Last Update: July 10th, 2026

Wacoal Holdings Corp.
Masaaki YAJIMA (Mr.) - Representative Director, President & CEO (Group CEO)
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Securities code: 3591
https://www.wacoalholdings.jp/en/

The corporate governance of Wacoal Holdings Corp. (the "Company") is described below.

I. Basic Views on Corporate Governance, Capital Structure, Corporate Attributes, and Other Key Information

1. Basic Views

(1) Group Philosophy: The Wacoal Way (Mission & Founding Principles)

・Our group, with the Company as its pure holding company, has been operating innerwear business and other businesses primarily in Japan, the United States, Europe, China and Southeast Asia with the goal of "contributing to society by helping people express their beauty". In the year of 2022, the company re-established our "Mission", the social mission statement we aim to fulfill in today's society. Our group aims to "contribute to enriching all people's lives, all around the world", "helping people realize their individuality, and their inner beauty, rather than uniform external beauty", and "striving to solve various social issues such as the environment and human rights".

・Based on this "Mission" and our "Founding Principles" that we have inherited over our 70-year history, we will strive to enhance our corporate value by promoting sustainability management that aims to both solve social issues and achieve sustainable growth through our business activities, at the same time each of our operating companies utilizing its efforts to address complicated and diversified social issues as future growth opportunities.

・In addition, our business activities are built upon accumulation of "mutual trust", the trust built between people, based on our listening to the voice of each and every one of our customers, and continuously transforming our business with a sense of humility. We aim to become an indispensable presence in society by building relationships of mutual trust with every stakeholder, including shareholders, customers, employees, business partners and local communities, through our continuous endeavors to enhance transparency in corporate management and to ensure fairness and independence.

: Please see our website for more information.

◆The Wacoal Way: https://www.wacoalholdings.jp/en/group/vision/

(2) Basic Policy on Corporate Governance

The basic policy and purpose of our Group's corporate governance is to continuously enhance our corporate value by increasing transparency and ensuring the fairness and independence of our corporate management in order to build "mutual trust" in relationships with every stakeholder, including shareholders, customers, employees, business partners, and the local community.

: Please see our website for more information.

◆Corporate Governance (The Company's Corporate Governance Guidelines): https://www.wacoalholdings.jp/en/group/governance/

Reasons for Non-compliance with the Principles of the Corporate Governance Code

・The Company implements all of the principles of the Corporate Governance Code.

Initiatives relating to each Principle of the Corporate Governance Code UPDATED

・The Company's response to and implementation of the disclosure items based on all principles of the Corporate Governance Code are described in an exhibit at the end of this report, using charts and other materials as necessary.

Action to Implement Management That Is Conscious of Cost of Capital and Stock Price

Content of Disclosure	Disclosure of Initiatives (Update)
Availability of English Disclosure	Available
Date of Disclosure Update UPDATED	June 22nd, 2026

Explanation of Actions UPDATED

・In June 2022, the Company formulated and announced VISION 2030, which sets out a vision for the Wacoal Group in 2030 (the fiscal year ending March 31st, 2031), by back casting from long-term visions while keeping in mind issues related to its business, customer values, and changes in society and the environment. Under this VISION 2030, the Company set four management tasks: improving domestic profitability and expanding its business areas, expanding overseas businesses and transforming them into highly profitable structures, strengthening the Group's management capabilities, and shifting to more capital-efficient management. The Company is addressing these tasks intensively to achieve sustainable growth and enhance its corporate value.

・On June 22nd, 2026, the Company announced its Medium-Term Management Plan for three years from the fiscal year ending March 31st, 2027 to fiscal year ending March 31st, 2029 (hereafter, the "Medium-Term Management Plan"). Under the Medium-Term Management Plan, the Company will continue to enhance its initiatives to address the four management tasks set under VISION 2030. Above all, to shift to more capital-efficient management, the Company will instill ROIC management, strengthen the review of business portfolio, optimize the balance between shareholder returns and growth investment, drive asset reduction (streamlining real estate holdings, reducing inventories, and reducing cross-shareholdings), and take other initiatives across the Group, with an aim to provide returns exceeding cost of capital, and clearly indicated its ROE, ROIC, EPS, and equity ratio targets for the end of the fiscal year ending March 31st, 2029 and end of the fiscal year ending March 31st, 2031 as follows.

*ROE: 4.3% or more (fiscal year ending March 31st, 2029), 7.0% or more (fiscal year ending March 31st, 2031)

*ROIC: 4.0% or more (fiscal year ending March 31st, 2029), 6.5% or more (fiscal year ending March 31st, 2031)

*EPS: ¥145 or more (fiscal year ending March 31st, 2029), ¥210 or more (fiscal year ending March 31st, 2031)

*Shareholders' equity ratio: 63.3% or more (fiscal year ending March 31st, 2029), 59.3% or more (fiscal year ending March 31st, 2031)

・In response to the request to disclose "Measures Aimed at Realizing Management that is Conscious of the Cost of Capital and Stock Price," we have posted presentation materials for the Medium-Term Management Plan (review of the Revised Medium-Term Management Plan, policies on the formulation of the Medium-Term Management Plan, and its overall picture) as below.

: We invite you to visit the site.

◆ Medium-Term Management Plan (FY2027 to FY2029) (Presentation materials) disclosed on June 22nd, 2026:
https://www.wacoalholdings.jp/en/ir/library/strategy/

◆ Medium-Term Management Plan: https://www.wacoalholdings.jp/en/ir/management/mid_term_plan/

・Additionally, we have described our disclosure-related initiatives based on "Principle 5-2: Establishing and Disclosing Business Strategies and Business Plans" and the status of their implementation in an exhibit at the end of this report.

2. Capital Structure

Foreign Shareholding Ratio	20% or more but less than 30%

Status of Major Shareholders UPDATED

Name or Company Name	Number of Shares Owned	Percentage (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	4,793,200	9.70
Meiji Yasuda Life Insurance Company	3,050,000	6.17
The Bank of Kyoto, Ltd	2,352,530	4.76
The Bank of Mitsubishi UFJ, Ltd.	2,286,214	4.62
GOLDMAN SACHS INTERNATIONAL (Standing proxy: Goldman Sachs Japan Co., Ltd.)	1,753,913	3.55
Nippon Life Insurance Company	1,569,961	3.18
The Shiga Bank, Ltd.	1,569,422	3.17
Custody Bank of Japan, Ltd. (Trust Account)	1,569,200	3.17
Mitsubishi UFJ Trust and Banking Corporation	1,525,000	3.08
Custody Bank of Japan, Ltd. (Re-trust of Sumitomo Mitsui Trust Bank, Limited; Trust Account for the retirement allowance for Toray Industries, Inc.)	1,205,000	2.44

Name of Controlling Shareholder, if applicable (excluding Parent Companies)	N/A
Name of Parent Company, if applicable	N/A

Supplementary Explanation

・With regard to the status of major shareholders (above), the current status as of March 31st, 2026 is shown.

(1) The Company is holding 3,062 thousand shares of treasury stock, which are not listed in the above list of major shareholders.

(2) The numbers of shares held by The Master Trust Bank of Japan, Ltd. (Trust Account) and Custody Bank of Japan, Ltd. (Trust Account) are related to their respective trust services.

(3) The substantial shareholding report (change report) dated July 24, 2024, filed by Mitsubishi UFJ Financial Group, Inc. and its joint holders, which is publicly available, indicates that they hold shares stated below as of July 17th, 2024. However, as we are unable to confirm the actual status of the shareholdings of these shareholders except Mitsubishi UFG Bank, Ltd. as of March 31st, 2026, those shareholdings have not been reflected in the above list.

The content of such a large volume holding report (change report) is as follows:

Name of Shareholder	Number of Shares Held by Shareholder	Shareholding Ratio
The Bank of Mitsubishi UFJ, Ltd.	2,704 thousand shares	4.87%
Mitsubishi UFJ Trust and Banking Corp.	2,376 thousand shares	4.28%
Mitsubishi UFJ Asset Management Co., Ltd.	226 thousand shares	0.41%
Mitsubishi UFJ Morgan Stanley Japan Securities Co., Ltd.	312 thousand shares	0.56%
Total	5,619 thousand shares	10.13%

(4) The substantial shareholding report (change report) dated November 14th, 2024, filed by 3D Investment Partners Pte. Ltd., which is publicly available, indicates that it holds shares stated below as of November 7th, 2024. However, as we were unable to confirm the actual status of shareholdings as of March 31st, 2026, those shareholdings have not been reflected in

the above list.

The content of such a large volume holding report (change report) is as follows:

Name of Shareholder	Number of Shares Held by Shareholder	Shareholding Ratio
3D Investment Partners Pte. Ltd.	5,975 thousand shares	10.77%

(5) The substantial shareholding report (change report) dated May 21, 2025, filed by Nomura Securities Co., Ltd. and its joint holders, which is publicly available, indicates that they hold shares stated below as of May 15th, 2025. However, as we are unable to confirm the actual shareholdings of these shareholders as of March 31st, 2026, those shareholdings have not been reflected in the above list.

The content of such a large volume holding report (change report) is as follows:

Name of Shareholder	Number of Shares Held by Shareholder	Shareholding Ratio
Nomura Securities Co., Ltd.	940 thousand shares	1.69%
NOMURA INTERNATIONAL PLC	77 thousand shares	0.14%
Nomura Asset Management Co., Ltd.	1,373 thousand shares	2.47%
Total	2,391 thousand shares	4.31%

3. Corporate Attributes

Listed Stock Exchange and Market Segment	Prime Market
Fiscal Year-End	March
Business Sector	Textiles & Apparels
Number of Employees (Consolidated) as of the End of the Previous Fiscal Year	1,000 or more
Net Sales (Consolidated) for the Previous Fiscal Year	¥100 billion or more but less than ¥1 trillion
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year UPDATED	10 or more but fewer than 50

4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder

N/A

5. Other Special Circumstances which May have a Material Impact on Corporate Governance

None

II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight

1. Organizational Composition and Operation

Corporate Governance System	Company with Audit and Supervisory Board*

*Referred to as "Company with *Kansayaku* Board" in the Corporate Governance Code reference translation

Directors

Number of Directors Stipulated in Articles of Incorporation	Up to 8 people
Directors' Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board	President
Number of Directors	8 people
Election of Outside Directors	Elected
Number of Outside Directors	5 people
Number of Independent Directors	5 people

Outside Directors' Relationship with the Company (1) UPDATED

Name	Attributes	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Tsunehiko IWAI (Mr.)	From another company											
Chizuru YAMAUCHI (Ms.)	From another company											
Hisae SATO (Ms.)	From another company											
Koji NITTO (Mr.)	From another company											
Tetsuro HARADA (Mr.)	From another company						△					

*Categories for "Relationship with the Company".
(Use "○" when the director presently falls or has recently fallen under the category; "△" when the director fell under the category in the past; "●" when a close relative of the director presently falls or has recently fallen under the category; and "▲" when a close relative of the director fell under the category in the past.)

a. Person who executes business for the Company or its subsidiary
b. Person who executes business for or a non-executive director of the Company's parent company
c. Person who executes business for a fellow subsidiary
d. Person/entity for which the Company is a major client or a person who executes business for said person/entity
e. Major client of the Company or a person who executes business for said client
f. Consultant, accounting expert, or legal expert who receives large amounts of cash or other assets from the Company in addition to remuneration as a director/Audit and Supervisory Board Member
g. Major shareholder of the Company (in cases where the shareholder is a corporation, a person who executes business for the corporation)
h. Person who executes business for a client of the Company (excluding persons categorized as any of d, e, or f above) (applies to director him/herself only)
i. Person who executes business for another company that holds cross-directorships/cross-auditorships with the Company (applies to director him/herself only)
j. Person who executes business for an entity receiving donations from the Company (applies to director him/herself only)
k. Other

Outside Directors' Relationship with the Company (2) **UPDATED**

Name	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons for Appointment
Tsunehiko IWAI (Mr.)	○	Mr. IWAI does not fall under any of the above "Relationship with the Company (1)" among a to k.	Mr. IWAI served as the Representative Director of a cosmetics manufacturing and sales company which operated globally. Mr. IWAI's extensive knowledge and insight as an executive, as well as his expertise in research & development, production and technology enable him to contribute to the management of the Company. He also provides valuable opinions and advice based on his knowledge on compliance and sustainable management and knowledge acquired at a company which "pursues beauty" like the Company. He also serves as the Chair of both the Nomination of Directors Advisory Committee and the Remuneration of Directors Advisory committee of the Company. We expect that he will provide advice that will contribute to enhance our corporate value and strengthen oversight over the Company. We therefore request that Mr. IWAI continue to be elected as an External Director (Independent). Also, because he meets the eligibility requirements which the Company prescribes under "Criteria for Appointment of External Officers (to ensure independence)" and because there are no concerns that any conflict of interest with general shareholders may arise, we have designated him as an independent officer.
Chizuru YAMAUCHI (Ms.)	○	Ms. YAMAUCHI does not fall under any of the above "Relationship with the Company (1)" among a to k. Ms. YAMAUCHI held the position of Director to execute business (until July 2022), and the Advisor (until July 2025) at Nippon Life Insurance Company, which is one of our major shareholders, but has retired from both positions. The percentage of voting rights of	Ms. YAMAUCHI has extensive knowledge and experience as an executive, as well as expertise in diversity and inclusion, which enable her to contribute to the management of the Company. We expect that she will continue to provide advice on human resources and organization strategies, such as women's empowerment, human resource development and organizational development, as well as advice that will contribute to enhancing corporate value, and supervising the management of the Company. We therefore request that Ms. YAMANOUCHI continue to be elected as an External Director (Independent).

		this company is 3.18% and there is no concern with respect to her independence as an external director.	Also, because she meets the eligibility requirements which the Company prescribes under “Criteria for Appointment of External Officers (to ensure independence)” and because there are no concerns that any conflict of interest with general shareholders may arise, we have designated her as an independent officer.
Hisae SATO (Ms.)	○	Ms. SATO does not fall under any of the above “Relationship with the Company (1)" among a to k. The statuses of significant concurrent positions are as follows; *Councilor of International Christian University; *Member of Fund Management Committee of Local Public Service Mutual Aid Associations; *Member of Fund Management Committee of Pension Fund Association for Local Government Officials; *Member of the JST* Investment Advisory Committee (*JST: Japan Science and Technology Agency); *Member of Pension Actuarial Subcommittee of the Social Security Council, Ministry of Health, Labor and Welfare; *Member of Fund Management Subcommittee of the Social Security Council, Ministry of Health, Labor and Welfare;	Ms. SATO has experience as an asset management consultant at a foreign affiliated organization/personnel/asset management consulting firm, and as a chief investment officer overseeing pension assets on a global level for a global automobile manufacturing and sales company, which enables her to contribute to the management of the Company. Ms. SATO also has a wealth of knowledge and insight, particularly in the areas of investment and financial capital markets, having served as a member of various investment-related committees for public pension funds and government agencies in Japan, and has provided valuable opinions and suggestions relating to those matters. We expect that she will continue to utilize her experience and expertise to improve the Company’s corporate value, and contribute to strengthening the supervisory function of the Board of Directors. We therefore request that Ms. SATO continue to be elected as an External Director (Independent). Although Ms. SATO has never been involved in corporate management other than serving as an external director, we believe that she will be able to appropriately fulfill her role as an External Director (Independent) for the above reasons and her experience of being involved in management of an incorporated educational institution as a trustee and a councilor. Also, because she meets the eligibility requirements which the Company prescribes under “Criteria for Appointment of External Officers (to ensure independence)” and because there are no concerns that any conflict of interest with general shareholders may arise, we have designated her as an independent officer.
Koji NITTO (Mr.)	○	Mr. NITTO does not fall under any of the above “Relationship with the Company (1)" among a to k.	Mr. NITTO has extensive experience as an executive who can incorporate finance into management strategies, serving as a CFO and Senior Management Executive

		The statuses of significant concurrent positions are as follows; *Director of CiRA Foundation; *External Director of GS Yuasa Corporation; *External Director, Audit and Supervisory Committee Member at T&D Holdings, Inc.	Officer of the Global Strategy Division of an electronic equipment manufacturing and sales company that operates control equipment and healthcare businesses globally, which enables him to contribute to the management of the Company. In particular, we believe his knowledge and insight based on his experience leading return on invested capital (ROIC) management at the above electronic equipment manufacturing and sales company with multiple business portfolios will contribute to improving our profitability and capital efficiency. We expect that he will continue to utilize his experience and expertise to improve the Company's corporate value and contribute to strengthening the supervisory function of the Board of Directors. We therefore request that Mr. NITTO continue to be elected as an External Director (Independent). Also, because he meets the eligibility requirements which the Company prescribes under "Criteria for Appointment of External Officers (to ensure independence)" and because there are no concerns that any conflict of interest with general shareholders may arise, we have designated him as an independent officer.
Tetsuro HARADA (Mr.)	○	Mr. HARADA is marked with △ for "f" among a to k in the above "Relationship with the Company (1)" for the following reasons. Mr. HARADA was a Representative Director, President and CEO (until June 2023), and a Director, Chairman of the Board, Audit and Supervisory Committee Member (until June 2026) at Dream Incubator Inc. The Group has consigned consulting services to Dream Incubator Inc. However, the average annual amount of transactions with this company for the last three fiscal years was less than 0.05% of consolidated revenue of the Company, and	Mr. HARADA has extensive experience as a consultant in providing strategic consulting, management development, and venture investment development for major corporations in various industries, and various knowledge based on such experience, which enables him to contribute to the management of the Company. We believe his knowledge and various insight he has derived through implementing structural reforms in a short period of time as a top-level management executive will contribute valuably to the formulation and execution of our management strategy. We expect that he will continue to utilize his experience and expertise to improve our corporate value and contribute to strengthening the supervisory function of the Board of Directors. We therefore request that Mr. HARADA continue to be elected as an External Director (Independent). Also, because he meets the eligibility requirements which

		below 0.5% of consolidated revenue of this company. Accordingly, there is no concern with respect to his independence as an external director. The status of significant concurrent position is as below; *External Director, Audit and Supervisory Committee Member at SMS Co., Ltd.	the Company prescribes under “Criteria for Appointment of External Officers (to ensure independence)” and because there are no concerns that any conflict of interest with general shareholders may arise, we have designated him as an independent officer.

Voluntary Establishment of Committee(s) equivalent to Nomination Committee or Remuneration Committee	Established

Status of Voluntarily Established Committee(s), Attributes of Members Constituting the Committee and the Committee Chairperson

	Committee’s Name	All Members	Full-time Members	Inside Directors	Outside Directors	Outside Experts	Other	Chairperson
Voluntarily Established Committee Equivalent to Nomination Committee	Nomination of Directors Advisory Committee	7	0	2	5	0	0	External Director
Voluntarily Established Committee Equivalent to Remuneration Committee	Remuneration of Directors Advisory Committee	7	0	1	5	0	1	External Director

Supplementary Explanation UPDATED

(1) Nomination of Directors Advisory Committee

① Purpose

・This Committee deliberates and provides recommendations to our Board of Directors on matters related to evaluation, election and dismissal of Directors as well as candidates for promotion, and on matters regarding establishment and revisions of rules and bylaws for Directors.

・A committee meeting can be officially held by the attendance of the majority of committee members, and approvals shall be adopted by a majority of attendees.

② Composition

・External Director (Independent) Mr. Tsunehiko IWAI serves as the Chair of the Committee.

・This Committee is composed of the following members.

<Representative Director and President, Director in charge of Group Business Management, and External Director (Independent)>

・A majority of the Committee members are External Directors (Independent), with an External Director (Independent) serving as the Chair, to enhance its fairness, independence and objectivity.

・The Committee is also attended by one External Audit and Supervisory Board Member (Independent) as an observer.

(2) Remuneration of Directors Advisory Committee

① Purpose

・This Committee discusses and provides recommendations to our Board of Directors on matters regarding performance review and remuneration of Directors, and on matters regarding remuneration system of Directors.

・A committee meeting can be officially held by the attendance of the majority of committee members, and approvals shall be adopted by a majority of attendees.

② Composition

・External Director (Independent) Mr. Tsunehiko IWAI serves as the Chair of the Committee.

・This Committee is composed of the following members.

<Director in charge of Group Business Management, Director (or Corporate Officer) in charge of Human Resources, and External Director (Independent)>

・A majority of the Committee members are External Directors (Independent), with an External Director (Independent) serving as the Chair, to enhance its fairness, independence and objectivity.

・The Committee is also attended by one External Audit and Supervisory Board Member (Independent) as an observer.

◆ The outline of both advisory committees and their activities in the fiscal year ended March 31st, 2026 are described in an exhibit at the end of this report for each one of the items listed in Section II, "2. Matters Concerning Functions of Business Execution, Auditing and Supervision, Nomination, and Remuneration Decisions (Overview of Current Corporate Governance System)," using charts and other materials as necessary.

Audit and Supervisory Board Member*

*Referred to as "*kansayaku*" in Corporate Governance Code reference translation

Establishment of Audit and Supervisory Board	Established
Number of Audit and Supervisory Board Members Stipulated in Articles of Incorporation	5 people
Number of Audit and Supervisory Board Members	5 people

Cooperation among Audit and Supervisory Board Members, Accounting Auditors and Internal Audit Departments UPDATED

(1) Cooperation between Audit and Supervisory Board Members and Internal Audit Department (Internal Auditing Office)

・Our Internal Auditing Office, which is our internal audit department under the direct control of the Representative Director, President and CEO (Group CEO), performs audits on the legality and validity of business execution of the Company and its domestic and overseas subsidiaries, and evaluates the effectiveness of their internal control in accordance with the Internal Audit Regulations.

・Audit and Supervisory Board Members and the Internal Auditing Office hold monthly meetings for reporting and confirmations. The main agenda of these meetings is to report on the major contents of meetings attended by Audit and Supervisory Board Members, action plans of the Internal Auditing Office, and actions that were actually taken, among other matters. We have also established a system that permits the sharing of documents and other information necessary for audits. We operate the system in a way that allows Audit and Supervisory Board Members and the Internal Auditing Office to mutually exchange and confirm

audit working papers and otherwise cooperate in performing audits more efficiently and effectively.

・The reporting line of the Internal Auditing Office includes not only semi-annual reporting to the Representative Director, President and CEO, and the Director, Corporate Officer and CFO but also reporting routes to the Board of Directors, the Audit and Supervisory Board Members, and the Audit and Supervisory Board. The results of internal control audits in the fiscal year ended March 31st, 2026, were reported to the meetings of the Board of Directors and the Audit and Supervisory Board that were held in April 2026.

(2) Cooperation between Audit and Supervisory Board Members and Accounting Auditor

・Through the Audit and Supervisory Board Meetings, the Audit and Supervisory Board Members monitor and inspect the status of the audit by the Accounting Auditor through results of review during the fiscal year, the status of its accounting audit at the end of the fiscal year, interviews on the system to ensure the appropriate execution of duties of the Accounting Auditor and the results of audits on the internal controls as appropriate as well as accompanying actual audits as required.

・In addition, we deliberated with the Accounting Auditor and requested explanations, as necessary, regarding the content of the Key Audit Matters (KAM) required to be included in the auditor's report for companies subject to audits under the Financial Instruments and Exchange Act. Besides, discussions are held as necessary to address fraud risks and other issues as appropriate.

Appointment of Outside Audit and Supervisory Board Members	Appointed
Number of Outside Audit and Supervisory Board Members	3 people
Number of Independent Audit and Supervisory Board Members	3 people

Outside Audit and Supervisory Board Members' Relationship with the Company (1)

Name	Attributes			Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k	l	m
Hitoshi SUZUKI (Mr.)	From another company													
Motoko TANAKA (Ms.)	CPA								△					
Harunobu SHIHO (Mr.)	Lawyer										○			

*Categories for "Relationship with the Company".
(Use "○" when the director presently falls or has recently fallen under the category; "△" when the director fell under the category in the past; "●" when a close relative of the director presently falls or has recently fallen under the category; and "▲" when a close relative of the director fell under the category in the past.)

a. Person who executes business for the Company or its subsidiary
b. A non-executive director or an accounting advisor of the Company or its subsidiaries
c. Person who executes business for or a non-executive director of the Company's parent company
d. An Audit and Supervisory Board Member of a parent company of the Company
e. Person who executes business for a fellow subsidiary
f. Person/entity for which the Company is a major client or a person who executes business for said person/entity
g. Major client of the Company or a person who executes business for said client
h. Consultant, accounting expert, or legal expert who receives large amounts of cash or other assets from the Company in addition to remuneration as a director/ Audit and Supervisory Board Member
i. Major shareholder of the Company (in cases where the shareholder is a corporation, a person who executes business for the corporation)
j. Person who executes business for a client of the Company (excluding persons categorized as any of f, g, or h above) (applies to the auditor him/herself only)
k. Person who executes business for another company that holds cross-directorships/cross-auditorships with the Company (applies to the director/auditor him/herself only)
l. Person who executes business for an entity receiving donations from the Company (applies to the person him/herself only)
m. Other

Outside Audit and Supervisory Board Members' Relationship with the Company (2) UPDATED

Name	Designation as Independent Audit and Supervisory Board Member	Supplementary Explanation of the Relationship	Reasons for Appointment
Hitoshi SUZUKI (Mr.)	○	Mr. SUZUKI does not fall under any of the above “Relationship with the Company (1)" among a to m. Until June 2014, Mr. SUZUKI had been a director to execute business at The Bank of Tokyo-Mitsubishi UFJ, Ltd. (now known as MUFG Bank, Ltd.), which is a shareholder and lender of the Company. However, it is more than ten years since he retired from the position of a director at the bank. The percentage of the bank's voting rights is 4.62%, and the average amount of outstanding loans in the last 3 fiscal years is below 2% of our consolidated total assets. Accordingly, there is no concern with respect to his independence as an external officer.	After Mr. SUZUKI fulfilled his duties at a major financial institution in overseas location and in the market sector, Mr. SUZUKI gained experience in deliberating monetary policy as a member of the Policy Board, which is the highest decision-making body of the Bank of Japan, and has been utilizing such experience to perform the audit of the Company. In order to continue to utilize such experience for the audit system of the Company, we appoint him as External Audit and Supervisory Board Member (Independent). Also, because he meets the eligibility requirements which the Company prescribes under “Criteria for Appointment of External Officers (to ensure independence)” and because there are no concerns that any conflict of interest with general shareholders may arise, we have designated him as an independent officer.
Motoko TANAKA (Ms.)	○	Ms. TANAKA is marked with △ for "h" among a to m in the above “Relationship with the Company (1)" for the following reasons. Until June 2020, Ms. TANAKA held a position at Deloitte Touche Tohmatsu LLC, our Accounting Auditor, but Ms. TANAKA has never engaged in audits of the Company during the said period and there is no concern with respect to her independence. The statuses of significant concurrent positions are as follows; *Managing Partner of Tanaka CPA Office; *External Director and Audit & Supervisory Committee Member of	Ms. TANAKA has extensive experience working at a major audit firm as a certified public accountant and U.S. certified public accountant and has a high level of expertise in finance and accounting, and has been utilizing such experience to perform the audit of the Company. In order to continue to utilize such experience for the audit system of the Company, we appoint her as External Audit and Supervisory Board Member (Independent). Although Ms. TANAKA has never been directly involved in corporate management other than serving as an external officer, we believe that she will be able to appropriately fulfill her role as an External Audit and Supervisory Board Member (Independent) for the above reasons. Also, because she meets the eligibility requirements which the Company prescribes under “Criteria for

		TOWA Corporation	Appointment of External Officers (to ensure independence)" and because there are no concerns that any conflict of interest with general shareholders may arise, we have designated her as an independent officer.
Harunobu SHIHO (Mr.)	○	Mr. SHIHO is marked with ○ for "j" among a to m in the above "Relationship with the Company (1)" for the following reasons. We have signed advisory contracts with multiple lawyers from MIYAKE IMAI IKEDA Law Office, where Mr. SHIHO serves as a partner. However, the average amount of compensation for them in the last 3 fiscal years is less than 2.5 million yen per year. Accordingly, there is no concern with respect to his independence as an external officer. The statuses of significant concurrent positions are as follows; *Partner at MIYAKE IMAI IKEDA Law Office *Secretary of the Japanese Association for Business Recovery	Mr. SHIHO is a legal expert with ample experience and a proven track record as a lawyer. In addition, he has a deep insight into corporate governance, risk management, compliance, etc., and experience as an external director at other companies. In order to utilize such knowledge and experience for the audit system of the Company, we appoint him as External Audit and Supervisory Board Member (Independent). Although Mr. SHIHO has never been involved in corporate management other than serving as an external officer, we believe that he will be able to appropriately fulfill his role as an External Audit and Supervisory Board Member (Independent) for the above reasons. Also, because he meets the eligibility requirements which the Company prescribes under "Criteria for Appointment of External Officers (to ensure independence)" and because there are no concerns that any conflict of interest with general shareholders may arise, we have designated him as an independent officer.

Matters Concerning Independent Directors and Independent Audit and Supervisory Board Members

Number of Independent Directors and Independent Audit and Supervisory Board Members	8 people

Other Matters Concerning Independent Directors and Independent Audit and Supervisory Board Members **UPDATED**

◆ The Company has clearly established the "Criteria for Election and Dismissal of Officers" and the "Criteria for Election of External Officers (to ensure independence)" as follows.

(1) "Criteria for Election and Dismissal of Officers"

・With regard to matters concerning the election and dismissal of directors and audit & supervisory board members, when discussing them with a general meeting of shareholders as an agenda item after passing a resolution on them at a board of directors meeting, the Company will decide on them in accordance with the following criteria.

<Criteria for Elections of Directors>

① They must have a suitable character for being a director of the Company. For example, they must be suitable in terms of taking the initiative in embodying the Company philosophy and code of conduct, and in terms of maintaining the dignity required of a director.

② They must possess physical and mental health and toughness required to fulfill the heavy responsibilities of a director.

③ They must possess sufficient experience and expertise to contribute to sustainable growth and the enhancement of corporate value over the medium to long term.

④ They must possess at least one (1) of the skills that have been set in the skills matrix.

⑤ When they are reelected, they must be deemed to have contributed to enhancing corporate value and business performance during their term of office.

⑥ They must not fall under any of the grounds for disqualification from being a director that are stipulated in each of the items in Article 331, Paragraph 1 of the Companies Act.

⑦ Internal directors must have at least one year of experience as a corporate officer or higher at the Company or a major operating company.

⑧ Independent external directors must be concurrently serving as officers at no more than three (3) listed companies other than the Company.

⑨ At least half of the directors must be external directors, and external directors must not violate the "Criteria for Election of External Officers (to ensure independence)" stipulated separately by the Company.

⑩ As a result of elections based on the criteria in ① to ⑨, the composition of the directors must be balanced in terms of knowledge, experience, professional capability, gender, generation, internationality, etc., and diversity in decision-making and governance must be ensured.

<Criteria for Elections of Audit & Supervisory Board Members>

① They must have a suitable character for being an audit & supervisory board member of the Company. For example, they must be suitable in terms of taking the initiative in embodying the Company philosophy and code of conduct, and in terms of maintaining the dignity required of an audit & supervisory board member.

② They must possess physical and mental health and toughness required to fulfill the heavy responsibilities of an audit & supervisory board member.

③ With their independence from all managerial and executive aspects ensured, they must be capable of monitoring management in a manner that is based on extensive experience, adopt a company-wide perspective, and take a fair, neutral, and objective standpoint.

④ They must not fall under any of the grounds for disqualification from being an audit & supervisory board member that are stipulated in each of the items in Article 331, Paragraph 1 of the Companies Act that apply mutatis mutandis in Article 335, Paragraph 1 of the same Act. In addition, they must not be in violation of Article 335, Paragraph 2 of the Companies Act.

⑤ For one (1) of the full-time audit & supervisory board members, the Company must strive to elect someone who possesses sufficient knowledge of finance and accounting.

⑥ External audit & supervisory board members must not violate the "Criteria for Election of External Officers (to ensure independence)" stipulated separately by the Company.

⑦ External audit & supervisory board members must be concurrently serving as officers at no more than three (3) listed companies other than the Company.

⑧ As a result of elections based on the criteria in ① to ⑦, the composition of the audit & supervisory board members must be balanced in terms of knowledge, experience, and professional capability.

<Criteria for Dismissal of Directors and Audit & Supervisory Board Members>

① If a matter has clearly arisen by which they fail to meet all or some of the above criteria for elections.

② If a significant fact has arisen revealing conduct on their part that constitutes fraud, legal violation, or violation of the articles of incorporation or other internal rules.

③ If a director or audit & supervisory board member has infringed either of the criteria in ① or ② above, then the Company will first obtain a resolution by the Nomination of Directors Advisory Committee in the case of a director or the consent of the audit & supervisory board in the case of an audit & supervisory board member, and then pass a resolution through a board of directors meeting to present to a general meeting of shareholders a motion to dismiss the director or the audit & supervisory board member in question.

(2) "Criteria for Election of External Officers (to ensure independence)"

・The Company determines that its External Directors (Independent) and External Audit & Supervisory Board Members (Independent) (collectively, the "External Officers") have sufficient independence from the Company when, as a result of investigations conducted by the Company to a reasonably possible extent, they are found NOT to fall under any of the following items, in addition to meeting the requirements for external officer status prescribed by applicable laws and regulations and the independence standards established by the Tokyo Stock Exchange.

① Has held a position to execute business (*1) at the Company and any of its subsidiaries (collectively, "Wacoal Group") in the past;

② Is a major shareholder who holds 5% or more of the Company's shares in terms of voting rights either in its own name or another person's name. In case such major shareholder is a corporation, association, or other such entity ("Entity"), a person holding a position to execute business (*1) at such Entity;

③ A candidate who:

i) is a major client (*2) of Wacoal Group or who considers Wacoal Group as a major client of the candidate (in case such candidate is an Entity, a candidate who holds a position to execute business (*1) at such Entity);

ii) is a major lender (*3) of Wacoal Group (in case such lender is an Entity, a candidate who holds a position to execute business (*1) at such Entity);

iii) holds a position to execute business (*1) as a lead underwriter who works at the lead managing securities company with respect to the Company's capital markets matters;

iv) holds a position to execute business (*1) at any Entity in which Wacoal Group holds shares with a percentage of voting rights equal to or higher than 5%;

④ A certified public accountant who works at an audit firm that is the Accounting Auditor of Wacoal Group;

⑤ Any legal counsel, accountant, tax accountant, patent attorney, consultant or other expert who receives, aside from Director remuneration, a large amount (*4) of money or other property from Wacoal Group (in case such candidate is an Entity, an expert who works at such Entity);

⑥ Anyone who receives a large amount (*5) of donations from Wacoal Group (in case such candidate is an Entity, a candidate who holds a position to execute business (*1) at such Entity);

⑦ A person who executes business (*1) at another company which has an external officer from the Company;

⑧ A spouse or second-degree relative of a person who materially falls under any of the items under ① through ⑦ above (but limited to a significant person (*6));

⑨ A candidate who used to fall under any of the items under ② through ⑧ above during the current and the past two fiscal years; and

⑩ A candidate who is deemed to be subject to special circumstances under which a possible conflict of interest with general shareholders of the Company may arise.

・It should be noted, however, that a candidate who falls under any of the items under ② through ⑩ above, but who fulfills

the requirements of an external officer under the Companies Act, may under exceptional circumstances become a candidate for an External Officer if the Company deems it appropriate for such candidate to be appointed as an External Officer and if the Company describes its reasons for making such judgement.

(*1) A person holding a position to execute business shall mean an internal/executive director and/or corporate officer, and other employee who is in an equivalent position.
(*2) A major client shall mean a supplier or purchaser of Wacoal Group whose average amount of transactions during the current and the past two fiscal years exceeded 2% of the consolidated net sales of Wacoal Group or those of the supplier or purchaser.
(*3) A major lender shall mean a financial institution or an individual who provides loans to Wacoal Group and whose average amount of outstanding loans during the current and the past two fiscal years exceeded 2% of the consolidated total assets of the Company or those of such lender.
(*4) A large amount shall mean that the average annual amount of compensation payable for the duties performed by the expert during the current and the past two fiscal years exceeded 10.0 million yen, whether such expert as an individual or the organization to which such expert belongs provides services to Wacoal Group.
(*5) A large amount shall mean that the average annual amount of donation during the current and the past two fiscal years exceeded 10.0 million yen;
(*6) *A significant person shall mean (i) a member or other person who is in an equivalent position in case of a certified public accountant who belongs to an audit firm or an accounting firm, a partner or other person who is in an equivalent position in case of a lawyer who belongs to a law firm, and a person who is in an equivalent position in case of another expert who belongs to an Entity, and (ii) an executive director, executive officer, corporate officer, an employee who is in a position of senior management (i.e., a general manager or higher level) in case of a person who executes business at an Entity, and an executive holding a title such as trustee, councilor and auditor, as well as any other person who is objectively and reasonably deemed to have equal significance as any of the above;

Incentives

Implementation Status of Measures related to Incentives Granted to Directors	Introduction of Performance-linked Remuneration and Other

Supplementary Explanation for Applicable Items **UPDATED**

・The Company has established a policy on determining the contents of remunerations, etc. payable to individual Directors (hereafter referred to as the “Determination Policy”) by resolution of the Board of Directors after deliberations and recommendations by the Remuneration of Directors Advisory Committee, which is chaired by an External Director (Independent), and which is composed by members, majority of which are External Directors (Independent).
・The remunerations paid to officers under the Company’s remuneration system consists of “Basic Remuneration,” the amount of which is fixed, and in addition, (1) “Performance-based Bonus (performance-based remuneration),” which is linked to the business results of each fiscal year, as well as (2) “Restricted Stock (RS) (non-monetary remuneration) (*1),” which is linked to medium- and long-term business results, and (3) “Performance-linked RSU (Restricted Stock Unit) (non-monetary remuneration) (*2),” for which the Company’s Board of Directors has set a certain period of time as the performance evaluation period.
・In the case of External Directors (Independent) and Audit and Supervisory Board Members who shall be in the position independent from the management, only “Basic Remuneration,” the amount of which is fixed.
(For details, please refer to <"Disclosure of Policy on Determining Remuneration Amounts and Calculation Method" under " Director Remuneration"> as below.)

◆ Performance-based remuneration and incentives that were granted in the fiscal year ended March 31st, 2026 (Evaluation period: April 2025 to March 2026) are as follows.

(1) "Performance-based Bonus (performance-based remuneration)"

The total amount of the performance-based bonus is determined by the achievement ratio of each of the indicators, including consolidated ROIC, consolidated revenue and consolidated business profit for the each single fiscal year.

・Total payout amount: "Zero payout"

(2) "Restricted Stock (RS) (non-monetary remuneration)"

Restricted stock is determined in consideration of the monthly amount of basic remuneration and the fair value of stock, which in turn are determined pursuant to the recommendations of the Remuneration of Directors Advisory Committee, and will be allotted in the number determined and resolved at a Board of Directors meeting once a year.

・Total payout amount: "47 million yen (non-monetary remuneration)"

(3) "Performance-linked RSU (Restricted Stock Unit) (non-monetary remuneration)"

As for the Performance-linked RSU, which in turn are determined pursuant to the recommendations of the Remuneration of Directors Advisory Committee, the Company allots to Eligible Directors our common stock in the number of shares in accordance with the degree of achievement to the numerical targets of business performance, etc., set by the Board of Directors during the performance evaluation period for a certain period of time determined by the Company's Board of Directors.

・Total payout amount: "Zero payout" (Metric ① "Consolidated ROIC" (weight to 50%): Target value 7.0% vs Actual result 5.9%. Metric ② "Consolidated business profit" (weight to 50%): Target value 13,000 million yen vs Actual result loss of 461 million yen.)

Note 1) At the 73rd Ordinary General Meeting of Shareholders held on June 29th, 2021, the Company resolved to abolish the share-based stock option incentive and introduce a new restricted stock (RS) plan for Directors, excluding External Directors. This was done so that Directors would share the risk of stock price fluctuations with shareholders, while further increasing their motivation to improve the stock price and corporate value.

Note 2) At the 76th Ordinary General Meeting of Shareholders held on June 25th, 2024, the Company resolved to introduce a performance-linked RSU (restricted stock unit) plan. Under this plan, the Company's Directors, excluding External Directors, will receive shares of the Company's common stock based on the achievement of numerical targets for consolidated performance during a certain evaluation period set by the Board of Directors. This plan aims to provide incentives for continuous improvement in corporate value and to enhance alignment with shareholders by clearly linking compensation to corporate performance and stock value.

Persons Eligible for Stock Options	Internal Directors and Subsidiaries' Directors

Supplementary Explanation for Applicable Items

The Company introduced a restricted stock (RS) plan in the fiscal year ended March 31st, 2021. In addition, a performance-linked RSU (restricted stock unit) plan was introduced in the fiscal year ended March 31st, 2025. However, stock compensation-type stock options allocated as compensation up until the fiscal year ended March 31st, 2020, remain in effect.

Director Remuneration

Status of Disclosure of Individual Director's Remuneration	No Disclosure for any Directors

Supplementary Explanation for Applicable Items UPDATED

・Aggregate amount of remunerations, etc. paid to each category of officers, aggregate amount of remunerations, etc., by type thereof, as well as the number of relevant officers. (the fiscal year ended March 31st, 2026)

Category of Officers	Directors (excluding External Directors)	Audit & Supervisory Board Members (excluding External Audit & Supervisory Board Members)	External Officers
Aggregate Amount of Remunerations, etc.	183 million yen	41 million yen	77 million yen
Fixed Remuneration	136 million yen	41 million yen	77 million yen
Performance-based Remuneration	None	N/A	N/A
Restricted Stock Compensation	47 million yen	N/A	N/A
of which, Non-monetary Remuneration	47 million yen	N/A	N/A
Number of Relevant Officers	3 people	2 people	9 people

Note 1) The numbers of Directors, Audit and Supervisory Board Members and External Officers were 3, 2 and 8, respectively at the fiscal year end of March 31st, 2026. The numbers of External Officers in the table above include one (1) External Officer who resigned upon the close of the 77th Ordinary General Meeting of Shareholders held on June 25, 2025.

Note 2) Aggregate amount of remunerations, etc. to Directors (excluding External Directors (Independent)) include officers' remuneration from the consolidated subsidiaries.

Note 3) Non-monetary remuneration to Directors (excluding External Directors (Independent)) comprises restricted stock compensation in the amount of 47 million yen.

Policy on Determining Remuneration Amounts and Calculation Methods	Established

Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods UPDATED

・The Company has established a policy on determining the contents of remunerations, etc. payable to individual Directors (hereafter referred to as the "Determination Policy") by resolution of the Board of Directors after deliberations and recommendations by the Remuneration of Directors Advisory Committee, which is chaired by an External Director (Independent), and which is composed by members, majority of which are External Directors (Independent).

・The remuneration paid to Directors under the Company's remuneration system consists of (1) "Basic Remuneration," the amount of which is fixed, and in addition, (2) "Performance-based Bonus," which is linked to the business results of each fiscal year, as well as (3) "Restricted Stock (RS)," which is linked to medium- and long-term business results, and (4) "Performance-linked RSU (Restricted Stock Unit)," for which the Company's Board of Directors has set a certain period of time as the performance evaluation period.

・In the case of External Directors (Independent) and Audit and Supervisory Board Members who shall be in the position independent from the management, only "Basic Remuneration," the amount of which is fixed.

・In the case of External Directors and Audit & Supervisory Board Members who shall be in the position independent from the business execution, only "Basic Remuneration" is paid because any remuneration linked to business results are not appropriate in

such case.

(1) “Basic Remuneration (fixed remuneration)”

・The basic remuneration is based on the so-called single-rate remuneration system, in which the same remuneration is paid for the same position. The Company annually verifies the adequacy of the level of remuneration, which has been set according to the business results and scale of the Company and is based on comparison with other companies within the same industry or of the same scale through the investigation results on remuneration prepared by an external advisory.

・Specific contents of basic remuneration amount for Directors are determined by the Board of Directors based on the recommendations prepared by the Remuneration of Directors Advisory Committee, which is chaired by External Directors (Independent) and the majority of which are composed of External Directors (Independent). The basic remuneration amount for Audit and Supervisory Board Members is determined after discussion within the Audit and Supervisory Board.

(2) “Performance-based Bonus (performance-based remuneration)”

・The total amount of the performance-based bonus is determined by the achievement ratio of each of the indicators, including consolidated ROIC, consolidated revenue and consolidated business profit for the each single fiscal year in order to increase the correlation with consolidated financial results. A performance-based bonus is paid once a year after approval of the total amount is given at the general meeting of shareholders for the eligible fiscal year. When quantitative performance indicators fall below the standards determined by the Board of Directors, performance-based bonus will not be paid.

・The amount of performance-based bonus to Directors is resolved at a Board of Directors meeting and the total amount is approved at the general meeting of shareholders based on recommendations prepared by the Remuneration of Directors Advisory Committee, which is chaired by External Directors (Independent) and the majority of which are composed of External Directors (Independent).

(3) “Restricted Stock (RS) (non-monetary remuneration)”

・The Company has introduced the restricted stock (RS), where the Company granted shares of its common stock to Directors (excluding External Directors, hereinafter referred to as "Eligible Directors") of the Company. The Company believes that such awards better align the interests of the Eligible Directors with those of its shareholders by sharing the of price fluctuation risk with our shareholders and increasing incentives to contribute to the improvement of share price and corporate value.

・Restricted stock is determined in consideration of the monthly amount of basic remuneration and the fair value of stock, which in turn are determined pursuant to the recommendations of the Remuneration of Directors Advisory Committee, and are allotted in the number determined and resolved at a Board of Directors meeting once a year. Allotted shares are subject to transfer restriction during the period from the date allotted shares are granted until the date such Director, Audit and Supervisory Board Member or Corporate Officer designated by the Company retires from their position.

・With the aim of sharing value with the Company’s shareholders over the long term, the transfer restrictions on all allotted shares are removed upon the expiration of the transfer restriction period if such eligible grantee has continuously held the position of Director, Audit and Supervisory Board Member or Corporate Officer until the date of the first Ordinary General Meeting of Shareholders after the start date of the transfer restriction period.

・The Company may repurchase all of the allotted shares bearing transfer restrictions as a result of a breach of restricted stock (RS) allotment agreement without consideration.

(4) “Performance-linked RSU (Restricted Stock Unit) (non-monetary remuneration)”

・The Company has introduced the performance-linked RSU (restricted stock unit) with the aim of providing Directors (excluding External Directors, hereinafter referred to as the "Eligible Directors") with an incentive to continuously enhance the Company's

corporate value and to share value with shareholders by clarifying linking director remuneration to corporate performance and stock value.

・As for the performance-linked RSU (restricted stock unit), which in turn are determined pursuant to the recommendations of the Remuneration of Directors Advisory Committee, the Company allots to Eligible Directors our common stock in the number of shares in accordance with the degree of achievement to the numerical targets of business performance, etc., set by the Board of Directors during the performance evaluation period for a certain period of time determined by the Company's Board of Directors.

・Allotment of the number of shares that was resolved at the Board of Directors of the Company based on the calculation method is conducted once after the completion of the performance evaluation period. The Eligible Director needs to have continuously held the position of Director, Audit and Supervisory Board Member, or Corporate Officer as designated by the Company's Board of Directors during the performance evaluation period and satisfy other requirements that the Board of Directors designates as necessary.

・The transfer restriction period shall be the period from the date on which such shares of the performance-linked RSU (restricted stock unit) is granted until the date of retirement from the positions of Director, Audit and Supervisory Board Member, or Corporate Officer as designated by the Company, with the conditions for removing the transfer restrictions to be provided separately.

・The Company may repurchase all of the allotted shares bearing transfer restrictions as a result of a breach of performance-linked RSU (restricted stock unit) allotment agreement without consideration.

・Upon determination of the remuneration and other matters with respect to individual Directors, the Remuneration of Directors Advisory Committee holds discussions and deliberations, including with respect to the consistency of the draft with this Policy, and reports to the Board of Directors of the Company. The Board of Directors of the Company respects the Committee's recommendations and believes that the determination is generally consistent with this Policy.

(1) As for the "Basic Remuneration," the maximum annual amounts paid to Directors and Audit and Supervisory Board Members were determined to be 350 million yen (excluding the amount paid as salaries for employees to the Directors who concurrently serve as employees) and 75 million yen, respectively, by the resolution adopted at the 57th Ordinary General Meeting of Shareholders held on June 29th, 2005. The numbers of Directors and Audit and Supervisory Board Members upon the close of the 57th Ordinary General Meeting of Shareholders were 7 and 5, respectively.

(2) As for the "Performance-linked Bonus", the amount is determined to be such amount as is determined according to the business results of each fiscal year, which is resolved at Ordinary General Meeting of Shareholders.

(3) As for the "Restricted Stock (RS)," the maximum annual amount was determined to be 70 million yen by the resolution adopted at the 73rd Ordinary General Meeting of Shareholders held on June 29th, 2021. The number of Directors (excluding External Director (Independent)) who were eligible recipients upon the close of the Ordinary General Meeting of Shareholders were 4.

(4) As for the "Performance-linked RSU (Restricted Stock Unit)," the maximum annual amount was determined to be 70 million yen by the resolution adopted at the 76th Ordinary General Meeting of Shareholders held on June 25th, 2024. The number of Directors (excluding External Director (Independent)) who were eligible recipients upon the close of the Ordinary General Meeting of Shareholders were 3.

・The ratios of "Basic Remuneration," "Performance-based Bonus," "Restricted Stock (RS)" and "Performance-linked RSU (Restricted Stock Unit)" are as follows, when the performance-based bonus is at the level of the reference value.

◆ "Basic Remuneration 55 to 56%;" "Performance-based Bonus 14%;" "Restricted Stock (RS) 19 to 20%;" "Performance-linked RSU (Restricted Stock Unit) 11 to 12%"

(Assuming the performance-based bonus is at the level of the reference value, the higher the position is, the lower the ratio of basic remuneration.)

・The retirement allowance system for officers was abolished by the resolution adopted at the 57th Ordinary General Meeting of Shareholders held on June 29th, 2005.

Support System for Outside Directors (and/or Outside Audit and Supervisory Board Members)

UPDATED

・For the External Directors of the Company, the Corporate Planning Dept. distributes the agenda and documents of the proposals presented to the Board of Directors' Meetings in advance and organizes prior briefings on important discussion points as necessary.

・As a system to support our Audit & Supervisory Board Members, including the External Audit & Supervisory Board Members, the Company establishes a secretariat with dedicated staff. In addition, the prior briefings for our External Audit & Supervisory Board Members on the proposals presented to the Board of Directors' meetings are conducted by our Internal Audit & Supervisory Board Members.

・Also, the Company strives improvements to facilitate the focus of discussions easy to understand by setting submission requirements for proposal documents to the Board of Directors' meetings and clarifying the priorities for proposers.

・In addition, the Company strives to proactively provide External Directors (Independent) and External Audit and Supervisory Board Members (Independent) with opportunities and information that help them understand the Group's business, financial, and organizational statuses and actual conditions related to risks and opportunities surrounding its businesses.

・Specifically, when they take office, the Company explains the Group's management strategies, an overview of its businesses, their statuses, and the environment surrounding the industry and the Group, etc. so as to provide them with greater insight into the above. The Company also provides them with information thereafter as necessary. Furthermore, where necessary, the Company also supports them by providing opportunities to visit our business locations for interactions and communications with the executives and employees of the operating department.

Status of Persons who have Retired as Representative Director and President, etc.

Information on Persons Holding Advisory Positions (*Sodanyaku*, *Komon*, etc.) after Retiring as Representative Director and President, etc.

Name	Job title/ position	Responsibilities	Terms and Conditions of Employment (Full/part time, with/without remuneration, etc.)	Date when former role as president/ CEO ended	Term
Yoshikata TSUKAMOTO (Mr.)	Honorary Chairperson	Mr. TSUKAMOTO expresses opinions and advice in response to requests from the Company's officers and also serves in positions at external organizations. 【Main public office】 *Special Advisor, Kyoto Chamber of Commerce and Industry *Chairman, Nihon Body Fashion Association *Chairman, The Kyoto Costume Institute	Full time, with remuneration	Jun 29th, 2022	One-year renewal

Number of Persons Holding Advisory Positions (*Sodanyaku*, *Komon*, etc.) After Retiring as Representative Director and President, etc.	1 person

Other Related Matters

None

2. Matters Concerning Functions of Business Execution, Auditing and Supervision, Nomination, and Remuneration Decisions (Overview of Current Corporate Governance System) UPDATED

・The following state of affairs regarding the current corporate governance structure of the Company is described at the end of this report using charts and overview diagram, reflecting the system as of the close of the 78th Ordinary General Meeting of Shareholders held on June 29th, 2026.

(1) "Outline of Current Corporate Governance System"
(2) "Outline of the Board of Directors and Other Organizations"
(3) "Status of Activity of Board of Directors, Nomination of Directors Advisory Committee, Remuneration of Directors Advisory Committee and Committee for Group Strategy (Fiscal Year ended March 31st, 2026)
(4) "Status of Audits"

3. Reasons for Adoption of Current Corporate Governance System UPDATED

・The Company has adopted the organization design of a "Company with Audit and Supervisory Board," defined by the Companies Act, with a governance system consisting of a "Board of Directors" composed of internal Directors who are experts in each business area and External Directors (Independent) with diverse careers, and an "Audit and Supervisory Board" including External Audit and Supervisory Board Members (Independent) with adequate skill balance of knowledge, experience and expertise as well as independence. We, as a holding company, believe that this governance system is effective in supervising and auditing the execution of duties at our group companies and to realize and maintain high-quality management.

・In addition, we have established the Nomination of Directors Advisory Committee and the Remuneration of Directors Advisory Committee as the advisory bodies to the Board of Directors. Fairness, independence and objectivity are enhanced by having a majority of both Committees composed of External Directors (Independent), by having an External Director (Independent) serve as the Chair of each Committee, and by having an External Audit and Supervisory Board Member (Independent) attend as an observer to share the details of deliberations with the Audit and Supervisory Board.

For the foregoing reason, we have adopted our current governance system.

III. Implementation of Measures for Shareholders and Other Stakeholders

1. Measures to Vitalize General Meeting of Shareholders and Facilitate Exercise of Voting Rights

UPDATED

	Supplementary Explanation
Early Posting of Notice of the General Meeting of Shareholders	Although the law stipulates that the Notice is two weeks in advance, we send out the Notice no later than three weeks prior to the Meeting in order to ensure sufficient time to examine the agenda items. In addition, prior to sending out the Notice and immediately after the Board of Directors passes a resolution to convoke the General Meeting of Shareholders, we disclose the information early at our website and on the TDnet of Tokyo Stock Exchange, so as to ensure prompt provision of the information.
Scheduling of the General Meeting of Shareholders on a Non-Peak Day	The 78th Ordinary General Meeting of Shareholders was held on Monday, June 29th, 2026.
Electronic Exercise of Voting Rights	We have adopted a way of exercising voting rights using electromagnetic devices (e.g., personal computers, smartphones, tablet devices).
Participation in a Platform for the Electronic Exercise of Voting Rights and Other Initiatives to Enhance Environment for Institutional Investors to Exercise Voting Rights	We participate in a “Platform for the Electronic Exercise of Voting Rights” managed by ICJ, Inc.
Provision of Notice (or Summary of Notice) of the General Meeting of Shareholders in English	We submit the English version (full text) of the Notice to the Tokyo Stock Exchange. We also post it on our English website.
Other	N/A

2. Status of IR-related Activities

UPDATED

	Supplementary Explanation	Explanation by a representative director or a representative executive officer
Formulation and Publication of Disclosure Policies	Our "Basic Policy on Information Disclosure" is posted and published on the Company's website as shown in the following link. ◆ “Basic Policy on Information Disclosure” https://www.wacoalholdings.jp/en/ir/management/discloser/	
Regular Investor Briefings held for Individual Investors	A briefing session is held for individual investors around once a year. In the fiscal year ended March 31st, 2026, a face-to-face briefing session was held in June 2025. Also, the Company’s website provides information that helps with investments and other decision-making.	Not Held
Regular Investor Briefings held for Analysts and Institutional Investors	Briefing sessions on financial results, management policies and strategies are held quarterly by the Representative Director, President and CEO, and Director, Corporate Officer and CFO. In the fiscal year ended March 31st, 2026, a follow-up meeting about	Held

	the financial results for the fiscal year ended March 31st, 2025 was held by the Representative Director, Executive Directors, and Corporate Officers in June 2026. And in September 2026, a small meeting about the OMO strategy was held by the Corporate Officer in charge of D2C of Wacoal Corp. (a specified wholly owned subsidiary and a major operating company).	
Regular Investor Briefings held for Overseas Investors	We encourage overseas investors to participate in quarterly briefings for analysts and institutional investors. We also attend conferences held by securities firms and other entities as appropriate. In the fiscal year ended March 31st, 2026, we attended a conference for overseas investors in November 2025. In addition, we hold face-to-face or online meetings individually as needed.	Held
Online Disclosure of IR Information	Statutory and voluntary disclosure materials (including convocation notice for the general meeting of shareholders, annual securities report (half-yearly report), timely disclosure materials, financial statements (reports of quarterly financials and results), integrated report, and bellwether indicators such as monthly sales data) are posted on the Company's website. Additionally, in the second and fourth quarters of each fiscal year, we offer video presentations on management policies and strategies by the Representative Director, President and CEO, and in the first and third quarters of each fiscal year, we provide video presentations of financial results by the Director, Corporate Officer and CFO (only Japanese language presentations available). ◆ Investor Relations https://www.wacoalholdings.jp/en/ir/	
Establishment of Department and/or Placement of a Manager in Charge of IR	We have established an IR section in the Corporate Communication Department and assigned full-time dedicated staff. ◆ Director in charge of Investor Relations Katsuya HIROOKA (Mr.); Director, Corporate Officer and CFO	
Other	Business briefings and factory tours are held by the Company's executive officers as appropriate in response to requests from analysts and institutional investors. In the fiscal year ended March 31st, 2026, a tour of Wacoal Manufacturing Japan Corp. (Nagasaki Unzen Factory) was given to analysts in March 2026.	

3. Status of Measures to Ensure Due Respect for Stakeholders UPDATED

	Supplementary Explanation
Establishment of Internal Rules Stipulating Respect for the Position of Stakeholders	Our corporate group has established the “Wacoal Code of Ethics” and the "Corporate Ethics: Wacoal’s Code of Conduct," which stipulate respect for the positions of stakeholders. ◆ “Wacoal Code of Ethics”, “Corporate Ethics: Wacoal’s Code of Conduct” https://www.wacoalholdings.jp/en/group/compliance/ In addition, we believe that in order to deepen relationships of mutual trust with all stakeholders, it is important to engage in constructive dialogue aimed at enhancing corporate value for mutual benefit. Our website also posts key contact opportunities and our policies for dialogue with stakeholders. ◆ Engagement with Stakeholders https://www.wacoalholdings.jp/en/sustainability/talk_with_stockholder/
Implementation of Environmental Preservation Activities and CSR Activities, etc.	In line with the Company’s basic policies on issues surrounding sustainability, including climate change, global environmental issues, and respect for human rights, the Sustainability Committee, which was established in April 2022, develops specific measures to address these issues, monitors their progress, and evaluates outcomes. The Committee is chaired by the Representative Director and President (supervisory officer) and meets two times in each half-year period (four times/year) on the same day as the regular meeting of the Board of Directors, in principle. It also holds an extraordinary meeting of the Committee when necessary. On the other hand, the Board of Directors monitors the allocation of management resources and the implementation of strategies related to the business portfolio, so as to ensure that initiatives of the Committee contribute to sustainable growth. We have also established 4 Steering Subcommittees (Subcommittee for Carbon Neutral, Subcommittee for Resource Circulation, Subcommittee for CSR Procurement, Subcommittee for Human Rights, D&I) under the Sustainability Committee in order to strengthen our response to important sustainability issues. In the fiscal year ended March 31st, 2026, we positioned the reduction of greenhouse gas emissions associated with business activities, initiatives towards realizing a circular economy, promotion of responsible procurement activities, and initiatives to respect human rights through business activities as important agendas for deliberation. The Sustainability Committee set targets and considered specific measures for the period of the next Medium-Term Management Plan and managed the progress of action against current issues. Please see our website for more information. ◆ Basic Sustainability Policy https://www.wacoalholdings.jp/en/sustainability/policy/ ◆ System for promoting Sustainability https://www.wacoalholdings.jp/en/sustainability/system/ ◆ Material Issues https://www.wacoalholdings.jp/en/ir/management/materiality/

	In accordance with "Supplementary Principle 3-1③ Full Disclosure" (sustainability initiatives, etc.) of the Corporate Governance Code, our response and the initiatives we have taken are described in an exhibit at the end of this report. The following items are included in the above, and statuses of initiatives are described for each. ① Climate change / global environment issues (environmental protection activities) ② Respect for human rights (Including CSR procurement, etc.) ③ Considerations for employees' health and work environment, and fair and appropriate treatment ④ Fair and proper transactions with business partners ⑤ Crisis management for natural disasters, etc.
Formulation of Policies, etc. on Provision of Information to Stakeholders	Our corporate group has established the “Wacoal Code of Ethics” for directors and employees in Japan and overseas, and in the section on "Public Disclosures and Communications," we are committed to thoroughly raising awareness of timely and appropriate disclosure of information required by stakeholders. In addition, we have established the “Basic Policy on Information Disclosure” and actively provide information to our stakeholders while fulfilling the requirements of relevant laws and regulations. ◆ Basic Policy on Information Disclosure https://www.wacoalholdings.jp/en/ir/management/disclose/
Other	Our corporate group is working to build a sound corporate culture and a robust management structure by pursuing a system that enhances job satisfaction for all employees while promoting both the quantitative and qualitative optimization of human capital. We accept diverse human resources and values, deepen mutual trust, and aim to create a work environment where each and every employee can fully demonstrate their abilities. We have continued to increase career path diversity and workstyle options and implement human resource initiatives that leverage the diversity of our employees in making organizational decisions adapted to the drastically changing market environment. ◆ Promotion of DE&I https://www.wacoalholdings.jp/en/sustainability/resource/diversity/ In accordance with "Supplementary Principle 2-4① Ensuring diversity within the company, including promoting the active participation of women (Ensuring diversity in the recruitment of core human resources, etc.)" of the Corporate Governance Code, the response and initiatives we have implemented are described in an exhibit at the end of this report.

IV. Matters Concerning the Internal Control System

1. Basic Views on Internal Control System and Status of Development

UPDATED

"Status of Internal Control System"

・To ensure that the execution of duties by the Directors of the Company complies with laws, regulations, and the Articles of Incorporation and that the business conduct of the business group comprising the Company and its subsidiaries is appropriate, we conduct a yearly review of the arrangement of the systems required by the applicable Ordinance of Ministry of Justice to make continuous improvement for the construction of better and more efficient systems in accordance with the provisions of Item 6, Paragraph 4, Article 362 of the Companies Act (Authorities of Directors, etc.).

"System to Ensure Appropriate Business Conduct and Operation Status of the System (as of the fiscal year ended March 31st, 2026)"

(1) "System to ensure that execution of duties by Directors and/or employees is in compliance with laws and regulations and the Articles of Incorporation"

① To ensure that all Directors and employees of the business group comprised of the Company and its subsidiaries ("the Wacoal Group") comply with laws and regulations and the Articles of Incorporation and conduct business based on sound social norms, we have enacted the "Wacoal Code of Ethics" and "Corporate Ethics: Wacoal's Code of Conduct."

Operation Status

We are working to disseminate the above-mentioned policies in domestic and overseas subsidiaries by reviewing the framework of the Group's Management Philosophy: The Wacoal Way in June 2022, and also revising the "Corporate Ethics: Wacoal's Code of Conduct" to version 7 in April 2024 in response to changes in the environment surrounding our businesses.

② We have established the Corporate Ethics and Risk Management Committee, for which our Representative Director, President and CEO (Group CEO) acts as the supervising officer and our Representative Director, Vice President and Executive Officer and CFO acts as the chairperson, in order to improve our system of compliance, to consider any compliance issues which may have a material impact on the Wacoal Group, to enhance awareness and enlightenment on corporate ethics and to effectively promote control of any management risks on the Wacoal Group.

Operation status

In order to specifically develop and operate our compliance system, we have established a Subcommittee for Compliance under the Corporate Ethics and Risk Management Committee. The subcommittee convenes quarterly to discuss such things as methods of compliance awareness-raising and the status of internal alert incidents. In the fiscal year ended March 31st, 2026, the subcommittee meetings were held four times in June, September, December, and March. Moreover, the subcommittee provided employees with classroom training sessions for different occupational layer, managers with 10 years or more of management experience with compliance training, and domestic subsidiaries with e-learning, etc. in order to disseminate the "Corporate Ethics: Wacoal's Code of Conduct" and promote mindset change. It also conducted awareness-raising activities, including the continuation of the periodical distribution of the Group Compliance Communique (Compula-Kawara-Ban), and communicated the amendment of the law ("the Act on Ensuring Proper Transactions Involving Specified Entrusted Business Operators"). In addition, during the period as part of the activities of the quality improvement month, the Quality Assurance Council under the Corporate Ethics and Risk Management Committee held a seminar on the risks and corporate responsibilities arising from a lack of understanding of the laws and regulations closely related to the distribution of consumer goods, including the Act against Unjustifiable Premiums and Misleading Representations and the Pharmaceutical Affairs Law.

③ We have established a system under which our legal/compliance department could be promptly notified if a Director and/or employee of the Wacoal Group becomes aware of a compliance issue which may have violated the "Wacoal Code of Ethics" or the "Corporate Ethics: Wacoal's Code of Conduct," or of any other compliance issues. The system includes an internal

alert system (corporate ethics hotline to the legal/compliance department and an external law firm) in which, after being notified and/or alerted, the legal/compliance department conducts an investigation and formulates preventive measures after discussions with the related department. If the issue is critical, the legal/compliance department will refer the matter to the Corporate Ethics and Risk Management Committee and will report the results of its deliberation to the Board of Directors and/or Audit and Supervisory Board.

Operation status

The content of internal alerts and actions taken for them are all reported to the Subcommittee for Compliance and the Corporate Ethics and Risk Management Committee, and also reported to the Board of Directors and the Audit and Supervisory Board every quarter. Also, the operation status of the internal alert system is announced to the employees on the intranet bulletin board at the end of each fiscal year. The internal alert system is successively communicated to domestic subsidiaries by the Group Compliance Communique (*Compula-Kawara-Ban*), and the dissemination status of the system to overseas subsidiaries is evaluated through a questionnaire survey and interviews. In the fiscal year ended March 31st, 2026, we conducted a questionnaire survey and interviews with subsidiaries in China, the Philippines, Thailand, etc. and provided feedback based on the results.

④ The "Corporate Ethics: Wacoal's Code of Conduct" prescribes that Directors and employees shall firmly refuse to comply with demands of antisocial forces. Also, in order to deal with unreasonable requests from antisocial forces, the Company collaborates with external specialized institutions, collects and manages information on antisocial forces, and develops a corporate system.

Operation status

The Company maintains collaboration with external specialized institutions through activities such as regular information sharing. Moreover, we confirm whether the antisocial forces exclusion clause is properly reflected in a contract before its conclusion.

(2) "System concerning the Storage and Management of Information related to Execution of Duties by Directors"

① With the approval of the Board of Directors, we have enacted "Document Management Rules" pursuant to which we store the following documents (including electromagnetic records, hereafter the same) along with any related materials:

*Minutes of the general meeting of shareholders, minutes of the Board of Directors' meetings, minutes of the Committee for Group Strategy, minutes of the Group Management Meeting, documents for which a Director is the final decision-maker and any other documents prescribed in the "Document Management Rules"

② The retention period and the place for storage of the documents prescribed in the preceding paragraph shall be subject to the "Document Management Rules," but such retention period shall be at least 10 years. The Directors and Audit and Supervisory Board Members shall have access to these documents at all times.

Operation status

Documents prescribed in the "Document Management Rules" have been properly stored in accordance with the applicable management rules and the Directors and Audit and Supervisory Board Members have access to these documents on a timely basis

(3) "Rules and Other Systems concerning Risk Management of Losses"

① In order to understand the management risk within the Wacoal Group in general and to improve and/or strengthen our risk management system, we have established the Corporate Ethics and Risk Management Committee, for which our Representative Director, President and CEO (Group CEO) acts as the supervising officer and our Representative Director, Vice President and Executive Officer and CFO acts as the chairperson.

Operation status

In the fiscal year ended March 31st, 2026, the Committee convened six times in April, June, September, December, February, and March.

② The Corporate Ethics and Risk Management Committee prescribes "Risk Management Basic Rules," subject to the approval of the Board of Directors, which form the basis for our risk management system. The Committee clarifies the responsibilities by risk category pursuant to these rules, and formulates a risk management system that thoroughly and/or comprehensively controls potential risk within the Wacoal Group.

Operation status

Each risk management organization identified by the Corporate Ethics and Risk Management Committee scores and evaluates risks from the viewpoints of materialization probabilities and the magnitude of impact based on the Risk Management Basic Rules, using the Business Risk Evaluation Sheet, and submits the evaluation to the committee. Risks that are determined to have a major potential impact on the management of the Wacoal Group are designated and controlled by the Committee as "Group Major Risks" after approval by the risk management supervising officer.

③ The Corporate Ethics and Risk Management Committee regularly reports on the operations of the Wacoal Group's risk management system to the Board of Directors.

Operation status

The Committee promotes risk-mitigation initiatives, identifies risks, monitors the implementation of countermeasures, and reports to the Board of Directors on a quarterly basis and on an ad hoc basis as necessary. In the fiscal year ended March 31st, 2026, a report was made six times in April, June, September, December, February and March.

④ In order to formulate our basic policy on issues related to sustainability surrounding the Wacoal Group, we have established the Sustainability Committee, where our Representative Director, President and CEO (Group CEO) acts as the supervising officer and the Chair (concurrently served).

Operation status

In the fiscal year ended March 31, 2026, the Committee convened five times in May, August, September, February and March. It continued to deepen the discussion on the policy for the initiatives to achieve both resolution of social issues and sustainable growth through the Wacoal Group's business, and conducted monitoring and evaluation of ongoing initiatives.

⑤ The Sustainability Committee meets regularly on the same day as a meeting of the Board of Directors is held, to formulate specific measures, monitor progress, and evaluate the status of achievement based on our basic policy on sustainability issues including climate change, global environmental issues and human rights issues.

Operation status

The Sustainability Committee, is composed of the Subcommittee for Carbon Neutral, Subcommittee for Resource Circulation, Subcommittee for CSR Procurement and Subcommittee for Human Rights, D&I. Each subcommittee conducted monitoring and evaluation of specific initiatives with respect to issues surrounding sustainability. In the fiscal year ended March 31st, 2026, the Subcommittee for Carbon Neutral mainly conducted heat source equipment renewal to reduce GHG emissions in Japan and the overseas GHG emission reduction potential survey. The Subcommittee for Resource Circulation promoted the actual usage status survey of environmentally friendly materials used in ODM products. The Subcommittee for CSR Procurement continued monitoring and onsite inspections based on the suppliers' self-evaluation sheet. The Subcommittee for Human Rights, D&I provided the management of domestic subsidiaries with customer harassment training and managers with unconscious bias training, etc. The Sustainability Committee discussed the achievements and issues based on these initiatives.

⑥ The Board of Directors oversees the implementation of strategies related to the allocation of management resources and the business portfolios to ensure that the initiatives of the Sustainability Committee contribute to sustainable growth.

(4) “System to Ensure Effective Execution of Duties by Directors”

① Appointment and removal criteria are developed to compose the Board of Directors that consists of a diverse group of Directors, taking into account gender, international experience and background, professional experience, age and other factors in order to ensure that the Board of Directors has the balance of skills that should be held, such as knowledge, experience and expertise in light of management strategies.

Operation status

The Criteria for Appointment or Removal of Officers was revised after the resolution by the Board of Directors in April 2025 from the viewpoint that the Wacoal Group shall appoint diverse Director candidates, who can increase the corporate value through stable management and company growth, after securing transparency and fairness, and propose them to the meeting of shareholders to maintain and deepen the mutually trusting relationship with stakeholders.

② Independent External Directors shall include those who have management experience at other companies, and in order to enhance appropriate decision-making by our Directors, at least half of all Directors shall be independent External Directors.

Operation status

We engage in highly transparent decision-making by appointing 5 External Directors (Independent) among our 8 Directors.

③ In addition to decision-making on significant matters as stipulated in the applicable laws and regulations and/or our Articles of Incorporation, the Board of Directors formulates a management plan to be shared by the Directors and/or employees within the Wacoal Group based on consideration of medium- to long-term management strategies and social issues, directs courses of action and performance targets in the medium to short term that are consistent with this plan and supervises the progress of its implementation.

④ The Group Management Meeting is responsible for the group’s management strategies and other important management issues under the medium- to long-term management strategies determined by the Board of Directors. In addition, as for important matters to be resolved at the Board of Directors and main management issues, etc. such as the Group’s Management Philosophy, management policy, medium- and long-term management strategy, medium-term business strategy and allocation of management resources, which are positioned as the core, the Board of Directors consults with the Committee for Group Strategy, in which the Representative Director, President and CEO (Group CEO) acts as the Chair and all independent officers (External Directors (Independent) and External Audit and Supervisory Board Members (Independent)) attend to fully discuss from various perspectives and provide their advice. The Committee also monitors the progress of the contents of the recommendation and supervise to ensure that appropriate adjustment is made in a timely manner.

Operation status

Based on the medium- to long-term management strategies of the Wacoal Group, the persons responsible for business execution (internal Directors and Corporate Officers) fully deliberate important management issues through the Group Management Meeting, which is followed by the decision-making at a meeting of the Board of Directors.

Continued from the fiscal year ended March 31st, 2024, the Committee for Group Strategy had multi-faceted in-depth discussions on important resolution items of the Board of Directors and major management issues, and the discussion results were reported to the Board of Directors. In the fiscal year ended March 31st, 2026, the Committee convened every month from April to March, totaling 23 times: twice in June, July, August, September, November, January, February and March; and three times in April, May, October and December. It discussed business portfolio transformation, capital investment in a new business, advancement of demand-linked SCM, reduction of assets held and strengthening of competitiveness in overseas markets associated with business model reforms, growth strategy and asset reduction, which are positioned as core in the revised medium-term management plan. Moreover, we discussed the main points of the next medium-term management plan,

considering the progress status and issues of the management plan and the business strategies of major subsidiaries in Japan and overseas, and provided recommendations.

⑤ We will follow the business results of each Wacoal Group company on a monthly basis and report back to the Board of Directors. In addition, we hold quarterly meetings of the Quarterly Achievements Review Meeting, in which we review and confirm the quarterly business results and the implementation of measures and policies, and consider enhancement measures as may be necessary.

Operation status

We hold quarterly meetings of the Quarterly Achievements Review Meeting, to confirm the business results and implementation of measures, and implement remedial measures as necessary.

⑥ In the specified wholly owned subsidiaries of the group, we establish an appropriate and efficient structure by delegating authority and clarifying responsibilities through the corporate officer system.

Operation status

We allocated 12 Corporate Officers to Wacoal Corporation, a wholly-owned subsidiary, to secure and improve the maneuverability and agility of business execution.

(5) "System to Ensure Appropriate Business Conduct within Group Companies consisted by the Company and its subsidiaries"

① We have enacted our "Group Management Rules," which prescribes basic policies regarding the management of our group companies and matters to be decided by our Board of Directors, as well as matters to be reported to the Company and manages our group companies in accordance with the rules.

② We conduct any intercompany transaction fairly in compliance with laws and regulations, accounting principles and the tax system.

Operation status

Matters to be decided and reported by the Company and its subsidiaries are appropriately managed in accordance with the "Group Management Rules." The Group Management Rules also stipulate fair conduct in inter-group business transactions, and this is communicated to group members.

③ Our Internal Auditing Office will conduct audits of operations within the Wacoal Group, including audits of the establishment and/or operation of our compliance system and risk management system, and will report the results of its audits to the Board of Directors and the responsible departments and give guidance and/or advice related to the above to our group companies to ensure appropriate conduct of business.

Operation status

Our Internal Auditing Office develops an audit plan for each fiscal year, and conducts business audits and internal control audits targeting to the Company and its domestic and overseas subsidiaries.

④ Our overseas subsidiaries will comply with the laws and regulations of their respective home countries and will adopt a system that is in line with our policies to the extent reasonable.

(6) "Matters Concerning an Assistant of an Audit and Supervisory Board Member when an Audit and Supervisory Board Member Requests Such a Person"

① Audit and Supervisory Board Members may appoint employees of the Company as their assistants who are to assist the duties of the Audit and Supervisory Board Members.

Operation status

Our Internal Auditing Office assists the duties of the Audit and Supervisory Board Members upon their request from time to time.

Audit and Supervisory Board Members have not requested an assistant, and therefore no assistant for their duties has been appointed.

(7) "Matters Concerning the Independence of an Assistant from the Director Set Forth in the Preceding Item, and Matters Related to the Assurance of the Effectiveness of the Instruction from an Audit and Supervisory Board Member to Such an Assistant"

① Such assistants shall serve on a full-time basis. In order to ensure the effectiveness and independence of such assistants, decisions on personal affairs, including appointment, evaluation, relocation and discipline of such assistants, will be subject to the consent of the Audit and Supervisory Board Members.

(8) "Reporting System of Directors and Employees to the Audit and Supervisory Board Members and Other Systems related to the Report to Audit and Supervisory Board Members"

① Directors of the Wacoal Group shall promptly report to the Audit and Supervisory Board Members if they become aware of a material fact that violates the applicable laws and regulations and/or Articles of Incorporation of each company, misconduct or a fact that may cause significant damage to any company of the Wacoal Group.

② Employees of the Wacoal Group may directly report to the Audit and Supervisory Board Members if they become aware of a material fact that violates the applicable laws and regulations and/or Articles of Incorporation of each company, misconduct or a fact that may cause significant damage to any company of the Wacoal Group.

③ In addition to statutory matters, Directors and employees of the Wacoal Group shall maintain a system that always allows Audit and Supervisory Board Members to attend a meeting or view materials when they judge it necessary for audit purposes.

④ Directors of Wacoal Group shall report to Audit and Supervisory Board Members on the status of the arrangements and operations of internal controls, compliance and risk management of the Company and its subsidiaries, as appropriate in a timely manner.

Operation status

The Audit and Supervisory Board Members attend primary meetings and receive reports on matters that are discussed and on the management condition.

During the fiscal year ended March 31st, 2026, there was no report on a material fact that violates the applicable laws and regulations and/or Articles of Incorporation based on the provisions of this section, which a Director or an employee found. During the period, the Audit and Supervisory Board Members conducted interviews with all Directors, Corporate Officers and some Heads of Department (senior executives including General Managers, and Presidents of domestic subsidiaries). As a result, no report was made to inform of discovery of material issues, etc.

Moreover, the Audit and Supervisory Board Members accept consultations and reports from directors or employees regarding accounting and auditing; however, no such report was made during the period.

The Audit and Supervisory Board Members also receive reports from the Internal Auditing Office on the results of the business audit and on the status of the arrangements and operations of internal controls, compliance and risk management, as appropriate in a timely manner.

(9) "System to Ensure the Employees Who Made Such Report in the Preceding Item Will Not Be at a Disadvantage for the Reason of Making Such Report"

① Each company of the Wacoal Group, including the Company, shall stipulate and publicize rules that prohibit treating employees who have reported a material fact that violates the applicable laws and regulations and/or Articles of Incorporation, etc., disadvantageously with dismissal, demotion, pay cut, non-payment of retirement benefits and any other means for reporting, notifying or consulting with Audit & Supervisory Board Members.

Operation status

At the time of interviews with Directors, Corporate Officers and some Heads of Department, Audit and Supervisory Board Members have explained the scope of disclosure of the interview content and confidentiality.

(10) "Matters Concerning the Policy on the Handling of Expenses or Debt Arising from the Execution of Duties by Audit and Supervisory Board Members"

① The Audit and Supervisory Board Members may order employees who belong to the Internal Auditing Office to perform any tasks that are required to provide their services. In addition, the Audit and Supervisory Board Members may request the Company for reimbursement of expenses incurred for performing their duties.

Operation status

The Company has reimbursed any and all expenses incurred by the Audit and Supervisory Board Members for performing their duties.

(11) "Other Systems to Ensure Effective Audits by Audit and Supervisory Board Members"

① The majority of the Audit and Supervisory Board Members of the Company will be External Audit and Supervisory Board Members (Independent) to enhance the transparency and neutrality of audit.

② Audit and Supervisory Board Members will attend meetings of the Board of Directors and may also attend other primary meetings of the Wacoal Group.

③ The Audit and Supervisory Board Members will regularly meet with the Internal Auditing Office and the Accounting Auditor to receive reports and to exchange opinions.

④ The Audit and Supervisory Board may consult legal counsel, certified public accountants, consultants or other outside advisors as it deems necessary.

Operation status

We enhance the effectiveness of audit by appointing 3 External Audit and Supervisory Board Members (Independent) among the 5 Audit and Supervisory Board Members.

The Audit and Supervisory Board Members attend meetings of the Board of Directors and other important meetings, conduct interviews with the Directors and also visit our subsidiaries to conduct audits. In addition, the Audit and Supervisory Board Members preside at the Group Audit and Supervisory Board Meeting and receive periodic reports from the Auditors of the domestic subsidiaries.

The Audit & Supervisory Board Members, regularly and whenever necessary, exchange information and opinions with the accounting auditor and the Internal Auditing Office.

2. Basic Views on Measures for Eliminating Anti-Social Forces and Status of Development

The "Corporate Ethics: Wacoal's Code of Conduct" prescribes that Directors and employees shall firmly refuse to comply with demands of antisocial forces. Also, in order to deal with unreasonable requests from antisocial forces, the Company collaborates with external specialized institutions, collects and manages information on antisocial forces, and develops a corporate system.

V. Other

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not Adopted

Supplementary Explanation for Applicable Items
N/A

2. Other Matters Concerning the Corporate Governance System UPDATED

・The Company's "Basic Policy on Information Disclosure," as well as the internal structure and operational status related to timely disclosure, are as follows.

(1) "Basic Policy on Information Disclosure"

・ The Company fully understands that timely and appropriate information disclosure forms the foundation of a trusting relationship between us and all our stakeholders and a prerequisite for a fair and appropriate appraisal of our corporate value; and strives a proactive approach to disclosure while meeting all requirements in the relevant laws.

・ The "Basic Policy on Information Disclosure" based on the above guiding principle is posted on the Company's website.

◆ Basic Policy on Information Disclosure https://www.wacoalholdings.jp/en/ir/management/disclose/

・Furthermore, in the "Wacoal Code of Ethics" established for directors and employees of our group's domestic and overseas subsidiaries, we have listed the section on "Public Disclosure and Communications," as follows.

"You are responsible for providing fair and accurate information about the company in a timely, appropriate and understandable manner. The directors, officers and employees of Wacoal Holdings Corp. are responsible for ensuring that all public communications made by Wacoal are fair, complete, accurate, understandable and timely. In addition, you must be responsive to society's assessments and expectations regarding Wacoal and strive to take such assessments and expectations into account in the conduct of our business."

・Further, in the "Corporate Ethics: Wacoal's Code of Conduct," we have included sections, "Appropriate Information Disclosure" and "Appropriate Protection and Management of Information." In April 2024, we revised it with the 7th Edition and have raised awareness of the importance of the *"Promptly disclose accurate information to shareholders and investors," "Do not engage in insider trading," "Conduct appropriate accounting procedures," "Protect personal information,"* and *"Ensure information security."* We also strive to conduct practical training and classroom training session on corporate ethics for a wide range of employees and have managers give relevant guidance.

・For more information, please see our website.

◆ "Wacoal Code of Ethics" and "Corporate Ethics: Wacoal's Code of Conduct" https://www.wacoalholdings.jp/en/group/compliance/

(2) "Compliance with Timely Disclosure, and Establishment of Internal System"

・We have established the following measures and internal system for important financial and non-financial information that requires timely disclosure.

① Identification of timely disclosure of information

・Statutory disclosure items under the Companies Act and the Financial Instruments and Exchange Act

・Important matters based on the Timely Disclosure System of Tokyo Stock Exchange

・Matters to disclose derived from statutory disclosure (Integrated Report, etc.)

・Material information deemed necessary to be disclosed (information that is reasonably expected to have a material influence on investment decisions by investors)

② Establishment of Internal System (Its schematic diagram is shown on the next page.)

・The Corporate Planning Dept., Corporate Communication Dept., Accounting Dept., and the Legal and Compliance Dept. are the departments responsible for the management of information that is subject to timely disclosure.

・These responsible departments promptly disclose information in accordance with the internally established "Basic Policy on Information Disclosure," after determining or occurring relevant facts, and based on confirmation by the Director, Corporate Officer and CFO.

・Information regarding financial results is, in principle, disclosed on the same day after approval by the Board of Directors.

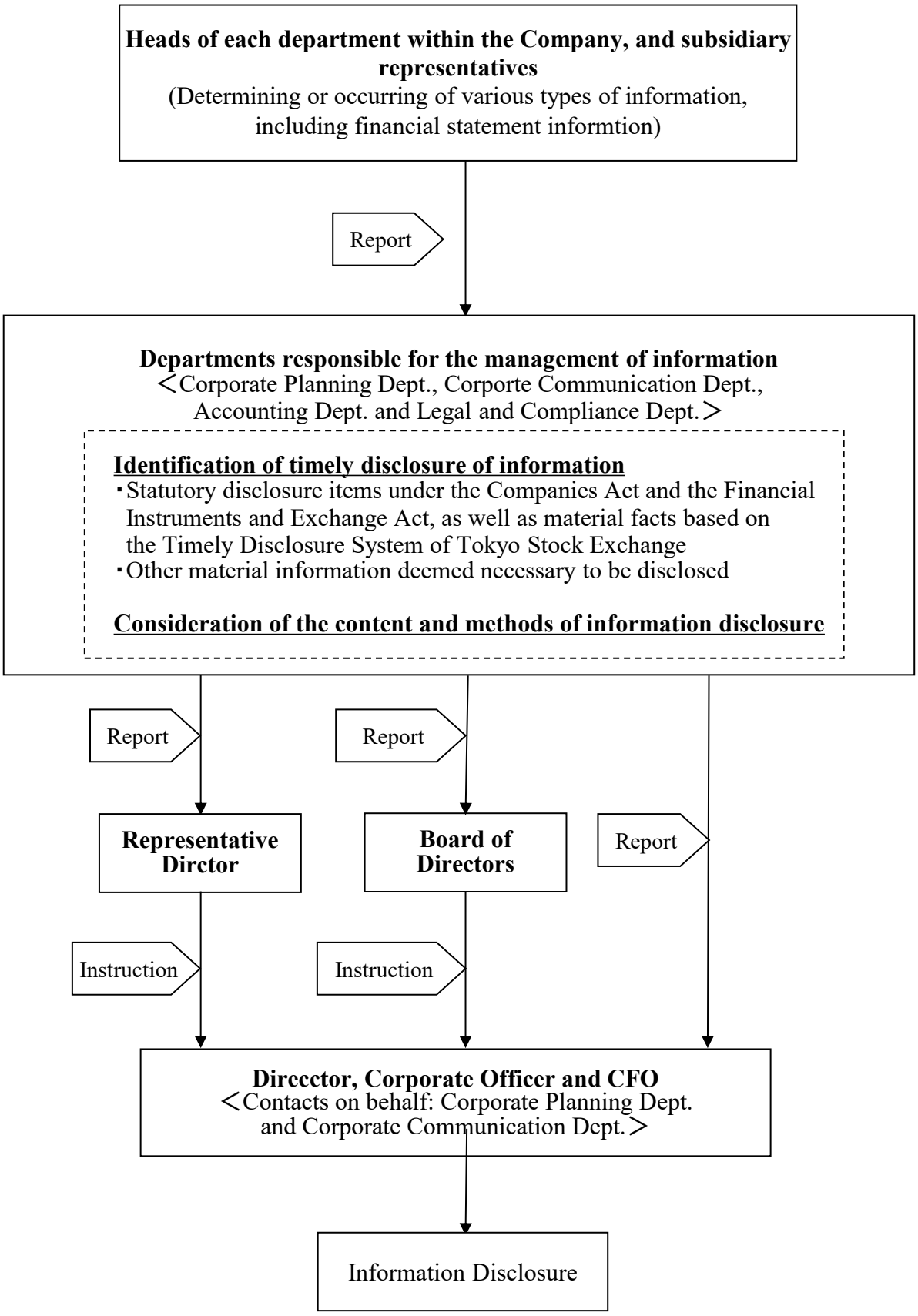
・Facts decided or occurring at subsidiaries are controlled by the Corporate Planning Dept. through the representative of subsidiary, and information is disclosed through similar procedures.

・The Corporate Planning Dept. oversees important policy decisions and financial closing information within the company, and, together with the Corporate Communications and Accounting Depts., oversees information related to occurring events.

・Additionally, the Legal and Compliance Dept. assesses the importance of various types of information from a legal perspective.

・In this information disclosure, the Legal and Compliance Dept. acts as the point of contact with the Tokyo Stock Exchange, while the Accounting Dept. acts as the point of contact with the Financial Services Agency.

The internal structure for timely disclosure at the Company is as follows.



UPDATED

Last Updated: July 10th, 2026
Wacoal Holdings Corp.

I. Basic Views on Corporate Governance, Capital Structure, Corporate Attributes, and Other Key Information

1. Basic Views

【Initiatives relating to each Principle of the Corporate Governance Code】

UPDATED

Principle 1.4 Cross-shareholdings	When companies hold shares of other listed companies as cross-shareholdings*, they should disclose their policy with respect to doing so, including their policies regarding the reduction of cross-shareholdings. In addition, the board should annually assess whether or not to hold each individual cross-shareholding, specifically examining whether the purpose is appropriate and whether the benefits and risks from each holding cover the company's cost of capital. The results of this assessment should be disclosed. Companies should establish and disclose specific standards with respect to the voting rights as to their cross-shareholdings, and vote in accordance with the standards

(1) Policy regarding cross-shareholdings

- In order to enhance our medium- to long-term corporate value, we may hold shares of other companies as cross-shareholdings for the purposes such as expanding our business strategically, creating business opportunities, and building, maintaining and enhancing business relationships that will lead to the creation of business opportunities.
- In the Medium-term Management Plan (Revised) with the current fiscal year (ended March 31st, 2026) as the final year, we announced a policy to reduce our cross-shareholdings by over 30 billion yen (on a market value basis as of March 31st, 2023) by the end of the current fiscal year and to limit the amount to less than 10% of consolidated net assets from the perspective of improving asset efficiency.
- During the period of the Medium-term Management Plan (Revised), we disposed of and reduced cross-shareholdings by 19 stocks and approx. 25.1 billion yen (on a market value basis as of March 31st, 2023). However, partly reflecting the rising share prices, the ratio of cross-shareholdings to consolidated net assets was still no lower than 19.3% at the end of the current fiscal year under review. In light of this, our policy is to reduce cross-shareholdings by approx. 20.0 billion yen (on a market value basis as of March 31st, 2026) and achieve a ratio of cross-shareholdings to consolidated net assets of less than 15% of consolidated net assets by the end of the final fiscal year (ending March 31st, 2029) of the next Medium-Term Management Plan (commencing from the fiscal year ending March 31st, 2027).

(2) Examination regarding cross-shareholdings

- Every year, the Board of Directors examines whether the purpose of each cross -shareholding is appropriate from a medium- to long-term perspective and whether the benefit and risks related to such cross-shareholding are appropriate given the capital cost, and decides on whether to continue the cross-shareholding or to dispose of such shares. If our holding of any shares loses its significance, we gradually dispose of and reduce our holding of such shares based on consideration of the circumstances of the issuer. The benefits of shareholdings are reassessed through verification of each individual stock by the Board of Directors.
- The number of cross-shareholdings and their monetary value recorded on the balance sheet (specified wholly owned subsidiary of the Company with the highest monetary value of investment stocks recorded on the balance sheet: Wacoal Corp.) at the end of the fiscal year ended March 31st, 2026 were as shown in the table below.

	Fiscal Year ended March 2022	Fiscal Year ended March 2023	Fiscal Year ended March 2024	Fiscal Year ended March 2025	Fiscal Year ended March 2026
Number of stocks	65	60	50	45	41
Total balance sheet amount (Millions of yen)	46,000	43,944	47,541	35,588	41,067
Ratio to consolidated net assets	20.3%	20.6%	22.1%	18.3%	19.3%

(3) Criteria for exercising voting rights

- In voting any of the shares held for cross-shareholding purposes as to any agenda item, we will determine whether or not to vote in favor of such agenda item after closely examining comprehensively whether the relevant vote would contribute to the enhancement of the issuers and our corporate value, while fully respecting the issuers management policy. A close due diligence review will be performed in case an issuer releases updated losses for certain consecutive periods, its shareholder value is significantly damaged as a result of reorganization, or there is a matter of serious concern regarding the issuers corporate governance such as a corporate scandal.

UPDATED

Principle 1.7 Related Party Transactions	When a company engages in transactions with its directors or major shareholders (i.e., related party transactions), in order to ensure that such transactions do not harm the interests of the company or the common interests of its shareholders and prevent any concerns with respect to such harm, the board should establish appropriate procedures beforehand in proportion to the importance and characteristics of the transaction. In addition to their use by the board in approving and monitoring such transactions, these procedures should be disclosed.

- To ensure appropriate management of conflicts of interest which could arise between the management and the Group, the Board of Directors prescribes guidelines on related party transactions and conducts periodic investigations. The prior approval of the Board of Directors must be obtained for a related party transaction which falls under a conflict-of-interest transaction, a material transaction, or a non-routine transaction, based on an examination of necessity and rationality from various perspectives, including whether the transaction harms the interests of the Group or the common interests of its shareholders.

UPDATED

Supplementary Principle 2.4.1 Ensuring Diversity, Including Active Participation of Women (Ensuring Diversity in the Promotion to Core Human Resources, etc.)	Companies should present their policies and voluntary and measurable goals for ensuring diversity in the promotion to core human resources, such as the promotion of women, foreign nationals, and midcareer hires to middle managerial positions, as well as disclosing their status. In addition, in light of the importance of human resource strategies for increasing corporate value over the mid- to long-term, companies should present its policies for human resource development and internal environment development to ensure diversity, as well as the status of their implementation.

(1) Ensuring diversity

- Our Group is working to build a sound corporate culture and a robust management structure by pursuing a system that enhances job satisfaction for all employees while optimizing both the quantity and quality of human capital.
- We accept diverse human resources and values, deepen mutual trust, and aim to create a work environment where each and every employee can fully demonstrate their abilities. We will continue to increase career path diversity and workstyle options and implement human resource measures that make it possible to leverage the diversity of our employees in making organizational decisions in response to the rapidly changing market.

□ 【Promotion of Women to Managerial Position】

- Our Group has established a workplace environment that is appropriate and in line with women's unique life stages, realizes more flexible work styles, and has instituted a system for fair advancement based on ability and performance, regardless of gender or age.
- To ensure diversity among the personnel involved in key decision-making, Wacoal Corp., which is the Company's major operating company and specified wholly owned subsidiary, has identified gender balance at the management level as a strategic priority and has set a target of achieving a female representation of at least 30% among department heads and above by the end of the fiscal year ending March 2029. As of April 1st, 2026, women accounted for 32.2% of positions at the Manager level and above (41.6% when including those with management certification), while they still accounted for only 18.8% of positions at the General Manager level and above. We will strengthen our training and promotion initiatives.
- Specifically, we are promoting systematic talent development while ensuring gender balance within our talent pool, providing career development support through consultations with internal and external career consultants, and implementing promotion and appointment systems based on the ability and performance of individuals. In addition, as part of our efforts to expand flexible work options, we have introduced a "super flex-time system" with no core hours to support continuous career development.
- Further, as part of our employee development initiatives, we conduct unconscious bias training aimed at fostering an understanding of how diversity contributes to corporate value creation and promoting fair decision-making that minimizes unconscious biases. We have completed training for the executive/corporate officers and general managers and managers this fiscal year (ended March 31st, 2026), and we plan to expand the program to all employees next fiscal year.
- Through these initiatives, we will work to create an environment where a diverse workforce, including women, can participate in key decision-making processes, thereby enhancing organizational diversity and improving the quality of management decisions.
- The percentage of women in managerial positions and gender gap in wages at our major domestic subsidiaries in the current fiscal year ended March 31st, 2026 were as shown in the table below. Our Group does not differentiate the amount of wages between men and women who play the same role. For example, in the case of Wacoal Corp., the wage gender gap has women earning 90.9% of the remuneration of men in managerial positions and 67.2% in career-track positions. However, the gap is wider based on the classification in the table below mainly due to the following reasons.
  - ① The ratio of women in managerial positions is low (approx. 30%).
  - ② The ratio of women who joined the company within the last ten years (approx. 60%) has been increasing, mainly reflecting the growing ratio of women among those who join the company as new graduates.
  - ③ Women constitute a substantial majority among sales clerks, whose average wage level is lower than those in career-track positions.

Name of Subsidiary	Ratio of Female Employees in Managerial Positions (%)	Ratio of Male Employees Taking Child-rearing Leave (%)	Differences in Wages between Male and Female Employees (%)		
			All Employees	Full-time Employees	Part-time/fixed-term contract employees
Wacoal Corp. (including the Company)	41.6	63.6	49.7	50.0	58.9
Peach John Co., Ltd.	87.5	---	36.0	73.5	---
Wacoal Manufacturing Japan Corp.	20.0	0.0	73.7	77.0	51.5
Wacoal Distribution Corp.	11.1	---	49.7	81.9	71.2

- Please see our website for more information.
  - ◆ Promotion of DE&I
    (Including Action Plan Based on the Act on the Promotion of Women's Active Engagement in Professional Life)
    https://www.wacoalholdings.jp/en/sustainability/resource/diversity/
  - ◆ ESG Data Book (Human Capital (Diversity & Inclusion), The Advancement of Work-Life Balance, Work-Style and Leave-Style Reform)
    https://www.wacoalholdings.jp/en/ir/library/esg_presentation/
  - ◆ 【Ministry of Health, Labor and Welfare Website】
    Database of women's participation in each company / "Wacoal Corporation*" (Japanese only)*
    https://positive-ryouritsu.mhlw.go.jp/positivedb/detail?id=284

☐ 【Promotion of Foreign Nationals to Managerial Position】

- Our group, as a corporate group operating in countries and regions around the world, appoints local personnel to the positions of representative (president) and key managerial positions in each of our overseas entities, including the U.S. and Europe. The representatives (presidents) of Wacoal Hong Kong Co., Ltd. And Philippine Wacoal Corp. are served by female.
- We will continue to hire diverse local talent regardless of nationality and promote them to key managerial positions in order to expand our business from the customer's perspective and strengthen our competitive advantage in the overseas markets.

☐ 【Promotion of Midcareer Hires to Management Position】

- Our group believes, just as our predecessors have built today's corporate group without sticking to the precedents, that it would be the source of our competitiveness to continue to value a culture of boldness and daring to take on challenges, and to respect diversity which creates new value by bringing in new ideas.
- Wacoal Corp. has introduced expert skill-based recruitment to its recruitment of new graduates. This system clarifies expertise and skills required for specific duties (research, IT, accounting, technology development, and others). At the same time, Wacoal Corp. is also committed to experienced hires (including recruitment of recent graduates with work experience and midcareer recruitment). In the business development positions (career-track positions), experienced hires account for the majority of hires in recent years. Wacoal Corp. is continuing with its policy of using experienced hires for 30% to 50% of employees hired in the business development positions, aiming to assign human resources with high levels of expertise to areas in particular need of strengthening in accordance with its business strategy.
- Hiring Status by positions at Wacoal Corp. (business development positions (career-track positions) and sales positions):

Business Development Positions (Career-track Positions)	Gender	Fiscal Year ended March 2022	Fiscal Year ended March 2023	Fiscal Year ended March 2024	Fiscal Year ended March 2025	Fiscal Year ended March 2026
Experienced hires	Male	1	4	1	8	19
	Female	1	6	15	8	16
	Total	2	10	16	16	35
New graduates	Male	7	6	2	6	4
	Female	16	10	10	12	8
	Total	23	16	12	18	12
Experienced hire ratio		8%	38%	57%	47%	74%

Sales Positions	Gender	Fiscal Year ended March 2022	Fiscal Year ended March 2023	Fiscal Year ended March 2024	Fiscal Year ended March 2025	Fiscal Year ended March 2026
Experienced hires	Male	---	0	0	0	0
	Female	---	6	14	58	92
	Total	---	6	14	58	92
New graduates	Male	---	0	0	0	0
	Female	---	16	14	19	24
	Total	---	16	14	19	24
Experienced hire ratio		---	27%	50%	75%	79%

(2) Human resource development and internal environment development to ensure diversity

- Our group has established the majority of its value chains, spanning from basic research and product planning and development to materials procurement, production and sales, using the resources within our group. At the heart of this value chain, including the corporate staff who serve as its strategic foundation that support the value chain, lies our "human capital." Maximizing the value of human capital is, of course, a key management initiative. We believe that realizing an attractive corporate culture in which each of the employees of our group can perform their duties while feeling “a sense of fulfillment,” “motivated at work,” and “a purpose in life” and maximizing his/her potential to produce organizational results such as improved productivity and competitiveness, is the virtuous cycle that serves as the essential driving force behind the sustainable growth.
- We believe that establishing an environment where each and every employee takes ownership of their own career and can continue to grow while enhancing their expertise is essential to the sustainable growth of the entire organization. Based on this philosophy, Wacoal Corp. places a central focus on developing “autonomous and innovative talents” and provides a wide range of opportunities to support its employees’ challenges and growth.
- In July 2025, we introduced a “role-based grading system,” marking a shift to a policy of eliminating seniority-based factors and ensuring evaluations and treatment based on roles and achievements. We also redesigned “WACOAL TERAKOYA,” a training system linked to the role-based grading system. By positioning parts of the “WACOAL TERAKOYA” curriculum as a requirement for grade certification and an essential requirement for management license screening, we have made a willingness to continue learning and the enhancement of expertise a fundamental part of the management career path. At the same time, we are committed to developing a culture which permits employees to choose careers proactively and continue learning in a self-directed manner.
- At the same time, Wacoal Corp. offers employees diverse choices and opportunities for challenges, enabling them to shape their career paths of their own will. We have introduced the “Internal Recruitment Program,” under which employees can put themselves forward for an internal transfer, the “Job Challenge Program,” under which employees can express an interest in an internal transfer even if there are no apenings, and the “Cross Boundedly Learning,” under which employees are seconded to companies or organizations outside the Group for specific period to gain new skills and perspectives. We also provide opportunities for face-to-face meetings with internal career support staff and external professional career consultants, thus supporting employees with opportunities to objectively take stock of their careers and consider their future direction.
- To strengthen the management capabilities of our employees, we are systematically implementing the following initiatives. Aiming for “planned discovery and development of next-generation leaders,” we position the Human Assessment (*1) as an opportunity for “selection and development,” and we are working on developing promising talent from a long-term and planned perspective. Further, we have introduced a management license system, aiming to improve the quality of management. Requirements for acquiring the license involve a multifaceted review including papers, human assessments by external organizations, and interviews with executive/corporate officers, as well as mandatory requirements for acquiring knowledge and qualifications related to finance, accounting and IT. In addition, for the purpose of developing a sound organizational culture, we conduct 360-degree multifaceted observation of employees in management positions once a year, thus operating a system that permits those employees to use objective feedback from their superiors, peers, and subordinates for their personal development. We are continuing to implement initiatives based on our understanding that development of an organizational culture with a high level of psychological safety is essential for the maximization of individual potential and the success of an organization. (*1: A human resource promotion and development program based on the assessment center method, which is applied widely in the United States)
- Please see our website for more information.
  - ◆ Promotion of DE&I
    (Including Respect for Diversity (Employment of people with disabilities, Participation from Senior Citizens))
    https://www.wacoalholdings.jp/en/sustainability/resource/diversity/

UPDATED

Principle 2.6 Roles of Corporate Pension Funds as Asset Owners	Because the management of corporate pension funds impacts stable asset formation for employees and companies' own financial standing, companies should take and disclose measures to improve human resources and operational practices, such as the recruitment or assignment of qualified persons, in order to increase the investment management expertise of corporate pension funds (including stewardship activities such as monitoring the asset managers of corporate pension funds), thus making sure that corporate pension funds perform their roles as asset owners. Companies should ensure that conflicts of interest which could arise between pension fund beneficiaries and companies are appropriately managed.

- To fulfill the function expected of an asset owner of a corporation pension fund, the Company has established a Pension Committee, which is chaired by the Director and Corporate Officer in charge of Administrative Control of Wacoal Corp. and which consists of business executives in charge of financial affairs, personnel affairs, and accounting, among others, from the Company and Wacoal Corp. This committee reviews the asset management policies and policy asset mix, among others, on a quarterly basis.
- In addition, we use an external asset management consulting firm to complement our expertise and knowledge and ensure appropriate management. We also take steps to improve the expertise of our human resources involved in the management of corporate pension reserve (retirement assets).
- Further, we interview asset managers via the external asset management consulting firm, request them to submit a performance report on a quarterly basis, and take other measures to monitor them regularly. Based on monitoring results, we make qualitative evaluations along with quantitative assessments, thereby identifying asset managers that need to be watched closely and changing the asset structure appropriately on a timely basis.
- In the fiscal year ended March 31st, 2026, we secured returns above the planned level due to changes to the asset mix, with reference to the advice of the external asset consulting firm, and a boost to investment income from rising stock prices in Japan and other countries. We also deepened our discussion about what the corporate pension plan should be like in the future. In response to changes in the investment environment, we will work to ensure appropriate risk management and sophisticate our fund management system in light of factors such as rising domestic interest rates and geopolitical risk trends and based on the expert advice of the external consulting firm.

UPDATED

Principle 3.1 Full Disclosure	In addition to making information disclosure in compliance with relevant laws and regulations, companies should disclose and proactively provide the information listed below (along with the disclosures specified by the principles of the Code) in order to enhance transparency and fairness in decision-making and ensure effective corporate governance: i) Company objectives (e.g., business principles), business strategies and business plans; ii) Basic views and guidelines on corporate governance based on each of the principles of the Code; iii) Board policies and procedures in determining the remuneration of the senior management and directors; iv) Board policies and procedures in the appointment/dismissal of the senior management and the nomination of directors and *kansayaku* candidates; and v) Explanations with respect to the individual appointments/dismissals and nominations based on iv).

- The Company fully understands that timely and appropriate disclosure of information is the foundation for building trust with all stakeholders and is a prerequisite for obtaining a proper evaluation of the Company's corporate value, and has established the "Basic Policy on Information Disclosure," which states that it will actively disclose its information while fulfilling the requirements of relevant laws and regulations.
- We are also providing information other than that disclosed in accordance with laws. We strive to actively disclose information such as the Group's management philosophy, management strategies, management plans, our basic concept and basic policy on corporate governance, and policies and procedures on the Board of Director's determination of compensation for the directors and executive/corporate officers via our corporate governance reports, securities reports, and website, including their English translations.

(1) Company objectives, business strategies and business plans

- **Please see "I-1. Basic Concepts" of this Report or our website.**
  - The Group's Management Philosophy "The WACOAL Way" https://www.wacoalholdings.jp/en/group/vision/
  - Medium-to Long-Term Management Strategy Framework "VISION 2030" https://www.wacoalholdings.jp/en/ir/management/plan/
  - Medium-Term Management Plan (Fiscal Years Ending March 2027 to March 2029) https://www.wacoalholdings.jp/en/ir/management/mid_term_plan/

(2) Basic views and guidelines on corporate governance

- **Please see "I-1. Basic Concepts" of this Report or our website.**
  - Corporate Governance https://www.wacoalholdings.jp/en/group/governance/

(3) Policies and procedures on in determining the remuneration of the senior management and directors

- The Company determines that the remuneration for directors is linked to long-term shareholder interests and is managed and balanced appropriately and fairly to enhance the motivation of such directors to maximize the corporate value of the Company.
- Our director remuneration system has been designed and recommended to the Board of Directors by the Remuneration of Directors Advisory Committee, which is chaired by an External Director (Independent) and in which External Directors (Independent) constitute the majority.
- Our director remuneration system consists of "Basic Remuneration," the amount of which is fixed, and "Performance-based Bonus," which is linked to the business results of each fiscal year, as well as "Restricted Stock (RS)," which is linked to medium- and long-

term business results, and "Performance-linked RSU (restricted share unit)," for which the Company's Board of Directors has set a certain period of time as the performance evaluation period. In the case of External Directors (Independent) and Audit & Supervisory Board Members who shall be the position independent from business execution receive only "Basic Remuneration," the amount of which is fixed.

- For more information on the policy on determining remuneration amount and calculation method, **please refer to the "II-1. Organizational Composition and Operation (Disclosure on Policy on Determining Remuneration Amounts and Calculation Methods)" of this Report.**

(4) Policies and procedures in the appointment/dismissal of the senior management and the nomination of directors and *Kansayaku* candidates

- We have set our own "Criteria for Election of Directors," "Criteria for Election of Audit and Supervisory Board Members," and "Criteria for Dismissal of Directors and Audit and Supervisory Board Members." They are described in **"II-1. Organizational Composition and Operation (Other Matters Concerning Independent Directors and Independent Audit and Supervisory Board Members)" of this Report**.
- Candidates for Director are recommended to and determined by the Board of Directors, based on fair and rigorous deliberations by the Nomination of Directors Advisory Committee, which is chaired by an External Director (Independent) and in which External Directors (Independent) constitute the majority. In the case of candidates for Audit and Supervisory Board Member are recommended to and determined by the Board of Directors with the consent of the Audit and Supervisory Board.
- The Board of Directors has established criteria for election and fairly selects candidates to ensure the balance of knowledge, experience, and expertise required in light of management strategies are met, and then a list of candidates is submitted as an agenda item for the General Meeting of Shareholders. We have also created and published a skills matrix that lists the knowledge, experience, and expertise of each Director and Audit and Supervisory Board Member. Please refer to our website for the skills matrix.
  - ◆ The skills matrix of the Directors and Audit & Supervisory Board Members https://www.wacoalholdings.jp/en/group/governance/system/

(5) Explanations with respect to individual appointments/dismissals and nominations based on the Board of Directors conducts appointments/dismissals and nominations of the senior management, etc.

- When the Board of Directors has adopted a resolution on the appointment/dismissal of senior management or nomination of a candidate for Director/Audit and Supervisory Board Member, we promptly disclose it.
- The reasons for the election and nomination of individual candidates for Directors and Audit & Supervisory Board Members are stated in the convocation notice of the Ordinary General Meeting of Shareholders, along with the brief personal history of each candidate upon the expiration of their term of office. The reasons for the election and nomination of current External Directors (Independent) and External Audit and Supervisory Board Members (Independent) are stated in "**II-1. Organizational Composition and Operation (Outside Directors' Relationship with the Company (2) / Outside Audit and Supervisory Board Members' Relationship with the Company (2))" of this Report**.

UPDATED

Supplementary Principle 3.1.3 Full Disclosure (Initiatives on Sustainability, etc.)	Companies should appropriately disclose their initiatives on sustainability when disclosing their management strategies. They should also provide information on investments in human capital and intellectual properties in an understandable and specific manner, while being conscious of the consistency with their own management strategies and issues. In particular, companies listed on the Prime Market should collect and analyze the necessary data on the impact of climate change-related risks and earning opportunities on their business activities and profits, and enhance the quality and quantity of disclosure based on the TCFD recommendations, which are an internationally well-established disclosure framework, or an equivalent framework.

(1) The Company's initiatives on sustainability

- In addition to responding to the demands of society, our group will strive to enhance our corporate value by promoting "sustainability management" that aims to both "solve social issues" and "achieve sustainable growth" through our business activities, viewing our efforts to address increasingly complicated and diversified social issues as future "growth opportunities".
- It is also important to increase the number of employees who can act with a clear vision of what the company should be and the company's mission should be in order to realize the enhancement of our group's corporate value. By increasing the number of employees practicing our management philosophy, we will achieve personal growth for each employee, as well as corporate growth.
- In line with our basic policies on issues surrounding sustainability, including climate change, global environmental issues, and respect for human rights, the "Sustainability Committee," which was established in April 2022, develops specific measures to address these issues, monitors their progress, and evaluates outcomes. The committee is chaired by the Representative Director, President and CEO (supervisory officer) and holds two meetings per half year (four meetings per year) on the same day as the ordinary meeting of the Board of Directors, in principle. On the other hand, the Board of Directors monitors the allocation of management resources and the implementation of strategies related to the business portfolio, so as to ensure that initiatives of the "Sustainability Committee" contribute to sustainable growth.
- We have also established 4 steering committees ("Subcommittee for Carbon Neutral," "Subcommittee for Resource Circulation," "Subcommittee for CSR Procurement," "Subcommittee for Human Rights, D&I") under the Sustainability Committee in order to strengthen our response to important sustainability issues. In the fiscal year ended March 31st, 2026, we positioned "reduction of greenhouse gas emissions associated with business activities," "initiatives towards realizing a circular economy," "promotion of responsible procurement activities," and "initiatives to respect human through business activities" as important issues for deliberation. The "Sustainability Committee" has set targets and considered specific measures for the period of the next Medium-Term Management Plan and also managed the progress in countermeasures against the current aforementioned issues.

- Please see our website for more information.
  - ◆ Sustainability policy https://www.wacoalholdings.jp/en/sustainability/
  - ◆ System for promoting Sustainability https://www.wacoalholdings.jp/en/sustainability/system/
  - ◆ Material Issues https://www.wacoalholdings.jp/en/ir/management/materiality/

i) Climate change / global environment issues

- We believe that climate change, which has a significant impact on the Earth and our business activities, presents both a risk to our group management, and at the same time a new business opportunity. In order to achieve a sound corporate development and a sustainable society, we are promoting initiatives to solve environmental issues and working to expand disclosure of environmental related information on global environmental conservation.
- Our group has set its own environmental activity goals for 2030, the "Environmental Goals for 2030" in order to promote efforts to solve climate change issues and realize a carbon-free society. The Sustainability Committee decided at this time to revise target levels for some items based on an assessment of progress against targets, taking into consideration factors such as initiatives implemented so far and changes in the business environment, and in light of the balance of future management resource allocation. The committee will continue to supervise initiatives taken towards achieving the environmental targets and check the appropriateness of target-setting.
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□ Environmental Goals for 2030 (the fiscal year ending March, 2031)

a) Target for in-house emissions (Scope 1 & 2) "30% or More Reduction" compare to the fiscal year ended March, 2020
(applicable: domestic business sites including offices, factories, distribution centers, etc.)
Gradually switch to renewable energy, aiming to achieve reduction of in-house greenhouse gas emissions (Scope 1 & 2).

b) Target for product disposal "Zero" (applicable: Wacoal Corp.)
Aim for zero discarded products and promote efforts to reduce disposal of waste materials at plants.

c) Target for environmentally friendly materials "30% or More" (applicable: Wacoal Corp.)
Increase the percentage of environmentally friendly materials used, such as switching to recycled fibers and yarns.

d) Target for "20% Reduction" in supply chain emissions (Scope 3) compare to the fiscal year ended March, 2020
(applicable: The Wacoal Business (Domestic) of our reportable segments)
Promote efforts with partner companies to reduce supply chain greenhouse gas emissions (Scope 3) by 20%.

- In order to move forward with measures to realize a carbon-free society and firmly ensure the reduction of greenhouse gas (GHG) emissions along the supply chain, we began calculating GHG emissions for the entire supply chain (Scope 3) of the Wacoal Business (Domestic) from 2021 (the result of emissions for the fiscal year ended March 31st, 2020). At the same time, we disclosed reduction targets for Scope 1 and 2 GHG emissions at domestic business sites in pursuit of our Environment Goals for 2030. In addition, in June 2022, we disclosed reduction targets for the aforementioned Scope 3 GHG emission of the Wacoal Business (Domestic) of our reportable segments.
- The Subcommittee for Carbon Neutral under the Sustainability Committee takes the lead in considering specific action plans and managing progress to achieve the greenhouse gas emission reduction targets. To achieve the targeted reduction of emissions from domestic business sites, we have introduced solar power generation systems at Moriyama Distribution Center and Nagasaki Unzen Factory. We are also switching to energy-saving equipment at existing business sites where appropriate. Furthermore, for reducing emissions across the supply chain going forward, we recognize that collaboration with suppliers is essential, and we are developing action plans and processes for reducing each other's emissions. We have also changed calculation methods that utilize primary data for key categories.
- Please see our website for more information.
  - ◆ Response to Climate Change https://www.wacoalholdings.jp/en/sustainability/environment/activities/

ii) Respect for human rights

- The Company has long built on the "Founding Spirit" of "Mutual Trust Management" and "Management that Respects Human Dignity". We are always deepening our basic understanding of human rights such as "the right to live freely" and "the right to live with dignity," and put them into practice through our corporate activities. We have established the "Wacoal Group Human Rights Policy" based on the United Nations "Guiding Principles on Business and Human Rights," which apply to all officers and employees as a guideline for promoting human rights initiatives throughout the Group and fulfilling our responsibilities.
- In April 2022, the Group became a signatory to the United Nations Global Compact (UNGC), proposed by the United Nations. At the same time, we have joined the "Global Compact Network Japan (GCNJ)," a local network in Japan. We support the 10 principles in the 4 areas of "Human Rights," "Labor," "Environment," and "Anti-Corruption" set by the UNGC, and proactively participate in activities of GCNJ's subcommittees, working with other corporate members to step up initiatives for the resolution of social issues and the achieve sustainable development through efforts to learn, collaborate and disseminate information.
- In response to the expectations of society, the Company believes that promoting CSR procurement together with manufacturing contractors, based on the concept of mutual trust and collaboration will maximize the common interests of both manufacturing contractors and the Company, and this will contribute to the sustainable growth of both parties. As a common procurement policy for the Group, we have established the "CSR Procurement Guidelines" to promote transactions based on trust and collaboration with manufacturing contractors and material suppliers who emphasize consideration of social requirements such as human rights, labor practices, environment, and ethics, thereby advancing procurement activities.
- In the fiscal year ended March 2024, we conducted a "Human Rights Risk Assessment" based on the insights of external experts and identified 3 priority human rights themes for the Group, as follows:
  Human rights theme 1: "Continuous understanding of human rights issues in the procurement supply chain"
  Human rights theme 2: "Improving the workplace environment for employees and in-store sales staff"
  Human rights theme 3: "Respecting consumer rights and diversity"

- In addition, beyond enhancing our “Internal Alert System (whistleblowing system)” for Group employees, we are working to establish a grievance mechanism, including launching the platform operated by “Japan Center for Engagement and Remedy on Business and Human Rights (JaCER)” in April 2026 for the purpose of accepting complaints and reports about human rights infringements related to business activities from all stakeholders involved in the value chain. Through launching this platform, we enable support in 33 languages, and when necessary, obtain investigations and advice from external third-party organizations commissioned by JaCER, thereby achieving a high level of fairness, independence, and objectivity, and striving to resolve fundamental human rights issues.
- The Company believes that the appropriate use and protection of personal information is an even more important social responsibility and established the “Subcommittee for Information Security” under the umbrella of the “Corporate Ethics and Risk Management Committee.” The initiatives of the “Subcommittee for Information Security” are as follows:
  “Formulation of the “Personal Information Protection Policy” and related regulations,”
  “Implementation of personal information protection training for employees,”
  “Establishing systems to monitor the operation of personal information and respond to inquiries from customers in person,” and
  “Requests for information protection at the same level as the Company’s to customers, suppliers, and business outsourcing contractors who handle personal information”
- Please see our website for more information.
  - Human Rights https://www.wacoalholdings.jp/en/sustainability/rights/
  - CSR Procurement https://www.wacoalholdings.jp/en/sustainability/csr/
  - Personal Information Protection Policy https://www.wacoalholdings.jp/en/privacy/

iii) Considerations for employees' health and work environment, and fair and appropriate treatment

- Wacoal Corp., which is a core operating company and a specified wholly owned subsidiary, is implementing to strengthen human capital management to build a human resources foundation that will underpin execution of the Medium-Term Management Plan (the fiscal year ending March 2027 to March 2029) and drive constant value creation. The Company has set the following 3 priority tasks for human capital strategy.
  a) Talent acquisition: Shift away from potential-focused hiring with an emphasis on balance toward strategic hiring with an emphasis on expertise
  b) Promote employees’ growth (talent and career development): Develop a culture enabling employees to autonomously shape their careers and continue learning on their own proactiveness
  c) Fostering a sound corporate climate and culture: Enhance management capabilities, promote DE&I, and achieve well-being
- To ensure fair evaluation and treatment, we made an organizational decision in the previous fiscal year (ended March 2025) to make system revisions pertaining to “the transition to a role-based grading system,” “the abolition of job categories and unification of treatment,” and “the evaluations and treatment,” and began operating the new system from July 2025 in the current fiscal year (ended March 2026). We shifted to a policy of eliminating seniority-based factors and ensuring evaluations and treatment based on roles and achievements, which we believe this will lead to not only talent acquisition from outside the company but also retention of internal human resources.
- In “consideration for health and the working environment,” Wacoal Corp. is committed to creating a workplace environment that permits employees to lead an affluent life and to demonstrate their abilities to the full in their work. We support employees in balancing work and childcare and have developed an action plan based on the Act on Advancement of Measures to Support Raising Next-Generation Children, under which we advanced initiatives to achieve targets. As a result, Wacoal Corp. received the Platinum Kurumin Certification in 2018.
- In addition, at Wacoal Corporation, we regard the improvement of each individual's job satisfaction and happiness as the driving force behind high productivity. From the perspective of enhancing employee engagement, we are implementing measures for achieving their well-being in multifaceted areas, including physical and mental health, work styles, career development, and social connections. To realize flexible work styles tailored to the job characteristics and lifestyles, we have introduced a super-flexible work schedule system with no core hours, where employees can autonomously choose their working time and location. Against the backdrop of the consolidation of head office district business sites and the operation of the area-restricted work system, we are advancing behavioral changes and work style reforms focused on improving labor productivity by promoting Wacoal’s version of ABW (Activity Based Working) to encourage efficient work styles. We have also expanded systems to support employees in reskilling and diverse career development, such as long-term-self-development leave program and side job policy. Through these initiatives, we are committed to building an organizational culture that values track records and results, respects individuals, and recognizes each other’s strengths as business partners.
- Further, we are committed to improving the physical and mental well-being of employees and translating the achievement of well-being into higher productivity and improved employee engagement. While continuing with existing initiatives for maintaining and promoting good health, such as “actions against lifestyle-related diseases,” “actions against cancer,” and “mental health measures,” Wacoal Corp. is enhancing its measures for work-life balance for the purpose of developing a workplace environment that permits employees to continue working with peace of mind. In terms of mental health support, we utilize stress checks and analysis results, provide counseling by experts as needed, and conduct workplace revitalization interviews for high-stress organizations to visualize and improve organizational issues. At the same time, we are stepping up efforts to raise society's awareness of health problems specific to women, including menstruation, pregnancy, childbirth, and health issues after childbirth, thus encouraging employees to change their health behaviors.
- Please see our website for more information.
  - Initiatives to Maximize Human Capital https://www.wacoalholdings.jp/en/sustainability/resource/
  - Promotion of DE&I (including respect for diversity (employment of people with disabilities and active participation of seniors)) https://www.wacoalholdings.jp/en/sustainability/resource/diversity/
  - Achievement of Well-Being Initiatives https://www.wacoalholdings.jp/en/sustainability/resource/wellbeing/

iv) Fair and proper transactions with business partners

- The Company has established its own “Wacoal Code of Ethics” and “Corporate Ethics : Wacoal’s Code of Conduct” in order to ensure that officers and employees comply with laws, and the Articles of Incorporation, and conduct business in accordance with sound social norms. Thereby, we have built a group promotion system for compliance.
- We revised the "Corporate Ethics: Wacoal's Code of Conduct" to its 7th edition in April 2024, in response to a review of the framework of the Wacoal Group's management philosophy and the changes in the environment surrounding our business. In the "Corporate Ethics: Wacoal's Code of Conduct," sections such as "Compliance," "Fair Business Relationships," "Appropriate Information Disclosure," and "Protect Company Assets" have been established. For example, it stipulates compliance with anti-corruption laws and regulations, prohibition of inappropriate profit giving and taking, insider trading, and conflict of interest activities.
- We also support the “Declaration of Partnership Building,” an initiative promoted by the Cabinet Office, the Ministry of Economy, Trade and Industry, and others, under which companies pledge to establish co-existence and co-prosperity and appropriate trade practices with their suppliers from the perspective of an “ordering party.” Representatives of Wacoal Corp. and Wacoal Distribution Corp., which are core subsidiaries of the Company, have respectively declared coexistence and co-prosperity of the overall supply chain, coexistence and co-prosperity through new cooperation that transcends business scale and affiliation, etc., and compliance with desirable trade practices with small- and medium-sized subcontractors (Promotion Standards).
- Please see our website for more information.
  - ◆ Fair Trade and Competition https://www.wacoalholdings.jp/en/sustainability/risk_management/fair_trade/

v) Crisis management for natural disasters, etc.

- At the Company, the Corporate Ethics and Risk management Committee has prescribed the “Risk Management Basic Rules” based on the approval by the Board of Directors. The Committee clarifies the responsibilities by risk category pursuant to the rules, and formulates a risk management system that thoroughly and comprehensively controls potential risk within our group. The Corporate Ethics and Risk Management Committee uses the “Business Risk Assessment Sheet” and scores to evaluate risks extracted from the each of risk management organizations designated by the Committee, from the viewpoints of materialization probabilities and the magnitude of impact.
- Risk items evaluated as having a significant potential impact on the management of the Wacoal Group are identified by the Corporate Ethics and Risk Management Committee and managed as the “Group’s Material Risks” upon approval by the Chief Risk Management Officer (Representative Director, President and CEO). Subsequently, risk mitigation measures are implemented for each item identified as the “Group's Material Risks” through the Risk Response Subcommittee and others. Monitoring is conducted to see whether the risk management system is functioning effectively.
- The Company has also established the "Subcommittee for BCP and Disaster Control Measures" as a subordinate organization of the Corporate Ethics and Risk Management Committee. With the assumption of accidents and damage caused by natural disasters, this Subcommittee focuses on business continuity management from the perspectives of prevention/mitigation, emergency/initial response, and recovery/restoration. This includes formulating BCPs for emergency prevention and responding to damage at major business sites, and monitoring risks related to crimes and scandals.
- The Company has introduced a safety confirmation service operated by a major security company, to enable the prompt confirmation of the safety of employees (and their families) and damage to business sites and ensure an appropriate initial response in the event of an earthquake, flood, typhoon (storm and flood), infectious disease, infrastructure failure, or similar event. The Company holds regular drills and uses the service for communication in the event of actual disasters.
- Meanwhile, the Subcommittee for BCP and Disaster Control Measures developed measures to save lives and protect business assets in a major disaster and also developed and drove action plans for prompt recovery from supply chain disruption in the event of disaster. In the ongoing term (fiscal year ending March 31st, 2027), however, for the purpose of developing ways of continuing business in the event of an emergency into more specific action plans for key points of supply chain, including procurement/purchase, production, distribution, sales, and availability of information infrastructure, the subcommittee will identify impacts of actualized risks on business, and at the same time, discuss scenarios of countermeasures that each department should take as priority measures, including how to build necessary backup systems.

(2) Investment in human capital and intellectual property

- We believe that establishing an environment where each and every employee takes ownership of their own career and can continue to grow while enhancing their expertise is essential to the sustainable growth of the entire organization. Based on this philosophy, Wacoal Corp. places a central focus on developing “autonomous and innovative talents” and provides a wide range of opportunities to support its employees’ challenges and growth.
- In July 2025, we introduced the “role-based grading system,” marking a shift to a policy of eliminating seniority-based factors and ensuring evaluations and treatment based on roles and achievements. We also redesigned “WACOAL TERAKOYA,” a training system linked to the role-based grading system. In addition, by positioning certain parts of “WACOAL TERAKOYA” as prerequisites for grade certification and mandatory requirements for the management license examination, the system is founded on the principle that individuals should maintain a commitment to continuous learning and enhance their expertise throughout the process leading up to management appointments. At the same time, through this initiative, we aim to foster a culture in which employees take the initiative in choosing their career paths and engage in lifelong learning on their own.
- Furthermore, in order to shift resources based on business strategies and improve the treatment level per person, it is particularly important to develop human resources to enhance productivity in existing businesses. For certain job types, we are initiating efforts to enhance individual and organizational competencies by formalizing the necessary knowledge and know-how into explicit knowledge based on the behavioral characteristics of relatively high-performing personnel and systematizing work processes.
- We offer a wide range of options and opportunities to take on a challenge so that employees can shape their own career paths. We have operated the “Internal Recruitment Program,” under which employees can apply for transfers to their desired departments on a voluntary basis, the “Job Challenge Program,” under which employees can express an interest in an internal transfer even if there are

no openings, and the “Cross Boundary Learning,” under which employees are seconded to other companies for a certain period to acquire new skills and perspectives. We arrange meetings with in-house career advisors and external professional career consultants to help employees take an objective look at their careers and consider their future direction.

- As one of the metrics for evaluating the effectiveness of training, and with the aim of improving the effectiveness of our talent development initiatives, Wacoal Corp. has begun measuring “training transfer” starting this fiscal year (ended March 206) to quantitatively assess behavioral changes following training. Specifically, we conduct a survey 1 to 3 months after the training to verify whether the skills and knowledge acquired during the training are being applied and utilized in the workplace. By having participants reflect on specific examples of their actions, we encourage self-reflection while also quantifying the effectiveness and retention rates of the training, thereby making the connection between the training content and business performance visible. We use this to improve our talent development initiatives and optimize our return on investment.
- We have accumulated a wealth of data on "women's bodies and minds" over many years, as well as expertise in design, sewing technology and quality control to realize comfort in wearing, hospitality in our stores, fitting advice, and consultation at customer service centers. We aim to be a corporate group that can continuously provide products and services that help our customers achieve a style that shows who they really are. This wealth of knowledge is also the source (strength) of the Group's competitiveness.
- Wacoal Corp. advocates empowering each and every customer to be themselves by evolving our unique accumulated expertise in body measurement, research, and customer service through digital technology as a value to be offered in the future. In addition to the consulting services provided by our sales staff, which has always been one of our strengths, we strive to provide a consistent and satisfying customer experience both in-store and online by utilizing “SCANBE” the 3D body measurement services and the “WACOAL CARNET” app.
- To continue to provide products and services that allow each and every one of our customers to be beautiful in their own way, we will continue to use the latest technologies to enhance the source (strength) of our Group's competitiveness. Regarding the results of our efforts, we will not stop at protecting rights through patents and trademarks, but will also promote collaboration and cooperation to leverage intellectual property in various ways through open innovation with multiple industries. We will strive to expand the application of “SCANBE” to areas with a high affinity with body data, including healthcare and the area of research and academia, thereby supporting the expansion of partners' businesses by creating new value. At the same time, we will apply “Melooop,” a Wacoal-proprietary fiber spray-molding technology (melt-blown method), to the manufacturing of industrial materials and other areas in addition to the automotive sector, by leveraging its ability to produce a wide range of lightweight molding products. We believe that these efforts will contribute to the enhancement of our brand value and, ultimately, our corporate value. We will continue to strive to strengthen our competitive advantage by leveraging our intellectual property.
- Of investments of 4.13 billion yen implemented in the current fiscal year (ended March 2026), intangible investments were 0.81 billion yen. These intangible investments do not include human resources or R&D investments, or investments in new business areas. (We do not disclose investments that are limited to intellectual property.)

(3) Impact of climate change risk and profit opportunities on our business activities and profits

- Wacoal Group expressed our support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in September 2021 and began disclosing information on the four areas of “governance,” “strategy,” “risk management,” and “metrics and targets” in line with the recommendations at the end of June 2022.
- In accordance with the framework of the TCFD, the Group conducted a scenario analysis on climate change and announced the results in the fiscal year ended March 2023. In the fiscal year ended March 2025 we once again identified risks and opportunities and conducted a scenario analysis by expanding the scope to the upstream of the supply chain. In the scenario analysis during the fiscal year ended March 2025, we examined countermeasures and identified risks and opportunities for the Wacoal business (Domestic), the business reportable segment that represents the largest share of the overall Group in terms of consolidated revenue, in two hypothetical scenarios in which the global temperature increases by 2 degrees Celsius and 4 degrees Celsius.
- As a result of the scenario analysis, it was found that while a temperature rise of 2 degrees Celsius will have some positive impacts, such as support for our environmentally friendly products (including those using recycled materials and those with high quality and long service life) from consumers with high environmental awareness, our business could be negatively affected by transition risks such as the introduction of carbon taxes and a rise in raw material costs. It was also found that if the temperature rises by 4 degrees Celsius, physical risks such as damages to our business sites from storms, floods, and other serious extreme weather events could negatively affect our business. We will continue to expand the scope of scenario analysis gradually and take steps to enable a detailed risk analysis across the entire Group.
- Please see our website for more information.
  - ◆ Response to TCFD https://www.wacoalholdings.jp/en/sustainability/files/wacoalholdingsTCFD_en.pdf

UPDATED

Supplementary Principle 4.1.1 Roles and Responsibilities of the Board (1) (Scope of the Matters Delegated to the Management)	The board should clearly specify its own decisions as well as both the scope and content of the matters delegated to the management, and disclose a brief summary thereof.

- In addition to making decisions on important matters stipulated by laws, ordinances, or our Articles of Incorporation, the Board of Directors sets the Group's management philosophy and management policy, sets our growth path towards achieving them and has constructive discussions about medium- to long-term management strategies and social issues, and other topics. At the same time, the Board of Directors determines the Group's cross-sectional medium-term management plan shared by Directors and employees, instructs each division to set medium- and short-term activity policies and performance targets linked to the plan, and supervises progress in implementing the plan.
- The Board of Directors also maintains an environment that supports appropriate risk-taking by executive/corporate officers, and continuously verifies whether the allocation of management resources within our group is appropriate in light of our management strategy and management plan. At the same time, it also incorporates appropriate incentives into executive/corporate officers' remuneration that will lead to medium- to long-term enhancement of our corporate value.
- Further, the Board of Directors evaluates the performance and other aspects of the Company and Group companies from an independent, objective standpoint. Based on these evaluations, it elects and dismisses members of the executive/corporate officers through objective, timely, transparent procedures. In addition, the Board of Directors is proactively involved in the formulation and operation of a succession plan for the Company's CEO, supervising the selection and development of successor candidates as well as appointment.
- The Board of Directors additionally determines basic views on internal control and company-wide risk management systems and supervises the status of their development and operation. It also determines the Company's basic policies for addressing sustainability issues and supervises the implementation of strategies related to allocation of management resources and the business portfolio to drive sustainable growth.
- Matters to be deliberated on the Board of Directors are specifically prescribed in the "Regulations of the Board of Directors."
- Under the medium- to long-term management policy established by the Board of Directors, matters related to the Group's management strategy and important management issues are discussed at the "Group Management Meeting."
- In addition, the Board of Directors consults the "Committee for Group Strategy," chaired by the Representative Director, President & CEO and attended by all independent officers (the External Directors and External Audit and Supervisory Board Members), with regards to the important board resolutions and major management issues, including the Group's management philosophy, management policies, medium- to long-term strategies, and the allocation of resources as the core medium-term business strategy. The Boad of Directors receives recommendations from the Committee through multifaceted and thoroughly discussions with our business executives, including inviting external advisors and experts as necessary. At the same time, the Committee monitors the progress of the recommendation and oversees the implementation of appropriate adjustments in a timely manner.
- The results of each Group company are tracked and reported to the Board of Directors on a monthly basis. Additionally, at the "Quarterly Achievements Review Meeting," we review the quarterly business results and progress in implementing measures, and consider any necessary enhancement measures.
- Wacoal Corp., which is the Group's specified wholly owned subsidiary and major operating company, has meanwhile built an appropriate, efficient business execution system by delegating authority and clarifying responsibilities through the corporate officer system.
- By implementing the foregoing system, we seek to enhance the effectiveness of the Board of Directors' supervisory functions and to ensure our business agility and accelerate the execution of our operations.

UPDATED

Principle 4.9 Independence Standards and Qualification for Independent Directors	Boards should establish and disclose independence standards aimed at securing effective independence of independent directors, taking into consideration the independence criteria set by securities exchanges. The board should endeavor to select independent director candidates who are expected to contribute to frank, active and constructive discussions at board meetings.

- The Company has established its own "Criteria for Election of External Officers (to ensure independence)," which is stated in **"II-1. Organizational Composition and Operation (Other Matters Concerning Independent Directors and Independent Audit and Supervisory Board Members)" of this Report II**.
- The Board of Directors has established criteria for election and dismissal of directors so that the balance of skills that should be held in light of the management strategy, such as knowledge, experience, and expertise, will be achieved, and so that Directors will be diverse in terms of gender, internationality, professional career, generation, and cultural background among other attributes. Further, it is stipulated that persons who have management experience at other companies shall be included among External Directors (Independent), and individuals with qualities that will contribute to the Group's sustainable growth and enhancement of its corporate value in the medium and long term are selected as candidates. We have also stipulated that at least half of the Directors shall be

External Directors (independent) to enhance the appropriateness of the Board of Directors' decision-making. Currently, the composition of the External Directors Independent) is 63%.

- In addition, the "Nomination of Directors Advisory Committee," which is chaired by an External Director (Independent) and in which External Directors (Independent) constitute the majority, discusses the expected roles of Directors in line with management's direction for increasing corporate value over the medium to long term. The Committee revises the skills matrix accordingly, reviews the composition and personnel requirements of the Board, and recommends its findings to the Board of Directors.

UPDATED

Supplementary Principle 4.10.1 Use of Optional Approach	If the organizational structure of a company is either Company with *Kansayaku* Board or Company with Supervisory Committee, and independent directors do not compose a majority of the board, in order to strengthen the independence, objectivity and accountability of board functions on the matters of nomination (including succession plan) and remuneration of the senior management and directors, the company should seek appropriate involvement and advice from the committees, including from the perspective of gender and other diversity and skills, in the examination of such important matters as nominations and remuneration by establishing an independent nomination committee and remuneration committee under the board, to which such committees make significant contributions. In particular, companies listed on the Prime Market should basically have the majority of the members of each committee be independent directors, and should disclose the mandates and roles of the committees, as well as the policy regarding the independence of the composition.

- While the External Directors (Independent) currently constitute 63% of the Board of Directors, the Company has voluntarily established the "Nomination of Directors Advisory Committee" and "Remuneration of Directors Advisory Committee," which stipulate that the External Directors (Independent) shall constitute a majority of the members and serve as chairpersons.
- The outline of both advisory committees and their activities in the current fiscal year (ended March 2026) are described in **"II-2. Matters Concerning Functions of Business Execution, Auditing and Supervision, Nomination, and Remunerations Decisions (Overview of Current Corporate Governance System)" of this Report**.

UPDATED

Supplementary Principle 4.11.1 Preconditions for Board and *Kansayaku* Board Effectiveness (Policies and Procedures for Nominating Directors, etc.)	The board should identify the skills, etc. that it should have in light of its managing strategies, and have a view on the appropriate balance between knowledge, experience and skills of the board as a whole, and also on diversity and appropriate board size. Consistent with its view, the board should establish policies and procedures for nominating directors and disclose them along with the combination of skills, etc. that each director possesses in an appropriate form according to the business environment and business characteristics, etc., such as what is known as a "skills matrix." When doing so, independent director(s) with management experience in other companies should be included.

- Qualities required of Directors and Audit and Supervisory Board Members are stipulated and published in the "Criteria for Election of Directors" and the "Criteria for Election of Audit and Supervisory Board Members." It is also stipulated that the composition of Directors elected based on the above criteria shall effectively balance knowledge, experience, expertise, gender, generation, internationality, and other attributes, and diversity needs to be ensured in decision-making and governance of the Board of Directors. For details of these criteria, please refer to **"II-1. Organizational Composition and Operation (Other Matters Concerning Independent Directors and Independent Audit and Supervisory Board Members)" of this Report**.
- Candidates for Directors are recommended to and determined by the Board of Directors based on a fair and strict examination by the "Nomination of Directors Advisory Committee." In light of the management strategy to enhance medium- to long-term corporate value, we determine candidates considering a balance. In addition, the "Nomination of Directors Advisory Committee" discusses the expected roles of Directors and reviews the composition of the Board of Directors and personnel requirements. In addition, a skills matrix is created and published that lists the knowledge, experience and expertise of each Director and Audit & Supervisory Board Member.
- The Company stipulates a maximum of eight (8) Directors in its Articles of Incorporation. In accordance with the number of Directors specified, the Board of Directors is composed of the appropriate number of Directors who can perform the functions of the Board of Directors most effectively and efficiently, taking into account the portfolio and size of the business, etc. As for the External Directors (Independent), it is stipulated that: those with management experience at other companies shall be included; those who have qualifications that contribute to the Group's sustainable growth and medium- to long-term enhancement of its corporate value shall be selected as candidates, and; at least half of all Directors shall be External Directors (Independent) to enhance the appropriateness of decision-making by the Board of Directors. Currently, there are five (5) External Directors (Independent), four (4) of whom have management experience at other companies and two (2) are female.
  - ◆ The skills matrix of the Directors and Audit & Supervisory Board Members https://www.wacoalholdings.jp/en/group/governance/system/

Supplementary Principle 4.11.2 Preconditions for Board and *Kansayaku* Board Effectiveness (Status of Directors and Kansayaku Holding Concurrent Positions at Other Companies)	Outside directors, outside *kansayaku*, and other directors and *kansayaku* should devote sufficient time and effort required to appropriately fulfill their respective roles and responsibilities. Therefore, where directors and *kansayaku* also serve as directors, *kansayaku* or the management at other companies, such positions should be limited to a reasonable number and disclosed each year.

- The "Criteria for Election of Directors" say that an External Director (Independent) shall not serve concurrently as an officer at more than 3 other listed companies. Currently, none of our External Directors (independent) and External Audit and Supervisory Board Members (Independent) serves concurrently as an officer at more than 2 other listed companies.
- The status of significant concurrent positions, such as Directors and other listed company officers, please refer to **"II-1. Organizational Composition and Operation (Outside Directors' Relationship with the Company (2) and Outside Audit and Supervisory Board Members' Relationship with the Company (2))" of this Report II**.

UPDATED

Supplementary Principle 4.11.3 Preconditions for Board and *Kansayaku* Board Effectiveness (Analysis and Evaluation of the Effectiveness of the Board)	Each year the board should analyze and evaluate its effectiveness as a whole, taking into consideration the relevant matters, including the self-evaluations of each director. A summary of the results should be disclosed.

- The Company conducts an annual evaluation on the effectiveness of the Board of Directors, and strives to continuously enhance the functions and effectiveness of the Board of Directors from the 2 viewpoints of "enhancing trust from stakeholders (creating social value)" and "improving organizational performance (enhancing corporate value)." We work on the improvement measures for issues identified by the evaluation, and confirm the status of improvement during the evaluation of the Board of Directors in the following fiscal year, while at the same time continuing to confirm the evaluation of the current issues.

☐ Evaluation Process

- Starting from the fiscal year ended March 31st, 2022, we have changed to a method of analyzing and/or evaluating the effectiveness of the Board of Directors using a third-party evaluation design (including, among other things, preparation and analysis of questionnaire survey as well as comparison with other companies, identifying issues, drafting action plans).
- The analysis and/or evaluation based on the questionnaire survey and interviews using the third-party evaluation design is conducted every other year. During the interval year, we focus on initiatives to improve the issues identified from the questionnaire survey, while at the same time conducting evaluations through monitoring and by collecting opinions at the Independent External Auditors & Directors Meeting for the Effectiveness of Board of Directors.
- As for the effectiveness evaluation for the current fiscal year (ended March 31st, 2026), using a third party, we conducted a questionnaire survey of all Directors and Audit and Supervisory Board Members and collected their opinions through interviews.
- Since the current fiscal year is the last fiscal year of the medium-term management plan (revised) (announced in November 2023), and also the year for formulating the next medium-term management plan. Therefore, for the evaluation, we considered evaluation items focusing on the effectiveness of discussions on the formulation of the medium- to long-term management plan, as well as focusing on the supervisory functions that should be performed going forward in order to respond quickly to the opportunities and risks arising from changes in the business environment toward achieving our goals.
- The evaluation items of the questionnaire survey are as follows. In particular, to gather constructive opinions, such as items on which the Board of Directors should focus from the next fiscal year (ending March 31st, 2027) onwards, many fields for free descriptive answers were inserted.
  - i) roles of the Board of Directors
  - ii) structure of the Board of Directors
  - iii) quality of discussions (agenda items, content of materials, etc.)
  - iv) accountability to stakeholders
- During the interview, we conducted a deep dive into awareness of the issues, based on the answers to the questionnaire survey. In addition, considering major internal and external business environmental factors surrounding the Company, we gathered opinions on the validity of the next medium-term management plan and specific methods of the supervisory function that the Board of Directors should perform in the next fiscal year to realize the plan.
- Then, based on a third party's advice, we extracted issues and complied measures for the future. After a frank exchange of opinions at the Independent External Auditors & Directors Meeting, we provided recommendations to the Board of Directors.

☐ Evaluation Results of Effectiveness and Progress on Initiatives for Improvement

- With the deliberation by the Board of Directors based on the answers to the questionnaire survey, and the interview, we confirmed that, particularly to make the next medium-term management plan feasible, during the formulation process, following discussion was carried out by not only the Board of Directors but also by the Committee for Group Strategy, in which the officers that executes business and all independent officers (External Directors (Independent) and External Audit and Supervisory Board Members (Independent)) attend, for 23 times, and the effectiveness is secured.
  i) To carry out discussions with market uncertainty in mind considering changes in the environment, the Board of Directors consists of members with various knowledge and experience, and each member actively has presented his/her opinion from his/her perspective.
  < Recognition of the improvement result to the issues of previous fiscal year (ended March 31st, 2025), item i) "Utilization of knowledge of External Directors (Independent) and promotion of more active discussion" >
  ii) While flexibly adapting to environmental changes, the Board of Directors and the Group Management Meeting continue discussions on strategies and set an appropriate agenda depending on the conditions.
  < Recognition of the improvement result to the issue of previous fiscal year, item i) "Carefully select agenda items to activate and prioritize discussions (with sufficient time) on important business issues and medium- and long-term business strategies.">
  iii) A wide range of work-site visit opportunities is ensured for External Officers (Independent). The Secretarial Office also actively presents proposals and executes operations that contribute to deepening understanding of business.
  < Recognition of the improvement result to the issue of previous fiscal year, item ii) "Improve the quality of deliberations based on communication with our employees and visit of local business sites in order to understand the reality of risks and opportunities." >
- Meanwhile, to achieve the targets of the next medium-term management plan (from the fiscal year ending March 2027 to March 2029), we acknowledge the issues stated under "Evaluation Result (Issues and Concerns)" and "Improvement Initiatives (Future Measures)" in the table below from the viewpoint of steady execution of the set measures and swift adaptation to the changes in the business environment. We will continue monitoring and improve the effectiveness through initiatives by the officers that execute business.

	Evaluation Result (Issues and Concerns)	Improvement Initiatives (Future Measures)
Current Fiscal Year (ended March 31st, 2026)	i) Fast response while understanding environmental changes when risks or opportunities emerge ➢ Improvement of the explanation based on a scenario, assuming the emergence of risks or opportunities ➢ Acceleration of management decisions by grasping environmental changes 【Continuation of the issue of previous fiscal year, item v)】	• Enhancement of discussion about strategies based on multiple scenarios, considering upcoming environmental changes, and deliberation and clarification of measures in advance to respond quickly to foreseen environmental changes when they emerge
	ii) Clarification of the discussion points of the Board of Directors, both in the materials and the explanation of the day ➢ Enforcement of the timely and appropriate sharing of the background information of the consideration (such as assumptions and the grounds for the decision) with the Board of Directors by the business execution side 【Continuation of the issue of previous fiscal year, item iv)】	• Clarification of the discussion points with decision-making through appropriate supplements to the discussion summary at management meetings, etc., and timely and adequate sharing of the background information of the consideration (such as assumptions and the grounds for the decision) with the Board of Directors by the management that executes business
	iii) Enhancement of the sharing of the handling status of the points raised at the Board of Directors ➢ Clarification of handling matters based on the points raised and reinforcement of follow-up of the handling status 【Continuation of the issue of previous fiscal year, item iii)】	• Improvement of the effectiveness of the handling of the points raised with the clarification of the major points raised for each agenda item and prioritization for the next meeting first, then the clarification of handling items and continuous follow-up
	iv) Further enhancement of communication between External Directors (Independent) and the officers that execute business ➢ More activation of frank and constructive dialogue during explanation and Q&A sessions	• Improvement of communication by enhancing opportunities for executive/corporate officers and External Directors (Independent) to interact each other and nurture mutual understanding and trust

【Reference: Issues of the previous fiscal year (Table listed on this Report,【Supplementary Principle 4.11.3】, of the previous fiscal year)】

	Evaluation Result (Issues and Concerns)	Progress/Plan of Initiatives for Improvement
Previous Fiscal Year (ended March 31st, 2025) Evaluation results on issued identified in previous years	i) 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	(Activity status) • For each activity item for the main business issues raised in the medium-term management plan (revised), a year-round schedule was drawn up and periodical progress report was made. • A number of discussion sessions were held on issues in overseas businesses (in China and other countries) and business improvement KPIs, based on reports from the management personnel of local companies. (Plan) • The next medium-term management plan will be defined in the next fiscal year. Accordingly, we will carefully select agenda items of Board of Directors meetings to activate and prioritize discussions (with sufficient time) on important business issues and medium- and long-term business strategies to define the next medium-term management plan.
	ii) Further improvement in the quality of deliberations based on communication with our employees and visit of local business offices in order to understand the reality of business conditions as well as risks and opportunities.	(Activity status) • We had visits and inspection trips to stores, distribution centers, real estate holdings, domestic and foreign factories, etc. to properly respond to the changes in the business environment. • We provided the Independent Officers with opportunities to have discussions with brand managers regarding brand strategies and opportunities to have exchange with Corporate Officers. (Plan) • In addition to continuing to provide opportunities to visit stores, distribution centers, real estate holdings, etc., we will enhance exchange opportunities for Independent Officers with section managers and department managers who engage in Supply Chain Management (SCM) reform and sales activities.
	iii) We will put in place an organizational system that can correct plans in a proper and timely way as necessary through unfailing reporting of the statuses and results of executing Board of Directors resolutions, including the progress of the medium-term management plan.	(Activity status) • There was a progress report and deep discussions on activities for the main business issues raised in the medium-term management plan (revised) and the structural reform of the specified wholly-owned subsidiary company (Wacoal Corp.). • Structural decisions were made on stock transfer, business transfer, and the consolidation and restructuring of domestic factories based on the monitoring of the profitability of each subsidiary company. • Periodical reports were made on activities for asset reduction, and a resolution was made to sell some of the real estate holdings. (Plan) • Included in “item v)” listed below.
	iv) Reinforcement of the distribution of meeting materials in advance and the improvement of the quality of discussion by clarifying the argument of the materials	(Activity status) • Requirements for meeting documents were defined and communicated to those who prepare meeting documents in order to improve the clarity of discussion points. However, there is room for improvement in descriptions of executive summaries, in which clear statements should be made on the intention and background of submitting the document to the Board of Directors, discussion points, and findings in the Management Meeting. (Plan) • We will work for early submission of meeting documents to secure time for the Board of Directors secretariat to check and correct them in order to further improve the quality of discussions by clarifying discussion points through observing the meeting document requirements.

	v) Arrangement of the system that allows us to identify risks and opportunities and take the risks adequately accommodating to the changes in the business environment	(Activity status) • Progress has been made in improving meeting materials to clearly state matters that should be recognized as risks (uncertainties) when discussing the transfer of shares or businesses, or M&A deals, but there is room for improvement in the area of uncovering risks and opportunities of wider scope that take into account the external environment and the situation of the Company itself, and of deepening discussions of the same (Plan) • For the definition of the next medium-term management plan, we will list items to be prepared before plan definition and revise the format to facilitate progress management against the planned schedule. • We will improve the process of defining business plans to facilitate the effectiveness evaluation of strategic scenarios and to activate discussions and decisions on recovery plans and on the need for strategy changes when risks or opportunities materialize.
	vi) Development of a successor nurturing plan including the selection and nurturing process of candidates and the implementation of monitoring	(Activity status) • We consulted the Nomination of Directors Advisory Committee on the process of selecting board member candidates targeting Corporate Officers and department managers, and had discussions based on responses from the committee. • We implemented a human resource development program for management personnel candidates of the specified wholly-owned subsidiary company (Wacoal Corp.) naming a Corporate Officer of the subsidiary as the mentor. (Plan) • We will clarify the selection/deselection criteria targeting department managers and those in higher positions, and start the construction of a successor pool and the promoting and nurturing of human resources. Our plan is to further strengthen the supervisory and/or advisory functions of our Board of Directors by further utilizing the knowledge of External Directors (Independent), in addition to implementing the initiatives described above.

UPDATED

Supplementary Principle 4.14.2 Director and *Kansayaku* Training (Training Policy)	Companies should disclose their training policy for directors and *kansayaku*.

- The Company provides training opportunities for our Directors and Audit & Supervisory Board Members to acquire credentials that are required in fulfilling their roles.
- For our Internal Directors and Internal Audit & Supervisory Board Members, we provide an in-depth understanding of their roles and responsibilities and information on the qualities required as officers or auditors, knowledge regarding the Companies Act and the Corporate Governance, compliance and other valuable information on management.
- Our basic policy is to proactively provide opportunities and information to External Directors (Independent) and External Audit and Supervisory Board Members (Independent) to help them understand the actual status of the Group's business, financial and organization, and the actual situation regarding business risks and opportunities.
- Specifically, to deepen their understanding of the Group's management strategy, business overview and its status, industry and surrounding environment, detailed explanations are provided at the time of appointment, with additional information supplied as needed thereafter. The Company also plans and implements, as necessary, site visits to business locations and provides opportunities to interact and communicate with our business executives and employees of the Operating departments.
- The Board of Directors not only confirms whether these measures are being properly implemented, but also strives to further improve the quality of deliberations at meetings of the Board of Directors and further strengthen its supervisory and advisory functions.

Principle 5.1 Policy for Constructive Dialogue with Shareholders	Companies should, positively and to the extent reasonable, respond to the requests from shareholders to engage in dialogue (management meetings) so as to support sustainable growth and increase corporate value over the mid- to long-term. The board should establish, approve and disclose policies concerning the measures and organizational structures aimed at promoting constructive dialogue with shareholders.

- The Company established the "Policy for Dialogue with Shareholders/Investors" and disclosed it on its website as follows.
  - ◆ Policy for Dialogue with Shareholders/Investors https://www.wacoalholdings.jp/en/sustainability/talk_with_stockholder/

UPDATED

Principle 5.2 Establishing and Disclosing Business Strategies and Business Plans	When establishing and disclosing business strategies and business plans, companies should articulate their earnings plans and capital policies, and present targets for profitability and capital efficiency after accurately identifying the company's cost of capital. Also, companies should provide explanations that are clear and logical to shareholders with respect to the allocation of management resources, such as reviewing their business portfolio and investments in fixed assets, R&D, and human capital, and specific measures that will be taken in order to achieve their plans and targets.

- In the Medium-Term Management Plan (from the fiscal year ending March 2027 to March 2029) announced on June 22, 2026, we set a basic policy of implementing initiatives to address the 4 management issues shown in the table below. We will achieve improvement in profitability and lay the foundations for growth by rebuilding existing businesses and striving to create new value, while at the same time stepping up measures to improve capital efficiency, including penetrating return on invested capital (ROIC) management across the Group, revising and strengthening the business portfolio and optimizing the balance between shareholder returns and growth investments. Through this dual approach, we aim to enhance our corporate value over the medium to long term.

Priority Strategies	Key and Major initiatives in the Medium-Tem Management Plan (from the fiscal year ending March 2027 to March 2029)
Improve domestic profitability and expand our business areas	【Reconstruction of businesses (domestic and overseas)】 • Evolve into a business providing the "Empowerment Solutions," as a solutions business for the body and mind that uses body data, centered on innerwear • Increase sales of "CW-X" conditioning wear in Japan and overseas • Shift from B2B (mainly wholesale) channels to D2C channels, including directly managed stores and e-commerce • Conduct a structural review of unprofitable businesses • Continue business model reforms
Expand overseas businesses and transform them into highly profitable structures	【Innovation (domestic businesses)】 • Expand areas for value creation with "SCANBE" (the 3D body measurement services) • Strengthen R&D, expand the business, and assess the mass-production feasibility of "Melooop" (fiber spray-molding technology (melt-blown method)) • Leverage "SPIRAL" (cultural complex), a unique cultural asset possessed by Wacoal, to expand business
Strengthen the Group's management capabilities	• Practice ROIC (return on invested capital) management to drive business portfolio management and strengthen governance • Continue investments in human capital leading to the establishment of a growth cycle and optimally allocate management resources linked to the management strategy
Shift to more capital-efficient management	• Initiatives to optimize the capital structure aimed at achieving ROE of 7% or higher over the medium- to long-term (Target ROE for the fiscal year ending March 31st, 2029: 4.3%) • Optimize the balance between shareholder returns and growth investments

- Meanwhile, in response to the request to disclose "Action to Implement Management That Is Conscious of Cost of Capital and Stock Price," **we have described our stance in "I-1. Basic Views (Actions to Implement Management That Is Conscious of Cost of Capital and Stock Price)" of this report.** At the same time, we have posted presentation materials on the Medium-Term Management Plan (from the fiscal year ending March 2027 to March 2029) (including our review of the previous Medium-Term Management Plan whose final fiscal year was the fiscal year ended March 31st, 2026, and Policy on Formulation of the Medium-Term Management Plan up to March 2029, and Overview) on our website as follows, giving details on our initiatives to tackle management issues. We invite you to refer to these materials.
  - ◆ Medium-Term Management Plan https://www.wacoalholdings.jp/en/ir/management/mid_term_plan/

UPDATE

Last Updated: July 10th, 2026
Wacoal Holdings Corp.

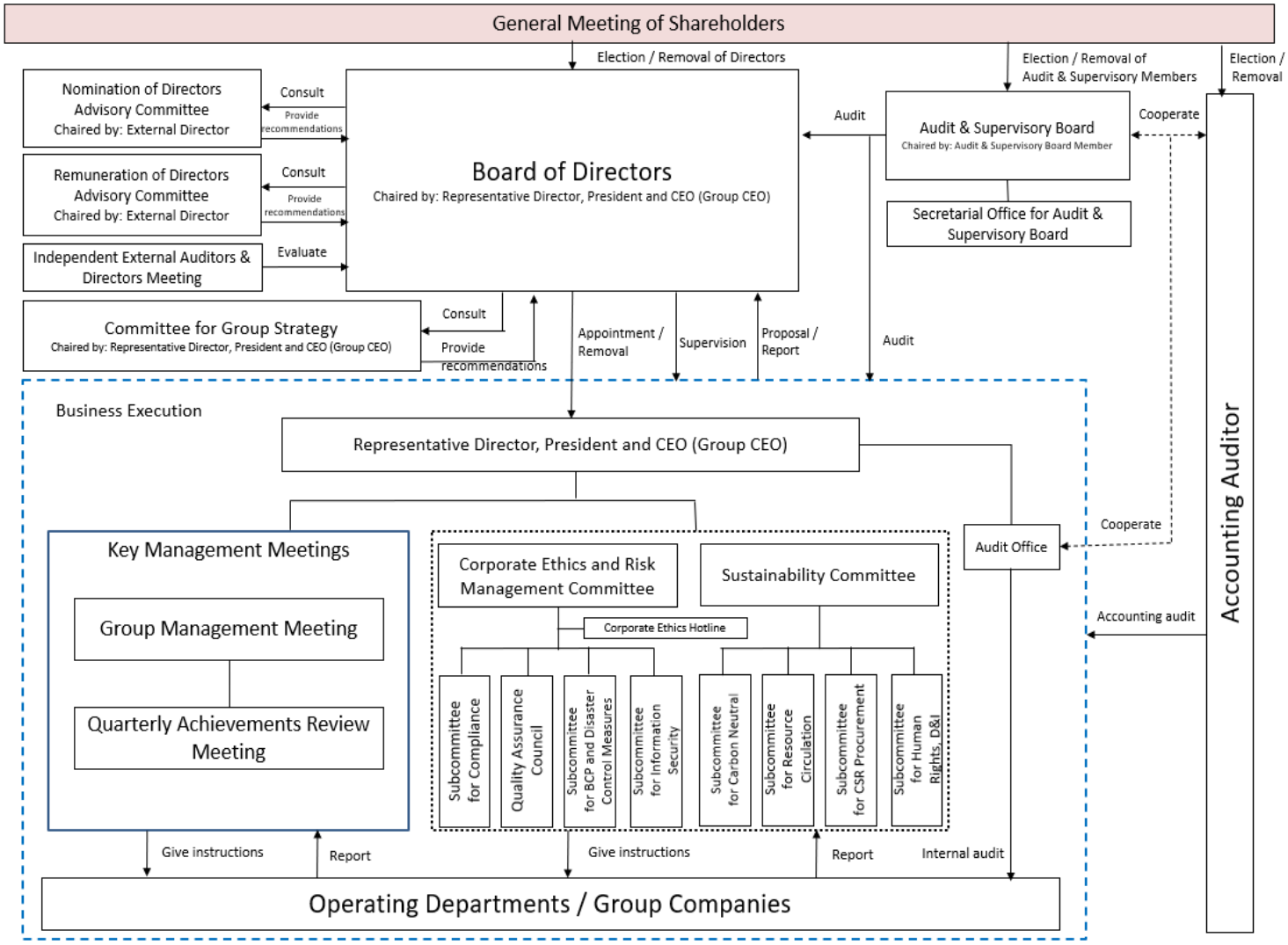
II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight

2. Matters Concerning Functions of Business Execution, Auditing and Supervision, Nomination and Remuneration Decisions (Overview of Current Corporate Governance System)

UPDATE

(1) Outline of Current Corporate Governance System

- We, as a holding company, have adopted the company with Audit & Supervisory Board system in accordance with the Companies Act for the purpose of ensuring the corporate governance of group companies, and have both the Board of Directors and the Audit & Supervisory Board monitor and audit the management and operation of the Company.
- In addition, we have voluntarily established the Nomination of Directors Advisory Committee and Remuneration of Directors Advisory Committee as the advisory bodies to the Board of Directors, which are chaired by External Directors (independent) and have External Directors (Independent) making up the majority of their members.
- In addition, as for important matters to be resolved at the Board of Directors and main management issues, etc. such as the Group's management philosophy, management policy, medium- and long-term management strategy, medium-term business strategy and allocation of management resources, which are positioned as the core, the Board of Directors consults with the Committee for Group Strategy, in which the Representative Director, President and CEO (Group CEO) acts as the Chair and all independent officers (External Directors (Independent) and External Audit and Supervisory Board Members (Independent)) attend to fully discuss from various perspectives and provide their advice.
- The following diagram illustrates the outline of our corporate governance system (as of June 29th, 2026).



- The members and chairpersons of the Board of Directors, the Audit and Supervisory Board and the committees established on a voluntary basis are as follows. While the members of the Group Management Meeting and the Corporate Ethics and Risk Management Committee include the employees of the Company as well as the Directors and employees of our domestic and overseas group companies, only the Directors, Audit and Supervisory Board Members and Corporate Officers are shown below: (as of June 29th, 2026)

Title	Name	Female	Board of Directors	Audit & Supervisory Board	Nomination of Directors Advisory Committee	Remuneration of Directors Advisory Committee	Independent External Auditors & Directors Meeting	Committee for Group Strategy	Group Management Meeting	Corporate Ethics and Risk Management Committee	Sustainability Committee
Representative Director, President and CEO	Masaaki YAJIMA		◎		○			◎	○	☆	☆◎
Director and Corporate Officer	Keisuke KAWANISHI		○					○	○	○	○
Director, Corporate Officer and CFO	Katsuya HIROOKA		○		○	○	◎	○	◎	◎	○
External Director (Independent)	Tsunehiko IWAI		○		◎	◎	○	○			△
External Director (Independent)	Chizuru YAMAUCHI	○	○		○	○	○	○			△
External Director (Independent)	Hisae SATO	○	○		○	○	○	○			△
External Director (Independent)	Koji NITTO		○		○	○	○	○			△
External Director (Independent)	Tetsuro HARADA		○		○	○	○	○			△
Audit & Supervisory Board Member	Shinichi KITAGAWA		□	◎			○	△	○	△	△
Audit & Supervisory Board Member	Katsuhiro OKAMOTO		□	○			○	△	○	△	△
External Audit & Supervisory Board Member (Independent)	Hitoshi SUZUKI		□	○	△	△	○	△			△
External Audit & Supervisory Board Member (Independent)	Motoko TANAKA	○	□	○			○	△			△
External Audit & Supervisory Board Member (Independent)	Harunobu SHIHO		□	○			○	△			△
Corporate Officer	Atsuko SHINODUKA	○	△					○	○	○	○
Corporate Officer	Tetsu OGURA		◇				◇	○◇	◇	○◇	◇
Corporate Officer	Tsutomu FUJIMURA		△					○	●		
Corporate Officer	Shinsuke FUKAZAWA		△		◇	○◇	△	●	○	○	
Corporate Officer	Yoshitaka NAKADA								●	●	

(☆ supervisor, ◎ chair or chairperson, ○ member, □ attendee, ◇ secretarial office, △ observer, ● non-standing member)

UPDATE

(2) Outline of the Board of Directors and Other Organizations

- The outline of the Board of Directors, the Audit & Supervisory Board and the committees established on a voluntary basis is as follows:

Name	Outline	
Board of Directors	Members	• 8 members (including 5 External Directors (Independent) and 5 Audit and Supervisory Board Members (including 3 External Audit and Supervisory Board Members (Independent))) • Representative Director, President and CEO (Group CEO), Mr. Masaaki YAJIMA serves as the Chair of the Board of Directors.
	Purpose	• Our Board of Directors is constituted of Directors entrusted by shareholders and makes the best decisions based on fair judgment. In addition, our Board of Directors exercises its supervisory function for the execution of its business and aims to maximize corporate value. • In addition to decision-making regarding material matters as stipulated in applicable laws and regulations or in our Articles of Incorporation, the Board of Directors sets out the Group's management philosophy and formulates management policy. • It formulates a medium-term management plan to be shared by the Directors and employees within the Group based on considerations of medium- to long-term management strategies and social issues, directs courses of action and performance targets for each department in the medium- and short-term that are consistent with this plan and supervises the progress of its implementation. • The Company will formulate basic policies on sustainability issues, and monitor the allocation of management resources and the implementation of business portfolio strategies to contribute to sustainable growth.
	Structure	• In accordance with the number of Directors as prescribed in our Articles of Incorporation, the Board of Directors is composed of an appropriate number of Directors who are capable of performing the functions of the Board of Directors in the most effective and efficient manner, taking into account the portfolio and size of business. • Appointment and removable criteria are developed to ensure the Board of Directors consists of a diverse group of Directors, taking into account gender, international experience and background, professional experience, age and other factors in order to ensure that the Board of Directors has the balance of skills that should be held, such as knowledge, experience and expertise in light of management strategies. • It is stipulated that External Directors shall include those who have management experience at other companies, and in order to enhance appropriate decision-making by our Directors, at least half of all Directors shall be External Directors (Note). (Note: The current composition ratio of External Directors is 63%.)
	Frequency	• In principle, the ordinary meeting of the Board of Directors is held once a month, while extraordinary meetings are convened whenever necessary.

Name	Outline	
Audit and Supervisory Board	Members	• 5 members (including 3 External Audit and Supervisory Board Members (Independent)) • Audit and Supervisory Board Member Mr. Shinichi KITAGAWA serves as the Chair of the Board.
	Purpose	• The Audit and Supervisory Board Members entrusted by shareholders prepare an audit report, appoint the Chair of the Audit and Supervisory Board, determine appointment and removal of full-time members, audit policies, procedures of investigation on the conduct of the business, the assets and properties and other matters regarding the execution of duties of Audit and Supervisory Board Members in accordance with the Companies Act. They also establish a sound corporate governance structure that upholds the public's trust by deliberating or resolving important matters related to auditing, such as matters regarding the appointment, removal or non-reappointment of the Accounting Auditor, consent on the amount of remuneration, etc. paid for the Accounting Auditor and consent on a proposal to elect Audit and Supervisory Board Members. • The Audit and Supervisory Board builds a system to enhance the effectiveness of audit by each Audit and Supervisory Board Member.
	Structure	• As an Audit and Supervisory Board Member, the Company appoints individuals who possess the appropriate experience, ability and necessary knowledge to ensure independence from all managerial and executive aspects, perform the audit function and monitor management from a board perspective of the Group, maintaining a fair, neutral, and objective standpoint. In addition, we will make efforts to appoint at least one Audit and Supervisory Board Member who has considerable knowledge of finance and accounting. • A majority of the members shall be External Audit and Supervisory Board Members (Independent).
	Frequency	• In principle, the Board holds a meeting every month prior to the ordinary meeting of the Board of Directors, while extraordinary meetings are convened whenever necessary.

Name	Outline	
Nomination of Directors Advisory Committee	Members	• 7 members (including 5 External Directors (Independent)) • External Director (Independent) Mr. Tsunehiko IWAI serves as the Chair of the Committee.
	Purpose	• This Committee deliberates and provides recommendations to our Board of Directors on matters related to evaluation, election and dismissal of Directors as well as candidates for promotion, and on matters regarding establishment and revisions of rules and bylaws for Directors. • A committee meeting can be officially held by the attendance of the majority of committee members, and approvals shall be adopted by a majority of attendees.
	Structure	• This Committee is composed of the following members. Representative Director and President, Director in charge of Group Business Management, and External Director (Independent) • A majority of the Committee members are External Directors (Independent), with an External Director (Independent) serving as the Chair, to enhance its fairness, independence and objectivity. • The Committee is also attended by one External Audit and Supervisory Board Member (Independent) as an observer.
	Frequency	• In principle, the Committee holds meetings in July, November and January when the ordinary meeting of the Board of Directors is held, while extraordinary meetings are convened whenever necessary.

Name	Outline	
Remuneration of Directors Advisory Committee	Members	• 7 members (including 5 External Directors (Independent)) • External Director (Independent) Mr. Tsunehiko IWAI serves as the Chair of the Committee.
	Purpose	• This Committee discusses and provides recommendations to our Board of Directors on matters regarding performance review and remuneration of Directors, and matters regarding remuneration system of Directors. • A committee meeting can be officially held by the attendance of the majority of committee members, and approvals shall be adopted by a majority of attendees.
	Structure	• This Committee is composed of the following members. Director in charge of Group Business Management, Director (or Corporate Officer) in charge of Human Resources, and External Director (Independent) • A majority of the Committee members are External Directors (Independent), with an External Director (Independent) serving as the Chair, to enhance its fairness, independence and objectivity. • The Committee is also attended by one External Audit and Supervisory Board Member (Independent) as an observer.
	Frequency	• In principle, the Committee holds meetings in April, July and February when the ordinary meeting of the Board of Directors is held, while extraordinary meetings are convened whenever necessary.

Name	Outline	
Independent External Auditors and Directors Meeting	Members	• 11 members (including 5 External Directors (Independent) and 3 External Audit and Supervisory Board Members (Independent)) • Director, Corporate Officer and CFO, Mr. Katsuya HIROOKA serves as the Chair of the Committee.
	Purpose	• The meeting attendees, mainly composed of our External Directors (Independent) and External Audit and Supervisory Board Member (Independent), discuss enhancing the effectiveness of corporate governance and our Board of Directors and improving its operations. • The meeting attendees analyze and evaluate the effectiveness of our Board of Directors using a third-party evaluation design, identify issues, compile improvement measures, and provide recommendations to our Board of Directors.
	Structure	• This Meeting is composed of all External Directors (Independent) (5 members), External Audit and Supervisory Board Members (Independent) (3 members), Director in charge of Group Business Management and Audit and Supervisory Board Members (2 members).
	Frequency	• It is stipulated that the Meeting convenes at least once a year.

Name	Outline	
Committee for Group Strategy	Members	• 11 members (including 5 External Directors (Independent)) • Representative Director, President and CEO (Group CEO), Mr. Masaaki YAJIMA serves as the Chair of the Committee.
	Purpose	• The Committee is attended by all External Directors (Independent) and External Audit and Supervisory Board Members (Independent) to fully discuss the Group's management philosophy, the management policy, the medium- and long-term management strategy, important matters to be decided by the Board of Directors, such as medium-term business strategy and allocation of management resources, which are positioned as the core, main management issues, etc. from various perspectives and make a recommendation at the Board of Directors. • It also monitors the progress of the contents of the recommendation and supervise to ensure that appropriate adjustment is made in a timely manner.
	Structure	• This Committee is composed of the Representative Director, President and CEO (Group CEO), who serves as the Chair, the Executive Directors, the Corporate Officers who are appointed by the Chair, and all External Directors (Independent). • In addition, all External Audit and Supervisory Board Members (Independent) and Audit and Supervisory Board Members are invited as observers. • In addition, depending on the topic of the recommendation requested by the Board of Directors, external advisors and experts are invited.
	Frequency	• In principle, it is held on the date of the ordinary meeting of the Board of Directors to monitor the progress status of the contents of the recommendation, and as required whenever necessary depending on the topic for the consultation.

Name	Outline	
Group Management Meeting	Members	• 7 members (Note: excluding the Directors and employees, who are a member of a company other than the Company (our domestic and overseas group company)) • Director, Corporate Officer and CFO, Mr. Katsuya HIROOKA serves as the Chair of the Meeting.
	Purpose	• The Group Management Meeting considers matters related to group management strategy and important management issues under the medium- to long-term management strategies determined by the Board of Directors. • The Meeting also conducts preliminary deliberations on important matters mainly related to business execution, prior to resolutions by the Board of Directors, from the viewpoint of legality, objectivity and rationality.
	Structure	• This Meeting is composed of the Representative Director, President and CEO, Executive Directors and the Audit and Supervisory Board Members, as well as the Corporate Officers who are appointed by the Chair, and the employees of the Company as well as the Directors and employees of our domestic and overseas group companies who are responsible for execution.
	Frequency	• In principle, the Meeting is held twice a month (early and later in the month).

Name	Outline	
Corporate Ethics and Risk Management Committee	Members	• 6 members (Note: excluding the Directors and employees, who are a member of a company other than the Company (our domestic and overseas group company)) • Director, Corporate Officer and CFO, Mr. Katsuya HIROOKA serves as the Chair of the Committee.
	Purpose	• The Committee identifies risks related to the overall management of our group, and builds and strengthens our risk management system. • This Committee prescribes the "Risk Management Basic Rules," subject to the approval of the Board of Directors. The Committee clarifies the responsibilities by risk category pursuant to the rules, and formulates a risk management system that thoroughly and comprehensively controls potential risk within our group. • This Committee promotes risk-mitigation initiatives, identifies risks, monitors the implementation of countermeasures, and reports the operation status of our risk management system to the Board of Directors on a periodic basis.
	Structure	• This Committee is composed of Representative Director, President and CEO (Group CEO), who serves as the supervising officer, the Executive Directors, and the Corporate Officers who are appointed by the Chair, and the employees of the Company, as well as the Directors and employees of our domestic and overseas group companies. • This Committee is composed of the following three subcommittees and one council: Subcommittee for Information Security, Subcommittee for BCP and Disaster Control Measures, Quality Assurance Council and Subcommittee for Compliance.
	Frequency	• In principle, the Committee holds quarterly meetings, while extraordinary meetings are convened whenever necessary.

Name	Outline	
Sustainability Committee	Members	• 4 members • Representative Director, President and CEO (Group CEO), Mr. Masaaki YAJIMA serves as the Chair of the Committee.
	Purpose	• In order to accelerate our initiatives to achieve balancing “to resolve social issues” and “sustainable growth” through our business activities, this Committee formulates a basic policy on sustainability issues surrounding the Group, including climate change, global environmental issues and human rights issues. • Based on a basic policy, it formulates concrete measures, monitors progress and evaluates achievements. • The Board of Directors overseas the implementation of strategies related to the allocation of management resources and the business portfolios to ensure that the initiatives of the Committee contribute to sustainable growth.
	Structure	• This Committee is composed of the Representative Director, President and CEO (Group CEO), who serves as the supervising officer, the Executive Directors, and the Corporate Officer(s) who are appointed by the Chair. • In addition, External Directors (Independent) (5 members), External Audit and Supervisory Board Members (Independent) (3 members) and all Audit and Supervisory Board Members (2 members) are invited as observers. • This Committee is composed of the following four subcommittees: Subcommittee for Human Rights, D&I, Subcommittee for CSR Procurement, Subcommittee for Resource Circulation and Subcommittee for Carbon Neutral.
	Frequency	• The Committee broadly categorizes issues surrounding sustainability, and in principle, holds two meetings per half year (four meetings per year) on the date of the ordinary meeting of the Board of Directors, while extraordinary meetings are convened whenever necessary.

UPDATE

(3) Status of Activity of Board of Directors, Nomination of Directors Advisory Committee, Remuneration of Directors Advisory Committee and Committee for Group Strategy (Fiscal Year ended March 31st, 2026)

① Activities of Board of Directors

Name	Matters to be Discussed and Considered	Number of Meetings Held
Board of Directors	• 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. • The following matters were mainly discussed and considered during the current fiscal year ended March 31st, 2026. i) Corporate Governance • Regarding the appointment of a new External Audit and Supervisory Board Member (Independent) to prepare for the changes in the audit system by Audit and Supervisory Board Members, upon the consent of the Audit and Supervisory Board, we elected a candidate who is a legal specialist and has ample experience and track record as a lawyer, deep insight into corporate governance, risk management, compliance, etc., and experience as an external officer (independent) at other companies in the previous fiscal year, and proposed the 77th Ordinary General Meeting of Shareholders (June 2025). • In preparation for the changes in the management structure, as a result of the evaluation of the skill balance of the Board of Directors, the Nomination of Directors Advisory Committee submitted a recommendation of a candidate for Executive Director, who has knowledge and experience in corporate management, financial and accounting, sustainability and D&I, and global operations. The recommendation was approved and then included in the agenda of the 78th Ordinary General Meeting of Shareholders held in June 2026. • To ensure the independence of independent officers (External Directors and External Audit and Supervisory Board Members) and guarantee reliability, fairness, and objectivity, we consulted the Nomination of Directors Advisory Committee and received a recommendation on a partial amendment to the independence criteria, and resolved the revision of the criteria. • We received a recommendation from the Independent External Auditors & Directors Meeting on the analysis and evaluation results of the effectiveness of the Board of Directors using a third-party evaluation design, and confirmed that sufficient effectiveness is ensured. In addition, we discussed the challenges and improvement measures related to the Board of Directors, including the swift response to be taken when risks or opportunities emerged due to the changes in the business environment ii) Sustainability • 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&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. • Based on these reports, we discussed important management issues such as waste reduction of products and unused materials, the initiative and progress toward eliminating greenhouse gas emissions, treatment of foreign technical intern trainees and the language used for providing information, the need for onsite audits prioritizing suppliers who accept said trainees, and education and awareness-raising regarding the risks of human rights violations for internal and external stakeholders. • Other than these efforts, based on the results of the employee engagement survey, we discuss and monitor the achievement of business growth linked to human capital, as well as our response to management issues, such as promoting the hiring and advancement of mid-level employees. • 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. iii) Corporate Ethics and Risk Management • 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 at the Board of Directors. • 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.	19

	• Based on the results of the cyber-attack security assessment conducted in accordance with global standard frameworks across domestic and overseas subsidiaries in the previous fiscal year (ended March 31st, 2025), we discussed the security management system in terms of technology, human resources and organization, as well as the roadmap for executing the required security measures. In addition, we resolved the revision of the Group's Basic Policies on Information Security, Regulations on Information Security and Rules on Protection of Personal Information, which serve as the premise. 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 major management issues focusing on each item at a time, to plan a highly feasible scenario with the next medium-term management plan having active opinions of the Borad of Directors members and attendants with diverse knowledge and experience from their view point, as mentioned in the preceding part of "the Supplementary Principle 4.11.3 Preconditions for Board and *Kansayaku* Board Effectiveness (Analysis and Evaluation of the Effectiveness of the Board)." • As a result of these discussions, we made several decisions, including investment in marketing in Japan and overseas to develop and improve brand value, allocation of management resources to expand business using new production methods and technologies, acquisition of a sales company that concentrates on the planning, development and EC for ladies' innerwear in the U.S. and growth investment in overseas markets with strategic focus. • 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 continued discussing the policy of handling non-profitable businesses of the Group and confirmed and evaluated progress on KPIs. • Also, as part of asset reduction (disposal of assets that does not contribute to corporate value improvement), we resolved the transfer of real estate (Company's buildings/factories/corporate housing/land) in Kyoto, Osaka, Kanagawa, Niigata and other districts and proceeded with the sale. • Other than these efforts, we engage in stepwise introduction of ROIC-oriented management. The Company proceeded with the business planning and evaluation scheme design using ROIC as a performance index. Aiming to achieve disciplined business portfolio management, we began the review of business segments linked to supply chain, performance management by brands/channels and BS planning including inventory efficiency. We are also working on our domestic and overseas group companies and major business units to raise awareness of capital costs and continuously improve the return on capital. 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.	

② Activities of Nomination of Directors Advisory Committee

Name	Matters to be Discussed and Considered	Number of Meetings Held
Nomination of Directors Advisory Committee	• The Committee partially revised the committee rules aiming at improving its maneuverability and effectiveness and recommended them to the Board of Directors in April and December. • In the light of the policy of "development of a successor (who can take an office of Executive Director in the future) nurturing plan including the selection and nurturing process of candidates and the implementation of monitoring," which is one of the challenges for improving the effectiveness (roles) of the Board of Directors, the Committee continues discussing widely how candidates for top management successors should be selected. • Based on the succession plan, we started building a pool of human resources (successors) that can serve as a list of Corporate Officer candidates. As part of the effort, we confirmed the requirements and competencies of Corporate Officers and General Managers who can be candidates to succeed the Executive Director. Afterward, we elected the candidates for Corporate Officer for the next fiscal year (ending March 31st, 2027) and recommended them to the Board of	9

	Directors in December. • In light of the consolidated financial results for the current fiscal year (ended March 31st, 2026) and the previous fiscal year, requirements of the Criteria for appointment or removal of officers, and ensuring an appropriate skill balance of the Board of Directors, we discussed and evaluated the appropriateness of business execution and the reappointment of Directors independent of executive duties. • In preparation for the changes in the management structure, for the appointment of a new Executive Director, we evaluated the skill balance of the Board of Directors, selected one candidate with knowledge and experience in corporate management, financial and accounting, sustainability and D&I and global operations and recommended the one to the Board of Directors in February 2026. (Submitted to the 78th Ordinary General Meeting of Shareholders held on June 2026) • To ensure the independence of independent officers (External Directors and External Audit and Supervisory Board Members) and guarantee reliability, fairness, and objectivity, we made a partial amendment to the independence criteria and recommended them to the Board of Directors in February 2026. • In selecting candidates for Audit and Supervisory Board Members and submitting them to the Ordinary General Meeting of Shareholders, we reviewed some selection criteria to strengthen the supervision system. (A recommendation was made at a meeting of the Board of Directors held in April 2026, the following fiscal year.)	

③ Activities of Remuneration of Directors Advisory Committee

Name	Matters to be Discussed and Considered	Number of Meetings Held
Remuneration of Directors Advisory Committee	• The Committee partially revised the committee rules aiming at improving its maneuverability and effectiveness and recommended them to the Board of Directors in April and December. • The Committee submitted its opinion of not paying performance-based bonus based on the consolidated business performance of the previous fiscal year (ended March 31st, 2025) at a meeting of the Board of Directors held in May 2025. • We exchanged opinions multiple times and had ongoing discussions about current issues and improvements to the remuneration system for Directors, based on the remuneration survey results from an external organization, comparing the remuneration levels and systems against those of comparable companies. Then, we decided not to change the remuneration system and structure. However, for the payment of performance-based bonuses, we reviewed the upper limit of incentives when performance exceeds a target to achieve the larger increase in the amount, and compiled a draft recommendation. (A recommendation will be made at a meeting of the Board of Directors to be held in May 2026.) • We confirmed the payment policy (no payment) on the performance-based bonus payable based on the projected consolidated performance and performance-linked RSU (restricted stock unit) for the current fiscal year (ended March 31st, 2026). • We discussed setting targets that serve as the basis for the payment of performance-linked RSU (restricted stock unit) for the following fiscal year (ending March 31st, 2027). Performance evaluation indicators, which are consolidated ROIC and consolidated business profit, remain unchanged. (A recommendation was made at a meeting of the Board of Directors held in May 2026, the following fiscal year.)	7

④ Activities of the Committee for Group Strategy

Name	Matters to be Discussed and Considered	Number of Meetings Held
Committee for Group Strategy	• The following matters were mainly discussed during the current fiscal year ended March 31st, 2026 and recommended to the Board of Directors. i) Medium- and long-term Group management strategies • To develop the next medium-term management plan that starts in the next fiscal year (ending March 31st, 2027), we reviewed achievements and management issues during the current medium-term management plan period and, almost every month, discussed in depth the business domains and models to be reformed. • In addition, we had multi-faceted discussions several times on management plans submitted by major domestic and overseas group companies, considering the viewpoint of the external advisor as required. After considering feasibility, we recommended to the Board of Directors a summary of uncertainties requiring deep dives, the need to reconsider scenarios, etc. ii) Arrangement of the Foundation for Group Management • We received regular reports on the effective use of business-use fixed assets (real estate holdings), supervised the progress of asset reduction, conducted an objective assessment of the validity of the approach of property consolidation, reorganization and transfer prices and submitted a recommendation. • For the introduction and entrenchment of ROIC management, it is essential to arrange business	23

	environment and foster corporate culture in order to realize fair evaluation design. Therefore, we made recommendations to the Board of Directors to work on it at the earliest. iii) Growth Strategy for Overseas Business • We confirmed the changes in the business environment in Europe, the U.S., China, as well as strategically developing markets, and discussed how appropriate risk-taking should be, the allocation of required management resources, and the setting of KPIs as criteria to assess the success or failure of the business. • For the acquisition of American companies, we had multi-faceted discussions on what we would achieve with the acquisition, our competitiveness after the acquisition, the validity of the valuation, etc., and recommended to the Board of Directors based on the verification of necessity and rationality. iv) Reorganization of Portfolio of Domestic Business and Improvement of Profitability • As for medium- to long-term business strategies that utilize body data that would lead to market innovation and business expansion with production technologies with high novelty, we discussed the feasibility of the medium- to long-term demand expansion and the effect on profitability and recommended the need for appropriate allocation of management resources. • On multiple occasions, we discussed the growth domains of domestic business in depth from the perspectives of brands, products and distribution channels. We will continue discussions to achieve the redefinition of business domains, including the development of new business, the increase in gross profit margins and the optimization of operating expenses. v) Business Structure Reform • Regarding the advancement of demand-linked production, which we have been working on as the core of the SCM reform, we recommended implementing a rational review of the target product numbers and building an appropriate internal collaboration system to establish an in-store inventory management procedure with high turnover ratio and a product development method that shortens delivery time. • We also proposed improving the inventory turnover ratio and sharing issues that emerged the reform activities when we regularly confirm KPI progress. We will continue supervising to ensure proper adjustment is made with an eye on business environment changes.	

UPDATE

(4) Status of Audits

① Status of Audits by Audit and Supervisory Board Members

i) Initiatives to Strengthen Functions of Audit & Supervisory Board Members

- Our Audit and Supervisory Board Members are composed of 5 members in total, who are 2 Audit and Supervisory Board Members and 3 External Audit and Supervisory Board Members (Indemendent). They comprehensively conduct not only legality audits but also validity audits. Audit and Supervisory Board Member Mr. Shinichi KITAGAWA serves as the chairperson of the Audit and Supervisory Board, and the ratio of its female members is 20%.
- Audit and Supervisory Board Member Mr. Shinichi KITAGAWA, who has had experience as the General Manager of the Accounting Department of the Company, and External Audit and Supervisory Board Member (Independent) Ms. Motoko TANAKA, who is a certified public accountant, have a considerable degree of finance and accounting knowledge. Audit and Supervisory Board Member Mr. Katsuhiro OKAMOTO provides audit and advice based on his extensive knowledge and experience at Wacoal Corp., our core operating entity, as well as our overseas subsidiaries. External Audit and Supervisory Board Member (Independent) Mr. Hitoshi SUZUKI provides audit and advice based on extensive knowledge from his services in the financial industry and experience as a member of the Policy Board of the Bank of Japan. External Audit and Supervisory Board Member (Independent) Mr. Harunobu SHIHO provides audit and advice based on his legal knowledge as a lawyer and experience in business law, which is his area of specialization. Each one of the Members is expected to maintain a high degree of independence in conducting audits and making recommendations. Furthermore, by meeting these expectations, we enhance the effectiveness of audits by the Audit and Supervisory Board Members.
- In addition, we have a full-time assistant for the Secretariat Office for the Audit and Supervisory Board to assist the duties of the Audit and Supervisory Board Members and our Audit Office assists the duties of the Audit and Supervisory Board Members upon their request form time to time.

ii) Activities of Audit and Supervisory Board

- The Audit and Supervisory Board prepares an audit report, appoints the Chair of the Audit and Supervisory Board, determines appointment and removal of Audit and Supervisory Board Members, audit policies, procedures of investigation on the conduct of the business, the assets and properties and other matters regarding the execution of duties of Audit and Supervisory Board Members in accordance with the Companies Act. The Audit and Supervisory Board also deliberates or resolves important matters related to auditing, such as matters regarding the appointment, removal or non-reappointment of the Accounting Auditor, consent on the amount of remuneration, etc. paid for the Accounting Auditor and consent on a proposal to elect Audit and Supervisory Board Members.
- The Audit & Supervisory Board Members attend meetings of the Board of Directors and other important meetings such as Group Management Meeting, express their opinions as necessary and hear explanation on important operational matters from the Directors etc. in accordance with the audit standards prescribed by the Audit & Supervisory Board. The Audit & Supervisory Board Members also monitors and inspects the system to ensure appropriate business conduct to perform audits on legality and validity of the execution of duties of the Directors.
- In addition, at the Audit and Supervisory Board, the Audit and Supervisory Board Members examine the agenda of the Board of Directors in advance, exchange information and opinions in relation to audit including the proceedings of the important meetings attended by the Members, exchanges opinions with the Representative Director, and conducts interviews on the execution of duties with our executive Directors and the Directors of Wacoal Corp., our major subsidiary.
- Furthermore, the Audit and Supervisory Board monitors and inspects the status of the audit by the Accounting Auditor through conducting interviews with the Accounting Auditor on the results of review during the fiscal year, the status of its accounting audit at the end of the fiscal year, the system to ensure the appropriate execution of duties of the Accounting Auditor and the results of audits on the internal controls as appropriate, as well as accompanying actual audits as required. In addition, we deliberated with the Accounting Auditor and requested explanations, as necessary, regarding the content of the Key Audit Matters (KAM) required to be included in the auditor's report for companies subject to audits under the Financial Instruments and Exchange Act.
- The key matters reported by and discussed with the Accounting Auditor on the audit of the financial statements etc. for the current fiscal year (ended March 31st, 2026) were as follows:

Key Matters Reported and Discussed	Month											
	4	5	6	7	8	9	10	11	12	1	2	3
Explanation of audit plan (including fees)				◆	◆						◆	
Report on results of audit pursuant to Companies Act		◆										
Report on results of audit pursuant to Financial Instruments and Exchange Act and Internal Control Audit			◆									
Report on review during the fiscal year								◆				
Notification of matters regarding the execution of duties of the Accounting Auditor					◆							
Consideration regarding Key Audit Matters		◆	◆	◆							◆	
Sharing and review of status of accounting audit and accounting issues					◆			◆			◆	
Other information exchanges		◆ *1						◆ *1,*2				

(*1: Prior approval for and progress report on provision of non-assurance services by the Accounting Auditor, *2: Discussion on fraud risks in an audit)

iii) Activities of Audit and Supervisory Board Members

- The Audit and Supervisory Board Members attend meetings of the Board of Directors and other important meetings such as the Group Management Meeting, express their opinions as necessary and hear explanations on important operational matters from the Directors etc. in accordance with the audit standards prescribed by the Audit and Supervisory Board.
- The Audit and Supervisory Board Members also monitor and inspect the system to ensure appropriate business conduct to perform audits on legality and appropriateness of the execution of duties of the Directors. Audit and Supervisory Board Members make efforts to communicate with the Directors and employees, maintain an environment for information-gathering and auditing, conduct audits on the status of principal offices, including those overseas, and the assets and properties, receive monthly reports on topics related to internal audit from the Audit Office, in accordance with the audit policies and the assignment of work responsibilities prescribed by the Audit and Supervisory Board. Information obtained through these activities is shared by all Audit & Supervisory Board Members at regular Audit and Supervisory Board meetings.
- Audit and Supervisory Board Members also hold meetings of Group Audit and Supervisory Board annually to receive reports from auditors of the domestic subsidiaries, and visit the domestic subsidiaries to conduct audits together with External Audit and Supervisory Board Members to the extent possible, and strive to understand the management condition through interviews with the management. In addition, Audit and Supervisory Board Members receive monthly reports regarding the management conditions of the major overseas subsidiaries from the Global Operations Div.
- The following is a summary of priority audit items for the current fiscal year (ended March 31st, 2026) and the results of major audit activities corresponding to these priority audit items.

Priority Audit Items	Status of Major Audit Activities and Summary of Audit Results
Improvement of corporate governance by enhancing effectiveness of the Board of Directors	• All Audit and Supervisory Board Members attended the meetings of the Board of Directors based on the prior confirmation of the agenda items to be submitted. • One of the External Audit and Supervisory Board Members (Independent) attended the meetings of the voluntary Advisory Committees (Nomination of Directors and Remuneration of Directors) as an observer on behalf of others, and provided feedback on the deliberative process to the Audit and Supervisory Board. • All Audit and Supervisory Board Members reviewed the results of the "Evaluation on Effectiveness of Board of Directors" provided by the "Independent External Auditors & Directors Meeting for the Effectiveness of Board of Directors" and monitored the awareness of the issue and the improvement activities for improvement by the Secretarial Office for the Board of Directors. • Audit and Supervisory Board Members determined that there were incremental improvements made to various issues related to the operation of the Board of Directors which had been extracted in the valuation process for the effectiveness of the Board of Directors. They also identified issues for improvement, such as the reporting of duty execution status and optimization of the Board of Directors' constitution.
Development and operation of internal control system of the business group	• All Audit and Supervisory Board Members received reports from the "Corporate Ethics and Risk Management Committee," and confirmed that changes in business environment during the current fiscal year were reasonably reflected in the reassessment of "business risks" presented to the said Committee. • Audit and Supervisory Board Members received reports, as appropriate, from the Internal Auditing Office with respect to the matters discovered through internal audit, etc., and provided feedback on the contents of the reports to the Audit and Supervisory Board. • Audit and Supervisory Board Members monitored, through methods such as inspection, observation or interview, the training and other activities that the Company conducted based on its identified operational, compliance and conduct risks. • Regarding the newly actualized operational risks (deficiencies in IT operations), the relevant departments were interviewed, and the details were provided to the Audit and Supervisory Board as feedback. • Audit and Supervisory Board Members recognized that continuous improvement for the development of the internal control system, such as improving the control environment and reviewing operational procedures, are required.
Management status of the Group in accordance with the revised medium-term management plan	• All Audit and Supervisory Board Members attended the Committee for Group Strategy and understood the group's commonly shared important issues and the policy on the approach. • All Audit and Supervisory Board Members conducted interviews with the Directors that execute business for the Company and the Directors, etc. of Wacoal Corp., our major subsidiary, with respect to the execution of duties and the achievement of KPIs. Audit and Supervisory Board Members interviewed with the Corporate Officers and major senior managements of both companies and shared the results at the Audit and Supervisory Board. • All Audit and Supervisory Board Members attended the meetings of Board of Directors and the Audit and Supervisory Board Members attended other important meetings to confirm whether the decisions were made in accordance with the revised medium-term management plan and that efforts were made to achieve the targets.

	• All Audit and Supervisory Board Members attended the Sustainability Committee, and Audit and Supervisory Board Members also attended meetings of its various subcommittees, confirming whether for important themes such as climate change, human rights, and investments in human capital, internal and external interests were being coordinated and issues resolved in accordance with the relevant policies, and that the process of deliberations was being reported and submitted to the Board of Directors in timely fashion. • While on the one hand it was determined that specific measures had been devised in accordance with the basic policies set out in the revised medium-term management plan, on the other hand it was recognized that monitoring and ongoing improvements were required in relation to matters such as the handling of trade-offs, since there are remaining issues concerning the probability of achieving KPIs and sensitivity to overall performance.

② Status of Internal Audit

- Pursuant to the "Internal Audit Regulations," our Internal Auditing Office, the internal audit department which is directly under the control of the Representative Director, President and CEO audits the legality and validity of the execution of operations at the Company and our domestic and overseas subsidiaries, and evaluates the effectiveness of the internal controls, in light of their management and business objectives and relevant laws and regulations. As of March 31st, 2026, the Internal Auditing Office had 6 staff members.
- During the current fiscal year, as part of internal control activities related to financial reporting, we audited 9 departments belonging to the Company and its major subsidiary Wacoal Corp. regarding the group-wide systems and initiatives, and audited at 35 sites, including the Company, major domestic and overseas subsidiaries, and overseas affiliates for daily administrative operations.
- Further, the business administration departments belonging to the Company and its major subsidiary Wacoal Corp., which govern domestic and overseas Group companies, have appointed persons responsible for promoting internal control. This is for the purpose of ensuring that internal control related to financial reporting functions effectively and that voluntary initiatives for improvement and promotion are taken in accordance with the Internal Audit Regulations. At the same time, we have established a system that make it possible to share information about internal control on a regular basis, such as holding semiannual meetings of persons responsible for promoting internal control.
- The reporting line of the Internal Auditing Office includes not only semi-annual reporting to the Representative Director, President and CEO and the Director, Corporate Officer and CFO in charge of Group Business Management, but also reporting routes to the Board of Directors, the Audit and Supervisory Board Members, and the Audit and Supervisory Board. The results of internal control audits in the current fiscal year (ended March 31st, 2026) were reported to meetings of the Board of Directors and the Audit and Supervisory Board that were held in April 2026.

③ Status of Accounting Audit

- Name of Audit Firm: Deloitte Touche Tohmatsu LLC
- Consecutive Number of Years During Which Audit Was Performed: 57 years
  The rotation of designated engagement partners is being conducted appropriately, and they have not been involved in audit work for more than 7 consecutive fiscal periods. Additionally, the lead designated engagement partner has not been involved in audit work for more than 5 consecutive fiscal periods.
- Certified Public Accountants Who Were Engaged in the Audit:
  Designated Limited Liability Partners and Managing Members: Mr. Shinichi ISHIHARA, Ms. Tomomi TSUJI
- Composition of the Assistants for the Audit Services:
  20 certified public accountants, 5 persons who passed the certified public accountant examination and 24 other persons
- Policies and Reason for Appointing Audit Firm:
  The Audit and Supervisory Board selects the certified public accountants, etc. on the condition that such certified public accountants do not fall under any of the item under Paragraph 1, Article 340 of the Companies Act and that there is no event that may impair the eligibility and independence of such certified public accountants.
  We have selected Deloitte Touche Tohmatsu LLC based on the fact that it has the required independence, expertise, and appropriateness and adequacy in auditing activities, and on our judgment that it has the system to ensure that the accounting audit of the Company will be conducted appropriately and sufficiently.
- Evaluation of Audit Firm by Audit and Supervisory Board Members and Audit and Supervisory Board:
  Under the discussion and resolution on the appointment and non-appointment of Deloitte Touche Tohmatsu LLC, the Company's Audit and Supervisory Board performed an evaluation from the following 7 perspectives.
  i) quality control of the auditing firm
  ii) audit team
  iii) audit fees, etc.
  iv) communication with the Audit & Supervisory Board Members
  v) relationships with management, etc.
  vi) group audit and
  vii) fraud risk

Our group, the following diagram illustrates the outline of our corporate governance system (as of June 29th, 2026)

