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Securities Code: 8011

May 10, 2024

Start date of measures for electronic provision: April 26, 2024

To our shareholders:

Shinji Oe, Representative Director and President  
**SANYO SHOKAI LTD.**  
6-14 Yotsuyahonshio-cho, Shinjuku-ku, Tokyo

## **Notice of the 81st Annual General Meeting of Shareholders**

First, we would like to express our deepest sympathies to all those who have been affected by the “2024 Noto Peninsula Earthquake.”

We hereby inform you of the 81st Annual General Meeting of Shareholders of SANYO SHOKAI LTD. (the “Company”), which will be held as indicated below.

When convening this general meeting of shareholders, the Company takes measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (matters for which measures for providing information in electronic format are to be taken) in electronic format, and posts this information on the following websites. Please access any of the websites by using the internet addresses shown below to review the information.

The Company’s website:

<https://www.sanyo-shokai.co.jp/en/ir/shareholder/meeting/>

TSE website (Listed Company Search):

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese)

Access the TSE website by using the internet address shown above, enter “SANYO SHOKAI” in “Issue name (company name)” or the Company’s securities code “8011” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting].”

If you are unable to attend the meeting in person, you may exercise your voting rights via the Internet or in writing (by mail). Please review the Reference Documents for General Meeting of Shareholders and exercise your voting rights.

- 1. Date and Time:** Wednesday, May 29, 2024, at 10:00 a.m. (JST) (Reception: from 9:00 a.m.)
- 2. Venue:** Convention hall Ruri, Hotel Grand Hill Ichigaya (East Wing, third floor)  
4-1 Ichigaya Honmuracho, Shinjuku-ku, Tokyo

### **3. Purpose of the Meeting**

#### **Matters to be reported:**

1. The Business Report and the Consolidated Financial Statements for the 81st fiscal year (from March 1, 2023 to February 29, 2024), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Board
2. The Non-consolidated Financial Statements for the 81st fiscal year (from March 1, 2023 to February 29, 2024)

#### **Matters to be resolved:**

- Proposal No. 1**      Appropriation of Surplus
- Proposal No. 2**      Election of Seven Directors
- Proposal No. 3**      Election of One Audit & Supervisory Board Member

### **4. Handling of votes**

- (1) If a voting right is exercised both in writing and via the Internet or other means, the online vote shall be deemed effective.
  - (2) If a voting right is exercised via the Internet more than once, the last vote shall be deemed effective.
  - (3) If there is no indication of approval or disapproval to each proposal on the voting form, the Company will treat the vote as “approve.”
- If you are attending the meeting in person, you are kindly requested to submit the voting form sent out with this notice at the reception desk.
  - Among the matters subject to measures for electronic provision, in accordance with the provisions of laws and regulations and the Articles of Incorporation of the Company, the following matters are not provided in the paper-based documents delivered to shareholders who have made a request for delivery of such documents. In addition, the Audit & Supervisory Board Members and the Financial Auditor have audited the documents subject to audit, including the following matters
    - (i) Notes to the Consolidated Financial Statements
    - (ii) Notes to the Non-consolidated Financial Statements
  - If revisions to the matters subject to measures for electronic provision arise, a notice of the revisions and the details of the matters before and after the revisions will be posted on the Company’s website stated on the previous page and the TSE website.

## Reference Documents for General Meeting of Shareholders

### Proposal No. 1 Appropriation of Surplus

While strengthening our management structure, we consider return of profit to the shareholders to be one of the most important management matters. In accordance with this policy, in order to strengthen return of profit to the shareholders, the Company aims to pay a dividend with a dividend on equity ratio (DOE) of 3% for the current fiscal year, compared to a DOE of 2% for the previous fiscal year. Based on the above, the Company proposes to pay a year-end dividend of ¥88 per share for the current fiscal year as follows.

#### Year-end dividends

- (1) Type of dividend property  
To be paid in cash.
- (2) Allotment of dividend property to shareholders and the aggregate amount  
¥88 per common share of the Company  
Total payment: ¥1,026,958,416
- (3) Effective date of distribution of surplus  
May 30, 2024

**Proposal No. 2** Election of Seven Directors

The terms of office of all seven Directors will expire at the conclusion of this meeting. In this regard, the Company proposes the election of seven Directors.

The candidates for Director are as follows.

Candidate No.	Category	Name	Gender	Current position, responsibility in the Company, etc.	Number of years in office	Attendance at meetings of the Board of Directors
1	Reelection	Shinji Oe	Male	Representative Director and President & Chief Operating Officer	4 years	15/15 (100%)
2	Reelection	Ikuro Kato	Male	Director and Executive Vice President, General Manager of Operation Headquarters, and General Manager of Business Headquarters	4 years	15/15 (100%)
3	Reelection Outside Independent	Motoyoshi Shiina	Male	Outside Director	4 years	14/15 (93%)
4	Reelection Outside Independent	Chihiro Nihashi	Male	Outside Director	4 years	15/15 (100%)
5	Reelection Outside Independent	Ikuo Yasuda	Male	Outside Director	4 years	14/15 (93%)
6	Reelection Outside Independent	Osamu Nakamoto	Male	Outside Director	1 year	*12/12 (100%)
7	Reelection Outside Independent	Kayo Murakami	Female	Outside Director	1 year	*11/12 (92%)

Reelection: Candidate for Directors to be reelected

Outside: Candidate for Outside Director

Independent: Independent officer registered with the securities exchange

\* indicates status after assuming office on May 30, 2023.

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	<p style="text-align: center;">Shinji Oe (August 27, 1947)</p> <p style="text-align: center;">Reelection</p>	<p>Apr. 1971      Joined Mitsui &amp; Co., Ltd.</p> <p>July 1997      General Manager of Textile Department 3, Head Office</p> <p>Apr. 2004      Administrative Officer, Deputy General Manager of Consumer Service Business Headquarters</p> <p>June 2007      Director, Senior Managing Director and General Manager of Corporate Planning Headquarters of GOLDWIN INC.</p> <p>Apr. 2010      Director, Vice President, General Manager of Corporate Planning Headquarters and General Manager of Business Management Headquarters</p> <p>Apr. 2014      Director, Vice President and Assistant to the President</p> <p>June 2016      Director and Advisor</p> <p>June 2018      Advisor</p> <p>Apr. 2019      Senior Adviser</p> <p>Mar. 2020      Joined the Company, Executive Vice President</p> <p>Apr. 2020      Executive Vice President and General Manager of Corporate Management Headquarters</p> <p>May 2020      Representative Director, President &amp; Chief Operating Officer, and General Manager of Corporate Management Headquarters</p> <p>Mar. 2023      Representative Director and President &amp; Chief Operating Officer (current position)</p>	31,423 shares
<p>[Reasons for nomination as candidate for Director]</p> <p>Shinji Oe has experience in the management of a listed company in the textile and apparel industry. In addition to his extensive knowledge and experience in the apparel industry from material sourcing through to sales, he has a proven track record of restructuring businesses as a manager. He has provided leadership in the formulation and execution of the medium-term management plan for the Company. The Company has determined that he has the suitable qualifications for leading the Company, including a wealth of experience in the business, international experience, and knowledge of legal and financial matters as a manager. We expect him to continue to be a member of the Nomination and Compensation Committee (an optional committee) after his election.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
2	Ikuro Kato (January 4, 1961)  Reelection	<p>Apr. 1985      Joined the Company</p> <p>July 2008      General Manager of EVEX DIV, Women's Attire Second Business Department, Business Headquarters</p> <p>July 2010      General Manager of First Planning DIV, Women's Attire Business Department, Business Headquarters</p> <p>Jan. 2012      Managing Officer and General Manager of Women's Attire Planning Department, Private Product Management Business Department, Business Headquarters</p> <p>July 2014      Managing Officer and General Manager of Business Development Department, Business Headquarters</p> <p>July 2016      Managing Officer and General Manager of Women's Attire Planning Department, Planning Management Business Department, Business Headquarters</p> <p>Jan. 2017      Managing Officer and General Manager of Brand Business Department, Business Headquarters</p> <p>Jan. 2019      Managing Officer and General Manager of Second Business Headquarters</p> <p>Apr. 2020      Executive Managing Officer and General Manager of Business Headquarters</p> <p>May 2020      Director, Executive Managing Officer, and General Manager of Business Headquarters</p> <p>Apr. 2021      Director, Executive Managing Officer, General Manager of Business Headquarters, and General Manager of Digital Marketing Strategy Headquarters</p> <p>Mar. 2022      Director, Senior Executive Managing Officer, General Manager of Business Headquarters, and General Manager of Marketing &amp; Digital Strategy Headquarters</p> <p>Mar. 2024      Director and Executive Vice President, General Manager of Operation Headquarters, and General Manager of Business Headquarters (current position)</p>	12,242 shares
<p>[Reasons for nomination as candidate for Director]</p> <p>Since joining the Company, Ikuro Kato has served in the planning department, and has been involved in branding, product planning, production, and technology of the Company's major brands. He has the necessary experience and broad knowledge as a person in charge of the management of apparel companies. As the current Executive Vice President, General Manager of Operation Headquarters, and General Manager of Business Headquarters of the Company, he has led the business of the Company, such as the promotion of brand business and the expansion of business domains responding to diversified markets. The Company considers him a key person for achieving the Company's medium-term management plan.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
3	<p>Motoyoshi Shiina (August 12, 1949)</p> <p>Reelection Outside Independent</p>	<p>Apr. 1973      Joined Mitsui &amp; Co., Ltd.</p> <p>May 1999      General Manager of Textile &amp; Fashion Division I, Textile &amp; Fashion Unit</p> <p>Mar. 2003      President of Mitsui &amp; Co. Italia S.p.A.</p> <p>Oct. 2005      Deputy Chief Operating Officer of Lifestyle Business Unit of Mitsui &amp; Co., Ltd.</p> <p>Apr. 2006      Deputy Chief Operating Officer of Foods &amp; Retail Business Unit</p> <p>Apr. 2008      Executive Managing Officer of Mikuni Coca-Cola Bottling Co., Ltd.</p> <p>Mar. 2009      Representative Director and President</p> <p>Apr. 2014      Trustee of Saitama Prefectural University</p> <p>Mar. 2017      Outside Director of the Company</p> <p>Mar. 2019      Retired from office as Outside Director</p> <p>May 2020      Outside Director of the Company (current position)</p>	-
<p>[Reasons for nomination as candidate for outside Director and expected role, etc.]</p> <p>In addition to his knowledge of the apparel and retail industry, branding, and international business, Motoyoshi Shiina possesses experience in general management and corporate governance as Representative Director and President of a listed company. He has served as the Chairman of the Company's Board of Directors since 2020 and has contributed to improving the transparency and objectivity of the Company's management, based on this extensive experience. The Company has determined that he is an appropriate person as a supervisor of business execution. After his election, we expect him to appropriately perform his duties, such as making decisions on important management matters and supervising the execution of business as an outside Director of the Company. We also expect him to continue to be the Chairman of the Board of Directors and the Chairman of the Nomination and Compensation Committee (an optional committee) after his election. He worked for Mitsui &amp; Co., Ltd. and retired in March 2008.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
4	<p style="text-align: center;">Chihiro Nihashi (January 26, 1954)</p> <p style="text-align: center;">Reelection Outside Independent</p>	<p>Apr. 1976      Joined Isetan Co., Ltd.</p> <p>June 2002      Executive Officer and General Manager in charge of women's attire sales, MD Administration Department, Department Store Business Planning &amp; Operation Headquarters</p> <p>June 2004      Executive Managing Officer and General Manager of MD Administration Department, Department Store Business Planning &amp; Operation Headquarters</p> <p>Feb. 2006      Senior Managing Executive Officer and General Manager of Department Store Business Planning &amp; Operation Headquarters</p> <p>June 2006      Director, Senior Managing Executive Officer and General Manager of Department Store Business Planning &amp; Operation Headquarters</p> <p>Apr. 2008      Director of Isetan Mitsukoshi Holdings Ltd.</p> <p>June 2008      Representative Director, Senior Managing Executive Officer and General Manager of Department Store Business Planning &amp; Operation Headquarters of Isetan Co., Ltd.</p> <p>Jan. 2010      Senior Managing Executive Officer</p> <p>Jan. 2010      Representative Director and Executive President of TOKYU DEPARTMENT STORE CO., LTD.</p> <p>Apr. 2011      Senior Managing Executive Officer of Isetan Mitsukoshi Holdings Ltd.</p> <p>Feb. 2018      Director and Chairman of TOKYU DEPARTMENT STORE CO., LTD.</p> <p>Apr. 2019      Director and Advisor of TOKYU DEPARTMENT STORE CO., LTD.</p> <p>Apr. 2020      Special Advisor of TOKYU DEPARTMENT STORE CO., LTD.</p> <p>May 2020      Outside Director of the Company (current position)</p> <p>Mar. 2021      Special Advisor of TimeAge Inc. (currently DiO Inc.) (current position)</p> <p>Apr. 2022      Honorary Advisor of TOKYU DEPARTMENT STORE CO., LTD.</p>	—
<p>[Reasons for nomination as candidate for outside Director and expected role, etc.]</p> <p>Chihiro Nihashi has been involved in department store management for many years and is well versed in the apparel and retail industry. His opinions and suggestions based on his extensive management experience in department stores and his vast knowledge of branding and marketing are beneficial in realizing the Company's medium-term management plan, and he also contributes to stimulating discussions at the Board of Directors meetings. After his election, we expect him to appropriately perform his duties, such as making decisions on important management matters and supervising the execution of business. He retired from Isetan Mitsukoshi Holdings Ltd. in March 2015. He was not involved in the business execution of TOKYU DEPARTMENT STORE CO., LTD. after April 2020, and retired from office as Honorary Advisor to the company in March 2023.</p>			



Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
5	<p style="text-align: center;">Ikuo Yasuda (April 28, 1953)</p> <p style="text-align: center;">Reelection Outside Independent</p>	<p>Apr. 1977      Joined The Long-Term Credit Bank of Japan, Limited</p> <p>July 1998      Joined General Electric International Inc.</p> <p>Jan. 2000      Representative of Lehman Brothers Japan Inc.</p> <p>May 2003      Visiting Professor of Tama University Renaissance Center</p> <p>Sept. 2004     Established Pinnacle Inc., Representative Director and Chairman</p> <p>May 2005      Director of TAY TWO., LTD.</p> <p>Apr. 2006      Specially Appointed Professor of Kyushu University</p> <p>Nov. 2009      Representative Director, Chairman and President &amp; CEO of Pinnacle Inc. (current position)</p> <p>Mar. 2012      Director of The Tokyo New Business Conference</p> <p>Sept. 2015     Outside Director of HOUSE DO Co., Ltd. (currently &amp;Do Holdings Co., Ltd.)</p> <p>Oct. 2017      Advisor of Tokai Tokyo Financial Holdings, Inc.</p> <p>Apr. 2018      Senior Director of The Tokyo New Business Conference (current position)</p> <p>Apr. 2018      Member of Japan Association of Corporate Executives (current position)</p> <p>Dec. 2018      Director and Chairman of Pinnacle TT Solution Inc.</p> <p>Mar. 2019      Advisor of TKP Corporation</p> <p>May 2020      Outside Director of the Company (current position)</p> <p>Jan. 2021      Representative Director and President of MAfolova inc.</p>	—
<p>[Reasons for nomination as candidate for outside Director and expected role, etc.]</p> <p>Ikuo Yasuda possesses extensive business experience in financial institutions in Japan and overseas. Drawing on his financial knowledge, he specializes in M&amp;A, business succession, and business restructuring. His knowledge in financial markets and M&amp;A is beneficial to the realization of the Company's medium-term management plan for business growth. After his election, we expect him to appropriately perform his duties, such as making decisions on important management matters and supervising the execution of business. We also expect him to continue to be a member of the Nomination and Compensation Committee (an optional committee) after his election.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
6	Osamu Nakamoto (October 16, 1950)  Reelection Outside Independent	<p>Mar. 1973    Joined Yagi Tsusho Limited</p> <p>June 1994    Head of Milan Office</p> <p>July 1996    General Manager of Imported Clothing Department</p> <p>June 1999    General Representative for Europe and Head of Milan Office</p> <p>Feb. 2004    General Manager of Brand Business Department and General Manager of Fashion Resource Business Department</p> <p>June 2006    Officer, General Manager of Brand Business Department and General Manager of Fashion Resource Business Department</p> <p>June 2007    Officer and Representative Director and Vice Chairman of Mackintosh UK Ltd.</p> <p>June 2009    Director and Representative Director and Vice Chairman of Mackintosh UK Ltd.</p> <p>June 2010    Director, in charge of Second Imported Clothing Department</p> <p>Apr. 2012    Director, in charge of J&amp;M Davidson Division</p> <p>June 2015    Representative Director and Senior Managing Officer of InterBridge Corporation</p> <p>May 2023    Outside Director of the Company (current position)</p>	—
<p>[Reasons for nomination as candidate for outside Director and expected role, etc.]</p> <p>Osamu Nakamoto has held key positions in the brand business at a trading company that mainly imports apparel, and has also served as Representative Director and Vice Chairman of an overseas affiliate of the aforementioned company (in the U.K.). He is well versed in the apparel and retail industry, and his extensive experience and broad knowledge in areas such as product planning, branding, and international business will be beneficial in realizing the Company's medium-term management plan. After his election, we expect him to appropriately perform his duties, such as making decisions on important management matters and supervising the execution of business. He retired from Yagi Tsusho Limited in June 2015 and InterBridge Corporation in May 2018, respectively.</p>			
7	Kayo Murakami (September 16, 1967)  Reelection Outside Independent	<p>Sept. 1990    Joined AG Company</p> <p>Dec. 1996    Founded MK CONET Ltd.</p> <p>May 2001    Joined Netyear Group Corporation</p> <p>Mar. 2007    Joined Culture Convenience Club Co.,Ltd.</p> <p>Sept. 2012    Joined Rakuten, Inc. (currently Rakuten Group, Inc.)</p> <p>Sept. 2013    Joined P.G.C.D. JAPAN, Inc.</p> <p>Oct. 2016    Joined Synapse co., ltd.</p> <p>June 2020    Outside Director of en Japan Inc. (current position)</p> <p>July 2020    Senior Partner and CEO of Kazu and Company LLC (current position)</p> <p>Apr. 2023    Advisory Fellow of IT Innovation and Strategy Center Okinawa (current position)</p> <p>May 2023    Outside Director of the Company (current position)</p>	—
<p>[Reasons for nomination as candidate for outside Director and expected role, etc.]</p> <p>Kayo Murakami specializes in digital marketing and digital transformation areas, and she is well versed in these areas. Her knowledge of marketing and EC will be beneficial to the realization of the Company's medium-term management plan. In the restructuring of the Company's EC site, she provides necessary and accurate advice and recommendations from her professional perspective. After her election, we expect her to appropriately perform her duties, such as making decisions on important management matters and supervising the execution of business.</p>			

- Notes: 1. There is no special interest between any of the candidates and the Company.  
2. The "Number of the Company's shares owned" by candidates Shinji Oe and Ikuro Kato indicates the effective number of shares, including equities in the SANYO SHOKAI LTD. Officers' Shareholding Society.

3. Candidates Motoyoshi Shiina, Chihiro Nihashi, Ikuo Yasuda, Osamu Nakamoto and Kayo Murakami are candidates for outside Director.
4. Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into agreements with candidates Motoyoshi Shiina, Chihiro Nihashi, Ikuo Yasuda, Osamu Nakamoto and Kayo Murakami to limit their liability for damages as outside Directors to the extent stipulated by laws and regulations. If their reelection is approved at this meeting, the Company plans to renew the respective agreements with each of them.
5. The Company has submitted notification to Tokyo Stock Exchange, Inc. that candidates Motoyoshi Shiina, Chihiro Nihashi, Ikuo Yasuda, Osamu Nakamoto and Kayo Murakami have been appointed as independent officers as provided for by the aforementioned exchange. If their reelection is approved at this meeting, the Company plans for their appointment as independent officers to continue.
6. The officially registered name of candidate Kayo Murakami is Kayo Kanazawa.
7. The Company has entered into a directors and officers liability insurance policy with Directors, Audit & Supervisory Board Members, executive officers and management employees of the Company and the Company's subsidiaries as the insureds. The policy covers losses that may arise from all the insured Directors' assumption of liability incurred in the course of their performance of duties or receipt of claims pertaining to the pursuit of such liability. If the respective candidates are appointed as Director, they will continue to be covered by this insurance policy, and the Company also plans to renew the insurance policy with the same details during their terms of office.

**Proposal No. 3** Election of One Audit & Supervisory Board Member

The term of office of Audit & Supervisory Board Member Somuku Iimura will expire at the conclusion of this meeting. In this regard, the Company proposes the election of one Audit & Supervisory Board Member.

In addition, the consent of the Audit & Supervisory Board has been obtained for this proposal.

The candidate for Audit & Supervisory Board Member is as follows.

Category	Name	Gender	Current position in the Company	Number of years in office	Attendance at meetings of the Board of Directors	Attendance at meetings of the Audit & Supervisory Board
Reelection Outside Independent	Somuku Iimura	Male	Outside Audit & Supervisory Board Member	4 years	15/15 (100%)	13/13 (100%)

Reelection: Candidate for Audit & Supervisory Board Member to be reelected

Outside: Candidate for Outside Audit & Supervisory Board Member

Independent: Independent officer registered with the securities exchange

Name (Date of birth)	Career summary, position in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
<p style="text-align: center;">Somuku Iimura (April 14, 1953)</p> <p style="text-align: center;">Reelection Outside Independent</p>	<p>Apr. 1986      Joined Masuda and Ejiri Law Office</p> <p>Oct. 1988      Seconded to Rogers Wells Law Firm (currently Clifford Chance Law Firm)</p> <p>Jan. 1992      Partner of Masuda and Ejiri Law Office</p> <p>July 2007      Partner of Nishimura &amp; Asahi</p> <p>June 2014      Outside Director of Maruha Nichiro Corporation (current position)</p> <p>June 2016      Outside Audit &amp; Supervisory Board Member of YAMADA DENKI CO., LTD. (currently YAMADA HOLDINGS CO., LTD.) (current position)</p> <p>Feb. 2017      Outside Corporate Auditor of NACHI-FUJIKOSHI CORP.</p> <p>Jan. 2020      Joined Natori Law Office (currently ITN Partners), Senior Partner</p> <p>May 2020      Outside Audit &amp; Supervisory Board Member of the Company (current position)</p> <p>June 2020      Outside Director of The Furukawa Battery Co., Ltd. (current position)</p> <p>Dec. 2020      Representative Partner of ITN Partners (current position)</p>	-
<p>[Reasons for nomination as candidate for outside Audit &amp; Supervisory Board Member]</p> <p>Somuku Iimura does not have previous experience of being directly involved in company management other than as an outside officer. However, he possesses a professional perspective and extensive experience as an attorney, and the Company has judged that he is capable of appropriately performing his duties as an outside Audit &amp; Supervisory Board Member because of his exceptional personality and insight. Accordingly, the Company has nominated him as a candidate for outside Audit &amp; Supervisory Board Member.</p>		

- Notes:
1. There is no special interest between the candidate and the Company.
  2. Somuku Iimura is a candidate for outside Audit & Supervisory Board Member.
  3. Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into agreements with candidate Somuku Iimura to limit his liability for damages as outside Audit & Supervisory Board Member to the extent stipulated by laws and regulations. If his reelection is approved at this meeting, the Company plans to renew the agreement with him.
  4. The Company has submitted notification to Tokyo Stock Exchange, Inc. that candidate Somuku Iimura has been appointed as an independent officer as provided for by the aforementioned exchange. If his reelection is approved at this meeting, the Company plans for his appointment as an independent officer to continue.
  5. The Company has entered into a directors and officers liability insurance policy with Directors, Audit & Supervisory Board Members, executive officers and management employees of the Company and the Company's subsidiaries as the insureds. The policy covers losses that may arise from all the insured Audit & Supervisory Board Members' assumption of liability incurred in the course of their performance of duties or receipt of claims pertaining to the pursuit of such liability. If the candidate is appointed as Audit & Supervisory Board Member, he will continue to be covered by this insurance policy, and the Company also plans to renew the insurance policy with the same details during his term of office.

■ (Reference) Skill Matrix of the Directors and Audit & Supervisory Board Members (Scheduled) after the Annual General Meeting of Shareholders

<Skills Required for the Board of Directors>

The criteria for the appointment of a Director and an Audit & Supervisory Board Member of the Company stipulate that they must possess the appropriate character and knowledge for a Director and an Audit & Supervisory Board Member, sufficient experience and expertise to contribute to the continuous enhancement of corporate value, insight and ability to supervise management, and the ability to analyze and make judgments in an objective manner.

In addition, the current medium-term management plan (fiscal year ended February 28, 2023 to fiscal year ending February 28, 2025) will promote four growth strategies: brand strategy, channel strategy, marketing strategy, and e-commerce strategy, in order to shift from defense to offense, while continuing the structural reform measures implemented in the Revitalization Plan.

In order to accomplish this plan and at the same time maintain a high level of transparency in management, we believe that the composition of the Board of Directors should have the following skills

<Definition of the selected skill>

Corporate Management Experience	Management experience or knowledge and experience in corporate governance
Knowledge of the Industry and Retail in General	Knowledge of the apparel industry and business experience in retail such as department stores, company-operated stores, and outlets required to drive our channel strategy
Branding	Knowledge in the area of branding, including expressing brand philosophy and brand value enhancement necessary to promote our brand strategy, as well as business experience required to expand our licensing business
Product Planning Production and Technology	Knowledge in product planning and production to create high-quality, high-grade, high-value-added products (which is one of our strengths), as well as in the technology and quality control fields that support this planning and production
Marketing CRM	Extensive knowledge in marketing and CRM (Customer Relationship Management) expertise required to drive our marketing strategy
EC OMO	Extensive knowledge of the EC sector, cross-border EC, and inbound support necessary to establish a mutually complementary system between EC and brick-and-mortar stores (OMO: online and offline integration) in order to promote our EC strategy
International Experience Overseas Business	International experience and knowledge of overseas business (including the licensing business) necessary to consider future overseas business development
Financial Markets M&A	Expertise in financial markets necessary to manage a prime market listed company and knowledge of M&A as a tool of a future growth strategy
Legal Compliance	Expertise in the legal field or experience in a leadership role in the field
Finance/Tax/Accounting	Expertise in the financial, tax, or accounting field or experience in a leadership role in the field

The knowledge, experience and skills that the Directors and Audit & Supervisory Board Members (Scheduled) after the Annual General Meeting of Shareholders possess are as follows.

	Director							Audit & Supervisory Board Member		
	Shinji Oe	Ikuro Kato	Motoyoshi Shiina	Chihiro Nihashi	Ikuo Yasuda	Osamu Nakamoto	Kayo Murakami	Rokuichi Ito	Somuku Iimura	Atsushi Fukuda
Outside/Independent			Outside Independent	Outside Independent	Outside Independent	Outside Independent	Outside Independent		Outside Independent	Outside Independent
Committees, etc.	Member of the Nomination and Compensation Committee		Chairman of the Board of Directors Chairman of the Nomination and Compensation Committee		Member of the Nomination and Compensation Committee			Chairman of Audit & Supervisory Board		
Corporate Management Experience	✓	✓	✓	✓	✓	✓	✓			
Knowledge of the Industry and Retail in General	✓	✓	✓	✓		✓		✓		
Branding	✓	✓	✓	✓		✓				
Product Planning/Production and Technology	✓	✓				✓				
Marketing/CRM	✓	✓		✓			✓			
EC/OMO		✓					✓			
International Experience/Overseas Business	✓		✓		✓	✓				
Financial Markets/M&A	✓				✓					
Legal/Compliance	✓	✓						✓	✓	✓
Finance/Tax/Accounting	✓				✓			✓	✓	✓

\* Rokuichi Ito and Atsushi Fukuda were elected and assumed office as Audit & Supervisory Board Members at the 79th Annual General Meeting of Shareholders.

\* This skill matrix does not represent all of the knowledge, experience, and skills of the Directors (candidates) and Audit & Supervisory Board Members (including candidates).