

Basic Axes Enhancement of Human Capital

Enhancement of human capital sharpens service quality and connects customer trust to a sustainable virtuous cycle of business value

Skylark Group includes “Positive Work Environment/Employee Engagement” among the values that we treasure. Under this, all of our employees cooperate with colleagues to create a positive workplace.

We believe that investing in human capital (human resources) enhances employees' job satisfaction. This enhances the quality of service and generates a virtuous cycle that boosts corporate profits by satisfying customers and enables sustained wage increases.

Ichiro Takei

Executive Officer, Chief Health Officer and Chief Sustainability Officer / Managing Director of the Human Capital & General Affairs Division



Governance

In our human capital-related governance, through the Group Sustainability Committee we continuously formulate company-wide policies, goals, and measures related to human capital; identify, monitor, and regularly review material issues (materiality); and construct and maintain a promotion structure, all under the supervision of the Board of Directors. Our structure further incorporates reports to the Board of Directors, as well as suggestions and advice from the external perspective of outside directors who participate as advisors.

HR Strategies

Our Group executes HR strategies aligned with our management strategy, cooperating with the HR departments of Group companies. Our Group companies also conclude collective agreements with our labor union, which stipulates labor-management relations and personnel/working conditions. We hold regular council meetings and liaison meetings by Group top management and the executive members of the union to maintain and improve trouble-free business operation and working environments based on mutual understanding and relationships of trust and cooperation.

Amid a low birthrate, aging population, and declining working-

age population in Japan, securing outstanding employees is an essential factor for our company's growth. While shortages of workers exist, there are also cases in which people motivated to work after raising children are unable to find desired employment. To meet this latent need, we will create jobs and provide a stable working environment around the country.

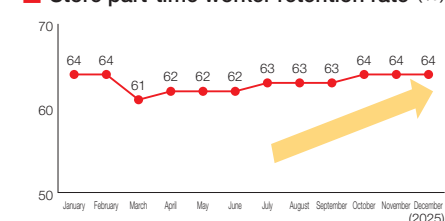
To address the logistics industry's ongoing “2024 problem” involving a shortage of drivers, we made early revisions to our driver personnel system and wage regulations, maintaining a structure by which food ingredients are delivered safely and reliably to all Skylark Group stores every day.

Strategy 1 Creating workplaces that attract people

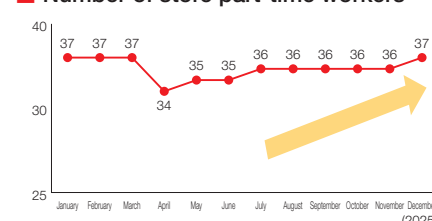
Full-time employees: Amid a difficult recruitment environment, we hire diverse talent who identify with our Corporate Philosophy, securing a sufficient number of full-time employees to realize our store opening plans. In FY2025, the Group hired 482 persons (including 175 new graduates), with the ratio of women about 36%. We also actively hire “second-career” employees in their 40s to 50s after raising children, with 9 people in that age range joining the company in FY2025.

Part-time/temporary employees: Through a review of our raise and promotion system, the enhancement of training and other initiatives, and the promotion of DX-centered environments conducive to work, proficiency in work has improved and turnover has declined. From the April turnover period, both the retention rate and the number of store part-time workers have steadily recovered and remain stable at high levels. Application numbers continue to be strong, and the pressure of labor shortages is gradually being alleviated.

■ Store part-time worker retention rate (%)



■ Number of store part-time workers



Both part-time worker retention rate and crew member count remain stable at high levels!

Strategy 2 Creation of a comfortable working environment for diverse human resources by advancing DX

Specific initiatives and measures

- Development of video manuals
- Creation of multilingual educational tools
- Introduction of floor service robots
- Introduction of new POS cash register system
- Expanded introduction and evolution of self-service cash registers
- Introduction of at-table payment
- System for ushering customers to tables upon entrance
- System for showing tables to be cleaned

Strategy 3 Promotion of participation by women

In February 2016, we received “Kurumin” certification as a company that supports child rearing. We are working to create a structure that flexibly adapts to childbirth and other life stages.

The Group-wide percentage of women in managerial positions has risen to **15.3%**!



Specific initiatives and measures

- Flexible modified working hours system (4-12 hours of work per day, 7-12 legal holidays per month)
- Special leave of one or more days for childcare-related purposes
- Shortened working hours for childcare through the 6th year of elementary school
- Flexibly selectable employment categories, with or without relocation nationwide
- Child-rearing support allowance (10,000 yen/month per dependent child)

Major Indicators	KPI	
	2030	2050
Percentage of women in managerial positions	30	50

(Consolidated)	Item	FY2022	FY2023	FY2024	FY2025
Number of full-time employees	Women	882	951	1,255	1,384
	Percentage of women	14.6	15.8	20.4	21.1
	Percentage of women engaged in sales positions	12.8	13.2	13.1	17.2
	Percentage of women engaged in STEM positions ^{*1}	0.9	1.1	1.3	1.6
	Men	5,160	5,054	4,895	5,169
Managers ^{*2} (Junior management and above)	Total	6,042	6,005	6,150	6,553
	Women	494	478	512	563
	Percentage of women	13.8	14.0	14.3	★15.3
	Men	3,092	2,929	3,075	3,128
	Total	3,586	3,407	3,587	3,691

^{*1} STEM positions: Total number of full-time employees engaged in IT, menu development, production, and the quality control group

^{*2} Director positions: Senior management positions up to two levels below the CEO; Leader positions: Middle management; Manager: Junior management

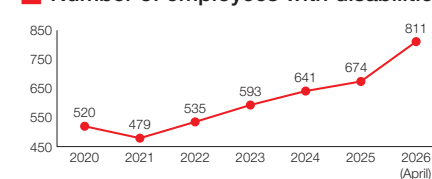
Strategy 4 Promoting employment of people with disabilities

The employment rate for people with disabilities in 2025 was 3.23%, higher than the legally mandated rate. The number of persons with disabilities working in Skylark Group was approximately 811 as of April 2026.

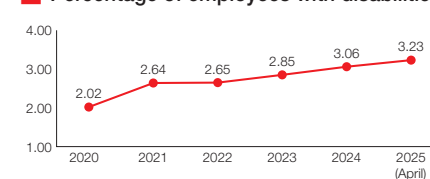
Specific initiatives and measures

- Placement of a guidebook that incorporates case studies in an easy-to-understand comic-book format
- Introduction of practical training at more than 180 support schools nationwide
- Establishment of a consultation desk for the employment of people with disabilities

■ Number of employees with disabilities



■ Percentage of employees with disabilities



Our employment rate for people with disabilities is significantly higher than the legally mandated rate at **3.23%**!

Strategy 5 Promoting employment of the elderly

In January 2019, Skylark Group raised the age limit for part-time workers from 70 to 75.

About 4,300 people between the ages of 65 and 69 currently work in the Group.

In September 2015, we raised the retirement age for full-time employees from 60 to 65, the same as for part-time workers. We are working to realize a society in which seniors can work in good health, a goal promoted by the government.

Senior Work EXPO, held by the Tokyo Metropolitan Government
We provided work experiences to more than 200 participants! (Held at two locations: Shinjuku on October 9 and Hachioji on October 21)



Work-experience booth by Yumean

For the third consecutive year, Skylark Group exhibited a family restaurant experience booth



Soba plating experience

Strategy 6 Promoting employment of non-Japanese human resources

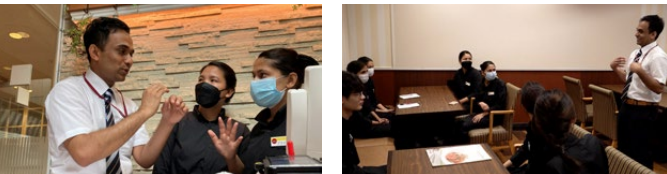
Across the Group, approximately 4,600 non-Japanese employees from about 60 countries work with us. Under the Vietnamese technical trainee program that begun in 2016, about 260 people, including those with specific skills, currently work at our food and logistics factories. Our active hiring of non-Japanese nationals includes accepting persons with specific skills at stores and Taiwanese nationals on working holidays.

Specific initiatives and measures

- Establishment of a recruitment website for non-Japanese applicants using simple Japanese
- Use of collective interviews by non-Japanese interviewers, orientation, and initial training at our training centers for non-Japanese human resources
- Creation of multilingual educational tools

FY	2020	2021	2022	2023	2024	2025
Number of non-Japanese employees	2,213	2,167	2,216	3,092	4,440	4,636
Percentage of non-Japanese employees	2.5	2.2	2.3	2.9	3.6	3.7

Foreign nationals from 60 countries are actively working. We will **continue** working to create a work environment that is comfortable for all!



Initial training at the Ichigao Training Center (with store assignments made after initial training)

Strategy 7 Improving work engagement

Since 2022, we have conducted regular employee questionnaires on workplace environment and jobs, with the aim of utilizing the results in the development of human resources and the creation of workplace environments that are comfortable for all. In 2023, we introduced engagement surveys to assess current conditions and issues related to employees' job satisfaction, purpose, happiness, fulfillment, stress, and other factors, connecting this to sustainable growth for individuals and organizations.

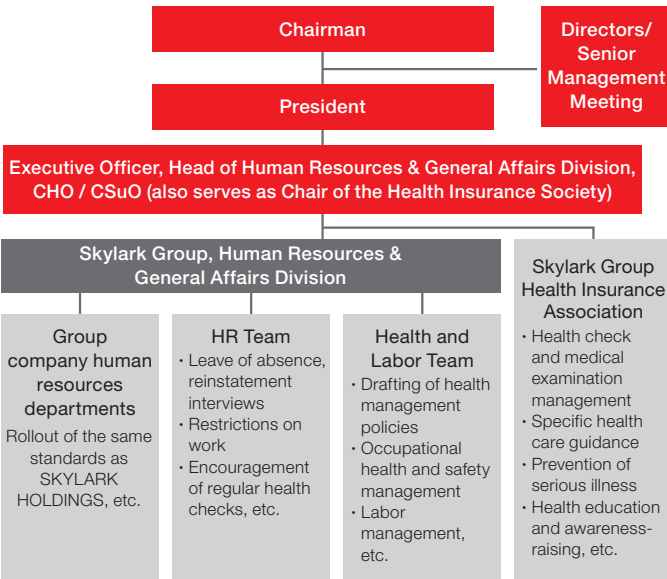
We have also introduced Meeting For You, one-on-one meetings held for subordinates between superiors and subordinates, as a means of strengthening communication between the two groups. We revised the crew personnel system in April 2025, and over two years—April 2025 and April 2026—we revised the employee personnel system, establishing a system under which all employees enhance their own capabilities and grow, thereby improving productivity across the company and creating added value.

Strategy 8 Promotion of health management

Based on the belief that corporate growth is not possible without employees' mental and physical health, we view employees as valuable management assets and position employee health management as our most important issue, under which we promote initiatives.

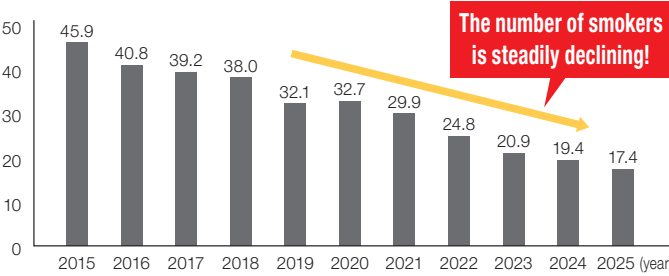


Promotion structure for health management



In FY2026, we were certified as a Health & Productivity Management Outstanding Organization in the Large Enterprise Category. Under the leadership of top management, we appoint workplace department heads as Health Promotion Leaders who strive for health maintenance and promotion as a work duty. We have conducted a Quit Smoking campaign since 2014, steadily reducing the number of smokers. Concretely, we distribute smoking cessation aids and offer support through a smoking cessation app as we work toward our goal of zero smokers by 2050.

Percentage of smokers company-wide



Major Indicators	KPI	
	2030	2050
Percentage of smokers	10	0
Average overtime hours	20 hours or fewer	0
Paid leave acquisition rate (%)	80	100
Percentage of employees receiving regular health check-ups	100	100

Interview

Promotion of participation by women

Joined the company as a full-time employee at age 42 and advanced from crew member to Sales Division Manager

“An environment where everyone can thrive” is the appeal of Skylark

Rinako Kumakura joined the Jonathan's Sagamihara Taname Store as a crew member at the invitation of a fellow kindergarten mom working at the store. After the Jonathan's was converted to Ohashi Cafe Gusto, she continued to energize the store together with colleagues she knew well.

As her children grew older and she began to enjoy work more, Skylark launched a new Community Employee Program that allows employees to work without worry over transfer to another store. It was her fellow store members who encouraged her to give it a try. She recalls their reassuring words of “If you're doing it, we'll help out!”

Always moving forward by choosing her own work style

Ms. Kumakura joined the company at age 42 as a Manager (full-time employee) in February 2014, soon after which the store where she worked was converted to Syabu-Yo. Guided by a belief in valuing both customers and fellow employees, she has worked to build a store rooted in the local community.

After her appointment as Manager, the need to provide nursing



care for her father led her to make full use of the variable working hours system that allows monthly prescribed working hours to be allocated day by day into shifts of 4, 6, 8, 10, or 12 hours. “Being able to take up to 12 days off without using paid leave was extremely helpful,” she says. Being able to change her schedule at her own discretion as a Manager was strength at that time.

After serving as Manager at the same store for about three years, she was asked to serve as Manager of the new Syabu-Yo store in Hon-Atsugi. This store was located farther from her home and she needed to change from her current Community Employee status to Zone Employee (an employee category involving transfers within the division), but with encouragement from her family, she decided to take on the challenge in a new environment.

Ms. Kumakura says she was supported by her husband and mother-in-law as well, who told her they would take care of things at home.

During her term as Manager at her second store, she changed to National Employee status (an employee category involving nationwide transfers). She then experienced two more store transfers, but thanks to her past experience with conversions and new store openings, she was able to fully demonstrate her capabilities at existing stores, particularly in communication and training with crew members.

Looking back, she says, “Something I gained confidence in through these experiences was that I could clearly put into words why we need to follow the manual and what the manual means.”



Profile
Rinako Kumakura, Syabu-Yo Kanagawa Sales Division Manager
2007: Joined Jonathan's Sagamihara Taname Store as a crew member
2013: Appointed Community Employee
2025: Placed on special assignment to Syabu-Yo
2026: Appointed Sales Division Manager, Syabu-Yo Kanagawa Sales Division

Leveraging on-site experience to become a Sales Division Manager and build the best stores together with colleagues

In March 2025, Ms. Kumakura left the store manager role to serve as a promoter for new stores. In February 2026, she assumed her current role as Sales Division Manager of the Syabu-Yo Kanagawa Sales Division.

Having connections to many stores that she supported or managed, she again received encouraging words from people at stores who committed to working hard under her as Sales Division Manager.

Drawing on her on-site experience, she says with enthusiasm, “I want to think together about what the Manager wants to do and, while pointing out what needs to be improved, support the store-building sought by the Manager.”

Ms. Kumakura's goal is a workplace where women of all generations can thrive as managers. To make that a reality, she is committed to developing young female managers and otherwise offering support for efforts.