

Special Discussion

The Current Landscape: Developing Nitori Group's Next Generation of Leaders



Tetsuo Yamamoto

Executive Officer and Representative Director & President of Nitori Public Co., Ltd.

Joined Nitori in 1994. After serving as Store Manager and Area Manager of the Store Operations Division and working in the Merchandising Division, he held the positions of Manager of the E-Commerce Division in 2008 and General Manager of the Advertising Division in 2021. He has served as Executive Officer of Nitori Holdings Co., Ltd. since 2023 and has been in his current positions since January 2025.

Miyako Chino

Representative Director & President of Nitori Facility Co., Ltd.

Joined Nitori in 2001. After working in the Store Operations Division and the New Graduate Recruitment Division, she engaged in establishing a system for improving quality in the Product Quality Control & Improvement Office. Following roles in the Merchandising Division, the HR Education Division, and the President's Office, she was seconded to Nitori Facility Co., Ltd. in 2021. She has been in her current position since June 2024.

Mitsuyoshi Kubota

Representative Director & President of Shimachu CO., LTD.

Joined Nitori in 2000. He held the positions of Area Manager, Zone Manager, and General Manager of the Store Operations Division. Subsequently, he was seconded to Shimachu CO., LTD. in 2021, where he was appointed as Executive Officer and General Manager of the Store Operations Division. He was appointed as Director in 2023 and Managing Director in 2024, and he has been in his current position since September 2024.

Yoshiyuki Izawa

Outside Director

Joined Mitsui & Co., Ltd. in 1970. He was appointed as Director in 2000 and Representative Director, Executive Vice President of the company in 2008. In 2009, he became Director, President and Representative Executive Officer of JAPAN POST BANK Co., Ltd. and in 2015, Representative Director & Chairperson of BlackRock Japan Co., Ltd. Since 2022, he has served as Outside Director of Nitori, a position he continues to hold.

Recognizing that developing successors for top management is the highest priority for ensuring sustainable growth, the Nominating and Compensation Committee—a voluntary advisory body to the Board of Directors—has engaged in ongoing discussions on the expected profiles and essential qualifications for executive talent. This Special Discussion brought together an outside director and committee member with next-generation leaders responsible for managing Group companies to exchange perspectives on the importance of succession planning and the strengths and characteristics of Nitori's human resource strategy.

Point

- ✓ Continuity of Nitori's identity and definition of essential qualities of next-generation leaders
- ✓ Impact of the U.S. Seminar, reassignments, and Nitori's unique human resource strategy
- ✓ Message of commitment to future growth

What Qualities Are Essential for Nitori Group's Next Generation of Leaders?

Izawa: For the Nitori Group to sustain growth amid significant societal shifts, the next generation of leaders must carry forward the founding spirit and corporate culture across generations while also staying alert to emerging trends. They will need the judgment to discern what should evolve and what should remain, as well as the courage to drive business model transformation. Effective succession planning requires a system to evaluate and develop management candidates with the qualities and capabilities needed for the next generation of leaders—those leading self-transformation within the company—and to maintain a pipeline at every organizational level.

The three qualities I consider essential for corporate managers are leadership, decisiveness, and agility. Fundamentally, corporate management depends on collaboration among the people around you. Leadership that inspires people to think, “I want to follow this person” and “We can work well together” is vital. Conversely, anyone who is indecisive or slow to act is ill-suited to be a corporate manager.



Kubota: That is certainly true in the context of leadership. People are everything to a company. From a leadership perspective, I believe that the company grows stronger when we consistently engage with on-site employees to cultivate a shared understanding of what currently matters most to our customers right now and foster autonomous growth by trusting each individual's abilities.

Chino: While I am capable of making decisions, I remain mindful that my limited experience may lead to mistakes. In approaching them, I first consider who will be affected and how the outcome will serve our customers and contribute to society more broadly. I then address each issue deliberately. Having clear decision-making criteria enables you to respond promptly, even when the results differ from your expectations.

Yamamoto: Since assuming the role of president in January of this year, I have been acutely aware of the importance of speed. As you rise to the top, your responsibilities expand, and you must make numerous decisions under tight time constraints. I am currently refining my approach to using my time efficiently to make faster and more accurate decisions while openly acknowledging my mistakes—learning from each error, reflecting on it, and moving forward.

Izawa: Even highly capable corporate managers make multiple mistakes. Failure is inevitable, and management is not about being flawless. The key is to reflect on why you failed, identify what could have been done differently, and leverage those insights for future success.

Sustainable growth across generations comes from evolving while staying true to the company's identity.

Izawa: I recommend that effective decision-making be grounded in a thorough examination of all relevant information and logical judgement.

At the same time, you will inevitably encounter situations where decisions must be guided by intuition rather than logic or data. I encourage you to gain experience and refine your intuition and instincts to prepare for such moments.



Career-Defining Experiences and Lessons for Leaders

Izawa: I have highlighted the importance of accumulated experience. Have you encountered particular moments in your career that served as turning points—where you felt you truly grew?

Yamamoto: For me, a major turning point came with the launch of an e-commerce business. The challenge lay in introducing entirely new ideas to the company, but through collaboration with members of our Group companies, we were able to address each issue systematically. I believe our success ultimately stemmed from the understanding we fostered by consistently communicating the significance of the Nitori Group's involvement in e-commerce.



Kubota: A defining moment in my career was when, for the first time as a zone manager, I led the effort to turn an unprofitable store into a profitable one. With the support of on-site staff, logistics departments, and the Merchandising Division, we achieved a turnaround by introducing a new day-and-night shift system for store operations. That experience marked a real turning point for me.

Chino: My time in product quality control departments provided an experience that had a lasting impact on me. While I was addressing a product deficiency, I realized that my judgment and actions could carry significant implications for society. That experience unquestionably shaped my approach to work and my sense of responsibility.

Izawa: Listening to the three of you share your stories, I realized that it was your keen awareness of issues that allowed you to turn experiences into turning points. Without that focus, similar experiences might pass by unnoticed. This reminded me once again how crucial a high level of awareness is to effective leadership.

Nitori's Unique Human Resource Education That Accelerates Growth

Izawa: When I learned that the company had topped the Ranking of the Most Popular Companies for University Students for three consecutive years, I felt a sense of pride as an outside director. At the same time,

it led me to consider the factors driving this success. One possible reason for this could be the unique education system, such as the U.S. Seminar (▶P51).

Each employee's growth, achieved by seizing opportunities, propels the next generation of top management to greater heights.



Kubota: I also regularly attend the U.S. Seminar and find it an excellent opportunity to revisit chain store theory—the foundation of the group's growth—and to reaffirm the mission and vision the company is striving to achieve.

Chino: As a trainer for the U.S. Seminar during my time in the HR Education Division, I particularly valued providing participants with a firsthand experience of our mission, “Enrich the everyday lives of people all over the world.” Through the seminar, Nitori's purpose is consistently communicated. I believe that this helps employees internalize the company's mission in their daily work, allowing it to be shared and carried forward across generations, organizational levels, workplaces and regions.

Izawa: At present, many companies place emphasis on human resource education. Nevertheless, relatively few programs offer employees regular opportunities to reaffirm their management policies and corporate culture. What sets the U.S. Seminar apart is that it goes beyond merely conveying the mission and vision; it immerses participants in the culture that embodies them and opens a clear view into what lies ahead.

Yamamoto: I consider reassignments to be crucial in

human resource development as well. Under the distinct policy that “job rotation is education,” employees are regularly presented with opportunities to take on challenges through short-term transfers across various operations, building solid careers by gaining experience and knowledge.

Chino: I have experienced work across so many different departments that I have been called “an embodiment of job rotation.” Through this, I came to understand areas of the organization that are usually hidden from view, which enabled me to shift my focus from partial optimization to overall optimization.

Kubota: The Nitori Group has defined Change, Challenge, Competition, and Communication as key aspects that employees are expected to address, and I view job rotation as a practical embodiment of this 4C principle. I have also had opportunities to gain diverse experiences and encounter new challenges along the way. Taking them on has continually transformed me, bringing me to where I am today.

Izawa: Opportunities for significant career growth through job rotation undoubtedly stand as one of the Nitori Group's strengths. This is complemented by its human resource education, which is advanced and highly attractive.

Over my three years as an outside director, I have noticed that Chairperson Nitori places great value on people, which is evident in his attentive listening. From what I have seen, all employees seem energetic in their work. This company spirit strengthens the governance of the Board of Directors. The advanced human resource education and highly motivated employees should be actively communicated, not only to attract top talent but also to engage investors.