

# The DCM Value Creation Story

A value creating business that achieves a more comfortable life and living through DIY

# Do Create Mystyle

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We will create new products and services for our customers, flexibly respond to change, unite with the community, and achieve the form of an indispensable company that serves society.

## Management resources

- The unity of our highly-motivated approximately 20,000 employees
- Database rooted in know-how and communities to meet DIY needs
- Ability to develop unique products that give consideration to people and the environment and that can be found nowhere else
- Nationwide network of over 670 stores that function as information hubs and allow us to cooperate with communities
- Supply chain which can put information to good use and which can stably supply products
- Financial foundation, which has the financial muscle necessary for mergers, acquisitions and investments and varied procurement methods

### Medium to long term threats and opportunities

#### Threats

- Structural changes to society and customer needs
- Globalization of business conditions, homogenization of the home improvement retailer business
- Embrittlement of growth prerequisites

#### Opportunities

- Permeation of DIY in life and living
- Growing expectations as social infrastructure

## Business development moving forward



\* BOPIS : Buy Online Pick-up In Store

## Materiality groups



- Achievement of a comfortable and sustainable community life and living
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- Promotion of circular economy and decarbonization through products and stores
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- Deepening of relationships with customers with whom we create new value
  -
- Support of strong community resilience against disasters
  -
- Creation of a workplace where a diverse array of human resources can be active and respecting human rights
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- Construction of supply chain that gives consideration to the environment and society
  -
- Stronger corporate governance
  -
- Regional and community development
  -

## Value offered by DCM

[Valuable to DCM]

Products and services that are community-based and conceived from a customer's point of view

A sense of purpose and motivation in working at DCM developed through the feelings of gratitude from customers

[Valuable to society and the environment]

Social infrastructure that can stably supply the products necessary for life, living and work

Important bases supporting living in communities where aging population and the falling birthrate is progressing

Affluent lifestyles for customers accented with DIY

Offering of products and services that give consideration to the environment and resource conservation, lifestyle proposals

Products and services for disaster prevention and damage limitation, support for recovery

## DCM Management Resources



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### A workforce of about 20,000 highly motivated employees

Under the long-term business concept “transforming into an integrated business that comprehensively makes people’s lives more comfortable,” to realize the Company Philosophy “Do Create Mystyle,” approximately 20,000 employees work together to continue creating new value for society, customers, and communities. Our core value lies in human resources and organizational capabilities that enable us to collaborate as a group of DIY professionals with high aspirations and clear vision.



### Expertise in meeting DIY-related needs and databases derived from local communities

In addition to having the largest number of DIY advisors\* in the industry who possess expert DIY knowledge and skills enabling them to comprehensively support customer DIY activities, we strive to satisfy customer DIY needs and uncover potential demand by leveraging know-how accumulated over many years. Based on the characteristics of each region and the results of proprietary data analysis, we also respond to customer needs and expectations with sales floors that offer product lineups optimized for each season.

\* Professional DIY advisors certified by the Japan DIY•HC Association



### Ability to develop unique and original products that are people- and eco-friendly

We want to deliver “valuable products” offering “satisfactory quality” at a “reasonable price,” and based on this concept, we are focused on highly original private brand (PB) products that contribute to enriching customer lives. To this end, we consider raw materials, packaging, and other elements that are people- and eco-friendly, and have established an organization and human resources capable of promoting sustainable procurement and managing quality and intellectual property throughout the supply chain.



### A nationwide network of over 670 stores that can gather and provide information in collaboration with their communities

We cooperate with customers and their immediate communities to ascertain customer and community lifestyles and needs, while making new proposals and providing information with regard to each problem faced by customers through a nationwide network of over 670 stores (excluding equity-method affiliate Keiyo Co., Ltd.). Each store has different role and concept depending on whether they are large, medium, or small in size, and provide services that make full use of DX. We respond to customer needs and expectations by enabling them to use these different types of stores as necessary in accordance with their requirements.



### A supply chain able to ensure a dependable supply of products and relevant data

We collaborate with approximately 1,600 business partners in product development, supply, logistics, and other business activities to establish a system enabling us to stably provide products nationwide. Further, through collaborations with leading business partners in each field, we are able to collect the latest information on society, markets, products, and other factors, facilitating rapid responses to changes.



### Established access to financing from diverse sources for funds needed for investment and M&As

In addition to new business format developments that require capital investment and upfront investment for business expansion, including new store openings, store renovations, and system developments through a financial base offering diverse procurement methods, we proactively invest via M&A in the home improvement retail business and other areas with growth potential.