

Status of Activity of Board of Directors, Nomination of Directors Advisory Committee and Remuneration of Directors Advisory Committee and the Committee for Group Strategy (Fiscal Year ended March 31, 2025)

The following table shows the members and chairpersons of the Board of Directors, the Nomination of Directors Advisory Committee, the Remuneration of Directors Advisory Committee, and the Committee for Group Strategy as well as their meetings and attendance record for the fiscal year ended March 31, 2025:

Title	Name	Board of Directors	Meeting Attendance	Nomination of Directors Advisory Committee	Meeting Attendance	Remuneration of Directors Advisory Committee	Meeting Attendance	Committee for Group Strategy	Meeting Attendance
Representative Director, President and CEO (Group CEO)	Masaaki Yajima	◎	17/17 (100%)	○	8/8 (100%)			◎	16/16 (100%)
Representative Director, Vice President, Executive Officer and CFO	Akira Miyagi	○	17/17 (100%)	○	8/8 (100%)	○	4/4 (100%)	○	16/16 (100%)
Director and Corporate Officer	Keisuke Kawanishi	○	13/13 (100%)					○	16/16 (100%)
External Director (Independent)	Shigeru Saito	○	3/4 (75%)	○	1/1 (100%)	○	1/1 (100%)	○	2/3 (67%)
External Director (Independent)	Tsunehiko Iwai	○	17/17 (100%)	◎	8/8 (100%)	◎	4/4 (100%)	○	16/16 (100%)
External Director (Independent)	Chizuru Yamauchi	○	17/17 (100%)	○	8/8 (100%)	○	4/4 (100%)	○	16/16 (100%)
External Director (Independent)	Hisae Sato	○	17/17 (100%)	○	8/8 (100%)	○	4/4 (100%)	○	16/16 (100%)
External Director (Independent)	Koji Nitto	○	17/17 (100%)	○	8/8 (100%)	○	4/4 (100%)	○	16/16 (100%)
External Director (Independent)	Tetsuro Harada	○	13/13 (100%)	○	7/7 (100%)	○	3/3 (100%)	○	13/13 (100%)
Audit and Supervisory Board Member	Shinichi Kitagawa	□	17/17 (100%)					△	
Audit and Supervisory Board Member	Katsuhiro Okamoto	□	17/17 (100%)					△	
External Audit and Supervisory Board Member (Independent)	Mitsuhiro Hamamoto	□	17/17 (100%)					△	
External Audit and Supervisory Board Member (Independent)	Hitoshi Suzuki	□	16/17 (94%)	△		△		△	
External Audit and Supervisory Board Member (Independent)	Motoko Tanaka	□	17/17 (100%)					△	
Corporate Officer	Mitsuru Sekiguchi	△						○	7/8 (88%)
Corporate Officer	Katsuya Hirooka	△						○	16/16 (100%)
Corporate Officer	Atsuko Shinozuka	△						○	16/16 (100%)
Corporate Officer	Takuya Yoshidomi	△						○	1/1 (100%)
Corporate Officer	Manabu Tochio							○	7/7 (100%)
Corporate Officer	Shinsuke Fukazawa	△				○	4/4 (100%)		
Corporate Officer	Teruo Fukumoto								

(◎ chair or chairperson, ○ member, □ attendee, △ observer)

a. Activities of Board of Directors

Name	Matters to Be Discussed and Considered	Number of Meetings Held
Board of Directors	<ul style="list-style-type: none"> <li>• In addition to the matters as prescribed by laws and regulations and the Articles of Incorporation, all the major management issues and important matters related to our business, such as the medium- and long-term management strategies, the medium-term business strategy, and the allocation of management resources, are discussed.</li> <li>• The following matters were mainly discussed and considered during the current fiscal year ended March 31, 2025.               <ul style="list-style-type: none"> <li>i) Corporate Governance                   <p>As a result of the evaluation of the skill balance of the Board of Directors, the “Nomination of Directors Advisory Committee” submitted a list of one proposed candidate for External Director, who has abundant knowledge of corporate management, investment and financial asset market, human resource development, and organization development and one proposed candidate for Internal Director, who has knowledge and experience in global operations and marketing. The list was approved and then included in the agenda of the general meeting of shareholders held in June 2024.</p> <p>Also, in selecting candidates for Board of Director Members and Audit and Supervisory Board Members and submitting them to the Ordinary General Meeting of Shareholders, we consulted the Nomination of Directors Advisory Committee about the revision of the criteria of Director nomination/removal to improve the supervision function of the Board of Directors. We received the deliberation result of the nomination/removal criteria and resolved them.</p> <p>Meanwhile, we received the result of deliberation, made as part of the review of the remuneration system for Directors, from the Remuneration of Directors Advisory Committee on the introduction of “Remuneration System with Performance-based Shares with Restriction on Transfer” targeting the Company’s Board of Director Members (excluding External Directors). This remuneration system further clarifies the link between the compensation of the Company’s Directors (excluding External Directors), consolidated financial results, and the value of the Company’s stock, and provides an incentive to continuously improve corporate value and promote value-sharing with shareholders. We approved the result of deliberation on the introduction of the remuneration system, and submitted it to the Ordinary General Meeting of Shareholders held in June 2024.</p> </li> <li>ii) Sustainability                   <p>We received periodic reports from the Sustainability Committee on business risks and opportunities related to climate change (response to TCFD), issues related to sustainability such as responsible procurement (CSR procurement) regarding respect for human rights and DE&amp;I, due diligence on human rights in supply chains, ensuring diversity including promotion of activities by women, and maximization of human assets, as well as a plan for initiatives and its progress by our group.</p> <p>Based on these reports, we discussed how we should respond to important management issues such as the cost of reducing greenhouse effect gas through efforts including the increased use of environment-friendly materials, gender equality (respect for diversity and removal of disparity), and human-rights infringement risks that lurk in supply chains such as the treatment of foreign technical intern trainees and languages used in information delivery.</p> <p>We shall continue allocating our management resources and monitoring the execution of strategies to achieve both the solution of social issues through our business and sustainable growth.</p> </li> <li>iii) Corporate Ethics and Risk Management                   <p>The Corporate Ethics and Risk Management Committee conducts a scoring evaluation of potential risks related to the business environment and/or business strategies, and operational risks from the perspective of their likelihood of occurrence and impact of such risks. The risk items that are evaluated as having a significant potential impact on the management of our group are annually reviewed based on the recommendations of the Corporate Ethics and Risk Management Committee and approved as the Group’s Material Risk.</p> </li> </ul> </li> </ul>	17

Subsequently, we conducted supervision and received progress reports on a regular basis to ensure that the initiatives to prevent, transfer, mitigate or accept risks are being appropriately implemented, and monitored measures related to incidents to prevent recurrence.

Also, for cyberattacks, which are frequently causing damage inside and outside Japan, we conducted security assessment on domestic and overseas subsidiaries following global standard frameworks. Based on the assessment results, we discussed the management system for ensuring security and the implementation of required countermeasures.

iv) Medium- to Long-Term Business Strategies

With regard to the implementation of two challenges: “Allocation of more time to the consideration of important business matters, such as medium- to long-term strategies, and at the same time, utilization of knowledge of External Directors (Independent) and promotion of more active discussion at the meetings of the Board of Directors” and “Arrangement of the system to make sure to report the status and results of the matters resolved and executed, such as the progress of the medium-term management plan, and work on the amendment to the plan in a timely and adequate way if required,” which are identified for the improvement of the effectiveness of the Board of Directors, we had a number of active and in-depth discussions on the progress of initiatives for major management issues identified in the medium-term management plan (revised) focusing on each item at a time, as mentioned in sections on the evaluation on effectiveness of Board of Directors and the status of improvement activities.

As a result of these discussions, we made several resolutions including the acquisition of a company based in the UK that plans, develops, and sells ladies’ underwear, launch of brand-boosting global communication featuring a major leaguer, and growth investment in overseas markets that the Company focuses on.

We will continue to aim to maximize our corporate value, and confirm the effectiveness of our strategies and status of progress of our plans. We will also deepen our discussions on fundamental initiatives to achieve sustainable growth.

v) Capital Efficiency

Following the policy of the medium-term management plan (revised), we reviewed the Company’s portfolio to appropriately reallocate management resources and discussed in depth the policy of handling non-profitable businesses of the Group. As a result, we resolved to transfer the stock of Nanasai Co., Ltd. and Lecien Corporation, subsidiaries of the Company. Also, as part of asset reduction (disposal of assets that does not contribute to corporate value improvement), we decided to sell real estate (Company’s buildings and land) in Tokyo, Fukuoka, Kyoto, and other districts and consolidate, rearrange, and transfer some factories in Japan.

Other than these efforts, we engage in stepwise introduction of ROIC-oriented management with continuous study for improving return on invested capital, which includes the use of ROIC as a performance index in business planning and evaluation scheme design.

vi) Other

In addition to the above, monthly reports are made on the status of execution from Corporate Officers and officers of subsidiaries by rotation and on deliberations in the Group Management Meeting.

b. Activities of Nomination of Directors Advisory Committee

Name	Matters to Be Discussed and Considered	Number of Meetings Held
Nomination of Directors Advisory Committee	<ul style="list-style-type: none"> <li>• As a result of the evaluation of the skill balance of the Board of Directors, the Nomination of Directors Advisory Committee named one proposed candidate for External Director, who has abundant knowledge of corporate management, investment and financial asset market, human resource development, and organization development and one proposed candidate for Internal Director, who has knowledge and experience in global operations and marketing. The proposal of these candidates was submitted to the Board of Director in May. (Submitted to and resolved by the 76th Ordinary General Meeting of Shareholders)</li> <li>• In selecting candidates for Board of Director Members and Audit and Supervisory Board Members and submitting them to the Ordinary General Meeting of Shareholders, the Board of Directors consulted the Nomination of Directors Advisory Committee about the revision of the criteria of Director nomination/removal to improve the supervision function of the Board of Directors. The Nomination of Directors Advisory Committee submitted its deliberation result on the revision of the criteria of Director nomination/removal to the Board of Directors in February.</li> <li>• In the light of the policy of “development of a successor nurturing plan including the selection and nurturing process of candidates and the implementation of monitoring,” which is a challenge for improving the effectiveness of the Board of Directors, the Committee discussed how candidates for top management successors should be selected and confirmed that a human resource pool (successors) should be built as candidates for Corporate Officers based on the succession plan. Also, targeting department managers, the Committee agreed on the requirements and aptitudes for candidates for successors of officers.</li> <li>• The Committee organized a revision plan of the committee rules aiming at improving its maneuverability and effectiveness. (A report will be made at a meeting of the Board of Directors to be held in April 2025.)</li> </ul>	8

c. Activities of Remuneration of Directors Advisory Committee

Name	Matters to Be Discussed and Considered	Number of Meetings Held
Remuneration of Directors Advisory Committee	<ul style="list-style-type: none"> <li>• The Committee submitted its opinion of not paying performance-based bonus based on the consolidated business performance of the previous fiscal year (ended March 31, 2024) at a meeting of the Board of Directors held in May 2024.</li> <li>• As a result of several opinion exchange meetings and continuous discussion on the current issues and improvements to be made in the remuneration system for Directors, the Committee submitted the introduction plan of “Remuneration System with Performance-based Shares with Restriction on Transfer,” which will give an incentive for continuous improvement of corporate value and promote value-sharing with shareholders, in the Board of Directors meeting held in May. (Submitted to and resolved by the 76th Ordinary General Meeting of Shareholders)</li> <li>• We confirmed the payment policy (no payment) on the performance-based bonus payable based on the projected consolidated performance and performance-based remuneration of shares with restriction on transfer (paid at a later time) for the current fiscal year (ended March 31, 2025).</li> <li>• In order to clarify the implication of the introduction of ROIC management stipulated in the medium-term management plan (revised), the Committee discussed changing the performance evaluation index from ROE to ROIC for the Remuneration System with Performance-based Shares with Restriction on Transfer from the next fiscal year. (A report will be made at a meeting of the Board of Directors held in May 2025.)</li> </ul>	4

d. Activities of the Committee for Group Strategy

Name	Matters to Be Discussed and Considered	Number of Meetings Held
Committee for Group Strategy	<ul style="list-style-type: none"> <li>• The following matters were mainly discussed during the current fiscal year ended March 31, 2025 and reported to the Board of Directors.</li> <li>i) Arrangement of the Foundation for Group Management Continued from the previous fiscal year, the Committee met several times to discuss the effective use of business-use fixed assets (real estate holdings), and submitted its opinion on the consolidation and reallocation of business-use fixed assets and reasonable prices of the transfer of individual asset items, aiming for the steady advancement of asset reduction stipulated in the medium-term management plan (revised). The Committee blueprinted a medium- to long-term roadmap for the realization of capital-efficiency-oriented management toward the introduction and entrenchment of ROIC management, and submitted the discussion result to the Board of Directors meeting held in September. The Committee will monitor the progress of the contents of the report and supervise to ensure that appropriate adjustment is made in a timely manner.</li> <li>ii) Growth Strategy for Overseas Business The Committee evaluated the business environments in Europe, America, China, and other markets that have room for development (by region and segment), and discussed risk-taking and the allocation of required management resources. Also, the committee reviewed past acquisition projects regarding the processes of acquisition decision, planning after acquisition, and business execution, and then submitted its opinion on the necessity and reasonability of the acquisition of the UK company.</li> <li>iii) Portfolio of Domestic Business The Board of Directors consulted the Committee about the transfer of shares and businesses of domestic subsidiaries. The Committee considered the future business portfolio and the criteria of continuation/withdrawal of businesses in the light of changes in the business environment and had an in-depth discussion on the reasonability of the consideration.</li> <li>iv) Business Structure Reform The Committee continued the discussion on the recovery of growth and profitability of Wacoal Corp., the core of our domestic business. The Committee established a brand portfolio that further clarifies provided values and checked the progress of the SCM reform that achieves demand-linked operation and lead time reduction for improved business efficiency. Especially, the Committee discussed several times the enhancement of demand-linked production, which is the core challenge of the SCM reform, and proposed clarifying the enhancement-plan KGI for target products and factories as well as implementing proper progress management that reflects milestones. Also, the Committee regularly checks the progress of the cost structure reform and supervises operations to make proper adjustments with an eye on business environment changes.</li> </ul>	16