	4.20
Noboru Yamada	28,924	4.18
SoftBank Corp.	24,200	3.50
The Gunma Bank, Ltd.	12,000	1.73
JPMorgan Securities Japan Co., Ltd	10,855	1.57
JPMorgan Chase Bank 385781 (Standing agent: Mizuho Bank, Ltd. Settlement & Clearing Services Department)	7,988	1.15
State Street Bank and Trust Company 505103 (Standing agent: Mizuho Bank, Ltd. Settlement & Clearing Services Department)	7,782	1.12
State Street Bank West Client - Treaty 505234 (Standing agent: Mizuho Bank, Ltd. Settlement & Clearing Services Department)	7,443	1.08

YAMADA HOLDINGS holds 274,595 thousand shares of treasury stock, excluded from the above shareholders. 1,478 thousand shares of the Company's stock held by the YAMADA HOLDINGS Employee Shareholding Association Exclusive Trust Account are not included in treasury stock. Shareholding ratios are calculated excluding treasury stock.



Megumi Kogure

Representative Director, Vice President and Executive Officer in Charge of Human Resources and General Affairs Division

Thank you for reading the 2024 Integrated Report to the end.

The YAMADA HOLDINGS Group began its sales of the YAMADA Smart House, which is packed with Yamada's strengths, in October 2023, further solidifying the links between the various segments. In our mainstay consumer electronics segment, we are also promoting the expansion of overseas business and establishing a structure that broadly supports the lives of an even greater number of people.

This integrated report was produced with the main objective of communicating to our stakeholders in an easy-to-understand manner how we promote the diverse businesses of each segment and what kind of Group synergies we will achieve based on our "Total-Living" strategy.

The second half of this report includes ESG and sustainability management as an important foundation for the Group's value creation. We regularly report on our progress toward metrics, such as KPIs, in this report and on our website, continuing to promote dialogue with our stakeholders.

In closing, I would like to express my sincere gratitude to everyone who has read this report, including everyone involved in its production. I hope this report serves as a tool for all stakeholders to gain a deeper understanding of the Group. I look forward to your continued support for the YAMADA HOLDINGS Group.

YAMADA HOLDINGS Group Integrated Report 2024 Questionnaire

Thank you for reading the YAMADA HOLDINGS Group Integrated Report 2024. To help us improve our corporate activities and the content of this report in the future, we would like to hear your comments and suggestions below.



YAMADA HOLDINGS Group Integrated Report 2024 Questionnaire  
[https://www.yamada-holdings.jp/contact/yamada-hd\\_en\\_survey.html](https://www.yamada-holdings.jp/contact/yamada-hd_en_survey.html)