

ESG Databook 2023 Actual

Scope					
<ul style="list-style-type: none"> Indicators cover domestic group companies. Indicators covering consolidated companies (including overseas subsidiaries) are described as consolidated. Skylark Group Companies in Japan (SKYLARK HOLDINGS CO., LTD. Skylark Restaurants Co., Ltd. NILAX Inc. Tomato and Associates Co., Ltd. FLO Japon Co., Ltd. Skylark D&M Co., Ltd. Japan Cargo Co., Ltd.) Overseas Group Companies (Taiwan Skylark Co., Ltd. SKYLARK MALAYSIA SDN.BHD. SKYLARK USA INCORPORATED) 					
Sustainability KPIs					
Materiality	Initiatives for 2030 KPIs	Main Indicators	2024KPIs	2030KPIs	2050KPIs
Decarbonization	Promoting energy conservation Promote transition to renewable energies	GHG reduction rate(Scope 1, 2)※1	25.2% less than 2018 levels	50.4% less than 2018 levels	0
		GHG reduction rate(Scope 3)※1	15% less than 2018 levels	30% less than 2018 levels	0
		GHG reduction rate(Scope 1, 2, 3)※1	18% less than 2018 levels	37% less than 2018 levels	0
Food Loss Reduction	Reduction of food loss Promote recycling of waste food materials	Amount of Food Waste	31% less than 2018 levels	50% less than 2018 levels	75% less than 2018 levels
		Recycling Rate	—	50%	75%
Reduction of Plastic Consumption	Reduce use of disposable plastics Promote transition to environmentally friendly materials Promote recycling of waste plastics	Amount of disposable plastics used	10% less than 2020 levels	50% less than 2020 levels	50% less than 2020 levels
		Percentage of Petroleum-derived Materials Used in Single-use Plastics	—	50%	0
Water Resource Conservation	Reduction of water withdrawal at factories and stores	Water withdrawal	23% less than 2018 levels	10% less than 2018 levels	20% less than 2018 levels
Biodiversity	Expanded handling of certified food ingredients and materials	Percentage of Domestically Produced Vegetables Used that are JGAP Certified (or certified by a similar organization)	20%	50%	100%
		Percentage of RSPO Certified Palm Oil Used	—	100%	100%
		Percentage of FSC/PEFC Certified Paper Products	40%	75%	100%
Food safety and security	Continuous updating of quality assurance system Continuation of appropriate labeling	Number of Major Food Accidents	0	0	0
		Number of online/retail product recalls	0	0	0
Health & Nutrition	Evolution of product brushing and promotion Expansion of health- and nutrition-conscious menu items Expanded Nutrition Facts Labeling	Provision of menus that contribute to healthy eating habits	3 (per brand)	10 (per brand)	20 (per brand)
Customer Orientation	Thorough QSC (Quality, Service, Cleanliness) improvement Strengthening the system for utilizing the "voice of the customer" in management Promotion of products and services based on customer feedback	Customer Overall Satisfaction Levels	82%	85%	90%
D X	Promote DX throughout the company and in all brands	—	—	—	—
Workstyle Reform	Promoting Diversity	Percentage of Women in Managerial Positions	13%	30%	50%
	Promotion of Health Management	Percentage of Smokers	15%	10%	0
	Promotion of work-life balance	Number of Overtime Hours Per Month	28hours	20hours	0
		Paid Leave Acquisition Rate	65%	80%	100%
Responsible procurement	Conducting business partner surveys Thorough management of business partners on human rights, labor, environment, food safety, and ethics	Conducting supplier CSR surveys	100%	100%	100%
		Supplier due diligence on human rights	80%	100%	100%

※KPIs target consolidated.

※Years compared to 2018 and 2020 are base years, respectively.

※1 (Scope 1 and Scope 2) set KPI targets in 2020, (Scope 3) and (Scope 1, Scope 2, and Scope 3) set KPI targets in 2022.

2023 Activity Review		
	Materiality	Main Activities
Environment	Decarbonization	Submitted a letter of commitment to obtain SBT accreditation
		Calculation and disclosure of the financial impact of "TCFD (Task Force on Climate-related Financial Disclosures) Climate-related Risks"
		Gusto Higashimurayama Shiyakusho-mae store with virtually zero GHG emissions opens
		GHG emissions Scope 1, 2, 3 (Category 1) third-party assurance obtained
		Participation in the Japan Climate Initiative
		Solar Power Generation Installed at Shisui Merchandising Center
	Food Loss Reduction	Promoting the use of "Mottainai Pack," a container for leftovers, through announcements at table order terminals
	Reduction of Plastic Consumption	Started charging for disposable cutlery and plastic bags and donating a portion of sales to the "Green Fund" to support forest maintenance and greening.
		Change specifications of disposable plastic products (optimize thickness and size)
Society	Customer Orientation	Monthly crew online study sessions are held to improve store QSC. Over 27,000 participants in a year.
	DX	Introduced table payment system using table order terminals at approximately 2,400 restaurants
		Received the "15th Robot Utilization Society Contribution Award" for its contribution to the establishment of robots in daily operations.
	Workstyle Reform	Formulate Group human rights policy based on the UN Guiding Principles on Business and Human Rights
		Organized group training for foreign employees. Conducted interviews, orientation, and initial training specifically for foreign nationals by foreign interviewers.
		Endorsed the United Nations Global Compact and joined the Global Compact Network Japan, a local network.
	Responsible Procurement	First in Japan's food service industry to obtain ISO 20400 certification for sustainable procurement
	Biodiversity	Formulation of Group Biodiversity Policy
Governance & Others	KPIs Setting	Establish a system to link the achievement status of each KPI of sustainability activities to the evaluation of department managers and above in charge of sustainability activities.
	Donations and Fundraising	Donated approximately 8.5 million yen from the "Turkey-Syria Earthquake Emergency Relief Fund" to the United Nations Association for UNHCR
		Employees volunteered to install playground equipment at a children's home in Kiyose City, Tokyo, based on the "Children's Playground Support Fund".
		Donated approximately 5 million yen from the "Hawaii Maui Wildfire Emergency Fund" to the Maui Strong Fund of the Hawaii Community Foundation.
	ESG Assessment	Selected as the highest rated group "1" in the Morningstar Japan ex-REIT Gender Diversity Tilt Index
		Selected as a constituent of the SOMPO Sustainability Indexes for the first time
		Received MSCI ESG Rating of "A"
		Awarded 4 stars in the Nikkei SDGs Management Survey

Environment

Policy	
Environmental Policy	https://corp.skylark.co.jp/en/sustainability/environment/environmental_policy/
Decarbonization policy	https://corp.skylark.co.jp/en/sustainability/environment/de-carbonization/
Food Loss Reduction Policy	https://corp.skylark.co.jp/en/sustainability/environment/food_loss/
De-plasticization Policy	https://corp.skylark.co.jp/en/sustainability/environment/waste_reduction/
Biodiversity Policy	https://corp.skylark.co.jp/en/sustainability/environment/biodiversity/

Decarbonation					
Category	Item	Unit	FY12/2021	FY12/2022	FY12/2023
GHG emissions: Scope 1 【Consolidated】	Scope 1	t-CO ₂	100,343	106,248	103,798
	Scope 1 intensity	t-CO ₂ /million yen	0.38	0.35	0.29
GHG emissions: Scope 2 【Consolidated】	Scope 2 (location-based)	t-CO ₂	219,626	229,030	224,084
	Scope 2 (market-based)	t-CO ₂	202,764	204,444	212,607
	Scope 2 intensity (market-based)	t-CO ₂ /million yen	0.77	0.67	0.60
GHG emissions: Scope 3 【Consolidated】	Scope 3	t-CO ₂	718,942	783,620	822,426
	Scope 3 intensity	t-CO ₂ /million yen	2.72	2.58	2.32
	1. Purchased products and services	t-CO ₂	540,500	593,241	633,974
	2. Capital goods	t-CO ₂	43,411	51,785	48,841
	3. Fuel and energy activities not included in	t-CO ₂	56,547	60,483	60,985
	4. Transportation, delivery (upstream)	t-CO ₂	42,658	43,568	46,411
	5. Waste from business operations	t-CO ₂	6,281	6,642	5,280
	6. Business trip	t-CO ₂	774	647	741
	7. Employer's commute	t-CO ₂	22,822	21,768	21,739
	8. Leased assets (upstream)	t-CO ₂		Not applicable	
	9. Transportation, delivery (downstream)	t-CO ₂		Not applicable	
	10. Processing of sold products	t-CO ₂		Not applicable	
	11. Use of products sold	t-CO ₂		Not applicable	
	12. Disposal of sold products	t-CO ₂	2,610	2,202	1,199
	13. Leased assets (downstream)	t-CO ₂		Not applicable	
	14. Franchise	t-CO ₂	2,998	3,284	3,256
	15. Investment	t-CO ₂		Not applicable	
GHG emissions: Total 【Consolidated】	Total of Scope 1 and 2 (Market basis)	t-CO ₂	303,107	310,692	316,405
	Intensity of Scope 1 and 2 (Market basis)	t-CO ₂ /million yen	1.15	1.02	0.89
	Total of Scope 1, 2 and 3 (Market basis)	t-CO ₂	1,022,049	1,094,312	1,138,831
	Intensity of Scope 1, 2 and 3 (Market basis)	t-CO ₂ /million yen	3.86	3.60	3.21
Energy consumption 【Consolidated】	Amount used	Crude oil equivalent kl	166,957	178,608	179,620
	Intensity	kl/million yen	0.63	0.59	0.51
Electricity consumption 【Consolidated】	Amount used	K kwh	478,445	515,100	517,570
	Intensity	K kwh/million yen	1.81	1.70	1.46
	Non-renewable energy use	K kwh	478,445	514,639	517,064
	Renewable energy usage	K kwh	—	461	506
	Renewable energy ratio	%	—	0.1	0.1

※GHG emissions are calculated in accordance with the various standards of the GHG Protocol.

※The 2023 decarbonization emission figures are under review by a third-party assurance agency and are subject to change at the time of acquisition.

Preservation of water resources					
Category	Item	Unit	FY12/2021	FY12/2022	FY12/2023
Water intake 【Consolidated】	Total water intake	t	5,806,070	6,183,233	6,252,285
	Surface water intake	t	5,524,201	5,879,120	5,976,865
	Underground water intake	t	281,870	304,114	275,420
	Intensity	t /million yen	21.95	20.36	17.62
Water discharge 【Consolidated】	Total water discharge	t	5,675,980	6,068,144	6,127,238
	Sewer discharge	t	5,143,104	5,514,065	5,538,217
	River discharge	t	532,876	554,079	589,022

Reduction of food loss/waste					
Category	Item	Unit	FY12/2021	FY12/2022	FY12/2023
Food waste	Food waste generated	t	26,076	26,959	26,738
	Food waste recycled	t	7,916	8,865	8,045
	Food waste	t	17,156	16,919	18,554
	Per-unit food waste	kg/million yen	66.69	57.88	51.42
	Percentage of food waste recycled	%	37.9	44.9	48.9
Non-food waste	Amount of non-food waste generated	t	32,320	31,854	35,755
	Amount of non-food waste recycled	t	7,354	8,155	9,724
	Amount of non-food waste	t	24,966	23,699	26,031
	Amount of hazardous waste generated※1	t	0	5	2
Total amount disposed	Amount of waste generated	t	57,392	57,637	62,493
	Total amount of waste recycled	t	15,270	17,019	17,769
	Total amount of waste disposed	t	42,122	40,618	44,724

※1 Measure PCB (polychlorinated biphenyl) generation

Plastics removal					
Category	Item	Unit	FY12/2021	FY12/2022	FY12/2023
Disposable plastic usage	Amount used	t	4,806	4,273	3,857
	Petroleum-derived materials ratio	%	87	86	86
Packaging material usage	Total packaging materials ※1	t	4,497	4,128	3,087
	Paper fiber packaging materials	t	1,073	1,060	877
	Plastic packaging materials	t	1,971	1,738	1,186
	Environmentally friendly packaging materials ※2	t	1,453	1,330	1,024
	Per-unit weight of plastic packaging materials used	kg/million yen	7.66	5.95	3.49
	Weight of recycled packaging materials	t	1,254	1,118	793

Biodiversity					
Category	Item	Unit	FY12/2021	FY12/2022	FY12/2023
Percentage of certified products used	JGAP or similar certification for domestically grown vegetables	%	5.0	5.0	16.0
	RSPO Certification for Palm Oil	%	0	0	0
	FSC/PEFC certified products in paper products	%	0	28.0	36.0
Compliance with environmental laws and regulations	Environment-related fines and penalties	yen	0	0	0

※1 Packaging material values are in accordance with the Container Recycling Law reporting.

※2 Environmentally friendly packaging materials are those that use talc, biomass, etc. as part of the material.

Social

Policy	
Quality Charter	https://corp.skylark.co.jp/en/sustainability/basic_policy/quality_charter/
Human Rights Policy	https://corp.skylark.co.jp/en/sustainability/governance/human_rights/
Procurement Policy	https://corp.skylark.co.jp/en/sustainability/environment/supply/
Customer Orientation Voluntary Declaration	https://corp.skylark.co.jp/en/sustainability/basic_policy/customer_oriented/
Health Management Declaration	https://corp.skylark.co.jp/en/sustainability/basic_policy/health/

Employees					
Category	Item	Unit	FY12/2021	FY12/2022	FY12/2023
Total number of employees 【Consolidated】	Female	persons	59,895	59,475	63,843
	Female ratio	%	61.2	62.5	61.6
	Male	persons	37,973	35,685	39,872
	Total	persons	97,868	95,160	103,715
【Domestic Group】	Female	persons	58,580	58,018	62,273
	Female ratio	%	61.3	62.7	61.7
	Male	persons	36,939	34,516	38,608
	Total	persons	95,519	92,534	100,881
Percentage of all employees by age 【Consolidated】	Under 30	%	57.0	57.1	57.0
	30-50 years old	%	23.9	23.8	23.8
	Over 50	%	16.6	16.6	16.6
	Over 60	%	2.6	2.6	2.6
	Average age	years old	32.5	32.4	32.1
Percentage of all employees by race and nationality 【Consolidated】	Japan	%	95.7	95.3	95.3
	China	%	2.3	2.6	2.5
	Vietnam	%	0.3	0.4	0.4
	Malaysia	%	0.1	0.1	0.2
	Nepal	%	0.1	0.1	0.1
	Other	%	1.5	1.5	1.5
	Non-Japanese employment rate	%	4.1	4.5	5.1
	Number of Non-Japanese employees	persons	4,194	4,396	4,802
Number of full-time employees 【Consolidated】	Female	persons	815	818	866
	Female ratio	%	13.7	14.1	15.2
	Male	persons	5,137	4,986	4,834
	Total	persons	5,952	5,804	5,700
【Domestic Group】	Female	persons	616	615	640
	Female ratio	%	11.0	11.4	12.2
	Male	persons	4,959	4,775	4,615
	Total	persons	5,575	5,390	5,255
Number of part-time employees 【Consolidated】	Female	persons	57,321	59,916	63,204
	Female ratio	%	62.4	67.1	64.8
	Male	persons	34,595	29,440	34,262
	Total	persons	91,916	89,356	97,466
	Rate of non fulltime employee	%	93.9	93.9	94.0
【Domestic Group】	Female	persons	56,205	58,662	61,860
	Female ratio	%	62.5	67.3	65.1
	Male	persons	33,739	28,482	33,217
	Total	persons	89,944	87,144	95,077
	Rate of non fulltime employee	%	94.2	94.2	94.2
Number of officers 【Consolidated】	Female	persons	2	3	2
	Female ratio	%	20.0	30.0	25.0
	Male	persons	8	7	6
	Total	persons	10	10	8

Employees					
Category	Item	Unit	FY12/2021	FY12/2022	FY12/2023
Number of senior management positions (director and above) [Consolidated]	Female	persons	4	5	5
	Female ratio	%	5.0	5.7	6.4
	Male	persons	76	82	74
	Total	persons	80	87	78
[Domestic Group]	Female	persons	3	3	3
	Female ratio	%	4.1	3.8	4.3
	Male	persons	70	76	68
	Total	persons	73	79	70
Number of managers and above [Consolidated]	Female	persons	516	487	469
	Female ratio	%	14.6	14.0	14.3
	Male	persons	3,031	2,994	2,812
	Total	persons	3,546	3,480	3,280
[Domestic Group]	Female	persons	442	414	391
	Female ratio	%	13.0	12.4	12.5
	Male	persons	2,957	2,915	2,727
	Total	persons	3,399	3,329	3,118
Employment of people with disabilities [Domestic Group]	Number of employees	persons	513	579	612
	employment rate	%	2.94	3.32	3.58
Number of new employees	Female	persons	52	93	115
	Female ratio	%	41.3	38.4	53.0
	Male	persons	74	149	102
	Total	persons	126	242	217
	Number of internal hires	persons	62	121	71
Recruitment costs	Average cost	yen/persons	680,280	387,108	342,488
Average years of service	Female	years	7.4	7.7	7.6
	Male	years	17.9	18.3	18.9
	Total	years	16.5	16.9	17.2
Average wage	Female	yen	4,224,070	4,316,317	4,214,860
	Male	yen	5,550,838	5,656,873	5,775,620
	Total	yen	5,377,105	5,479,952	5,555,652
Gender wage gap ※1	Full-time employees	%	—	—	78.4
	Median gap※2	%	—	—	78.5
	Bonus Gap ※3	%	—	—	81.0
	Bonus Median Gap	%	—	—	80.0
	Part-time employees	%	—	—	98.4
	Median gap	%	—	—	97.7
	Total	%	—	—	73.8
Annual training	Total training time	hours	99,600	193,459	232,695
	Average training time	hours/persons	22.1	45.1	55.8
	Average number of training days	days/persons	5.0	6.5	8.4
	Percentage of training participants	%	88.7	85.9	87.2
	Total training and education costs	yen	7,930,724	8,850,070	9,469,784
	Average training/education costs	yen/persons	1,763	2,061	2,271
Qualification support ※4	Number of qualifications	qualifications	3	3	3
	Target group	persons	199	157	268
Employee turnover rate	Turnover rate	%	6.3	6.7	7.3
	Job turnover rate for personal reasons ※5	%	5.8	6.0	6.8
Employee health	Percentage of employees receiving health checkups	%	99.9	99.9	99.9
	Smoking rate	%	29.8	25.0	20.9
Annual working hours	Average prescribed working hours	hours/persons	1,984	1,984	1,984
	Average overtime hours worked	hours/persons	247	348	357
	Average monthly overtime hours	hours/persons	20.0	29.0	29.7
Percentage of taking paid leave	Total	%	63.0	62.0	64.0
Percentage of taking parental leave	Female	%	96.2	97.6	98.9
	Male	%	5.3	8.3	22.4
	Total	%	53.0	56.4	62.1
Labor union membership	Number of participants	persons	16,337	16,264	16,034
	Subscription Ratio ※6	%	16.7	17.1	15.5
Number of shareholding association subscriptions	SKYLARK HOLDINGS CO., LTD.	persons	210	199	198
	Subscription Ratio ※7	%	35.7	34.1	34.6
	Group Companies	persons	904	847	821
	Subscription Ratio ※7	%	16.9	16.2	17.4
External evaluation	Obtained Kurumin certification ※8	—	○	○	○
	Obtained Tomonin Mark certification ※9	—	○	○	○

※In employee-related data, items for which no scope is stated cover regular employees of both Skylark Holdings Co., Ltd. and Skylark Restaurants Co., Ltd. combined.

※Figures are as of the end of December.

※1 Gender wage gap: Ratio of women's wages to men's wages

※2 Bonus gap: the difference between the average amount of bonus salary paid to male employees and the average amount of bonus salary paid to the corresponding female employees in March, July, and December (for subjects with three payments).

※3 Median Gap: Percentage difference between the median salary or bonus paid to male employees and the median salary or bonus paid to the corresponding female employee

※4 Support for qualification acquisition: If you pass a qualification examination designated by the company, the company will provide full support for the examination fee.

※5 Turnover rate for personal reasons: Subjects are disciplinary dismissals, expiration of leave of absence, and mandatory retirement.

※6 Labor union membership ratio: the number of labor union members divided by the total number of consolidated employees. (including part-time employees)

※7 Shareholding Association member ratio: the number of shareholding association members divided by the number of full-time employees for each company.

※8 Kurumin: Certification by the Minister of Health, Labor and Welfare as a "Child Rearing Support Enterprise" based on the Act on Advancement of Measures to Support Raising Next-Generation Children

※9 Tomonin Mark: Certification by the Ministry of Health, Labour and Welfare to indicate that the company is committed to promoting a workplace environment that allows work and nursing care to be compatible.

Customers					
Category	Item	Unit	FY12/2021	FY12/2022	FY12/2023
Product recall	Number of recalls of retail sales and EC products	times	0	0	0
Contributing to a healthy diet	Number of products contributing to a healthy diet ※1	items/brand	2	2	4
Overall customer satisfaction	Satisfaction based on customer surveys ※2	%	73	81	85

Suppliers					
Category	Item	Unit	FY12/2021	FY12/2022	FY12/2023
Supplier monitoring and auditing	Total number of suppliers	suppliers	734	741	743
	Number of primary suppliers	suppliers	294	277	280
	Number of major primary suppliers ※3	suppliers	16	17	28
	Number of suppliers implemented	suppliers	0	0	119
	Rate of implementation	%	0.0	0.0	5.2

※1 Figures for the number of products contributing to healthy diet for the four major brands (Gusto, Bamiyan, Jonathan's, and Yumean)

※2 Total customer satisfaction: Performance of service quality and product quality as measured by customer surveys.

※3 Number of major primary suppliers: Number of suppliers identified as having ESG impacts or high business relevance and risk.

Governance

Policy	
Anti-Bribery Policy	https://corp.skylark.co.jp/en/sustainability/governance/anti-bribery/

Corporate governance					
Category	Item	Unit	FY12/2021	FY12/2022	FY12/2023
Social contribution activities	Amount of money raised	yen	13,880,475	40,726,184	30,719,405
	Cash fund-raising	yen	6,437,124	33,869,184	22,915,405
	In-kind donations ※1	yen (converted to monetary value)	4,525,000	6,857,000	7,804,000
	Cash donations ※2	yen	—	—	2,022,531
	Time spent by employees participating in social contribution activities during working hours	yen (converted to monetary value)	863,656	872,944	910,654
	Administrative costs of social contribution activities	yen	81,810	103,474	128,225
Whistleblower	Number of consultations with contact person ※3	times	503	519	591
Number of violations of the Code of Conduct and Ethical Standards (Number of disciplinary actions) ※4	Corruption/Bribery	times	0	0	0
	Discrimination/Harassment	times	0	1	0
	Customer privacy data	times	0	0	0
	Opposite interests	times	0	0	0
	Money laundering/Insider trading	times	0	0	0
Number of meetings held	Number of Board Meetings held	times	14 times held, 12 times in writing	13 times held, 10 times in writing	13 times held, 9 times in writing
	Number of Management Meetings "former Executive Officers' Meeting" held	times	48 times held	48 times held	49 times held
	Number of Audit Committee "former the Board of Corporate Auditors" held	times	13 times held	13 times held	13 times held
	Number of Risk Compliance Committee held	times	6 times held, 3 times in writing	6 times held, 7 times in writing	6 times held, 10 times in writing
	Number of Sustainability Committee held	times	2 times held, 2 times in writing	5 times held, 3 times in writing	4 times held, 4 times in writing
	Number of Nominated Committee held	times	5 times held, 2 times in writing	5 times held, 1 time in writing	3 times held, 3 times in writing
	Number of Remuneration Committee held	times	5 times held, 1 time in writing	4 times held, 2 times in writing	3 times held, 1 time in writing

※1 In-kind donations : Amount of playground equipment donated to children's homes through the Children's Playground Support Fund

※2 Cash donations : Cash donations to the National Land Afforestation Promotion Organization (Green Fund)

※3 Number of consultations with the contact person: Total number of reports and consultations with the contact person

※4 Number of violations of the Code of Conduct and Ethical Standards: Number of disciplinary actions taken and publicized outside the company

ESG Assessment and External Ratings					
 FTSE Blossom Japan Index	 FTSE Blossom Japan Sector Relative Index	 2024 CONSTITUENT MSCI ESG Select Leaders Index	 2023 CONSTITUENT MSCI Women's Activity Index (WIN)	 Morningstar Japan ex-REIT Gender Diversity Tilt Index	
 S&P/JPX Carbon Efficient Index	 SOMPO Sustainability Index	 Climate Change: A- Forestry (cattle products, palm oil, timber): B Supplier Engagement : A-	 Nikkei SDGs Management Survey 2023		