Every Day
Is a New Day

People tend to take the days for granted as they go by. But the wonderful times in life come about when we do our best each and every day. That’s why we believe it’s important to stay in tune with our customers and to support them as best we possibly can.

“Day after day, beginning with today, both you and I have a chance to begin our lives anew.”

As our founder Seiichi Suzuki stated, part of our management philosophy is to create something new and different out of what might be a mundane day. The whole idea is to keep the excitement there today, tomorrow and into the future.

A free and flexible approach leads to a new kind of enrichment to life — and that means fun moments. We consider it our mission to sow the seeds of joy amongst people and communities.
Keeping up the spirit of challenge and new ideas to create newness every single day

Duskin has launched countless businesses and projects through the present time. We continuously take up new challenges. Sometimes we might fail, but in this way, we stay a step ahead of customer needs, anticipating what it is that they would like next and creating it.

We begin to get an idea of what is needed by first listening to each of our customers. We think about our customers’ lives — and how to make them smile.

We want our customers’ lives to be full of pleasant surprises and happy moments: that is, a new day every day. And we challenge ourselves to helping to make that happen, now and into the future.

Scaling new heights in ONE DUSKIN final phase

Our newly formulated Medium-Term Management Policy 2022 will span FY2022 through FY2024. Over this three-year period, we are carrying out the initiatives within Phase III marking the completion of our long-term strategy ONE DUSKIN while further building on the foundation laid during the first two phases.

Based on the Medium-Term Management Policy, we have established three strategic themes to unify business and morals in pursuit of sustainable growth while benefiting the society at large.

The first theme is reforming our business portfolios. We are committed to expanding our areas of business and boosting the value chain by bringing new products and services to market, in an effort to reform and grow existing businesses. We will also aim to establish a corporate structure capable of keeping up with the fluctuating business environment by actively investing in new growth opportunities. The ultimate goal is to always be ready to respond to the changing needs of our customers.

The second theme is establishing a solid foundation. To achieve it, we will speed up Duskin’s digital transformation — a process meant to boost our human and technology resources and reinforce the organizational and business control systems as well as to strengthen customer relationships and streamline the production-to-distribution workflow chain.

The third theme is coexistence with local communities. As part of our commitment to contributing to the creation of sustainable communities and strengthening our corporate governance, we will pursue recycling-oriented rental systems, promote the 3 R’s (Reduce, Reuse, Recycle), switch to renewable energy and reduce carbon emissions.

A company moving toward sustainability

As a company listed on the Prime Market of the Tokyo Stock Exchange, Duskin is focused on creating a stricter governance structure in line with the revised Corporate Governance Code.

Duskin is determined to do its part for greater corporate value and for developing a sustainable society by achieving the Sustainable Development Goals (SDGs). To move forward on these goals, we are working toward creating Shared Value (CSV) aimed at tackling economic, social and environmental issues through our business. At the same time, we will improve our corporate governance to generate value for everyone by providing solutions in these three areas.

With our unwavering management philosophy at the heart of all our endeavors, we will continue to work hard to be the company of choice for our customers while sowing the seeds of joy to people and the greater society.

Medium-Term Management Policy 2022

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Our founder’s philosophy lives on

Attentive care for our customers is our ultimate focus. This is guided by our founder Seiichi Suzuki’s enduring life principles reflected in Duskin’s philosophy of Prayerful Management.

Each day we strive to stay true to his belief that profit is the reward of joyous transactions. Moreover, all of our employees incorporate his philosophy of putting customer happiness first in all aspects of our daily lives.

Duskin Founder
Seiichi Suzuki

Seiichi Suzuki was born in Hakata City, Fukuoka Prefecture in 1911, He joined Duskin in 1936 and then established Keitoku Company in 1944. From that time onward, Suzuki followed his principle of Prayerful Management, his purpose being to integrate moral and business goals in both his own and his company’s business practices. He founded Duskin in 1961 and paved his path to becoming Japan’s first nationwide franchised business enterprise. Seiichi Suzuki passed away in 1980 at the age of 69.

Management Philosophy

Day after day, beginning with today, both you and I have a chance to begin our lives anew.

Whether our lot today be profit or loss, be spiritually ready for loss.

As a planter would, let us sow the seeds of joy to every person we meet each day.

For everyone, for you and me, may we lead our lives in this world to the fullest, realizing our maximum spiritual and material potential.

To this very day, we at Duskin continue to chant our management philosophy in unison every day and reconfirm our belief in the values it stands for. Also, all new employees and franchisees joining the Duskin Group are expected to uphold this philosophy.

Pursuing the philosophy of Prayerful Management through franchising on the basis of our unwavering principles

Our Management Philosophy in 4 steps

1. Taking every day as a chance to start anew
   Managing a business is not all up to the manager. It takes every single employee, as an active participant in management, to pursue self-improvement.

2. Humanity above all else
   We are spiritually ready for possible losses and dare to choose this path in order to serve humanity to the utmost.

3. Keep doing what makes people really happy
   We pledge to always sow the seeds of joy for people and communities. All our businesses reflect this caring and joyful spirit.

4. Striving to make this world a place where we can serve others and give each other a sense of purpose in life
   We genuinely enjoy providing spiritual enrichment for people.

Franchising to achieve our business philosophy

Duskin launched its franchising system with the hope that it would provide opportunities to make dust control into a successful business for people aligned with our philosophy. Thanks to this system, we were able to pass on our business philosophy to our franchisees and thereby ensure that each individual involved with Duskin supports management with the same passion.

National training session for Duskin’s franchise chain (1964)
Bringing the seeds of joy to as many people as possible

Part of our philosophy is that we deliver joy and attentive care to all people and their communities — and we know how important it is to fully understand the needs and opinions of our customers and to address their needs appropriately. This is Duskin’s unique style and something we will never change.

In tune with customer needs

Not only do we offer products and services, but we are also ready at any time to help customers solve their issues. Keeping one step ahead with our solutions, we stay in tune with their specific needs.

In tune with customer needs

Idea taking shape

Examining the day-to-day life of our customers and listening to their opinions and requests, we develop our products and services with flexibility. We work through a process of trial and error on a daily basis to help make sure that our customers are as happy as they can be.

DUSKIN STYLE

Staying connected

Besides customer touchpoints such as direct selling scenarios and in stores, Duskin also has Contact Centers and Customer Centers. We strive to be readily available and highly convenient for our customers at all times, an approach that includes instituting an online ordering system and special membership website.

Expanding our horizons

Duskin brought the franchise system to Japan from the United States in 1964, where it took root. From this time onward, Duskin’s business field grew dramatically. Our goal is to be trusted and viewed as a reliable company everywhere, regardless of country or region.

Our franchise system

Duskin operates a myriad of businesses under its unique franchise system. As franchisor, we share the same business philosophy of Prayerful Management with our franchisees and grow together with them.

Duskin’s strengths lie with its franchisees, where solid ties — unconfined within the boundaries of business — give rise to a rare sense of unity and organizational strength.

An array of services designed to serve our customers over a lifetime

Taking a close look at the changing times and diversifying lifestyles, our goal is to enrich daily life of our customers. Duskin engages in a wide variety of businesses to suit every stage of life and support each individual customer.

Make childbirth easier and more comfortable

Support healthy growth

Enrich day-to-day life

Engender peace of mind in the era of the 100-year lifespan

Our starting point is literally “listening to the customer”

Because Duskin considers the opinions of our customers to be of primal importance, we have set up our systems to ensure that we can answer their diversifying needs. We pay close attention to any issues or complaints that our customers have, all with a view to moving forward in such a way that we serve them better.
Our Businesses

Duskin has a diverse array of locations and shops around Japan, providing products and services to meet customer needs everywhere.

Direct Selling Group

Six categories of the Clean Service (Number of franchise units)
- Dust Control (1,652)
- Water Control (1,687)
- Air Control (1,525)
- Window Cleaning and other services (1,457)
- Clean Service (1,575)
- Drink Service (799)

Overseas Development

Duskin has adapted business models from around the world to suit the needs of individual countries and regions, expanding aggressively with a focus on the rapidly growing Asian economies.

Main Subsidiaries and Affiliates

Main Subsidiaries and Affiliates

Mister Donut
Homemade donuts and a variety of menu items

978 shops

Pie Face
Pie specialty stores from Australia

2 shops

MOSDO
Collaboration with MOS Burger

1 shop

Launched under a business partnership between MOS Food Services and Duskin.

Overseas Development

Duskin started expanding overseas in 1994 and has set up in Shanghai, one of the fastest-growing markets in the world. In 2008, Duskin continued to develop both residential and commercial markets overseas.

Duskin Life Care
Quality home care for seniors

94 locations

Dust Control
Our circle of cleanliness extends overseas

We are present in Taiwan, Thailand, the Philippines, and Indonesia.

Mister Donut
Mister Donut is welcomed across borders

We are present in four overseas markets: Taiwan, Thailand, the Philippines, and Indonesia.

Big Apple
Two brands come together

Duskin acquired this donut chain in Malaysia and Cambodia and made it a subsidiary in 2017. With our joint knowledge and know-how, we are increasing our presence in these regions.

Main Subsidiaries and Affiliates

Duskin Healthcare Co., Ltd.
Duskin Products Co., Ltd.
Kyo西 Cosmetics Co., Ltd.
Chugai Sango Co., Ltd.
EDIST Co., Ltd.
CHUSAI

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CHUSAI
We deliver on our commitments to our customers

As lifestyles change, we are also seeing tremendous changes in approaches to hygiene. The Duskin Group works together to respond to customers’ daily needs through our wide range of businesses, including hygiene and cleanliness solutions.

Protecting what our customers take for granted in daily life

The Direct Selling Group helps our customers achieve an appropriate rhythm in day-to-day life in three key areas: hygiene, work-life management and senior support, in accordance with diversifying customer life and work styles. In particular, we focus on creating healthy environments as a professional provider of hygiene services, drawing on the know-how we have accumulated over many years.
Rental and sales of cleaning and hygiene products

We help to keep your home, office or store clean and comfortable at all times. Our sales representatives visit your location, offering rentals and sales of cleaning and hygiene equipment as well as helping our customers create a comfortable environment in accordance with specific living spaces and workplace needs.

Regularly scheduled rental services to maintain daily life rhythms

Our sales representatives visit our customers on a regular basis, delivering their rentals and supporting them with any difficulties they may have.

No. of sales reps: \textbf{60,400}  
As of March 31, 2022

Dust Control

No. of franchise units: 1,882

We offer products that help keep our environment and day-to-day life clean and comfortable, including mops, cloths and mites.

Clean Service

No. of franchise units: 1,576

This service helps maintain bathroom spaces, keeping them clean and hygienic. We deliver hygiene products for a more comfortable environment.

Air Control

No. of franchise units: 1,525

This service includes regular filter replacement and device maintenance for items such as air purifiers and deodorizers, with a view to achieving clean air.

Water Control

No. of franchise units: 1,507

We offer periodic filter replacement so that items such as water purifiers and bathroom shower heads can be used in a hygienic manner.

Wipeful Service

No. of franchise units: 1,457

We provide high-quality wipe cloths developed for industrial use, offering full support to manufacturing and repair plants for creating a hygienic environment.

Drink Service

No. of franchise units: 709

We deliver authentic coffee, natural mineral water and more on a regular basis. We also offer a convenient rental serving station.

Uniform Service

215 locations

Leasing, sales and cleaning of uniforms

This service provides a comprehensive support package of uniform leasing and sales, cleaning, maintenance, as well as pickup and delivery. We have a wide selection of uniforms for a range of different industry sectors. For our uniform cleaning service, we employ highly hygienic methods, including the use of peroxypalic acid detergent, which has germicidal properties.

Health and Beauty

462 locations

Natural cosmetics and health food sales

Our products include skin care cosmetics that help bring out the natural beauty of the skin, and health food items made from natural ingredients. Duskin helps customers age beautifully and maintain both good physical and mental health.
**ServiceMaster**

Professional cleaning service

With professional techniques and equipment, we address the variety of issues that customers tend to face pertaining to cleaning, from house to office and shops.

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**Terminix**

Pest control and comprehensive sanitation management

Applying our knowledge and technique as professionals, we eliminate and prevent invasion of pests such as cockroaches, termites and mice in homes, restaurants and offices, using methods that are both environmentally and human-friendly.

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**Merry Maids**

Home cleaning and helper services

This customer-tailored, in-home service assists customers on a variety of cleaning and housework tasks. We have a variety of plans designed to meet customer needs, either on a regular basis or simply as needed.

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**Total Green**

Plant and flower upkeep

We provide regular maintenance including pruning, weeding, pest control and lawn aeries.

For commercial locations, we also offer such services as management and maintenance of vegetation and ornamental plant rentals.
Rent-All 102 locations
(Or which, 57 offer rentals of baby goods.)
Rentals of special event and daily use items
This service provides comprehensive support from event planning to setup, operations and removal. We also offer hygiene solutions for venues through our Event Hygiene Services. In addition, rental services are available for a wide range of items from event-specific items to baby goods, to items designed to help prevent infection and hygienic items.

Health Rent 172 locations
Rental and sales of home health care items
We engage in rentals and sales of nursing care products to facilitate the physical independence of users and to assist them directly where needed. Specialized consultants provide appropriate products in line with living environments and personal circumstances of individual users.

Duskin Life Care 94 locations
Quality home care for seniors
Our care staff visit the homes of seniors or facilities for the elderly to provide the personal care they need in accordance with their specific conditions. We put together packages of services tailored to meet the requests of the individuals themselves or their families.

Duskin Healthcare Co., Ltd.
Providing everything from cleaning, washing and sterilization of medical equipment and sophisticated hygiene management to integration of logistics, this integrated service helps create the optimal hygienic environment in medical and welfare facilities and achieves efficient operations. It also provides a highly specialized service focused on infection control.

Azare Products Co., Ltd.
Apart from manufacturing and wholesaling its own brand of Azare cosmetics and quasi-drugs, this company also engages in manufacture of OEM products for other companies. Through a comprehensive approach from formulation development to manufacturing and quality control, they make the safety of their cosmetics a top priority.

Kyowa Cosmetics Co., Ltd.
Specializing in sales of OEM cosmetics and quasi-drugs for other companies, their breadth of experience and proven technology allow them to meet the needs of their business partners and manufacture products that guarantee high levels of customer satisfaction.

Chugai Sango Co., Ltd.
They offer comfortable uniforms with enhanced hygienic and functional properties — always with the needs of working people in mind.

EDIST. CO., LTD.
This is a clothing rental subscription service that gives working adult women access to the latest coordinated outfits, carefully selected by fashion stylists.
Bringing happy moments to everyone, at any time

The Food Group continues to develop products that answer customer needs, as well as to create comfortable, welcoming spaces. We are in the business of delivering more delectable choices and more fun to customers of all generations.
Pie Face 2 shops
Pie specialty stores from Australia
Pie Face offers a variety of menu selections, including traditional Australian meat pies and sweet pies. Our pies with unique face decorations pair perfectly with our signature coffee.

Food Group: Main Subsidiaries and Affiliates

Katsu & Katsu
Japanese pork cutlet restaurant
This is a chain of 15 restaurants located mainly in Osaka. Specialized in Japanese pork cutlet, the menu of Katsu & Katsu features carefully selected ingredients, including soft and juicy pork and wonderfully textured raw bread crumbs. The result is simply a mouthwatering fresh-fried treat.

Ever Fresh Hakodate Co., Ltd.
Manufacturer of frozen foods
While engaged in the manufacture of Mister Donut and Pie Face products, Ever Fresh Hakodate mainly supplies for our Food Group businesses. The company has also external OEM deals for manufacturing of branded products.

Our journey so far
1944
Our founder Seiichi Suzuki established a wax manufacturing company. This marked his first steps towards unifying business and morals under the principle of Prayerful Management.

1959
Suzuki was providing building maintenance and selling cleaning products when he met Dr. Melvin J. Evans, the founder of the DIA Movement in the United States (a movement that sought to strengthen cooperation between companies and their employees through workplace democracy). They realized that they shared the same business philosophy and developed a deep friendship.

Moreover, Suzuki gets to learn about dust control from Canadian linen supplier CEO, Mr. Mendelson, whom he met through Dr. Evans. He continued learning more about America’s genuine franchising business model— all thanks to his encounter with Dr. Evans that marked a great starting point for Duskin’s development.

1963-

1963
Duskin is established, Dust Control business conducts its first briefing attended by 29 participants from 13 franchise units. The management philosophy is announced during this session.

Suitsa Laundry Plant opens for manufacturing and processing of dust control products.

1964
The company develops its first product line for residential use, Home Duskin, and conducts test sales.
Working closely with people and society, Duskin sows and spreads the seeds of joy

Duskin began with founder Seichi Suzuki’s idea of reducing the discomfort of damp-cloth cleaning using cold water. Ever since then, we have continued to develop with a view to improving the lives of our customers.

1963-

A cleaning revolution in Japanese homes

Duskin identifies customer needs and develops ideas, products and services to respond to those needs. We adopted the franchising business model from an early stage, establishing systems to deliver our products and services to customers around Japan.

1980-

Doing our part for a sustainable society

Along with implementing franchise systems around the nation, we do our part for society. Our goal is to help create a society where all people can live enriched lives.

1991

Duskin ARROW Foundation established.

1997

Professional cleaning services launched through a business affiliation with U.S.-based company, ServiceMaster.

1987

Duskin founder becomes the first Japanese national to receive the International Franchise Association (IFA) Hall of Fame Award.

2000-

Generating new value in everyday life

Duskin offers products and services to match diversifying needs and shifting lifestyles. By turning our attention to the changing times and to the opinions of our customers, we expand our product and service offerings for greater comfort in day-to-day life.

2006

Duskin is listed on the Tokyo Stock Exchange and the Osaka Securities Exchange. (The two securities exchanges merged in 2013.)

2010-

Taking up the challenges of addressing social issues

Current circumstances demand an even more hygienic environment. Drawing on our wealth of technique and experience as professionals in cleaning and hygiene services, we help ensure safety in the home and local communities and enable people live worry-free.

2015

The Duskin Museum opens in Suita City, where Duskin was established.

2016

Home Repair (fixing scratches and dents at home) service launched.

2018

Duskin Laboratory opens as a space for co-creating new values.

2020

Rental maps for home use earn the SEK mark for their antibacterial, deodorant processing features.

2021

The Direct Selling Group institutes a new tagline: “Creating Healthy Environments.”

Direct Selling Group

1995

Duskin is established, and the Suita Laundry Plant opens. The company’s first commercial dust control map and mat are released.

1985

Dust Control business launched in Taiwan.

1985

First Mister Donut shop opens in Osaka, Osaka.

1990

Food Group

1993

First Mister Donut business launched, January 27, the date when Seichi Suzuki decided to start this business in Japan, is established as Mister Donut’s founding day.

1999

Pork cutlet restaurant Katsu & Katsu opens first restaurant at Shinkansen Koen in Osaka.

Food Group

2003

The soft, chewy texture of the Pipo de Riesling series makes these donuts a huge hit.

2004

Mister Donut business launched in Taiwan.

2010

The first MIEGO store, a collaborative brand initiative with MOS Burger, opens.

2016

Pie Fan, a pie specialty store, is introduced in Japan.

2018

First Mister Donut shop opens in Jakarta, Indonesia.

2017

Mister Donut launches MIEGO Meals, a line of products developed in collaboration with other brands.
Delivering the seeds of joy to individuals and the greater society — and planting them for our future

Ever since Duskin embarked on its journey, we have worked to meet the expectations of society, sharing and implementing our management philosophy with the goal of doing our part for sustainable development. We will continue to address sustainability issues and boost corporate value.

Economic Value

Ever since we got our start, the Direct Selling Group has helped create hygienic, comfortable environments, while the Food Group has prioritized the safety and peace of mind of our customers. Drawing on the characteristics of each type of business, we answer the diversifying needs of society.

Our contribution to achieving the SDGs

Sustainable Development Goals (SDGs)
The Sustainable Development Goals were adopted at the United Nations Sustainable Development Summit in September 2015, with a view to achieving them by the year 2030. The central promise of the SDGs is “Leave no one behind.”

Hygiene

We have developed cleaning products and services confirmed and certified by third parties as antibacterial and antiviral. We are rebranding our corporate image from simply a company engaged in cleaning services to a company forging healthy environments in a broader sense, under the banner of “Creating Healthy Environments.” One such initiative focuses on hygiene management at events and schools.

Work-life management

As people’s life and work styles are diversifying, there is a growing need for spending a more fulfilling time at home and for more efficient work and housework. To help support the work-life balance of our customers, we develop high-value products and services in the areas of helper services as well as professional cleaning and technical services.

Senior support

We focus on nursing care item rentals and senior care that satisfy the diverse needs of elderly. We also offer flexible in-home care services falling outside the coverage of Japan’s long-term care insurance system, as well as services for active seniors.

Food Group

To deliver good food and good fun to our customers, now more than ever before we work to continuously improve our regular products, as well as forming partnerships and collaborative projects with other companies. In addition, we are creating hygiene-conscious shops by adopting semi-self-service cash registers and other measures. We are also taking steps to standardize delivery and online ordering services.
Social Value

Duskin strives for a workplace where each and every employee works with a sense of purpose and enthusiasm. Besides actively hiring a diverse workforce, we continue to build a work environment that encourages the healthy development of every employee’s potential. Additionally, we support a variety of activities focused on forging bonds between people and building partnerships with local communities.

Creating a more fulfilling workplace and one that embraces diversity

At Duskin, diversity means nurturing a work climate where employees respect each other regardless of gender, age, nationality or career background.

Our work environment encourages every employee to realize his or her full potential. We meet the challenges of a changing business environment and increasingly diverse customer needs by constantly creating new value and excellence.

- Increase the percentage of women in managerial positions to at least 13%

Women in managerial positions
(Number in parenthesis)

11.3% (41)
As of March 31, 2022. Duskin Co., Ltd. only

- Hire more people with disabilities and retain them

Employees with disabilities
(Number in parenthesis)

2.7% (62)
As of June 1, 2021. Duskin Co., Ltd. only

- Provide greater opportunities for workers from abroad

Number of workers from abroad hired under the government-sponsored household worker hiring program

48
From April 2017 to March 2022. Duskin Co., Ltd. only

Work-style reform and health-focused management

Building a work environment that harmonizes work and home life

It is important for us that our employees are healthy and able to balance work and family lives. Therefore, in order to reduce long working hours and create a positive workplace environment, we are implementing various measures with the goal of limiting annual working hours per employee to no more than 1,600 hours.

Health and productivity management recognized by METI among the “White 500”

In 2022, Duskin was again certified by the Ministry of Economy, Trade and Industry (METI) as a Health & Productivity Management Organization for the sixth year in a row. It was also the fourth time for Duskin to make it into the top “White 500.” In cooperation with the health insurance society and the labor union, we maintain and improve the health of our employees and their families.

For Happiness of Employees

We at Duskin will encourage and help employees and their families to maintain and improve their well-being to lead their lives to their fullest potential as reflected in the philosophy of Prayertful Management. We hereby declare our commitment to health-focused management, through which we will support the health of our employees and the sound development of the company to sow the seeds of joy in society.

Together with communities

Supporting local schools and education

Since 2000, Duskin has supported school education. In collaboration with school teachers, we carry out research on or how to use school cleaning period to develop the abilities of children. The results of this research are presented at feedback seminars held several times a year for the benefit of teaching staff. In addition, our employees visit local elementary schools to present lessons to children on the importance of cleaning.

Lessons presented at elementary schools

Number of participating schools

3,451
As of March 31, 2022

Partnership with Osaka Prefecture

Duskin has concluded a comprehensive partnership agreement with Osaka Prefecture on coordination and collaboration in the following seven areas: health, childcare and welfare, community revitalization, diversity and employment, safety and security, the environment and government PR. As part of these efforts, we are advancing various initiatives through public-private partnerships, including infection control measures and educational activities to prevent the spread of coronavirus.
Environmental Value

One way Duskin contributes to creating a sustainable society is by applying the 3R’s (Reduce, Reuse, Recycle) plus Renewable over the entire product lifecycle. We also work hard on finding solutions to environmental issues to contribute to building a decarbonized society that is in harmony with nature and has a small environmental footprint.

Environmental policy

Duskin works on contributing to building a more sustainable society by balancing environmental conservation with operating a business.

Helping build a recycling-oriented society

- Reduce waste use resources efficiently
  - Prioritize the use of recycling-oriented rental systems
  - Reduce food waste and recycle discarded food
  - Promote the 3R’s and renewable methods for plastic container packaging

- Achieving a decarbonized society
  - Take action on climate change
  - Reduce CO₂ emissions
  - Increase use of renewable energy

Reducing environmental burden

- Achieving harmony between people and nature
  - Conserve waste resources and biological diversity
  - Promote recycling of water used to wash cleaning products and conserve water quality
  - Promote ecosystem conservation
  - Practice chemical substance management and pollution prevention

- Achieving a decarbonized society
  - Take action on climate change
  - Reduce CO₂ emissions
  - Increase use of renewable energy

Environmental goals

- Duskin has set forth Duskin Green Target 2030, a set of company environmental management goals through 2030,

Helping build a recycling-oriented society

- 2030 targets
  - Reduce food waste by 50% (compared to 2020)
  - Reduce fossil fuel-derived single-use plastics by 25% (compared to 2020)
  - Recycle 60% of plastic containers and packaging

Achieving a decarbonized society

- 2030 targets
  - Renewable energy use rate of 50%
  - Reduce CO₂ emissions across the Duskin Group locations by 46% (compared to 2019)

Building a recycling-oriented society

The cleaning tools rental systems that Duskin has successfully popularized in Japan value things based on a "reuse, share, reduce waste and disposal" business approach. Along with an effort to make effective use of limited resources, we promote environmentally conscious business operations.

Reuse of mop and mat products

All used mops and mats are collected from customers and 97.6% of the collected items are processed in the laundry plants and reused.

Duskin’s reuse and recycling system

Reducing container and packaging plastic

Duskin implements methods that make effective use of resources and reduce environmental burden throughout the entire lifecycle of the plastic containers and packaging that we use.

1. Reduce
   - Reduce the amount of plastic used for containers by making containers thinner and lighter and by condensing contents to make containers smaller

2. Reuse
   - Develop re-use and replacements so that containers can be used repeatedly

3. Recycle
   - Actively incorporate recycled resin and similar materials into plastic containers and develop easy-to-recycle containers

4. Renewable
   - Shift from fossil fuel derived plastics to plastic derived from plants and other renewable raw materials

Duskin invests in R+P Japan, Ltd.

Duskin entered the used plastic resource recycling business by becoming an investor in R+P Japan, Ltd., a joint capital venture launched in June 2020. Prompted by the need to respond to the globally recognized problem of plastic waste in the ocean, the new business will enable Duskin to both fulfill its corporate social responsibility and contribute to the government's resource circulation strategy for plastics.
Mister Donut’s initiatives

At Mister Donut, we are proactively addressing environmental preservation through the so-called Eco-frien-DOUGH-ly activities under the following themes: energy saving, resource conservation, waste reduction and recycling.

Reducing the amount of plastic used

- Use ceramic and glass drinkware
- Introduce eco-friendly bio-based straws
- Encourage reusable shopping bags for donut takeaway

*Provided for customers dining in-store (except for certain shops). *Made in straws made partially from biomass. *Real plastic shopping bags are also available.

Food recycling activities

Donut recycling

Mister Donut has been working on reducing food waste by reinforcing its management controls through the use of production schedules and disposal checklists. The donuts left on the shelves after shop hours are reprocessed into animal feed or biogas, while a portion of the raw materials is provided to food banks.

Donut cooking oil recycling

We recycle used donut cooking oil into industrial materials and liquid detergents as well as into boiler fuel for use at Duskin plants. Some old oil is exported overseas, where it is used in animal feed and as biofuel. Thanks to all these endeavors, Duskin recycles 100% of its used donut cooking oil.

As of March 31, 2022

- Oversee export: 13.7%
- Boiler fuel: 30.6%
- Industrial materials (including materials for liquid detergents): 27.1%
- Animal feed: 28.6%

Promoting low-emission vehicles

Duskin is expanding its use of hybrid and other low-emission vehicles, certified for their environmental performance. Consideration is also given to safety, which is why we are proactively equipping service cars with automatic braking.

Duskin endorses the TCFD

Duskin has endorsed the Task Force on Climate-related Financial Disclosures (TCFD) established by the Financial Stability Board (FSB). Along with analyzing the risks and opportunities posed by climate change, we will properly disclose climate change-related information and contribute to building a sustainable society.

Adopting solar power generation systems

Duskin’s company-owned offices strive to reduce fossil fuel derived energy by using renewable energy. Our training facility, the Duskin School, has solar power generation panels installed on some of the building’s glass walls. The Osaka Central Plant has installed a solar power generation system with about 350 panels that generate up to 100 kWh of power.

Food Group shop efforts to reduce CO₂ emissions

At Mister Donut shops and other Food Group shops and restaurants, our goal is to reduce CO₂ emissions while also maintaining a pleasant space for our customers. Our energy-saving initiatives to minimize the environmental burden include reviews of air conditioner temperature settings and lighting requirements as well as reviews of daily shop operation, such as diligently shutting off lights in the back area and monitoring basic utility usage, but also installation of LED lighting and energy-saving equipment.

Conservation of water resources and biological diversity

Conservation and effective use of water resources

Large amounts of water are used in the laundry process of mops and mats. We continue to receive third-party guarantees for our efforts to control and reduce water intake based on standard usage during processing. Wastewater is treated at our plants under the supervision of an in-house license holder. The water is then discharged based on our internal criteria that are stricter than the imposed legal limits.

Nature conservation initiatives

As part of Duskin’s commitment to the conservation of ecosystems, we set up 44 mats on the trails of Hatusun National Park. Our highly durable mats, excellent in collecting earth and sand, prevent seeds of non-native plants from being carried in by hikers on the soles of their boots.
Corporate Value

To meet the expectations of our stakeholders and to achieve sustained growth while enhancing our corporate value in the medium- and long-term, Duskin has made corporate governance a key priority of management. Maintaining compliance guides all of our corporate activities and ensures that we keep focused on continuously improving our corporate value.

Five key characteristics of corporate governance

1. **Ratio of Outside Directors on the Board of Directors**
   - 33%
   - Three of the nine board members are outside directors.

2. **Establishment of a Directors Evaluation Committee**
   - In order to ensure objective and transparent appointments and evaluations of the Board of Directors, Duskin established the Directors Evaluation Committee. Composed only of independent directors, the Committee functions as an advisory board to the Board of Directors.

3. **Ratio of women on the Board of Directors**
   - 33%
   - Women are essential to our growth as a business and Duskin therefore strives to offer greater opportunities for working women. These opportunities include appointing more female directors in order to increase board diversity.

4. **Board of Directors attendance rate**
   - 100%
   - All directors, including outside directors, are expected to attend every board of directors meeting and actively participate in discussions on managing and executing company business.

5. **Building a structure that allows board members to comprehensively deliberate on important matters**
   - The Operating Officer System expedites the execution of company business by delegating decision-making authority for matters concerning a particular division to the officer in charge of that division. This way, we enabled the board of directors to focus on deliberating on important agenda items and on supervising the execution of company business.

Compliance and intellectual property

**Compliance at Duskin**

At Duskin, compliance means always striving to put ourselves in the place of others and acting accordingly. With that in mind, we established the Duskin Code of Conduct to ensure that Duskin conducts business in a socially responsible and reliable manner. Everyone at Duskin abides by the code of conduct in all daily business activities.

**Duskin Code of Conduct**

Aiming to be a trustworthy and reliable company

1. We always think of customers in everything we do.
2. We observe the law in all that we do.
3. We are ethical in all our actions.
4. We take pride in everything we do.

**Protecting intellectual property**

Protecting intellectual property is vital to every business and Duskin makes every effort to acquire rights in step with our business development. When Duskin discovers that a third-party has violated our intellectual property rights, we take appropriate action based on the relevant laws and regulations.

**Number of intellectual property rights held by Duskin**

<table>
<thead>
<tr>
<th>Patent</th>
<th>Domestic</th>
<th>Overseas</th>
</tr>
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<tbody>
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<tr>
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<tr>
<td>Trademark</td>
<td>365</td>
<td>216</td>
</tr>
</tbody>
</table>

As of March 31, 2022

Stakeholder engagement

**Providing products and services that embrace the needs of our customers**

Duskin regularly hosts "fan meetings" at various locations around Japan so that we can hear from our customers directly. The meetings provide opportunities for headquarters and regional staff from each business group, franchise owners and even our chairman to directly hear the feedback and needs of our customers, contributing to better products and services.

Company information sessions for individual investors

To prevent the spread of the coronavirus, we have switched from in-person information sessions to sessions streamed live online. We have also introduced on-demand streaming as a way to further reduce the risk of infection and provide opportunities for even more individual investors to view company information sessions.

**Total number of viewers**

10,066

From April 10, 2021 to March 2022

**Product and service development policy information sessions for suppliers**

To strengthen partnership with our suppliers, we share our quality guidelines and compliance standards as well as business plans (for example, product and service development policies, purchasing policies, etc.) with them. This year, information sessions were presented online via on-demand streaming.

**Number of participating companies**

196

From April 10, 2021 to March 2022