Medium-term Management Plan Promoting Diversity

We aim to further grow as a company to be entrusted with your dreams and futures.

Theme



"LOVE COLORS"

Turning employee individuality into corporate strength

There are as many different people as there are homes, so we as employees should feel free to express our own individualities.

This will enable us to recognize various possibilities and become a company in which each employee can entrust their dreams and future.

Through Daito's "LOVE COLORS" initiative, we will take on the challenge of embracing new diversity. We will strive to create a culture where each individual builds his or her own life through work, and where we transform our differences into strength for the future.

Diversity Declaration

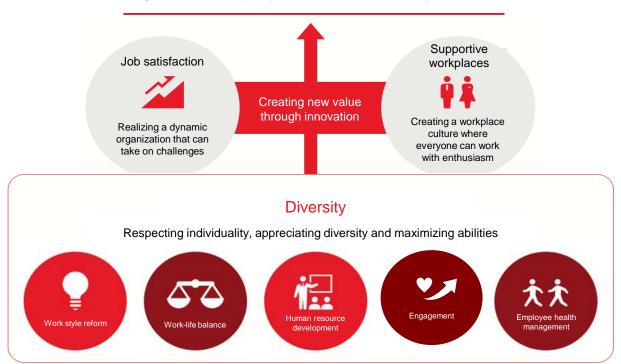
- We will respect each person's individuality, appreciate diversity, and aim to foster a corporate culture that allows us to maximize our individual abilities.
- We will strive to create job satisfaction and supportive workplaces and realize a company that we are proud of and in which we can entrust our dreams and futures.
- We will work to promote diversity as a management strategy and aim to become a sustainable company that continually creates new value.

Daito Approach

We do not discriminate based on race, nationality, ethnicity, gender, sexual orientation, gender identity, disability, age, creed, social status, or other attribute. The Daito Trust Code of Conduct stipulates that personnel must respect each other's personalities and individuality and that social discrimination and human rights violations will not be tolerated. It also states that international rules and local laws and regulations must be observed, and that local culture and customs should be respected.

As a total lifestyle support company centered on comprehensive leasing

We aim to further grow as a company to be entrusted with your dreams and futures.



Promotion Framework

In 2015, we established a Diversity Promotion Section within the Human Resource Department as an organization dedicated to the promotion of diversity within the Company. In 2022, we became independent from the Human Resources Department as the Diversity Promotion Division and will continue to work towards realizing further diversity management across the entire group.

We believe that not only a top-down approach but also a bottom-up approach is essential to creating an organization where human resources with diverse backgrounds can respect each other and play active roles. For this reason, we have established "Irodori LAB," "PERSO-RES," and "KENTAKU EST" to create a culture and system that makes it easy to collect opinions from employees. We are working to review and improve the workplace environment.

Irodori LAB

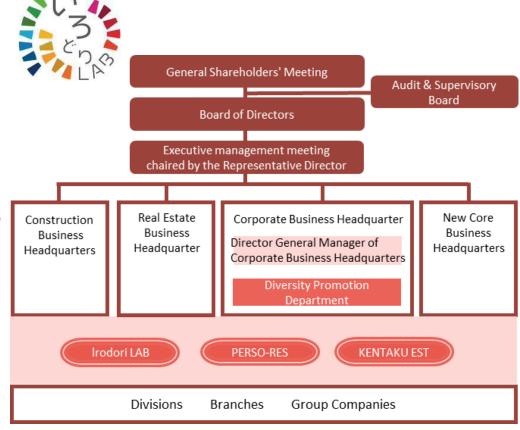
This project aims to create an environment where not only women but all employees can play an active role, leading to the sustainable growth of the company. The project is operating under the slogan, "Always by Your Side. A Company that Brings to Life the Phrase 'To Each Their Own."

PERSO-RES

With the aim of fostering an open organizational culture, we are recruiting employees who have a real desire to change and improve the company, and we hold regular workshops on diversity promotion. While maintaining good communication between the head and branch offices, the opinions of those on the frontlines are always heard, and activities are carried out based on actual circumstances.

KENTAKU EST

This project seeks to build a foundation to support LGBTQ employees and create an internal network that can benefit those employees.



Promotion Framework and Governance 4

Board Members Evaluation

After the results of efforts to promote diversity and female employee advancement are reported to the Board of Directors, the Nominating & Remuneration Committees deliberates and uses the results to evaluate officers.

Shareholder Dialogue

To help achieve sustainable growth and increase corporate value over the medium and long terms, we regularly engage in active dialogue with shareholders. Daito recognizes the importance of utilizing shareholder feedback for corporate management in order to grow the organization together with our shareholders. Daito's investor relations are led by the director in charge of IR. To allow investors to better understand our management strategy and plan, we also actively respond to interviews with shareholders and investors and provide forums for dialogue with them. Information on the Daito Group's efforts to promote diversity is shared in the Securities Report, Medium-term Management Plan, Integrated Report, ESG Supplemental Report, Sustainable Report, and diversity website.

Directors, Audit and Supervisory Board Members, and Executive Officers

		Total	Number of Women
Number of Directors		12	1
	Internal Directors	7	1
	Outside Directors	5	1
Executive Office *Excluding those serve as director	e who concurrently	21	1

- * Reason for the appointment of Ms. Mami Sasaki as an outside director She has many years of management experience in companies operating in the field of global financial business and has extensive experience and broad insights. Based on these experience and insights, she is fully performing her duties of making decisions on important matters regarding the management of the Company and overseeing business execution by providing invaluable opinions from various angles, including from a female perspective as well as a global perspective, and from an investor standpoint.
- (* From the 49th Ordinary General Meeting of Shareholders, Reference Documents for the General Meeting of Shareholders)

Sound Management Ranking

As one initiative to energetically promote diversity group-wide, in 2018 we launched a Sound Management Ranking. This indicator not only looks at operating results and profits but also other elements that are indispensable for the sound management of an organization. These include process and working environment factors such as productivity, human resources development, and the creation of supportive workplaces. From 2022, we honor and award excellent branches and branch managers who have actively worked on sound management since the introduction, introduce good examples for horizontal expansion, and share tools to understand the weaknesses of each branch. We are promoting sound management throughout the company.

Supportive Workplace Creation



Work style reform

Curbing long work hours

Promoting employee awareness of the need to improve productivity and produce results in a limited timeframe

- Performance disclosure (monthly), data visualization (overtime hours, flextime utilization rate, etc.)
- Implementing no-overtime days, consolidating meetings, and promoting paid leave usage
- Enabling flextime and telework to provide flexible working styles
- Launch of a project to reduce long work hours (cross-organization)
- Visualization of productivity using Sound Management Ranking (DICES)
- Improving the IT environment and operational efficiency using new technology



Work-life balance

To help build long-term careers, create workplaces where employees can balance their work and family lives, and undertake major life events with workplace support

- Enhancing the work-life balance support system (time off for childcare, family member care, and medical appointments for infertility treatment, etc.)
- Fostering a positive workplace environment (efforts to make programs easier to use. etc.)



Open organizational culture

Communication promotion

Fostering an organizational culture that encourages challenge-taking and permits failure

- Implementing communication promotion measures (Women-only Community)
- Active information sharing (diversity website and e-mail newsletter)
- Bottom-up transformation(Irodori LAB, PERSO-RES)
- Family support through family days and campaigns, etc.

Creating Workplaces with Job Satisfaction



Human resource development

Developing human resources who can take active roles Educating employees to think independently about their long-term career goals

- Human resource development program
- Female employee development program
- Diversity training
- Job-specific training
- Program to facilitate returning to work after maternity/childcare leave



Engagement

Supporting independent career development

Creating an environment where employees can maximize their abilities and be recognized by others

Encouraging employees to take on challenges and generate innovation

- Employee evaluation according to abilities even if there are restrictions
- Adding diversity promotion criteria to manager evaluations
- Future innovators (Mirai-novators)
- Employee engagement survey

Becoming a company that can actively engage diverse human resources and produce sustainable results



Initiatives to Date and Three-year Plan

		FY2016 and Prior	FY2017-18	FY19-20			
		Curbing long work hours and improve	ring productivity				
	Work style reform	 Implementation of no-overtime days Monthly disclosure of overtime hours Implementation of anniversary leave Long work hours reduction project launch Work style review consulting program Setting of rest intervals between work days/shifts Exemption from overtime work Establishment of computer shutdown times 	Scheduling paid leave dates at the beginning of the fiscal year Computer shutdown ahead of the scheduled time Meeting consolidation Partial introduction of a flextime system Partial introduction of telework Mandatory taking of 6 paid leave days a year Flextime introduction in the construction section Implementation of sound management ranking for brance	Expansion of telework Introduction of staggered work start times			
Sc		Creating workplaces and a corporate	culture that make it easy for employee	s to balance work and family			
Supportive workplaces	Work-life balance	responsibilities (childcare, nursing c Maternity leave and reduced working hours system introduced Introduction of support paid leave Paid sick child leave and nursing care leave Established a Come Back Pass system (for rejoining the company) and long-distance support Introduction of a shortened work hours system Allowed nursing care leave to be taken in portions Allowed sick childcare and nursing care leave to be taken in hourly increments Establishment of a system for non-regular employees to switch to regular employees Work location designation system		Implementation of an infertility treatment leave syster Expansion of eligible ages for sick child leave and for shorter working hours for childcare givers Introduction of sick family member leave Implementation of family leave Establishment of an infertility treatment benefit syster Introduction of company-sponsored daycare referral service Program to facilitate returning to work after leave Phase 6			
		Promotion of communication to fost	er an open organizational culture				
	Open organizational culture	Office enhancement initiative	 Promotion of Skype use Promoted the uploading of profile pictures as users of Microsoft Outlook Released an official sticker for use on online messaging app Line Daito original program broadcasting launched Internal social networking site launched (photo sharing / 	Diversity e-mail newsletter distribution			
dob	Human	Developing human resources who understand the benefits of diversity and can play an active role					
	resource development	Establishment of a human resource development progressive Diversity training (single session)Labor management training begun	am • Women's Academy establishment • Career planning seminar for female employees	Diversity training launch			
sfa		Building a system to improve each e	mployee's motivation and job satisfacti	on			
satisfaction	Engagement	Established Employee Satisfaction Survey (D-COMPAS Introduction of multi-faceted evaluations	Introduction of regional salaries Exclusion from evaluation period during maternity/childcare leave	Adding diversity promotion criteria to manager evaluations Future innovator (Mirai-novator) program launched			

		Current Three-year Plan								
		FY2021	FY2022	FY2023						
		Curbing long work hours and improving	ng productivity							
	Work style reform	Promoting flexible work styles and fur	ther improving productivity							
Sup		Flextime system without core period								
Supportive		Creating workplaces and a corporate of Responsibilities (childcare, nursing care)	culture that make it easy for employees are for a relative, etc.)	to balance work and family						
	Work-life balance	Creating workplaces and a corporate of	culture that promote job satisfaction							
workplaces	Salai 100	Phase 6								
plac		Promotion of communication to foster	r an open organizational culture							
es	Open organizational	Promoted cross-organizational comm	unication							
	culture	Diversity promotion workshops								
		Fostering a culture that encourages cl	hallenge-taking and permits failure							
Jo	Human	Developing human resources who und	derstand the benefits of diversity and ca	n play an active role						
b sa	resource development	Educating employees to independently	y plan their long-term career goals							
tis	dovolopmont	Female employee development program								
satisfaction	Engagement	Building a system to improve each em	ployee's motivation and job satisfaction	1						
on	gagoon	Independent career development supp	port, and choice of mechanisms							

Initiatives to Date and Three-year Plan

	FY2016 and Prior	FY2017-18	FY2019-20					
	Act on the Promotion of Female Participation and Career Advancement in the Workplace: General Employer Action Plan (Phase 1) Phase 2							
	Phase 1: Creating a supportive wo	Phase 2: Creating an environment						
Female advancement	 Appointment of female sales education managers Training for women by job type Introduction of maternity leave and reduced working hours Establishment of office casual dress code Release of DVD on female employee training for managers Paid sick child leave and nursing care leave Establishment of a Come Back Pass system (for rejoining the company) Introduction of a shortened work hours system Expansion of sick child and nursing care leave (hourly increments) Launch of construction sales training for female employees across Japan Start of female technical staff meetings Establishment of women's career support training Implementation of cross-industry exchange meetings Limit on accommodation for training and reward trips 	 Full-scale reduction of long work hours Elimination of special training at the time of promotion to a managerial positions using long-term accommodation Launch of Construction Section female employee meetings Mandatory partial paid childcare leave for fathers of newborns Exclusion from evaluation period during maternity/childcare leave Getting into the habit of learning Women's Academy Online learning, etc. 	where women can work over the long term ■Expansion of work-life balance support system • Irodori LAB project launch • Implementation of an infertility treatment leave system • Expansion of eligible ages for sick child leave and for shortene work hours for childcare givers • Introduction of sick family member leave • Implementation of family leave • Establishment of an infertility treatment benefit system • Introduction of company-sponsored daycare referral service ■Flexible work style realization • Introduction of a flextime system for all job types • Expansion of telework Phase 3: Creating a workplace culture that encourages support system use to continually promotes initiatives ■Enhancing awareness-raising activities • Diversity training implementation • Diversity website launch • Sharing activities in e-mail newsletters, etc. Phase 4: Enabling independent planning of one's own long-term career Phase 5: Making personal career goals achie vable ■Promotion of flexible work styles • Flextime system • Telework, etc. Phase 6: Removing barriers for promotion to managerial positions and making such promotions commonplace Creating an organization that reflects the opinions of women in decision-making					
Advancement	,	employees including diverse numan	resources can demonstrate their abilities • Introduction of personal files for employees with disabilities					
of diverse	Program to support work-life balance for home caregivers		Education for employees with disabilities and support system					
human	Introduction of a service that allows employees to check on elderly family members remotely		strengthening Development of LGBTQ-related programs					
resources	Introduction of a re-employment system		 and awareness raising through education LGBTQ Code of Conduct revision LGBTQ consultation service establishment 					

		Current Three-year Plan						
	FY2021	FY2022	FY2023					
	Phase 2							
	Phase 2: Creating an environment where women can work over the long term							
	Phase 3: Creating a workplace cultur	re that encourages support system use	to continually promotes initiatives					
	 Establishment 	tivities across job types and head and branch offices of a Female Advancement Promotion Committee employees to organize diversity promotion activities	1					
	■Initiative to hi	ire more women	1					
Female	Phase 4: Enabling independent plan	ning of one's own long-term career						
advancement	■Learning about career planning • Establishment of education programs for female employees							
	Phase 5: Making personal career goals achie vable							
		■Creation of selection mechanisms						
	Phase 6: Removing barriers for promotion to managerial positions and making such promotions commonplace Creating an organization that reflects the opinions of women in decision-making							
	 Introduction of Establishment ■ Eliminating th ■ Making promo 	approach from promoting to also developing outstandi a quota system of training for superiors he resistance to female promotion by educating from the otion easier to imagine so that it can become personally of education programs for female employees	e early stage					
	Creating an environment where all e	mployees including diverse human reso	ources can demonstrate their abilities					
Advancement of diverse	Promoting opportunities for seniors							
human	Development of LGBTQ-related programs, and awareness raising through education							
resources	 Family-ship system (recognition of same-sex partners) Implementation of training Use of business names Guidelines sharing 							



Current Three-year Plan

Indicator	Unit	FY2016 (Result)	FY2017 (Result)	FY2018 (Result)	FY2019 (Result)	FY2020 (Result)	FY2021 (Target)	FY2022 (Target)	FY2023 (Target)
Average overtime*	Hours			24.4	19.1	14.6	17.0	16.5	16.0
Paid leave acquisition rate	%	52.2	58.2	70.2	77.4	76.4	75.0	77.5	80.08
Average number of paid leave days taken	Days		8.69	10.98	12.47	12.69			
Male childcare leave acquisition rate	%	0.0	5.9	60.6	100.0	100.0	100.0	100.0	100.0
Average number of days taken for male childcare leave	Days	0	365.0	8.4	5.1	5.2	1	1	1
Employee Satisfaction Survey: Overall satisfaction rate	%	69.5	72.0	67.6	66.2	67.2	1	-	75.0
Female share of workforce	%	13.7	13.3	14.2	14.3	14.8	16.3	18.1	20.3
Female worker recruitment share	%	20.4	22.5	21.2	18.1	24.5	24.7	28.8	33.6
Percentage of female managers	%	3.5	3.1	3.8	4.1	4.6	4.8	5.4	6.0
Percentage of female officers	%	3.3	3.8	3.4	3.2	3.2	6.7	6.7	6.7
Employment rate of people with disabilities	%	2.83	2.91	3.03	2.98	2.95	3.00	3.05	3.10

^{* 2017} and earlier not included (before legal requirement)

Latest achievements https://www.kentaku.co.jp/diversity/public/resource/document/hr_data.pdf

External Recognition https://www.kentaku.co.jp/diversity/evaluation/



11 Employee welfare system list

		Subject: Men / wor							men On	ly men	Only women
		Maniana Infertility				Childcare					Injury /
		Marriage	treatment	Pregnancy	nancy Childbirth	Preschool	Elementary school	Junior high school	Nursing care	Retirement	illness
Work	Hours		ered work start tir ns on overtime wo		ork hours, leaving		ed work hours for o		Shortened work hours for employees with nursing care responsibilities		
	Place	Long- distance transfer support			Te	elework and work	location designation	on	Long- distance transfer support		
Lea	ve	Special leave for marriage Spousal transfer leave	Infertility treatment leave Infertility treatment leave	Maternity leave Maternity leave	Prenatal and postnatal leave Special paternal leave for childbirth	Childcare leave	Sick child leave		Nursing care leave Nursing care leave		Sick family member leave
		Annua	paid leave (*1), a	nniversary leave,	volunteer leave, s	upport paid leave	e, refresh leave (se	ervice commenda	tion), other specia	' ıl leave, family lea	ive (*2)
				Work-	life balance decla	ration, online edu	cation, and standa	ard retirement age	of 65		
Career										Delayed retirement age Come Back Pass (re-employment)	
Mon	ney	Wedding benefit	Infertility treatment benefit	Childbirth allowance	Childbirth and childcare lump-sum benefit Childbirth benefit	Childcare benefit			Nursing care benefit	Mandatory retirement benefit	GLTD system
			Company housing	ng, special housin			enants of own rent r condolence mon		h bonus (service	commendation),	
Asset forma		Selective corpo	orate defined cont stockholdin	ribution pension p g association, and	lan (Selective DC dedicated loans), property accum (product name "M	ulation savings, w ochiron") for mem	orkplace Nippon bers of the emplo	Individual Savings yee stockholding	Accounts (NISA) association	, an employee
				Benefit Station	, group insurance	, and tablet lendin	g and consultation	service for empl	oyees on leave		
Oth	er					Parenting assistance service Daycare finding assistance			Remote elder monitoring service		

^{*1} Paid leave: Available in half-day and hourly increments

^{*2} Family leave: Employees can take this paid leave in addition to their annual paid leave. The name has been changed to "family leave" so that employees can take leave regardless of their particular family situation. (Infertility treatment leave, maternity leave, sick child leave, sick family member leave, and nursing care leave)