



# **INTEGRATED REPORT 2025**

# Integrated Report Editorial Policy

## Regarding the Publication of the Integrated Report 2025



**Akira Miyagi**

Representative Director,  
Vice President and  
Executive Officer and CFO  
Wacoal Holdings Corp.

In 2025, the Wacoal Group enters the final year of its revised medium-term management plan. Despite challenging business conditions both domestically and internationally, we continue to advance toward the future without pause. Our newly published “Integrated Report 2025” aims to communicate our initiatives and the underlying vision to all our stakeholders.

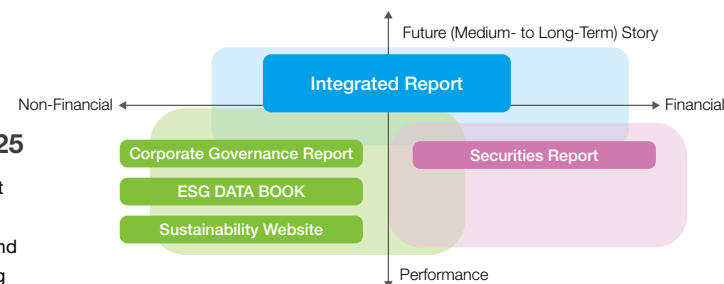
This year's theme is “Empowering. WACOAL.” This was adopted as Wacoal Corp.'s campaign slogan in February 2025. It embodies our desire, as a company supporting both mind and body, to be the closest supporter of our customers' health and their individuality. This message is directed not only at our customers but also at each and every employee. While preserving the values we have cultivated over the years, we are pursuing new growth through the transformation of our business processes. Within this journey, we believe that when employees respect their own individuality and leverage it in their work, it ultimately becomes a force that supports the individuality of each and every customer. It is with this conviction that we have adopted the theme “Empowering. WACOAL.”

We sincerely hope this report will serve as an opportunity to deepen the understanding of our philosophy and initiatives among all stakeholders, including our customers, business partners, shareholders, and investors.

We will continue to strive for further enhancement of corporate value through careful dialogue and sincere communication with all our stakeholders.

## Positioning of the Integrated Report 2025

Our integrated report comprehensively covers our management strategy for creating medium- to long-term corporate value, along with our financial and non-financial perspectives, data, and initiatives. Financial results and management strategy (including non-financial information) are detailed in our Annual Securities Report. Detailed non-financial information, such as ESG management and sustainability activities, is presented in our Corporate Governance Report, ESG DATA BOOK, and on our Sustainability Website.



## Editorial Policy

In accordance with international norms for integrated reporting, the Wacoal Group has been issuing integrated reports since fiscal 2011 as part of its communication with shareholders and other investors. This integrated report explains the Wacoal Group's value creation activities by integrating not only business and financial information but also non-financial information such as intangible assets not disclosed in financial statements. Further, the website of Wacoal Holdings Corp. includes comprehensive coverage of various information about the Group. We hope that referring to this integrated report in conjunction with the website will further deepen understanding of the Group. Going forward, we will continue pursuing an editorial policy that meets our readers' expectations.

Target Organizations: Wacoal Holdings Corp., domestic and international Group companies

Related companies are listed on the right.

<https://www.wacoalholdings.jp/en/group/wacoalgroup/>

Target Period: April 1, 2024 to March 31, 2025 (including some past and recent items)

## Content Addressing Stakeholder Expectations and Frequently Asked Questions

### (1) Learn about Wacoal's roots, history, and strengths

See [p. 07](#). **The WACOAL Way**  
See [p. 09](#). **The Wacoal Group's Journey**  
See [p. 10](#). **Value Creation Process**  
See [p. 13](#). **Wacoal's Value Chain**

### (2) Learn about the progress and challenges of our current mission and revised medium-term management plan

See [p. 16](#). **Toward Realizing “VISION 2030”**  
See [p. 03](#). **A Message from the President**  
See [p. 17](#). **Domestic Business Strategy (A Message from Wacoal Corp. President)**  
See [p. 31](#). **Financial Strategy (A Message from the CFO)**

### (3) Learn about Wacoal's core products and brands

See [p. 11](#). **About Our Brands (Japan and Overseas)**

### (4) Learn about the initiatives and results of our domestic business strategy

See [p. 17](#). **Domestic Business Strategy (A Message from Wacoal Corp. President)**  
See [p. 20](#). **Domestic Business Strategy Special Feature: Key Person Interview**

### (5) Learn about our overseas business strategy and growth initiatives

See [p. 26](#). **Overseas Business Strategy (Message from the Head of the Global Operations Division)**  
See [p. 29](#). **Overseas Business Strategy Special Feature: Key Person**

### (6) Learn about our sustainability initiatives such as climate change countermeasures and human capital

See [p. 34](#). **Initiatives to Reinforce Human Capital**  
See [p. 36](#). **Environmental**

### (7) Learn about the effectiveness of the Board of Directors and the oversight and advice provided by external directors regarding management

See [p. 43](#). **Interview with an External Director**  
See [p. 47](#). **Corporate Governance**

# Contents

## Cover Design Concept



Employee initiative and company-wide unity are expressed through vibrant, pop colors, demonstrating our corporate stance toward sustainable value creation.

Integrated Report Editorial Policy.....	01
---	----

## Top Message

A Message from the President.....	03
-----------------------------------	----

## Introduction

The WACOAL Way .....	07
The Wacoal Group's Journey .....	09
Value Creation Process .....	10
About Our Brands .....	11
Wacoal's Value Chain.....	13

## Strategy

### Medium- to Long-Term Strategy Framework

Toward Realizing "VISION 2030" .....	16
--------------------------------------	----

### Domestic Business Strategy

Domestic Business Strategy (A Message from Wacoal Corp. President) .....	17
Special Feature: Key Person Interview	

Interview 01 CW-X's Next Challenge .....	20
--	----

Interview 02 Building a Customer-Centric Supply Chain .....	21
---	----

Interview 03 Rebuilding Customer Touchpoints and the Path to Growth.....	22
---	----

Interview 04 Seamless Integration Between Stores and E-Commerce Centered on Body Data .....	23
--	----

Interview 05 Toward a Wacoal "Where People Shine, We Shine" ...	24
---	----

Domestic Business Topics .....	25
--------------------------------	----

### Overseas Business Strategy

Overseas Business Strategy (Message from the Head of the Global Operations Division).....	26
--	----

Special Feature: Key Person Interview	
---------------------------------------	--

Interview 06 Expanding Customer Touchpoints in the European and US Markets .....	29
---	----

Interview 07 Strengthening Our E-Commerce Strategy and Brand Presence in the U.S. ....	30
---	----

### Financial Strategy

Financial Strategy (A Message from the CFO).....	31
--	----

## Sustainability

Initiatives to Reinforce Human Capital .....	34
Environmental .....	36
Human Rights .....	37
Social Contribution Activities.....	39
Material Issues to Be Addressed by 2030.....	40

## Governance

Interview with an External Director .....	43
Management Team .....	45
Corporate Governance .....	47
Engagement .....	51

## Data

11-Year Financial Summary .....	53
5-Year Non-Financial Summary .....	54
Investor Information / Our Corporate Website / Editorial Postscript.....	55

## Forward-Looking Statements

Statements contained in this integrated report that are not historical facts are forward-looking statements, which reflect the Company's plans and expectations at the time of writing. These forward-looking statements involve known and unknown risks, uncertainties, and other factors that may cause the Company's actual results, performance, or achievements to differ materially from those anticipated in these statements.

## Corporate Information (As of March 31, 2025)

Company Name	Wacoal Holdings Corp.	Establishment	November 1, 1949
Head Office	29 Nakajima-cho, Kisshoin, Minami-ku, Kyoto 601-8530, Japan	Capital	¥13,260 million
Founding	June 15, 1946	Representative Director, President and CEO	Masaaki Yajima

**Line of Business**  
Wacoal's mainstay business is the manufacture, wholesale, and direct sales to consumers (for some products) of intimate apparel (mainly women's foundation garments, lingerie, nightwear, and children's underwear), outerwear, sportswear, and other textile products and accessories. In addition, Wacoal operates other businesses related to food, culture, and services.

**Number of Employees (Consolidated)**  
16,124 (Excluding the average number of part-time employees)

## A Message from the President

With our founding principles and  
mutual trust we will build the foundation  
for renewed growth and become  
a Wacoal Group that empowers individuality

Masaaki Yajima

Representative Director,  
President and CEO  
Wacoal Holdings Corp.

### ■ Current Status and Future of the Wacoal Group

The Wacoal Group, under its revised medium-term management plan, is focusing on shifting away from conventional models and transitioning to a new business model centered on customer-focused value creation, strengthening global operations, and enhancing brand value. Currently, the external environment remains challenging due to rapid changes in the social and economic landscape, such as the polarization of customer demand relative to product prices and the continued rise in costs compared to when the revised medium-term management plan was formulated. Nevertheless, we are steadily advancing our efforts toward transforming the Group. Personally, I strongly feel the necessity to transform from our past business model, and the entire Company is united in tackling these challenges.

Two years have passed since we began implementing the revised medium-term management plan. As we work to embed the strategy from divisions to the field, we are beginning to see tangible, fundamental changes. However, accelerating the pace of business model transformation is essential, and the scale of our problem-solving efforts remains insufficient. We are currently advancing efforts to create an environment where employees can focus on operational efficiency through digital transformation (DX) and on creating value that only



## A Message from the President

humans can provide. However, I believe it is crucial that each employee first understands their own role, accumulates small achievements, takes action, and moves forward.

### What the Wacoal Group Has Always Valued

The Wacoal Group was born from the strong conviction of its founder, Koichi Tsukamoto: “I want to contribute to society by helping women to express their beauty.” This founding principle, rooted in bringing happiness to people and society, fostered a culture of mutual trust based on “trusting and empowering employees.” This mutual trust, passed down as a guiding principle of the Group, not only enhances employee motivation but also extends to relationships with business partners and society. Our founding principles and mutual trust have instilled pride and shared purpose in our employees, serving as a vital foundation for the Wacoal Group’s manufacturing and growth.

Our flagship innerwear are products that come closest to our customers’ bodies and minds. I believe our mission is to support each customer’s comfort and happiness while cherishing this

intimate connection. Today, the Wacoal Group aims to continue supporting the daily lives of customers with diverse values. To be the closest presence, supporting each customer in being their true self—this is the mission of the Wacoal Group going forward.

The core of fulfilling that mission is, of course, our employees. In his later years, Wacoal’s founder said, “I want you to believe you are capable of more than you can imagine.” This sentiment is the source of our mutual trust and now connects to the concept of empowerment. I wish to convey our founder’s words to our current employees. I hope our employees will believe in their own capabilities, feel empowered by the Company, and approach their work with enthusiasm. I am confident that this attitude will, in turn, empower our customers.

### “Empowering. WACOAL”: The Future of Wacoal

The campaign slogan “Empowering. WACOAL” announced by Wacoal Corp. in February 2025 expresses the stance of the entire Wacoal Group. It embodies our aspiration to become a corporate group that continues to support each customer’s individuality.

Nowadays, each customer possesses diverse values and needs. With customers themselves now equipped with extensive knowledge and clear expectations, relying on conventional, one-size-fits-all products or frameworks based on age or gender will fail to resonate. Recognizing this, the Wacoal Group has made the customer’s point a view a pillar of its revised medium-term management plan, striving to create products and services that empower customers. We are evolving from the “Wacoal of feminine beauty” to the “Wacoal Group that empowers individuality.”

I aspire to transform the Wacoal Group into a corporate group “where happiness circulates.” By providing products and services that truly resonate with our customers and helping them feel happiness, we earn their trust and support. This trust and support, in turn, benefits our employees, business partners, local communities, and shareholders. Contributing to our customers’ happiness enables all stakeholders connected to the Company to find fulfillment—this is my vision for a corporate group “where happiness circulates.” I firmly believe that by cherishing the Wacoal

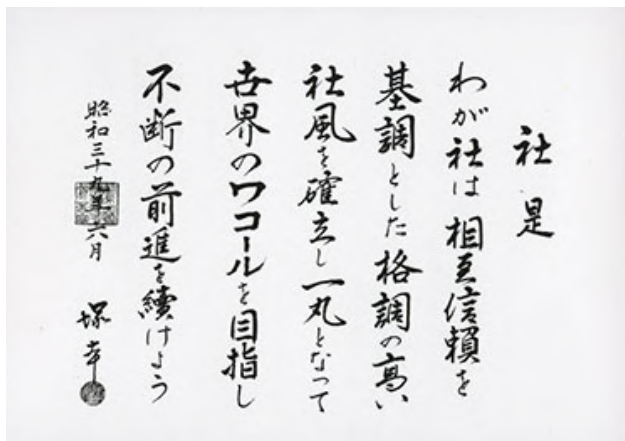


Group’s passion for craftsmanship and our spirit of mutual trust, we can overcome any challenging times.

Our founding principles and the concept of mutual trust are deeply rooted not only domestically but globally. When I was in charge of Wacoal China, there was a period of intense anti-Japanese sentiment. At that time, I conveyed to all local employees: “The Wacoal Group was founded and continues to operate under high ideals. You are the ones carrying this forward, and I want you to take pride in contributing to the happiness of the Chinese people and society.” Many local employees resonated with this message, and despite the challenging social climate, not a single employee resigned. I truly felt our founding principles and the concept of mutual trust permeating globally. I believe this is a corporate culture deeply rooted not only in China but worldwide.

### ESG Initiatives and Engagement with Capital Markets

The Wacoal Group is steadily advancing its response to environmental issues and social challenges to realize happiness for all stakeholders and society. Through various initiatives—such as using environmentally-conscious materials, implementing energy



## A Message from the President

management systems, and conducting human rights due diligence—we will continue to be a company that constantly considers and implements solutions to these challenges.

In terms of governance, we believe it is crucial for the Board of Directors to fulfill its role effectively and establish a robust system. We consider it invaluable and essential for the Wacoal Group that internal directors receive candid feedback and advice from external directors. From the formulation of the revised medium-term management plan to the present, we have deepened our discussions by receiving diverse opinions on strategic perspectives and time horizons. Crucially, we believe that internal directors, who are also corporate officers, must approach these discussions with an open mindset, engage in thorough debate, and ultimately make decisions with a sense of responsibility.

In our dialogue with the capital markets, we recognize that it is essential to carefully communicate the information necessary for investors to determine whether to invest in Wacoal Holdings. Moving forward, we will continue to advance our initiatives and disclosures regarding social, environmental, and governance matters alongside our financial information. We intend to maintain active dialogue with our investors, accurately grasp the role expected of our Group, and reflect this in our management decisions.

### Human Capital Management: The Wacoal Group's Vision

Even in this modern era of AI advancement, the adage “a company is its people” holds true, underscoring the ever-increasing importance of human capital. While AI excels at collecting, analyzing, and communicating information and data at a high level, the ability to think critically and the flexibility to take risks without fear of failure are indispensable for business growth. No matter how much AI evolves, it is people who ultimately make the final decisions.

In this environment, we hope our employees will not only perform their duties but also engage with new ideas and cultures outside the Company, learn from them, and bring that inspiration

and knowledge back to their work. As a company, we will promote personnel policies that maximize and further enhance the capabilities of each individual employee, creating an environment where everyone can thrive. We aim to be a company where the vibrant example set by our senior colleagues makes younger talent want to follow in their footsteps. This is achievable when management itself takes the lead in learning, flexibly adapts to change, and approaches leadership with a mindset of continuous evolution together.

To drive further transformation, the Wacoal Group must cultivate a corporate culture that recognizes and values the actions of motivated employees. We encourage taking risks without fear of failure and building on those experiences for the next steps. To this end, we emphasize to our employees the importance of “acting first” and persistently pursuing goals through trial and error. This principle applies equally to management—we are committed to creating new value through decisive action and execution, never delaying important matters.

When those in leadership positions continuously strive for self-improvement, employees are inspired to make their own efforts, creating a virtuous cycle of growth for the entire Company—this is the human capital management approach the Wacoal Group strives to achieve.

### Toward Further Growth

The Wacoal Group's transformation is still in progress, but with executives and employees in Japan and overseas united as one, we are steadily advancing toward evolving into a company that supports each customer's individuality beyond the boundaries of innerwear.

As we have outlined, we will continue to boldly navigate significant shifts in the business environment and global challenges. By transforming our business model, strengthening our commitment to ESG and human capital management, and building upon our founding principle of mutual trust, we are forging a path to the future. We are determined to grow into a company that delivers greater value to our diverse customers and society as a whole.

Furthermore, to realize the future vision outlined in VISION 2030, we will strengthen our capabilities to flexibly respond to customer needs. This will be achieved by leveraging our resources and also considering strategic M&A.

Moving forward, the Wacoal Group will continue to embrace new challenges, foster an environment where every individual can thrive, and build the foundation for sustainable growth. We are committed to working diligently and sincerely to ensure our stakeholders can experience this growth alongside us. I sincerely ask for your continued support.



# Introduction

The WACOAL Way .....	07
The Wacoal Group's Journey.....	09
Value Creation Process.....	10
About Our Brands .....	11
Wacoal's Value Chain.....	13

## The WACOAL Way

Based on our social mission—comprised of things we must achieve in present-day society—and the founding principles we have carried on during over 70 years in business, The Wacoal Group is promoting sustainability management, which will help us solve social issues and achieve sustainable growth through our business.

## Founding Principles

With a strong desire to devote his life to working for society, Koichi Tsukamoto founded Wacoal based on the belief that “a peaceful society is one where women can express their beauty.”

His goal was to contribute to society by helping people to express their beauty. In achieving this goal, business management based on mutual trust is essential. Our founder’s strong commitment to creating a company trusted by all stakeholders is still passed on to each and every employee.



### Our Promise

**We will contribute to society by helping women to express their beauty.**

### Our Culture

**We, the employees and management of WACOAL, will maintain a refined corporate culture based on mutual trust and will continually strive to make the Company a global leader in the industry.**

### Our Value

- 1. Create products loved by customers**
- 2. Develop new products that meet the needs of the times**
- 3. Conduct business in a fair manner with a forward focus**
- 4. Build a better WACOAL through better human resources**
- 5. Fear not failure and boast not of success**



**WACOAL empowers people with the confidence that comes from looking and feeling their best. As a global leader, we welcome everyone into our caring community built on mutual respect, diversity, and inclusion.**



At WACOAL, we value each person as an individual and believe in nurturing the body and mind so everyone can be their best. When people with different backgrounds are empowered to come together and share ideas freely, we as a society will achieve true harmony. By continuing to evolve, WACOAL leads the way to a world where kindness, inclusivity, and mutual respect are the standards, and the future is full of promise for everyone.

Comfortable inside. Confident outside.

# Mission

The Wacoal Group's social mission is to help customers achieve a style that shows who they really are, rather than one-size-fits-all beauty; and contribute to enriching all people's lives, all around the world. The Group aims to become indispensable for society by building mutual trust with all stakeholders based on this mission and its founding principles, which we have carried on for the more than 70-year history of the Company.

## The Wacoal Group's Journey

With the strong desire of Koichi Tsukamoto, its founder, to “devote his life to working for society” and “contribute to society through beauty” as its starting points, the Group has been dedicated to management based on mutual trust and overcome numerous hardships.



Bra pads launched on the market in 1949

### 1946

#### Founding

Having survived the war, Koichi Tsukamoto started a business dealing in women's personal ornaments. An encounter with “bra pads” in 1949 brought about a dramatic development in the business and became the foundation of Wacoal.



Sales counter at Takashimaya Kyoto Store

### 1950

#### Opening sales channels in department stores

The Company opened a sales counter at Takashimaya Kyoto Store. To capture the transition from Japanese to Western apparel, it commenced in-house manufacturing of women's underwear.

### Net Sales



Anthropometry in the late 1960s

### 1964

#### The start of human science research

The Company established the Product Research Department. Making innovations in product development including the establishment of a size system based on anthropometry, the department developed into the Human Science Research Center (today's Human Science Research & Development Center), which underpins the core of the business.



Wing sale counter at mass retailer

### 1975

#### Developing the mass retailer channel

The Company established dedicated sales corners in mass retailers and developed the Wing brand on the condition that prices would be protected, marking a turning point in business expansion.



Wacoal office building in the United States

### 1981

#### Expanding overseas markets

The Company began expanding in the United States, Hong Kong, and China. Despite facing challenges in the United States, Wacoal remained committed to quality and its sales policy and achieved profitability in 1995.



Sales floor at a directly managed store

### 2001

#### Starting the directly managed store business

The Company opened Subito, its first directly managed store, in Harajuku and took up the challenge of increasing customer footfall by opening stores tailored to the locations and customer bases.



The fashion show of Wacoal Europe

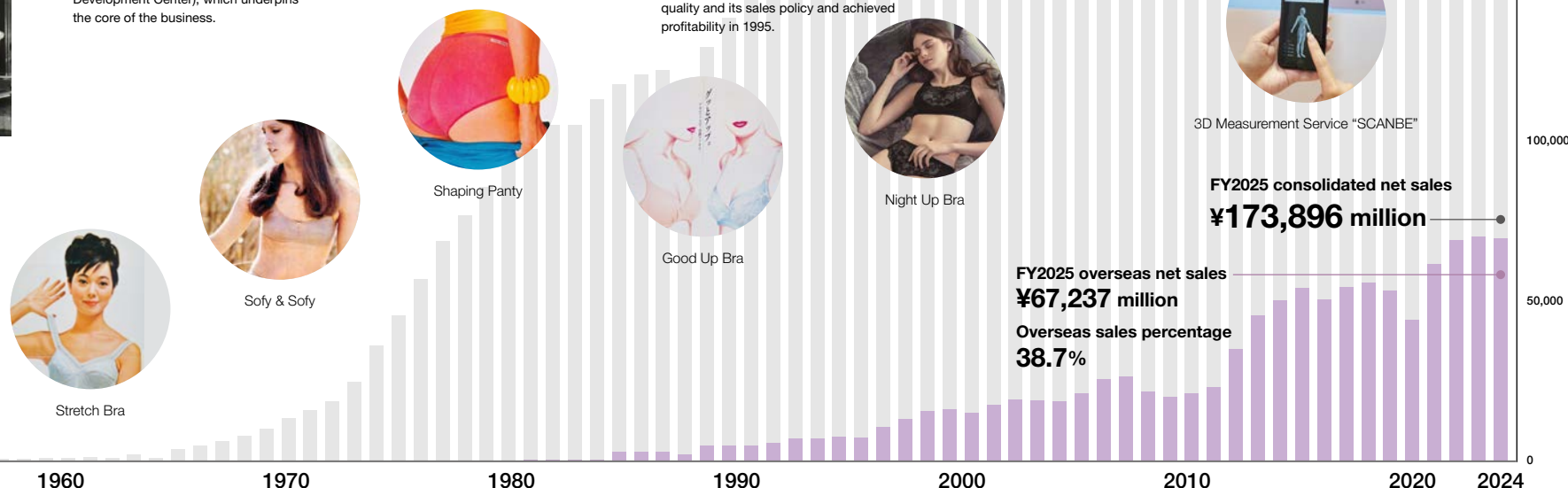
### 2012

#### Starting full-scale development in the European market

The Company acquired Eveden Group Limited of the UK, achieving expansion of the brand and a stronger revenue base in Europe.

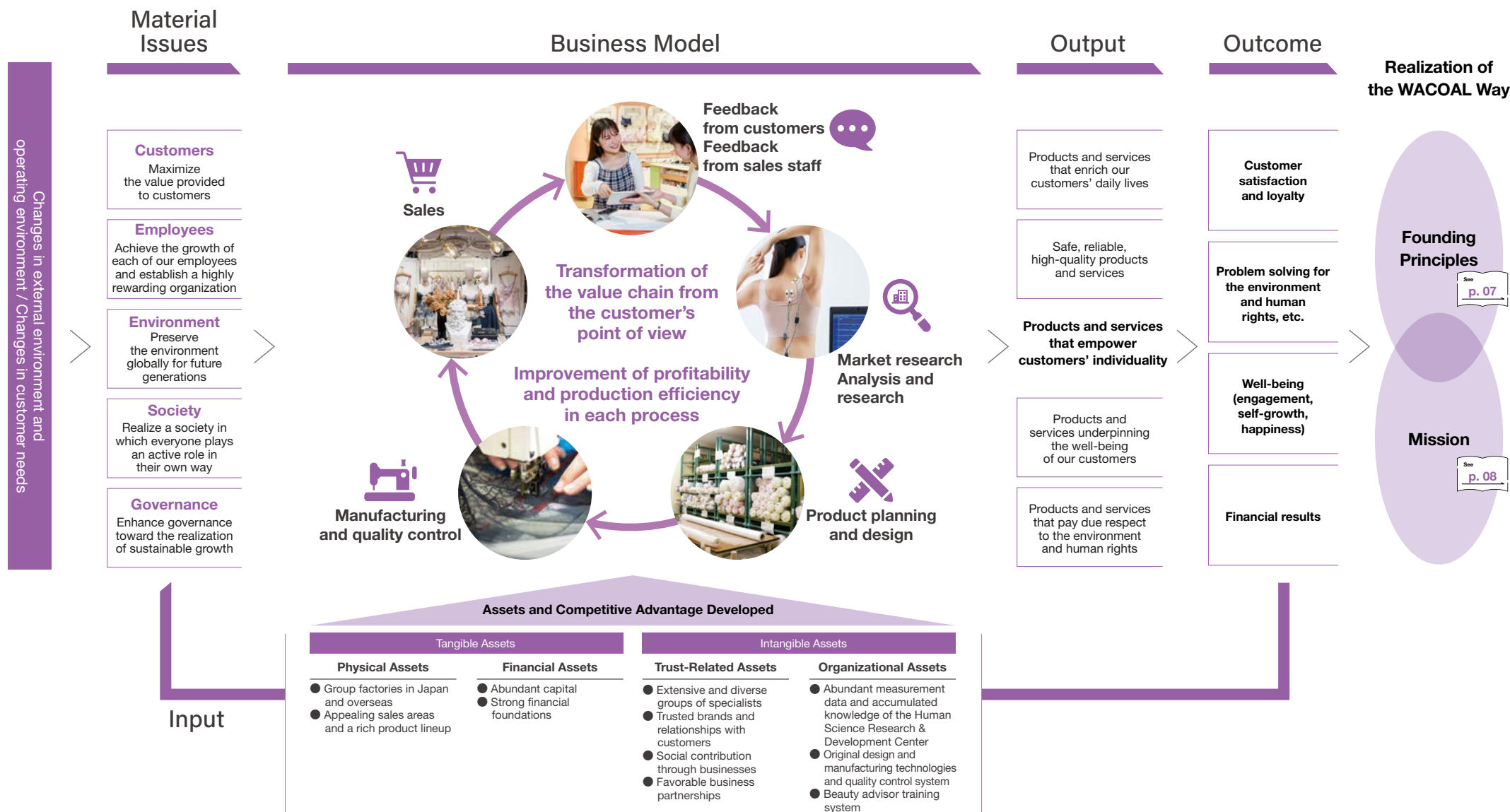


3D Measurement Service “SCANBE”



## Value Creation Process

The Group will maximize and optimize the various assets that it has developed—including physical, financial, trust-related, and organizational assets—and advance our medium- to long-term growth strategy to resolve material issues and enhance enterprise value even further. Through rigorous, customer-focused business model reform, execution of our growth strategy, as well as the evolution of our value creation process, we will continue bringing products and services that enrich society to the market.



## About Our Brands (Japan)

Wacoal Corp., the core subsidiary, strives to develop attractive brands with clear values with thorough brand management from the customer's point of view. At present, Wacoal Corp. offers 12 brands mainly consisting of women's innerwear.



Created in 1991, CW-X is a brand of conditioning wear developed by applying the principle of taping. In particular, the sports tights reduce strain on muscles and joints, gaining popularity among athletes as well as ordinary people.

### Price range by brand of women's innerwear in Japan



Brands derived from women's innerwear

Women's innerwear

Men's innerwear

yojoy

WACOAL Remamma™

WACOAL

WACOAL MEN



Created in 2014, WACOAL MEN is a men's innerwear brand developed by utilizing Wacoal's design technology. Successfully combining the three elements of fit, feel, and ease of movement, the brand achieves a sophisticated and vibrant style that never goes out of fashion.

### Brand concepts for women's innerwear



WACOAL

WACOAL is Wacoal Group's core brand available in Japan and overseas with strengths in anthropometry-based design and high-quality manufacturing. The brand concept is expressed as "Dear Me, Love your moment." "A moment to look at yourself and love yourself," for everyone.



Wing

Created in 1975. Wing is mainly available through Japanese mass retailers and e-commerce sites. Based on the concept of "conversing with your body for living," the brand is committed to function and design and offers items that respond to a variety of physical and emotional changes.



Salute

Created in 1979. Salute is an innerwear brand that combines reliable body shaping functions with a high quality of design and allows the wearer to freely enjoy being sexy. The brand concept is "dramatically sexy."



Yue

Created in 2021. The brand name Yue is derived from the word "Yu-en" which expresses the reason for things. The brand offers "supreme comfort" and an enriched daily life through carefully selected materials, meticulous stitching, and a beautiful body silhouette design.



AMPHI

Created in 2006. AMPHI is mainly available through Japanese mass retailers and e-commerce sites. The brand provides products that match the "mood of the moment" with trendy designs and lightweight comfort.



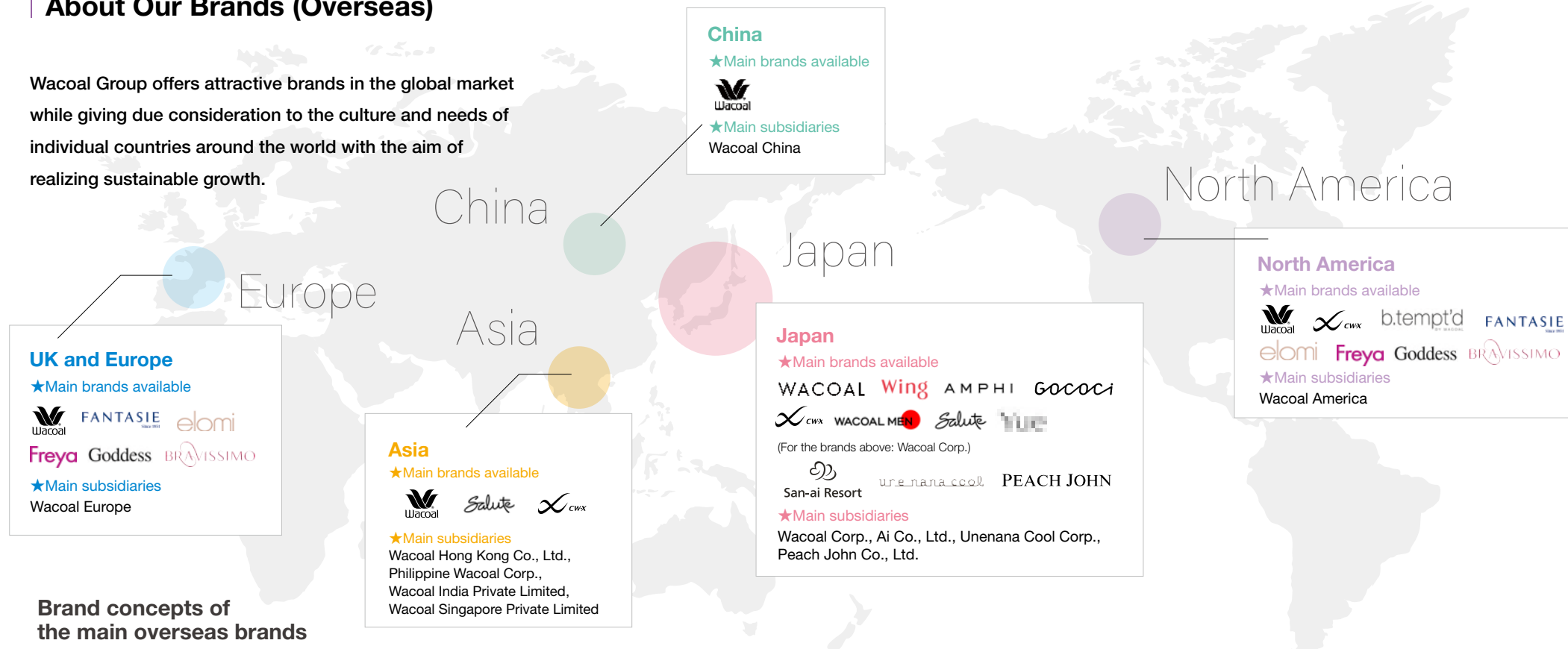
GOCOCI

Created in 2017. The mainly wire-free products from the Gococi brand are available through a wide range of channels in Japan, including physical stores and e-commerce sites. The brand offers products that make innerwear a more enjoyable fashion experience.

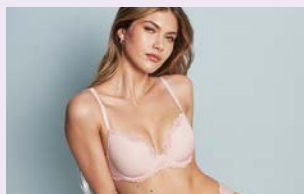


## About Our Brands (Overseas)

Wacoal Group offers attractive brands in the global market while giving due consideration to the culture and needs of individual countries around the world with the aim of realizing sustainable growth.



### Brand concepts of the main overseas brands



**b.tempt'd**  
BY WACOAL

Created in 2009 in the US. The lingerie brand b.tempt'd is for younger women with the appeal of a light, feminine vibe. The brand offers products with trendy designs and a light feel that lift the mood and is popular among young women who like to have fun being themselves.



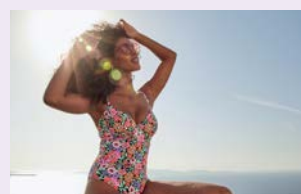
**elomi**

Created in 2008 in the UK. The lingerie brand elomi is for women with fuller figures and caters for cup sizes D to K. Providing a wide range of sizes and good support, the designs allow women to express their unique beauty regardless of body shape.



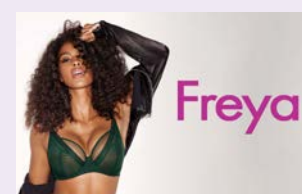
**FANTASIE**  
Since 1951

Created in 1951 in the UK. The FANTASIE brand caters for fuller busts with an emphasis on elegance and classic taste. The brand offers reassurance and elegance through its firm support for adult women and use of high-quality materials.



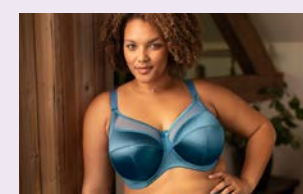
**BRAVISSIMO**

Created in 1995 in the UK. BRAVISSIMO is a lingerie brand especially for women with cup sizes D to L. It offers comfortable products with a good fit with the emphasis on "your perfect fit."



**Freya**

Created in 1998 in the UK. Freya is a brand that offers free and active lifestyles for women with cup sizes D and up. Featuring colorful and playful designs, the brand combines functionality with a sense of fun.



**Goddess**

A brand that was acquired in 2002. The Goddess brand is for women with fuller figures, with the focus on practicality and support. The brand's products feature simple yet functional designs.



## Wacoal's Value Chain

At Wacoal, we have been advancing transformation of the value chain from the customer's point of view. We create high value-added products through a series of processes ranging from analysis based on feedback from customers and sales staff (beauty advisors) to research utilizing anthropometric data, product planning and design, and manufacturing and sales.



### Market Research/Analysis and Research

#### Market Research/Analysis (Marketing)

The Company continuously conducts consumer research, which includes feedback from customers and beauty advisors, and analysis and segmentation of purchasing data to clarify the value provided by its brands from the customer's point of view. In developing products, we accurately identify customer needs for each brand, further categorize the market based on price range and age, and clarify our focus segments using strategy maps.

#### Human Science Research & Development Center (Research)

Since being established in 1964, the Human Science Research & Development Center has scientifically analyzed women's physiques over many years and accumulated unique knowledge. The development of products based on this precise data and understanding of the human body provides value that extends beyond simply the apparel to deliver "manufacturing attuned to the body" that other companies cannot emulate.

Number of people from whom we have gathered accumulated data available for research  
Approx. **270,000**

Number of people from whom we gather measurement data on a continuous basis (every 5 years)  
Approx. **1,000**

Number of coordinate values measured by our 3D measuring equipment  
Approx. **50,000**



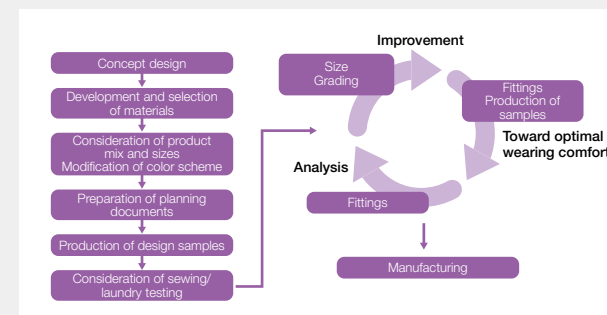
### Product Planning/Design

#### Merchandising (MD)

We have introduced a brand manager system and seek to maximize brand value by providing customers with consistent brand value across the whole series of value chain processes encompassing planning, development, manufacturing, distribution, sales, and marketing.

#### Product Planning/Design

More than 200 designers use creativity and anthropometric data to create styles with a focus on wearing comfort and figure enhancement. By repeatedly cycling through a process of fittings, analysis, and improvements, we realize optimal wearing comfort.



## TOPICS

### Further Utilization of Body Measurement Data

Wacoal Corp. developed the 3D measurement service SCANBE using measurement data from the Human Science Research & Development Center. SCANBE is a service that measures the entire body with a 3D body scanner and allows customers to gain detailed knowledge of their own body data, including a 3D body image and measurements of 20 different parts of the body. The data measured by SCANBE can also be linked to WACOAL CARNET, Wacoal's official app, allowing customers to check it on their own smartphone

anytime, anywhere. As of September 2025, we have introduced 31 SCANBE 3D body scanners at 28 stores nationwide, which have been used by more than 300,000 people. In addition, in March 2024, we launched a fee-based service called Fashion Framework Analysis. With the release of another new fee-based service called Body Alignment Analysis in June 2025, we are actively addressing areas other than underwear and promoting utilization of our body measurement data in the health and wellness sector.



## Wacoal's Value Chain



### Manufacturing/Quality Control

#### Manufacturing/Quality Control

Wacoal positions product quality preservation as a social responsibility and practices stringent quality control across all processes from material procurement to shipment in addition to manufacturing based on the highly skilled handwork of experienced sewing personnel in our own factories. We carry out testing and durability checks for each component based on stringent standards to provide safe, high-quality products. We have also established the Quality Assurance Council as the Group's highest body related to quality assurance and operate quality management based on ISO 9001 to provide customers with peace of mind and safety.



### Sales

#### In-store Sales

Wacoal's sales staff (beauty advisors) play an important role in building trusting relationships with customers that are deeper, broader, and longer by attending carefully to each person and helping to accentuate their beauty using specialized knowledge and advanced fitting technology.

#### E-commerce Sales

Products from all of Wacoal's brands are available on the Wacoal website store, the Company's e-commerce site, which provides tailored services for even more customers through "Bra Recommendations Based on Body Type" and other features. We also partner with major platforms and actively sell products on other companies' e-commerce sites.

#### In-store × E-commerce (OMO)

In April 2025, we opened "WACOAL is," an online-merge-offline (OMO) store. The store provides the value added that is unique to the in-store format, such as trying products on, checking the materials, and consulting, while also strengthening connections with the volume of information, convenience, and variety of content possessed by the e-commerce site. We have designed the best customer journey by maximizing the strengths of both channels.

See  
p. 23



### Feedback from Customers Feedback from Sales Staff

#### Utilizing Customer Feedback

##### Establishment of the Wacoal Customer Center

Wacoal established the Wacoal Customer Center as an important hub for communicating with customers.

We share the feedback received and have established mechanisms for using it to develop and improve our products and services to enhance customer satisfaction.

##### Kiiteyo Wacoal (Your Request to Wacoal)

– Creating more attractive products based on customer feedback –  
We use the direct feedback we receive from customers daily, such as "I'd like some improvements to this product," or "I'd like you to sell that product again," in the development of products.

Customer feedback is our driving force for creating more comfortable and attractive products.

#### Utilizing Feedback from Sales Staff

Wacoal's Voice of Customer (VOC) initiatives reflect requests about sizes, materials, colors, and other product features obtained through feedback from beauty advisors on customer interactions and customer reviews into product development. For example, we have improved waist specifications following complaints about products feeling tight. The skills of our beauty advisors in empathizing and conversing with customers are utilized in creating products from the customer's point of view.

## TOPICS

### Beyond "Wearing" to "Experiencing" – The Skill and Passion Behind Wacoal Products

See  
p. 21

Wacoal Manufacturing Japan Corp. has been supporting domestic manufacturing for more than half a century. Today, the company has two factories; the Nagasaki Unzen Factory (established in 1973) and the Fukui Sakai Factory (established in 1970) and manufactures high-end products, primarily foundation garments, lingerie, and sportswear. In addition to these products, the company recently began new demand-driven production of various girdle products.

Our key role consists of creating the appearance, function, and feel intended by the designers and pattern makers as a product through the process of cutting the materials, sewing, inspection, and packaging. We do not just make products. Rather, we aim to embody Wacoal's planning and development skills in the form of a product delivered to customers that will allow them to appreciate its true value. All the employees picture the happiness of customers in our minds while working together in continuing to support manufacturing at Wacoal.



Sewing Team, Nagasaki Unzen Factory, Wacoal Manufacturing Japan Corp.

# Strategy

## Medium- to Long-Term Strategy Framework

Toward Realizing “VISION 2030” .....16

## Domestic Business Strategy

Domestic Business Strategy  
(A Message from Wacoal Corp. President) .....17

Special Feature: Key Person Interview

Interview 01 CW-X's Next Challenge.....20

Interview 02 Building a Customer-Centric Supply Chain .....21

Interview 03 Rebuilding Customer Touchpoints and  
the Path to Growth .....22

Interview 04 Seamless Integration between Stores and  
E-Commerce Centered on Body Data .....23

Interview 05 Toward a Wacoal “Where People Shine,  
We Shine” .....24

Domestic Business Topics .....25

## Overseas Business Strategy

Overseas Business Strategy  
(Message from the Head of the Global Operations Division) .....26

Special Feature: Key Person Interview

Interview 06 Expanding Customer Touchpoints in  
the European and US Markets .....29

Interview 07 Strengthening Our E-Commerce Strategy and  
Brand Presence in the U.S. ....30

## Financial Strategy

Financial Strategy (A Message from the CFO) .....31

## Toward Realizing the Medium- to Long-Term Strategy Framework “VISION 2030”

Our Group has formulated “VISION 2030,” which outlines our future vision toward 2030. This vision is based on backcasting from long-term goals, while considering the business challenges we face, our customers’ values, and changes in society and the environment, all in pursuit of putting our management philosophy into practice. Starting with fiscal 2024, we are advancing a revised medium-term management plan to enhance the likelihood of achieving VISION 2030. This plan aims to transform our structure into one capable of steadily generating cash, thereby improving profitability and capital efficiency while enhancing the effectiveness of our strategies.



FY2027 to FY2031

**Next medium-term management plan**

In addition to continuous improvement, we will pursue the goals of VISION 2030 through the execution of new growth investments

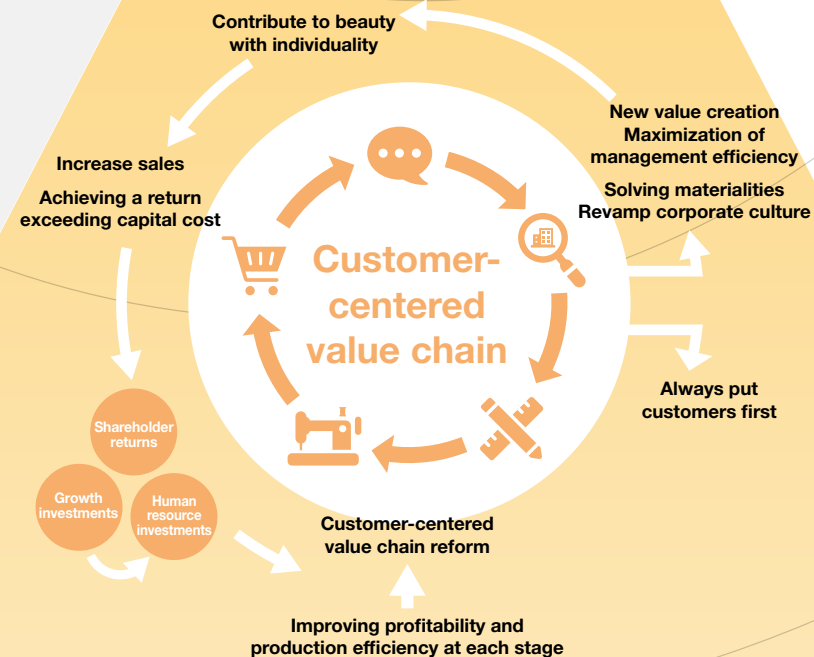
FY2024 to FY2026

**Revised medium-term management plan**

Transform into a cash-generating enterprise and pursue sustainable enhancement of corporate value

## Founding Principles Mission

### Evolution of value creation process



## Domestic Business Strategy (A Message from Wacoal Corp. President)

Empowering. WACOAL

A company that supports

each person's unique self

### Keisuke Kawanishi

Representative Director, President and CEO  
Wacoal Corp.



#### Wacoal's Role and Evolution

Wacoal Corp. established the concept of “underwear” in postwar Japan and created the market. We take pride in having earned the empathy and support of many women through branding centered on “beauty” and quality appeal during the period of rapid economic growth.

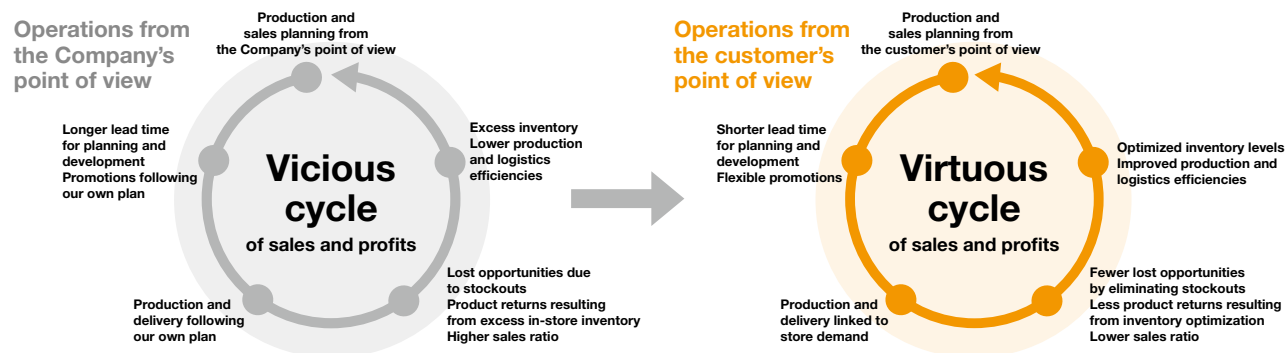
The anthropometric data and research findings accumulated since 1964 are significant assets, and our commitment to product development backed by these will remain our core strength. However, in this modern era of diversifying values and purchasing behaviors, it is not enough for companies to simply provide what they arbitrarily consider “good.” What customers choose today is what they themselves see as valuable. In an era where we value

individuality, without regarding age, gender, and life stage, we are also advancing a fundamental shift in approach from the Company's point of view to the customer's.

#### Results and Challenges of the Revised Medium-Term Management Plan

The revised medium-term management plan, with fiscal 2026 as its final year, represents a fundamental reexamination of Wacoal's business structure and value proposition. Moving beyond the previous “Company's point-of-view” approach, we have simultaneously advanced multiple reform initiatives aimed at achieving a fundamental shift toward business operations from the customer's point of view.

Progress on these measures has been steady, and certain results are beginning to emerge. However, due to rapid changes in the external environment and internal trial and error, there are also areas where effects have not materialized as initially targeted. Consequently, in May 2025, we made the difficult decision to revise





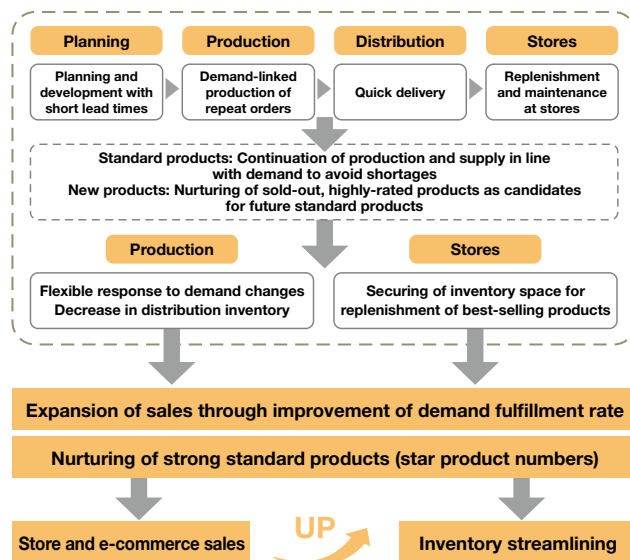
## Domestic Business Strategy (A Message from Wacoal Corp. President)

our performance forecasts for sales revenue and business profit downward. We view this as facing reality head-on and laying the groundwork for future growth.

### ●Supply Chain Management Reform: The Challenge of Demand-Linked Production

Supply chain management reform involves shifting from the traditional supply-driven model to demand-linked production. This entails establishing a system that closely integrates planning, production, supply, and sales processes to respond to market needs within a short timeframe.

We have now reached approximately 70% of our target, and contributions to sales are gradually becoming visible through the expansion of product numbers. Furthermore, the stable operation of the automated ordering system on the sales floor prevents stockouts even in stores without sales staff (beauty advisors), thereby reducing lost opportunities. Going forward, we will further expand the scope of demand-linked production to improve inventory efficiency and profitability.



### ●Cost Structure Reform: Transition to a Profit-Generating Structure

In our cost structure reform, we have steadily implemented measures to enhance profitability, including consolidating brands and product numbers, closing unprofitable stores, and revising retail prices. As a result, our profit structure has significantly improved, and we assess that we have achieved over 90% of our initial plan.

However, cost increases due to external factors, such as rising material costs and exchange rate impacts, remain a major challenge. While price revisions have already been implemented, further flexible pricing will be required going forward. We will continue to aim for building a robust profit base capable of responding to changes in the external environment through cost reduction measures and a review of our pricing strategy.

(billions of yen)		
Implemented Items	FY2024–FY2025	Cumulative Forecast for FY2026 <small>Figures announced in May 2024</small>
Brand selection and concentration	0.5	2.4
Reducing production costs	0.3	0.6
Reducing production and material costs	0.2	0.8
Improving the profit and loss of stores	1.1	1.3
Offering voluntary retirement	0.4	0.6
Optimizing other sales promotion expenses	0.9	2.0
Reducing distribution costs, etc.	0.1	0.4
Impact of cost deterioration due to exchange rate effects, etc.	-2.0	-2.0
Total	Approx. 1.5	Approx. 6.1

### ●Customer Strategy: Building Loyal Customers Through Data Utilization

In customer strategy, converting existing customers into loyal customers is a key challenge. Currently held customer data is limited to purchase history and body measurements. To achieve higher-precision personalization, acquiring and analyzing broader information such as lifestyle and values is essential.

Moving forward, we will enhance data resolution and lead the entire customer journey through initiatives like product

recommendations and point rewards, aiming to improve customer satisfaction and purchase rates.

### ●Brand Strategy: Rebuilding Value Across Generations

In brand strategy, the rebranding of “WACOAL” implemented in the previous term marked a significant milestone. While it achieved increased recognition among younger demographics, insufficient follow-up with middle-aged and older customers resulted in some customers leaving. Going forward, we will continue our approach to younger demographics while targeting middle-aged and older customers through the revival of past popular products and the reorganization of sub-brands.

Furthermore, while advancing brand consolidation and product number aggregation as part of our cost structure reform, we also realized that creating and delivering new value not found in the market—such as developing innovative products and features—is the best strategy for building brand recognition. We aim to rebuild brand value through effective communication across generations and by providing new value to the market.

### ●Brand Strategy: Strengthening CW-X and Future Outlook

CW-X is a conditioning wear brand created in 1991, based on years of research by the WACOAL Human Science Research & Development Center. By scientifically analyzing human movement, muscle load, and postural stability, and incorporating these insights into product design, it offers functional wear that supports performance enhancement and fatigue reduction.

While it has earned high praise primarily among top athletes and recreational runners, a key challenge moving forward is delivering its value to a broader customer base. Against the backdrop of an increasing interest in sports and health consciousness, it is necessary to communicate the value of CW-X to beginners at sports and those aiming for everyday health and wellness.

In March 2025, we signed a brand ambassador contract with world-class athlete Shohei Ohtani. His credibility and clout have done a lot to increase brand awareness, enabling us to reach previously untapped demographics. Moving forward, we will communicate the brand’s worldview and functionality more multifacetedly through sporting events and digital promotions.

## Domestic Business Strategy (A Message from Wacoal Corp. President)

Additionally, in product development, we are strengthening our lineup of conditioning wear for daily life and light exercise, in addition to our existing sports-focused line. For example, we are expanding our range of products with functionalities tailored to lifestyles, such as posture support during long periods of standing or desk work, and reducing fatigue during travel.

CW-X is a brand that symbolizes Wacoal's technological prowess and research assets, serving as a pillar for creating new value beyond the realm of innerwear. Moving forward, it will continue to evolve as a brand contributing to society, leveraging Wacoal's unique perspective and quality within the domain of beauty, comfort, and health.



### Organizational Restructuring: Pursuing Speed and Unity

A common challenge across all revised medium-term management plan initiatives is the pace of reform. Recognizing this, we implemented an organizational restructuring in April 2025, establishing a new unified structure that consolidates functions from planning to ordering. The aim is to achieve both faster decision-making and optimized supply chain management.

Furthermore, all departments in the Kansai region were consolidated into the head office, and sales functions were also transferred from regional offices to the head office. By reducing physical distance, we enhanced the quality and frequency of communication between departments, strengthening the Company's overall unity and the effectiveness of our initiatives.

In this way, the revised medium-term management plan is not merely a collection of measures, but a challenge to redefine the very foundation of Wacoal's value creation. Moving forward, we will continue to steadily implement reforms while calmly assessing

results and challenges, thereby taking solid steps toward achieving VISION 2030.

### Employee Evaluation and Expectations

Implementing transformation requires the conviction, confidence, and motivation of every single employee. Since becoming president, I have held several town hall meetings with section managers to foster their understanding of leadership roles and enhance their decision-making capabilities.

This term, we have also initiated dialogue with store beauty advisors to deepen our commitment to field-based and customer-based approaches. I hope employees will gain confidence through the experience of leveraging supply chain management reforms and brand strategies as their tools to deliver results.

From 2025, we will begin a phased revision of our human resources system, shifting the emphasis from bonuses to base monthly salary. This change is designed to provide fair and stable compensation, fostering an environment where employees feel both secure and empowered to take on new challenges.

### Wacoal's Vision and "Empowering. WACOAL"

In February 2025, we announced our new campaign slogan: "Empowering. WACOAL." This represents our resolve to deeply understand each individual's values and lifestyle, and to be a strong support for both mind and body.

This direction aligns with the essence of our revised medium-term management plan. Supporting our customers' individuality is the very foundation of our value creation. And this applies equally to our employees. I myself, as part of management, will actively instill empowerment so that our customers, employees, and everyone can move forward into the future with confidence and pride.

The revised medium-term management plan is entering its final year, leaving just five years until the achievement of VISION 2030. We must build on the reforms we have successfully executed to define a compelling long-term strategy and a detailed roadmap for growth, securing Wacoal's position as the brand customers choose

to support their holistic well-being and individuality.

We will continue to work closely with President Yajima and Vice President Miyagi of Wacoal Holdings to clarify the role and value of Wacoal Corp. within the broader group and formulate a sustainable growth strategy that anticipates the next decade of change.





# CW-X's Next Challenge

## Key Person 01

### Takaaki Matsui

CW-X Brand Management Department,  
Marketing Division,  
Developing Brand Management  
Sub-Division  
Wacoal Corp.



## The Current Position of CW-X from the Brand Manager's Perspective

Launched in 1991, CW-X has been Wacoal's conditioning wear brand, offering unique functionality through its proprietary taping lines. This has earned the support of many customers, enabling differentiation from competitors and delivering distinct value. However, brand recognition remains insufficient, and sales have yet to surpass the ¥10 billion mark. On the other hand, considering the current changes in the sports market, the growing health consciousness, and the need to address social issues, we recognize that the role and potential for CW-X to fulfill are expanding more than ever before.

## The Value CW-X Can Contribute to Expanding Our Beauty, Comfort, and Health Business

In expanding our "beauty, comfort, and health" business outlined in the revised medium-term management plan, CW-X serves as the

core brand. We believe beauty and health are not mutually exclusive; rather, being healthy fosters beauty and supports a comfortable lifestyle. CW-X is conditioning wear that helps regulate the body's condition when worn, supporting performance during exercise. By providing value not only to athletes but to everyone who moves their bodies, we will contribute to Wacoal's business expansion in the beauty, comfort, and health domain.

## Future Branding and Image Strategy

To grow CW-X into a global brand centered on Japan and the U.S., we will advance the following strategy while cherishing our core functionality, (wearable taping technology) and our meticulous manufacturing principle, (CW-X quality). Specifically, we will drive growth in two key areas. First, expanding our presence in the sports sector both domestically and internationally. Building on our existing track record, we will identify sales growth potential across various sports and pursue a strategy of selection and focus. Second, we will enter the occupational wear sector. We will develop functional wear primarily for physically demanding occupations such as healthcare, nursing care, and construction, aiming to establish a business framework for rapid sales expansion. Through these strategies, we will increase customer touchpoints and brand awareness, growing CW-X into a globally recognized brand.



## Toward Realizing "Empowering. WACOAL"

CW-X is advancing business expansion and growth to realize "Empowering. WACOAL" and achieve its 2030 sales targets. Specifically, within the domestic sports sector, we will accelerate

efforts to visualize brand value through collaborations with top athletes and promote functionality based on tangible wearer experiences. We will implement the same strategy in the overseas sports market. Furthermore, in the workplace segment, we will focus on developing new markets, particularly targeting occupations with high physical demands.

## VOICE

**To become a brand that is known, owned, and loved by people around the world.**

### Michiko Ito

CW-X Brand Management Department,  
Marketing Division,  
Developing Brand Management Sub-Division  
Wacoal Corp.



## Q1. What is your role in the project?

I am working on uniting our team's focus and direction toward brand expansion, driving product branding that encompasses everything from raising awareness to stimulating purchase intent.

## Q2. What challenges do you want to take on and what do you want to achieve through this project?

### (1) Branding

We aim to establish a recognizable brand image that resonates emotionally by ensuring consistency and unity across products, promotions, stores, and services.

### (2) Broad-Spectrum Conditioning for Body and Mind

We will expand our value into health and beauty by optimizing physical condition not only for sports but for all scenarios involving movement—be it work, daily life, or any activity.

### (3) Deep, Broad, and Long-Lasting Connections

We will build lasting relationships with our valued CW-X customers through aftercare and customizable experiential services.

Interview

02

# Building a Customer-Centric Supply Chain

## Key Person 02

### Tetsuro Ito

Corporate Officer, Head of SCM Division  
Wacoal Corp.



## Objectives of Establishing the SCM Division's Structure

Fiscal 2026 marked the final year of our revised medium-term management plan. To enhance the effectiveness of supply chain management reform within our business model transformation aimed at improving profitability, we established the SCM Division. While cost structure reforms progressed as planned, challenges remained regarding whether we were delivering value to customers through optimized store and internal inventory levels and appropriate product mixes in stores. To address this, we integrated the planning MD functions previously dispersed across the Technology and Manufacturing Division and the Product Development and Merchandising Division. Furthermore, by encompassing directly managed stores and the Catalog Division, we established an integrated system spanning production to sales planning, aiming to accelerate decision-making processes.

## Changes in the Field Through the Implementation of Supply Chain Management Reform

Historically, we prioritized cost efficiency and focused on planned production. However, since the start of our revised medium-term

management plan, we have shifted our focus to ROIC-driven management. We are now aiming to transition to a demand-linked production system that enables us to manufacture products quickly and deliver the items customers want to stores when they want them. Implementing this demand-linked production system has already yielded results. For example, at our overseas factories, the lead time from production order placement to delivery to distribution channels has been reduced from three months to one and a half months.

Furthermore, having production management and planning MD personnel within the same department has significantly heightened awareness of what customers need right now. At the same time, by prioritizing our star product numbers and fully implementing demand-linked production, we have successfully aligned the products needed in stores with those being manufactured. This has allowed both fronts to work together seamlessly and begin turning in sync. For example, for Wing, where inventory fulfillment rates were a challenge, the fulfillment rate for demand-linked production items in June 2025 reached approximately 90%, a significant 30-point improvement from the previous year, and it has begun contributing to store sales.

## Toward Realizing “Empowering. WACOAL”

For fiscal 2026, the SCM Division has established three major themes. The first is “delivery.” While delivering products is fundamental, we also aim to consciously convey the collective passion of the entire SCM Division to our customers, building the next generation of Wacoal. The second is “challenge.” The SCM Division handles a wide range of operations, from production to technical design, D2C, retail, and sales planning, and we consider it to be the core function of our manufacturing business. We will continue to think big about the future and build the Wacoal of tomorrow. To that end, we will continue to take on challenges and strive tirelessly with our members to ensure that Wacoal becomes a company recognized for its transformation. Third is “management based on mutual trust,” our founding principle. We aim to build relationships of mutual trust between superiors and subordinates across departments and with our business partners. Even if things don't go smoothly at first, we won't give up. We will think together as a team, help each other, and move forward. Our Company is built on a foundation of mutual trust and is a place rich in human warmth; this is the Wacoal I know and admire. We are committed to fostering this very culture as we work toward realizing our vision of a global Wacoal.

## VOICE

Through demand-linked production, I feel a sense of unity in the field.

### Tomochika Kihara

Nagasaki Unzen Manufacturing Department  
Wacoal Manufacturing Japan Corp.



## Q1. What do you consciously do in the field to ensure a “customer-focused” approach?

I am currently working on demand-linked production that allows customers to purchase the products they want, when they want them, and in the quantities they need. I am committed to creating products of quality that customers can purchase with confidence, and that bring a smile to their faces when they wear them.

## Q2. What changes or differences have you noticed through supply chain management reform compared to before?

As a factory implementing demand-linked production since fiscal 2025, we are directly experiencing significant changes. We must respond instantly to weekly orders, and every department must act with overall optimization in mind for this system to function. Furthermore, through our commitment to demand-driven production, I feel a greater sense of unity has emerged across the entire factory. Moving forward, to function as a vital pillar supporting customer-focused product delivery, we will not take existing methods for granted. We will constantly exercise our imaginations and strive to enhance our on-site capabilities.



Yue Sewing Team





# Rebuilding Customer Touchpoints and the Path to Growth



## Key Person 03

**Tatsushi Katsuzawa**

Corporate Officer,  
Head of Sales Division  
Wacoal Corp.

## Current Challenges

I assumed the position of Head of the Sales Division in April 2025. After taking office, I visited as many stores as possible while also introducing myself to our business partners. While the insights gleaned from data and conference materials are undoubtedly valuable, they alone are insufficient for accurately gauging the expectations of our customers and partners, keeping pace with shifts in the market and competitive landscape, or understanding the challenges and implementation status of initiatives as perceived on the ground. Based on this firsthand understanding of the field, the key challenges I have identified are as follows: (1) As a fashion and apparel manufacturer, we are failing to provide customers with excitement. (2) Our merchandising strategy and monthly featured products are unclear, resulting in insufficient appeal to customers. (3) Consequently, expectations for our Company have significantly declined, and touchpoints with customers are decreasing. I believe this situation stems from the rapid push for operational efficiency

through organizational restructuring and early retirement programs. This forced employees to focus their time on daily operational tasks, leaving insufficient capacity to shift towards strategic thinking and action aimed at acquiring new customers and expanding sales.

## Initiatives to Expand Customer Touchpoints

The Sales Division has set its goal for fiscal 2026 as “Creating Wacoal Fans = Increasing Customer Numbers.” We will not just wait for customers at the sales floor but actively approach them where they are. We will also reorganize our efforts, including discontinuing less efficient activities, to focus on initiatives with significant impact, namely: (1) We will clarify and focus on monthly enhanced merchandising and sales initiatives. (2) We will expand the layaway and order-in service. We are implementing these initiatives in collaboration with other departments to increase customer touchpoints. Furthermore, we are enhancing execution capabilities by having each section, led primarily by section managers, establish specific policies, measures, and designated priority stores. We are also working to raise employee awareness of numerical targets by linking these efforts to numerical plans.

## Outcomes of the Initiatives

Sales performance for the first quarter of fiscal 2026 in the Sales Division fell short of the plan across all channels—department stores, mass retailers, specialty stores, and directly managed stores—and has not met initial expectations. With the successive closures of key customers and the continued challenging external environment for our Company, we believe it is essential to pursue initiatives to acquire new customers. Regarding customer numbers, we have established numerical targets for each category—existing, new, and non-registered customers—and are advancing initiatives to achieve these goals. While retaining existing customers remains a priority, we will intensify efforts to acquire new and non-registered customers going forward.

Meanwhile, our key initiative, the layaway and order-in service, is progressing well, exceeding plans by over 20% in store visits, purchasing customers, and purchase amounts. We intend to continue expanding this initiative with this momentum. Going

forward, we aim to further increase service awareness and usage through expanded rollout and integrated operations with services like “Free Bra Fitting” and “Bra Recommendations Based on Body Type” consultations.

## Toward Realizing “Empowering. WACOAL”

To support as many customers as possible in embracing their individuality, we must continue creating brands, services, and products that customers love, thereby building a loyal customer base. To achieve this, our Sales Division—the department closest to our customers—accurately identifies customer needs, develops the brand’s vision encompassing marketing strategies and store design, delivers high-quality service through customer interactions, and expands brands and products tailored to customer needs. We will strengthen our sales initiatives by leveraging these activities to provide appealing stores and inspiring experiences, thereby cultivating a loyal base of brand advocates. Furthermore, we aim to build an organization where Sales Division team members, who have frequent direct contact with customers, can feel excitement and a sense of fulfillment in their work.

## TOPICS



### Order Online, Try In-Store: Layaway and Order-In Service

In October 2023, we launched a service allowing you to reserve or request items at your preferred store. This service enables customers to request a “layaway” or “order-in” for items they are interested in via the official Wacoal website store. Customers can then try on and purchase the item at their designated store. If the item is in stock, it will be “laid away” for the customer. If not, the customer can “order it in” from the Wacoal website store.

Previously, customers had to either check availability beforehand via the “store inventory” feature on the Wacoal website store or contact the store directly. We also received complaints that even when visiting the store, desired sizes or colors were often unavailable. By launching this integrated online-offline service, customers can now visit stores without worrying whether their favorite products are in stock. This saves time, enhances convenience, and creates a more comfortable shopping experience.





# Seamless Integration between Stores and E-Commerce Centered on Body Data



## Key Person 04

**Tsutomu Fujimura**

Corporate Officer,  
Head of D2C Sub Division,  
SCM Division  
Wacoal Corp.

## Current Challenges

Our primary challenges are a decline in store traffic and lower brand awareness and recall. However, the lifetime value (LTV) of customers who shop both in our stores and on our EC website is more than double that of those who use only one channel. Furthermore, for customers who have their body data measured and stored through our 3D measurement service “SCANBE,” this LTV increases by an additional 1.2 times. From this, I believe that advancing OMO (Online-Merge-Offline) initiatives to seamlessly integrate our online and offline channels will enhance the customer experience. At the same time, increasing our base of customers with registered body data and encouraging the use of both stores and EC sites, anchored by this personalized body data, is fundamental to building deeper, longer-lasting relationships with our customers.

## Creating New Customer Experiences

In April 2025, we opened the OMO-style store “WACOAL is.” Based on the concept of “the new me, right here,” “WACOAL is” is a shop where customers can discover and experience aspects of themselves they didn’t know, going beyond the traditional task of

“buying underwear.” Inside the store, we feature sections linked to our e-commerce site, allowing customers to experience digital initiatives while viewing actual products. We provide added value unique to physical stores, such as try-ons, material checks, and consultations. Simultaneously, by leveraging the e-commerce site’s wealth of information, convenience, and enhanced integration with various content, we design an optimal customer experience that maximizes the strengths of both channels. Furthermore, in July of the same year, we updated the “Bra Recommendations Based on Body Type” consultation service offered with SCANBE. By linking body data with the e-commerce site, we launched a service that supports customers in selecting the right bras based on their body type directly on our e-commerce platform.



## Expanding Customer Touchpoints and Initiatives to Strengthen Directly Managed Brands

Our e-commerce sites foster deep, long-lasting customer relationships through OMO integration with physical stores. To broaden customer touchpoints on third-party platforms, we expanded our presence beyond general e-commerce sites like Amazon to include fashion retail platforms such as “and ST” and “World Online Store.” We are also advancing product development specifically designed to strengthen sales capabilities on these third-party platforms. Simultaneously, we are working to enhance our directly operated brands. We are redefining brand concepts, clarifying target demographics, and implementing these changes through customer communication, store design, and product development.

## Toward Realizing “Empowering. WACOAL”

Since establishing the Human Science Research Center (now the Human Science Research & Development Center) in 1964, Wacoal has utilized body data in product development, a practice that continues today. We believe that providing products and services developed around this core competency, supporting customers in living more authentically as individuals, is something only our

Company can achieve. By installing SCANBE in stores, we aim to create an environment where customers can easily select products suited to their bodies. This is achieved by having customers register their body data and providing services that make good use of that data.

## VOICE

### Stores Are Evolving into Places of Discovery and Experiences

**Mirei Hirata**

D2C Strategy Section,  
D2C Management Sub Division, SCM Division  
Wacoal Corp.



### Q1. What is your role?

My role in advancing our OMO strategy involves developing and implementing unique “WACOAL is” initiatives and VP plans, identifying issues in stores, and collaborating with sales associates (beauty advisors, hereafter BA) to drive improvements. I focus on creating an environment where BAs feel comfortable speaking up and being heard, leveraging my own BA experience, with the goal of increasing combined store and e-commerce site usage rates and maximizing LTV.

### Q2. What are the initiatives for connecting with customers?

During SCANBE fittings and other try-on sessions, we encourage customers to register on our official app, WACOAL CARNET. This helps us maintain our connection with customers after their visit. SCANBE also recommends measurements every three months. If a desired product is not available in-store, we offer a layaway and order-in service and distribute free shipping coupons for our e-commerce site.

### Q3. What changes have you noticed through these initiatives?

We feel a real connection with our customers—whether they return for remeasurements after experiencing SCANBE’s 3D body scan, or come to try new services like “Bra Recommendations Based on Body Type” consultations or the Fashion Framework Analysis. I sense that stores are evolving from places to buy products to places of discovery and experiences.



# Toward a Wacoal “Where People Shine, We Shine”



## Key Person 05

Kazuma  
Hirose

Head of HR Department,  
HR and General Affairs Division  
Wacoal Corp.

## Challenges in Promoting Human Capital Management

In advancing human capital management, we identified two major changes as challenges.

The first is the decline in the working population. Currently, the average age of Wacoal's management is approximately 48 years old. In Japan, there are currently 1.99 million people at the age of 50. In contrast, the population of 22-year-olds is only 1.26 million. And 12-year-olds, who will join the workforce in 10 years, currently number 1.03 million—roughly half the amount of 50-year-olds. (Ministry of Internal Affairs and Communications Statistics Bureau Population Estimates, October 2024 Results)

The second is accelerating environmental changes. Due to shifts in the global landscape and values, customer needs, purchasing behavior, employee workstyles, and the labor market are changing at an accelerating pace. In contrast, our current personnel system was established about 18 years ago. Therefore, aiming to realize a Wacoal “where people shine, we shine,” we decided to focus on building an organization that supports the growth of each individual employee and is highly rewarding.

## Current Initiatives and Their Objectives

To foster individual growth and enhance organizational strength, thereby creating a virtuous cycle of high profitability and generous compensation, we began discussions in 2023 and embarked on a fundamental overhaul of our personnel system. This overhaul centers on the three core elements of personnel systems: the grading system, the evaluation system, and the wage system.

### 1. Grading System

**Previous Challenge:** Strongly seniority-based, with weak linkage to contributions to the Company.

**Solution:** To directly link individual and company growth, we have transitioned to a role-based grading system which minimizes seniority-based elements and is instead centered on the responsibilities of a position and the Company's performance expectations. This system ties an employee's grade and compensation directly to their contribution and achievement within their expected role. This not only increases a sense of fairness for the individual but also creates a direct line from employee contribution to company success.

### 2. Evaluation System

**Previous Challenge:** Due to company-wide relative adjustments after evaluations, employees sometimes lacked satisfaction with their final ratings, creating a situation where it was difficult to link evaluations to talent development.

**Solution:** We have shifted the basis for determining base salary from “absolute allocation based on comparative evaluation” to “relative allocation based on absolute evaluation,” thereby eliminating peer ranking and establishing a foundation for performance communication focused on the individual employee's own achievements. Furthermore, we have transformed our assessment methodology from measuring an individual's general progress to evaluating their specific performance against the expectations of their assigned role. This change reinforces the system's function as a “communication tool for talent development.”

### 3. Wage System

**Previous Challenge:** The only mechanism reflecting individual performance was bonuses.

**Solution:** We have reformed our compensation system to directly link individual performance to base salary. To foster a company-wide optimization mindset, the bonus is now calculated by multiplying an individual's base pay rate by a bonus month number determined by overall corporate performance. This ensures that profits generated

by the entire Company are shared among all employees. This approach is designed to break down sectionalism, as individual performance-based raises also factor into the bonus calculation, creating a compensation structure that truly rewards contributions and results. Furthermore, we have reduced the bonus ratio by approximately 15%, shifting this fixed portion to the monthly salary. This rebalancing increases the proportion of guaranteed monthly income, thereby enhancing compensation stability for our employees.

## Fostering Dialogue with Employees and Building a Supportive Framework for Organizational Reform

We anticipated that some employees would experience confusion or anxiety in response to the significant changes brought about by the personnel system reforms described above, and indeed, we received a wide variety of feedback. To help alleviate these concerns, we established a forum for dialogue between HR and employees called “Ii Taiwa” (Good Dialogue) to explain the rationale behind the reforms and foster a two-way conversation. To date, we have held 35 sessions with a total of approximately 400 participants. Furthermore, as part of the headquarters renovation “REBORN Project” implemented in fiscal 2025, we introduced a full free-address office layout. This environmental redesign aims to break down barriers across departments and hierarchies, encouraging the exchange of ideas and fostering unprecedented innovation. We remain committed to continuously enhancing communication among employees and will further develop initiatives to deepen dialogue between management and staff.

## Toward Realizing “Empowering. WACOAL”

I view our employees as our “internal customers” and aim to be the department they feel closest to. By reforming our systems to ensure that successes are shared with employees more than ever before, we are committed to supporting and rewarding their contributions. As fiscal 2026 marks the final year of our revised medium-term management plan, we will challenge ourselves to achieve our targets as one united company and share the resulting profits across the entire organization.

Our ongoing personnel system reforms will reach a key milestone this period. Moving forward, we will ensure the new system is fully embedded and properly managed, creating a workplace where every employee finds true fulfillment in their work and accelerating Wacoal's further growth.

## Domestic Business Topics

We are developing diverse initiatives centered on the areas of beauty, comfort, and health to help each and every customer realize their own unique beauty.

### Osaka-Kansai Expo to Offer PHR Service “Healthcare Experience Starting with 3D Body Scans”



Wacoal Corp. was selected as a service provider for the Ministry of Economy, Trade and Industry's demonstration project “2023 Supplementary: PHR Social Implementation Acceleration Project (Research and Demonstration to Identify Issues and Challenges for Creation of PHR Use Cases Based on Information Collaboration Infrastructure).” This initiative aims to expand the user base for Personal Health Record (PHR) services and create new use cases. In collaboration with asken Inc., known for its AI meal management app ‘asken’, Wacoal provided a new PHR service called “Healthcare Experience Starting with 3D Body Scanning.” (Exhibited from June 21–29, 2025)

#### ■ Service Details

Using Wacoal's 3D measurement service SCANBE, participants scanned their bodies with 3D body scanners at the venue. This data automatically syncs to the official Wacoal app “WACOAL CARNET,” allowing participants to visually confirm their body data. Then, by entering their desired goals within the app, participants received personalized dietary and exercise advice powered by asken's expertise to help them get closer to their ideal. This achieves a seamless healthcare experience, from body visualization to actionable plan recommendations.

### Selected for the “DX Stocks” List for the Second Consecutive Year



Wacoal Holdings Corp. has been selected for the second consecutive year as a “Digital Transformation Stock” (DX Stock), jointly selected by the Ministry of Economy, Trade and Industry, the Tokyo Stock Exchange, and the Information-technology Promotion Agency, Japan.

#### ■ Key Initiatives Evaluated in DX Stock Selection

Wacoal offers a consistently satisfying customer experience both in-store and online, leveraging its traditional strength of consulting services provided by sales associates (beauty advisors), alongside its 3D measurement service SCANBE and apps. Furthermore, by utilizing accumulated 3D measurement data in multiple ways —through our services, manufacturing, and open innovation with various other industries—we are creating even greater customer experience value. In March 2024, we launched our first paid content “Fashion Framework Analysis,” which has received an overwhelmingly positive response that exceeded our expectations.



SCANBE measurements

Fashion Framework  
Analysis POP-UP



### Femcare Brand “YOJOY” Wins Women’s Empowerment Brand Award



Mayumi Farset  
Personal Products Sales and  
Merchandising Department  
Wacoal Corp.

Wacoal Corp.'s “femcare” (feminine care) brand YOJOY has received the Women's Empowerment Brand Award at the “HAPPY WOMAN AWARD 2025 for SDGs.” This award recognizes individuals and companies contributing to women's empowerment and SDGs promotion through challenges and activities aimed at building a sustainable society.

#### ■ Reason for Award

YOJOY was created to support women through each life stage, encouraging daily self-care even before any physical discomfort arises. Through digital content and a diverse range of self-care products—including body care items suitable for delicate areas and thoughtfully designed underwear—the initiative provides opportunities for women to connect with and care for themselves. This initiative promotes greater health awareness, contributes to overall well-being, and helps spread the importance of self-care throughout society. It has been highly recognized for its merit in creating an environment where women can live healthier, more authentic lives by developing innovative programs that support the balance of body and mind and encourage self-care.

#### ■ About YOJOY

Born from an internal company project in October 2023, YOJOY is Wacoal's first femcare brand. Rooted in the philosophy of “Yōjō”\*, it focuses on the importance of daily self-care. The brand aims to help women find their balance and support them on their self-care journey.

\* Yōjō: Literally “nurturing life.” Refers to mindful daily self-care to maintain and enhance one's health and well-being.

yojoy



## Overseas Business Strategy (Message from the Head of the Global Operations Division)

Through mutual trust and unity,

we create global synergy,

aiming to become a global Wacoal

## Takuya Yoshidomi

Corporate Officer,  
Head of Global Operations Division  
Wacoal Holdings Corp.



### ■The Role of Overseas Operations within the Wacoal Group

Our Group's mission is to realize our founding principle of a "global Wacoal" by gaining recognition and support for our products from customers around the world and ensuring their continued patronage. While domestic sales in Japan account for the largest share of consolidated results, the Group's total overseas sales, including non-consolidated affiliates, already exceed ¥100 billion, representing a significant scale. Furthermore, overseas markets continue to offer high growth potential. From the perspective of generating sustainable sales and profits, our overseas operations are positioned as a key pillar of our growth strategy.

I assumed the position of the Head of the Global Operations Division in March 2025. Since taking office, I have visited each overseas subsidiary. I have come to realize that many members

who have worked at Wacoal for many years are highly loyal and committed to their work. I also see that each overseas subsidiary is advancing its business while sharing the Group's important principles, such as a "global Wacoal" and "mutual trust." I believe the sense of unity within the current Wacoal Group stems from the fact that our predecessors, starting with our founder, cherished the founding principles and carefully instilled them overseas while building our corporate culture.

However, each overseas subsidiary currently faces challenging business conditions with numerous issues to address. Even in this difficult environment, we will place greater emphasis than ever on the spirit of "mutual trust" cultivated globally. Furthermore, to sincerely respond to the efforts of our employees and the expectations of our customers and other stakeholders, I myself will approach my duties with unwavering resolve.

### ■Current Status and Initiatives in Key Areas

To drive growth in our overseas operations, each overseas subsidiary is implementing various initiatives. However, we also recognize the harsh reality that the Wacoal Group's traditional business model is not sufficiently adapted to the current market environments in each country.

Going forward, we must accurately grasp market changes and the diversification of customer needs in each country, and adopt a stance that promotes flexible and swift transformation. We will consistently engage sincerely with the market and, through agile responses, aim to return to a growth trajectory.

## Overseas Business Strategy (Message from the Head of the Global Operations Division)

### Initiatives for U.S. Business Operations

The U.S. business was once positioned as a major revenue generator within the Group, based on a business model centered on wholesale to department stores, and consistently generated stable profits. However, in recent years, the successive closures of department stores—its primary sales channels—have made strengthening its e-commerce business an urgent priority.

In 2023, we decided to withdraw from “LIVELY,” reflecting the current reality that we have not fully achieved the anticipated growth in our e-commerce operations. To drive future growth in our e-commerce business, enhancing brand recognition among consumers and achieving conversion to purchase are essential. We recognize that this requires proactive investment in digital marketing and e-commerce initiatives.

Specifically, we plan to make additional investments equivalent to approximately 3 to 4 percentage points of sales starting in fiscal 2027 to strengthen our digital marketing efforts. Additionally, we

have begun overhauling our proprietary e-commerce platform, aiming to increase the current e-commerce sales ratio of just under 50% to over 55% in the future. Concurrently, we are also advancing cost structure reforms in our factories and indirect departments to maximize business efficiency.

The United States has been a key market that has significantly contributed to the Group in terms of both sales and profits, and its role remains unchanged going forward. To meet these expectations, we will actively pursue strategic investments to drive sales growth and achieve medium- to long-term growth.

### European Business Initiatives

The top priority for our European operations is the thorough execution of PMI (post-merger integration) between Wacoal Europe and the Bravissimo Group, acquired in 2024. Both companies are large-scale businesses, and leveraging their respective strengths while maximizing synergies across the entire Group is a key initiative

for our European operations.

The European market differs from other regions due to its mix of diverse countries and cultures, requiring detailed strategies tailored to each market’s needs and distribution channels. A particularly significant difference is the very high proportion of sales through specialty stores. This necessitates flexible responses in both product and channel strategies for each country.

We will continue to carefully engage with each national market, implementing growth strategies aligned with local characteristics.

Furthermore, we recognize the critical importance of e-commerce in Europe. Contributed to by the acquisition of the Bravissimo Group, Wacoal Europe’s e-commerce sales ratio reached approximately 37% as of the end of March 2025. We will continue to strengthen our e-commerce business to drive further growth.

### China Business Initiatives

In the Chinese market, emerging brands centered around e-commerce are rapidly rising, and advanced sales styles differing from our traditional business model have become mainstream. Due to these changes in the market environment, we are currently facing a challenging situation, making structural transformation an urgent priority.

For fiscal 2026, our primary goal is to achieve the break-even point. To realize this, we have identified strengthening our e-commerce business as the top priority. Specifically, we must adapt to China’s unique digital promotion landscape, leveraging locally distinctive sales promotion methods, including live commerce. Furthermore, we plan to actively utilize and expand the “Muse” role to enhance its recognition.



Mitch Kauffman, CEO of Wacoal America Inc. at Wacoal Dominicana Corp., a sewing factory



## Overseas Business Strategy (Message from the Head of the Global Operations Division)

Additionally, we are undertaking reforms in our physical stores, advancing the creation of sales floors that respond to changing trends in the Chinese market. Stores that have actually transitioned to the new image are showing tangible results, and we feel confident about future developments.

We will continue to accurately grasp trends in the Chinese market and maintain flexible and swift responses, thereby advancing the development of marketing strategies that resonate locally.

### Initiatives in Other Areas

In the Asia region, five locations—Singapore, Hong Kong, Malaysia, the Philippines, and Vietnam—collaborate to enhance operational efficiency and market responsiveness across the entire area through mutual cooperation between countries.

Furthermore, in the rapidly growing Indian market, we are expanding the number of stores and sales floor space in department stores and specialty shops, resulting in steady sales growth. Additionally, we are advancing the expansion of company-operated stores and e-commerce channels. We will steadily implement various measures to achieve profitability in the near future.

### Future Overseas Business Strategy

Our overseas operations play a vital role in driving the Company's growth and realizing a "global Wacoal." We will continue to steadily advance initiatives necessary for business expansion with a sense of urgency, while constantly reviewing inefficient operations to ensure the optimal allocation of management resources.

Until now, our overseas operations have respected the market characteristics of each country, entrusting each subsidiary with formulating its own business policies and strategies. However, advances in IT environments are enabling more efficient cross-border information sharing and deployment of marketing methods. Going forward, we will accurately grasp the business conditions and progress cultivated in each country from Japan's perspective and deploy this across the entire Group. This will drive

transformation to create effective synergies and enhance the growth potential of the entire group.

Furthermore, each entity has many colleagues who share a deep commitment to our principles, such as a "global Wacoal" and "mutual trust," and who conduct business with genuine dedication. We believe this shared set of values is the very source of our Group's unity as a global enterprise and the foundation for creating synergies. Moving forward, we will continue to cherish this unity while further accelerating our collaboration and growth as a group.

### Realizing "Empowering. WACOAL"

Wacoal Corp.'s campaign slogan, "Empowering. WACOAL," embodies not only our commitment to providing value to customers and society, but also our aspiration to be a company where every employee can work with confidence and pride. What I value most is precisely that "foundation." If our employees aren't thriving, the Company cannot thrive either. Consequently, we cannot deliver excellent products to our customers, generate profits, or provide sufficient returns to our shareholders. In other words, I believe the foundation of everything lies in "employee empowerment."

In my role leading overseas operations, I recognize that the most critical task now is to clearly define the direction we must take and execute necessary measures in a timely manner. And if we don't achieve the expected results, we must promptly adjust our course and deliver results. I believe that achieving results will give employees in each country confidence and a sense of accomplishment, which will lead to employee empowerment and ultimately to Wacoal's empowerment.

I place great importance on visiting locations in person whenever possible and engaging in ongoing dialogue with local team members. Rather than simply issuing one-way instructions, I aim to learn from our local colleagues and walk alongside them. Furthermore, I will actively communicate messages that empower our overseas colleagues.

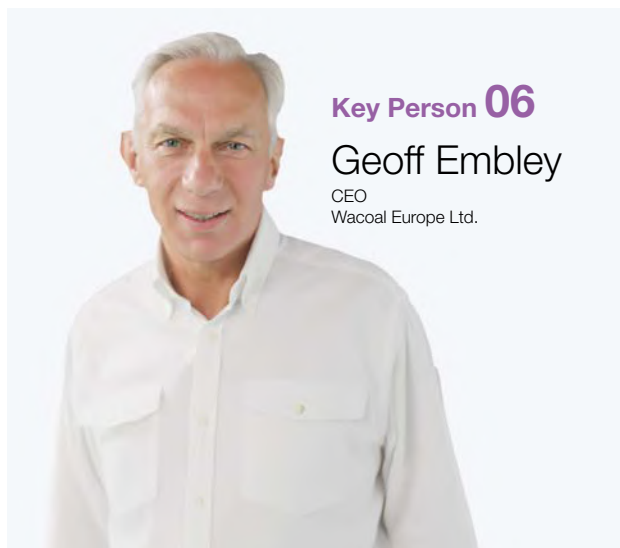
Enhancing our presence as a "global Wacoal" fosters

employee pride and engagement, ultimately leading to improved performance. To create this virtuous cycle and sincerely respond to the efforts of our employees and the expectations of our stakeholders, I will continue to take on challenges alongside all our global members.





# Expanding Customer Touchpoints in the European and US Markets



## Key Person 06

Geoff Embley

CEO  
Wacoal Europe Ltd.

## Purpose of the Bravissimo Acquisition and Current Progress

First and foremost, Bravissimo is a strong retail brand, known for its excellence in fit and customer service, qualities that are also at the core of Wacoal's DNA. We share these values, and in a rapidly evolving retail landscape, the acquisition aligned with our business strategy. It allowed us to de-risk the wholesale model while gaining control of a complementary route to market alongside our branded e-commerce platforms.

Bravissimo has successfully reached its milestones despite the challenging trading conditions in both the UK and the USA. Integration efforts are underway, but the priority remains clear to



execute this process while preserving the strength and identity of the Bravissimo brand.

## Future Expansion Prospects in the UK and Continental Europe (including Bravissimo)

The UK and Continental European markets remain a strategic priority, with efforts focused on expanding distribution and increasing brand penetration. Despite ongoing competitive pressures, our footprint across Europe continues to grow. Strategic placements in premium retail partners such as Galeries Lafayette and El Corte Inglés and ongoing expansion through Zalando have contributed to stronger performance among independent retailers.

Progress continues in line with our strategy to strengthen direct-to-consumer channels. We are advancing branded site development in Germany and are currently evaluating the broader rollout of the Bravissimo e-commerce platform across additional European markets. In the UK, a new store is set to launch shortly, and further retail locations are under active review to support long-term growth.

## Initiatives to Strengthen Human Capital for Employees in Each Country

Wacoal's corporate philosophy places strong emphasis on respecting individual potential, fostering continuous self-development, and contributing to society principles that align closely with global strategies to strengthen human capital. In support of these values, we invest significantly in structured communication, professional training, and initiatives that promote employee well-being and work-life balance. We recognize and value the unique contributions of every employee and are committed to cultivating a respectful, inclusive workplace grounded in mutual trust.



Sharing performance and policies at six global locations every six months



Sales conference where sales members from various countries gather

## TOPICS

### September 2024: Acquisition of Bravissimo Group Limited



Since its foundation in 1995, the Bravissimo Group's mission has been to support women with a D+ cup size, helping them to feel confident and radiant, earning the support of customers with larger busts. With approximately 700 employees, the company operates 25 stores across the UK and delivers products and services to fans worldwide through its own e-commerce site. The company has earned high acclaim, including winning the UK Lingerie Retailer of the Year Award for Best eTailer in 2022.



# Strengthening Our E-Commerce Strategy and Brand Presence in the U.S.



## Trends in the U.S. Wholesale & E-Commerce Market

Since the pandemic, the U.S. retail landscape has drastically shifted toward digital. E-commerce is no longer just a nice-to-have; it's essential. Traditional department stores and specialty retailers are leaning into data-driven, curated assortments to meet evolving customer expectations. As brick-and-mortar sales decline, e-commerce continues to gain momentum, and we expect that trend to continue.

Today's customers want a seamless experience across channels. Whether they're shopping in-store or online, they expect convenience and flexibility that fits their lifestyle.

At Wacoal, we're focused on meeting customers wherever they are, whenever they're ready to shop. Our goal is to deliver the same level of inspiration and excitement; whether that's through a screen or on a store floor.

## Learning from LIVELY's Exit

Stepping away from the LIVELY business was a turning point for us. The decision came after underwhelming sales driven by a tougher

competitive environment and new data privacy regulations.

What we learned was clear: we need to fully own and control our e-commerce strategy to stay competitive. Things move fast in the digital space; technologies change, markets shift. If you're too reliant on external resources, you're always a step behind. This experience reinforced the importance of developing in-house capabilities that allow us to move quickly and adapt in real time.

Speed and deep customer understanding are critical. In today's market, if you can't meet the customer where she is, on her term, she'll go somewhere else.

## Our Vision for Wacoal America

We're in the middle of a transformation that's redefining the future of Wacoal America. Our top priority right now is upgrading our tech stack and digital infrastructure. This will help us operate more efficiently, respond faster, and deliver a better customer experience across all touchpoints.

In the short term, we're also sharpening our focus on SEO and performance marketing. While we're careful not to lean too heavily on data alone, we know these tools are critical to building a strong foundation for long-term growth.

Looking ahead, we're investing in our CRM and loyalty programs to create more personalized experiences. Strengthening customer relationships is key to staying relevant and trusted for the long haul. We also believe in delivering a cohesive brand story across all channels, so what you experience online feels just as genuine in-store. We're even exploring partnerships with brands that align with our values to help bring that story to life.

Longer term, we're exploring AI-powered personalization. For example, we want women of all sizes to see product and solutions that reflect their own bodies when they visit our site, so the shopping experience feels more relatable and inclusive.

Ultimately, our goal is to create a brand experience that resonates emotionally. Intimates aren't just about function, they're deeply personal. Through storytelling and inclusive visuals, we want everyone to feel, "This brand understands me."

We're proud to offer products for every stage of a woman's life. And we aim to be a brand that anticipates what customers need;

even before they realize it themselves. That's the kind of empathy and awareness we're working to build into every part of our business.

## Building on Trust and Wacoal America's Role Globally

"Mutual Trust" is more than just a company philosophy at Wacoal; it's something we live every day. Whether we're working with team members, retail partners, or customers, transparency, service, and product quality are the foundation of our relationships.

A recent example: when there was news about potential tariff changes, we made sure to share that information with our partners immediately. Our retail partners often tell us we're the first to communicate, even when the news isn't optimal. Trust isn't something you build overnight, it's earned day by day, by consistently seeing things from your partner's perspective and acting with integrity.

Wacoal America plays an important role as an innovator within the larger Wacoal Group. The U.S. is one of the most competitive and diverse markets in the world, and the insights we gain here are invaluable for the entire organization.

We want to contribute not just sales, but strategic value that benefits the entire group. We want to play a role in paving the way for the group's future in all aspects, including product development, brand building, and digital strategy.





## Financial Strategy (A Message from the CFO)



**Accelerating the PDCA cycle for the revised medium-term management plan initiatives to drive profitability and capital efficiency improvements as we push into the final sprint**

**Akira Miyagi**

Representative Director,  
Vice President and Executive Officer and CFO  
Wacoal Holdings Corp.

### ■ Review of Fiscal 2025

Fiscal 2025 was a year in which we steadily implemented various measures aimed at improving profitability, as outlined in our revised medium-term management plan. However, the business environment both domestically and internationally proved significantly more challenging than anticipated, resulting in a disappointing performance for the Group as a whole. Domestically, the recovery in personal consumption was sluggish, and overall market demand also fell below initial projections. Overseas, the decline in personal consumption in the U.S. market was particularly pronounced, impacting not only local subsidiaries but also European operations with a high sales ratio to North America. In the Chinese market, in addition to sluggish personal consumption, the overall economic slowdown has persisted, and the outlook remains uncertain.

Even under these challenging conditions, we have steadily advanced the review of unprofitable businesses and improvements in asset efficiency in line with our revised medium-term

management plan. For fiscal 2025 and the current fiscal year, we have also achieved a significant improvement in free cash flow through real estate sales, making solid progress toward strengthening our financial position. Furthermore, our European operations, including the UK-based Bravissimo Group acquired in September 2024, are achieving steady growth, and the diversification effect of our global portfolio is beginning to materialize. Even amid challenging economic conditions, new seeds of growth are steadily taking root.

On the other hand, while steady progress has been made on supply chain management reform and cost structure reform—key pillars of structural reform—delays in realizing effects and execution speed issues have become apparent in some initiatives. Greater momentum is now required going forward. We will continue to strengthen our management foundation by sincerely addressing not only the revenue decline stemming from the challenging external environment, but also internal issues such as the pace of reform implementation and delays in realizing the effects of brand rebuilding.

### ■ Progress Status of the Revised Medium-Term Management Plan

Regarding the progress of the revised medium-term management plan, considering the challenging business environment both domestically and internationally, delays in the realization of the effects of revision measures, and the revenue reduction impact from addressing unprofitable businesses not anticipated at the planning stage, we have revised downward the targets for this year, which is the final year of the plan period. Specifically, revenue has been revised from the initial ¥203.5 billion to ¥187.5 billion, and business profit has been revised from ¥13.0 billion to ¥4.7 billion.

Domestically, while awareness among younger consumers has expanded through initiatives like the rebranding of “WACOAL,” unexpected impacts have also emerged, like driving away some of our core customers from the middle-aged and senior demographics. Furthermore, improvements in inventory turnover and fulfillment rates resulting from supply chain management reforms have taken longer than anticipated to materialize. This has



## Financial Strategy (A Message from the CFO)

hindered the ability to make timely, flexible course corrections, impacting profitability.

Overseas, we were somewhat slow to respond to shifting market demands—from functionality to comfort—and the expansion of e-commerce channels. In the U.S. market, uncertainties like tariff measures persist, while in China, consumer purchasing preferences are shifting toward low-priced goods, particularly on e-commerce sites. To further enhance the Group's overall competitiveness, swift business model transformation is essential.

Furthermore, the sluggishness in implementing the PDCA cycle is a point requiring reflection. We must accelerate not only planning and execution but also the speed of review and subsequent action, thereby strengthening our ability to respond to change.

On the other hand, Wacoal Corp. itself is seeing steady results from structural reforms in profitability, such as reducing SG&A expenses by over ¥3 billion from fiscal 2023 to fiscal 2025. We are confident that the direction of the revised medium-term management plan itself is right for improving profitability. We will drive forward with the determination to thoroughly execute what needs to be done to realize VISION 2030.

### ■ Asset Reduction for Improved Capital Efficiency

We have positioned the promotion of asset-reduced operations as a key strategy in our revised medium-term management plan to improve capital efficiency across the entire Group. Initiatives such as the disposal and sale of held real estate, the consolidation of business locations linked to work-style reforms, and the promotion of free-addressing in offices are progressing according to plan. We will continue to closely monitor market conditions and business performance, responding flexibly as necessary. These real estate sales are not intended to cover deficits but are part of a planned effort to normalize capital and strengthen financial soundness, which had been challenges. Additionally, they are generating secondary benefits, such as enhanced cross-departmental communication through office consolidation and improved work styles and productivity through better office environments.

We are also systematically reducing our strategic shareholdings. Although there has been some delay, we expect to achieve our

overall three-year target as planned. The acquisition of treasury stock is also proceeding according to plan, and we anticipate the equity ratio will settle in the high 60% range. Moving forward, we will continue to pursue a capital policy that balances maximizing capital efficiency with building a sound financial foundation, all aimed at the sustained enhancement of corporate value.

### ■ Progress in Implementing ROIC Management

Regarding ROIC management, which we have been pursuing for some time, starting with fiscal 2026, we have broken down the company-wide ROIC target into its constituent elements. This enables each department to formulate and execute plans with a focus on capital efficiency. At the subsidiary level, we have also incorporated ROIC targets into annual plans, advancing the visualization of profitability and capital efficiency across the entire Group. Concurrently, we have established a system enabling monthly monitoring of profit and loss by brand and channel, achieving granular management control. This allows for timely situation awareness and enables more strategic decision-making.

In addition to reviewing our financial policies, we are currently rebuilding our decision-making criteria and investment rules for M&A and growth investments. We have also newly introduced ROIC as one of the metrics for the performance-based stock remuneration system in executive remuneration, clearly establishing a framework where management is committed to improving capital efficiency. In evaluating and deciding on new M&A opportunities, we will rigorously prioritize management decisions that contribute to long-term corporate value enhancement, focusing on asset efficiency exceeding the cost of capital and the generation of ROIC.

	Until now	Going forward
Awareness of capital costs	Focus on P&L	Focus on P&L & BS, WACC < ROIC
KPI/PDCA	Disconnect between division/company KPIs and corporate KPIs (ROE)	Division/company KPIs linked to corporate KPIs (ROIC)
Business portfolio management	Evaluation at division/company level	Customer-centric evaluation at supply chain level



### ■ Contributions to Enhancing Corporate Value as CFO

The CFO's role extends beyond that of a mere financial officer. It involves accurately understanding the expectations of all stakeholders, including shareholders and investors, and supporting the formulation and execution of management plans. While traditionally described in Japanese corporate terms as the “head clerk,” we recognize this position as more than just an assistant. It is a core management role that spans finance, strategy, and organization, bearing responsibility for the sustainable growth of the entire Group. If the CEO is the driving force who leads the whole with passion and vision, I see myself as the one who calmly makes decisions based on data, builds the numbers, and supports the management. Even in structural reforms and capital efficiency initiatives like this one, my personal mission is to convey external perspectives and capital market expectations internally, and to embed them as realistic plans.

On the other hand, our employee engagement survey revealed challenging results, and as CFO, I deeply regret not having effectively communicated our message. Moving forward, my mission is to further embed within the entire Company the understanding that moving away from a sales-first mindset and focusing on improving profitability, capital efficiency, sustainable management, and meaningful work—in other words, enhancing “quality”—directly contributes to corporate value.

In line with our revised medium-term management plan strategy, we will continue striving to maximize corporate value through both quantitative improvements in capital efficiency and qualitative enhancements in human capital. We will also fulfill our accountability to investors and capital markets by maintaining transparent communication and proactively advancing expected KPIs and information disclosure.

Under the banner of “Empowering. WACOAL,” as CFO, I will unite the entire Company to strengthen our growth foundation and drive continuous reform.

# Sustainability

Initiatives to Reinforce Human Capital .....	34
Environmental .....	36
Human Rights .....	37
Social Contribution Activities.....	39
Material Issues to Be Addressed by 2030 .....	40

## Initiatives to Reinforce Human Capital

### Basic Policy

For our Group, which 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, recognizing “talents” as capital and striving to maximize its value is an important management initiative. We believe that realizing an attractive corporate culture in which each of the employees of our Group can work while “being emotionally fulfilled,” “feeling fulfillment in their work,” and “maintaining motivation” will enable each employee to maximize his/her potential, produce organizational results such as improved productivity and competitiveness, and eventually lead to sustainable growth.

### Governance

In developing human resource strategies based on the business strategies of each operating company, the human resources department of each operating company takes the initiative in formulating and implementing specific measures to address human resource issues, monitoring progress, and evaluating and examining the status of achievement. At the same time, in order to ensure the effective functioning of governance concerning human capital of the entire Group, we regularly monitor the status of initiatives at each operating company, mainly from the perspective of human rights, diversity, equity, and inclusion (“DE&I”) and compliance, and provide instructions and requests as appropriate.

### Strategy

As the business environment is becoming increasingly uncertain, the strategies related to talents, which will play a key role in the rapid transformation of the business model, will only increase in importance. In Japan, in particular, as the working population declines due to the aging of the population and the declining birthrate, competition for talents is intensifying more than ever before, and it is therefore necessary to formulate and implement a talent strategy to be an attractive company. To advance the formulation and implementation of decisive structural reforms and growth strategy in parallel and at higher speed, the Company will pursue measures that contribute to further growth of individual employees as well as reforms to create an environment and culture that enable employees to use their individual strengths, thereby leading to strengths of the organization.



Key Initiatives in Human Capital Strategy (Target: Wacoal Corp.)  
<https://www.wacoalholdings.jp/en/sustainability/resource/>

### Our Vision

We will focus on five initiatives to realize Wacoal’s vision of “where people shine, we shine” by supporting the growth of each employee and building an organization with high job satisfaction. (Target: Wacoal Corp.)

**I. Acquisition of Human Resources, II. Support Growth (Training, Reskilling, Career Development)  
 III. Strengthen Management Capabilities, IV. Promotion of DE&I, V. Achievement of Well-being**

## TOPICS

### Talent Development and Engagement for Sales Staff (Beauty Advisors)

Wacoal employs approximately 2,500 beauty advisors who help each customer discover their unique beauty through specialized knowledge and techniques, fostering deep, broad, and lasting bonds with our customers. In training beauty advisors, we focus on enhancing both customer service skills (practical learning) and personal character (ethical learning) to meet increasingly diverse customer needs and ensure satisfaction. Since 2022, to systematically support independent learning, we have introduced GLOBIS Corporation’s GLOPLA LMS. This initiative provides growth opportunities and fosters motivation for career advancement.

Starting in 2025, we have been holding online training sessions on customer service and sales techniques once every two weeks, utilizing one hour in the morning. Approximately 100 beauty advisors participate each time, working to enhance their customer service and sales skills and expand the newly launched layaway and order-in services. Additionally, we launched specialized coaching skills training. In fiscal 2025, 152 sales department managers and role-based appointees participated. We are also working to create an organizational culture that respects each and every working colleague who thinks and acts autonomously with the customer in mind. We aim to change communication practices and foster company growth through employee development.

Alongside developing individual capabilities, we are continuously working to enhance employee engagement to strengthen organizational capabilities. We plan to launch town hall meetings for beauty advisors starting in 2025. By creating a forum for communication between beauty advisors nationwide and management, we aim to boost engagement. We will foster a culture that enables talent development rooted in the field and enhances organizational strength.



Town hall meeting for beauty advisors

## Initiatives to Reinforce Human Capital

### Metrics and Goals

Human capital issues based on management strategies	Initiatives to maximize human capital	Indicators and goals (KPIs)		
		Metrics	Goals	FY2025 results
Recruit, train and promote talents who will be responsible for the Company's growth  Addressed by materiality: 5	I. Acquisition of human resources II. Promote employees' growth (talent and career development)	Status of lateral hires (career-track positions)	Achieve lateral hires of 30% - 50% in total hires of career-track positions	● Total number of hires: 34 Of which lateral hires: 16 persons (47.1%)
		Investment costs in talent development and training Number of participants in programs and hours invested in learning (as to working hours)	Not yet formulated (to be formulated during fiscal 2026)	● I took the training necessary to carry out jobs effectively: 50.4%
		Employee Engagement Score (to measure contribution to achieving proactive career development)	To obtain 60% or higher positive responses for questions related to career achievement in engagement survey	● An environment where a variety of career options and opportunities to take on challenges are provided and can be utilized: 42.8% ● Overall, I believe I can achieve my career goals at the Company: 33.0% ● I have meaningful discussions regarding my career development with my direct supervisor: 22.4%
Improve management capabilities to connect individuals' strengths to organizational results  Addressed by materiality: 4	III. Strengthen management skills	Employee Engagement Score (to measure contribution to management that leads to sustainable growth)	To obtain 60% or higher positive responses for questions related to potentials and future prospects in engagement survey	● I find the Company has a promising future: 19.9% ● Future-oriented management: 42.3% ● Future-oriented department head, general managers and managers: 46.5%
Foster an organizational culture of high engagement and psychological safety  Addressed by materiality: 4, 5		Employee Engagement Score (to measure contribution to fostering a feedback culture)	To obtain 60% or higher positive responses for questions related to approval/praise and fair evaluation in engagement survey	● I have been recognized when I did a good job: 55.8% ● We give praise when we achieve good teamwork: 57.4% ● I receive a fair salary for the work I am assigned: 30.8% ● My salary fluctuates in line with my individual performance adequately: 23.9%
	IV. Promotion of DE&I V. Improvement of employees' well-being	Promotion of Women to Management Positions	Ratio of female employees in managerial positions (section manager and higher level) of at least 30% by fiscal 2028	● 17.5% (as of March 2025)
		Employment of people with disabilities	Statutory employment rate of 2.5% for fiscal 2025	● 2.68% (as of March 2025)

Material issues

4: Growth into talents who can expand their potential and have confidence, pride, and success

5: Building of an organization that can demonstrate great results through co-creation and collaboration



## Environmental

The Group believes that it bears a responsibility as a company to protect the global environment during the course of its global business activities. We are expanding our disclosure of environmental information while promoting initiatives to address climate change and realize a sound resource-circulating society.

### Environmental Policy

Since establishing our Environmental Policy in 2009, our Group has promoted initiatives to reduce environmental impact. In recent years, as environmental challenges have intensified globally, companies are being called upon to strengthen their responses. Recognizing this situation, we revised our Environmental Policy in April 2025 to clarify our fundamental approach to the environment and its scope of application, reflecting the Group's mission.

 Wacoal Group Environmental Policy  
[https://www.wacoalholdings.jp/en/sustainability/files/environmental\\_policy\\_en.pdf](https://www.wacoalholdings.jp/en/sustainability/files/environmental_policy_en.pdf)


### Climate Change Initiatives (Disclosure in Line with TCFD Recommendations)

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) in 2021. Additionally, in fiscal 2023, we conducted and disclosed scenario analysis on climate change in accordance with the TCFD framework. For fiscal 2025, we re-examined risks and opportunities and conducted scenario analysis that expanded its scope to include upstream supply chain activities. In this scenario analysis, we examined countermeasures and identification of risks and opportunities for the Wacoal Business (domestic), which is the segment with the highest percentage of overall sales in the Group, in two hypothetical scenarios in which the global temperature increased by 2°C and 4°C. The scenario analysis showed that while a rise of 2°C had some positive impacts, such as gaining support from environmentally-conscious consumers, transition risks, such as the introduction of carbon taxes and rising raw material costs, could have a negative impact on business. In addition, it was found that a rise of 4°C may lead to physical risks, such as storms, floods, and other extreme weather, that could have a negative impact on business.

 Wacoal Group TCFD Report  
[https://www.wacoalholdings.jp/en/sustainability/files/wacoalholdingsTCFD\\_en.pdf](https://www.wacoalholdings.jp/en/sustainability/files/wacoalholdingsTCFD_en.pdf)


### Indicators and Goals

The Group has set its own environmental goals for 2030 to promote efforts to solve increasingly serious climate change issues and realize a carbon-free society.

 Environmental goals for 2030:  
<https://www.wacoalholdings.jp/en/sustainability/environment/target/>  
 Our actual emissions data is published in our ESG Data Book and Securities Report.  
 Actual emissions data:  
[https://www.wacoalholdings.jp/ir/files/ESG\\_DATABOOK.pdf](https://www.wacoalholdings.jp/ir/files/ESG_DATABOOK.pdf)

### Initiatives for Realizing a Resource-Recycling Society

Wacoal Corp. promotes the sustainable use of resources and materials within its supply chain, implements resource-saving measures, and reduces and recycles waste. To this end, it deliberates on procurement policies and quality standards for environmentally conscious materials while monitoring progress in waste reduction during production and procurement activities. Furthermore, centered on production department employees, we are implementing the SDGs Project. Through public relations activities concerning the donation and utilization of leftover materials, we aim to enhance external awareness of our environmentally conscious initiatives. Simultaneously, we are working to create new businesses and ventures by utilizing leftover materials. In particular, we are promoting co-creation with local communities and other companies using discarded materials such as leftover lace.

 Promoting business activities that are kind to consumers and the planet:  
<https://www.wacoalholdings.jp/en/sustainability/environment/efforts/>

## TOPICS

### Upcycling Activities (Domestic)

In 2024, we collaborated with Kyoto-based company "SHOYEIDO INCENSE CO." to host a workshop where participants created one-of-a-kind scented pouches while experiencing both companies' craftsmanship spirit. Furthermore, at the "Circulation Festival" reuse event, which promotes new vintage clothing circulation systems alongside Gen Z, we are working to realize a resource-circulating society in collaboration with the local community through workshop sessions and the sale of upcycled products. Through these activities, requests from business partners to host workshops have increased, leading to the creation of new customer touchpoints via the utilization of leftover materials.



### Upcycling Activities (Overseas)


Upcycling activities are spreading not only in Japan but also to overseas Group companies. At Dalian Wacoal Co., Ltd. in China, initiatives such as wall art made from leftover materials and exhibitions of handicrafts created by employees provide opportunities to raise awareness among internal and external stakeholders about the challenges and potential uses of leftover materials generated during the production process.



## Human Rights

Our Group believes that all business activities should be conducted with respect for human rights as a fundamental principle, based on our founding management philosophies of mutual trust and respect for humanity. We aim to achieve sustainable growth by promoting responsible procurement throughout the entire supply chain in collaboration with business partners worldwide, while continuously working to respect human rights and improve working conditions.

### Human Rights Policy

 The Wacoal Group Human Rights Policy  
<https://www.wacoalholdings.jp/en/sustainability/rights/>

We have established the Wacoal Group Human Rights Policy as a guideline for promoting group-wide efforts to respect human rights and fulfill corresponding responsibilities. This Policy conforms to the United Nations “Guiding Principles on Business and Human Rights.”

### Human Rights Structure

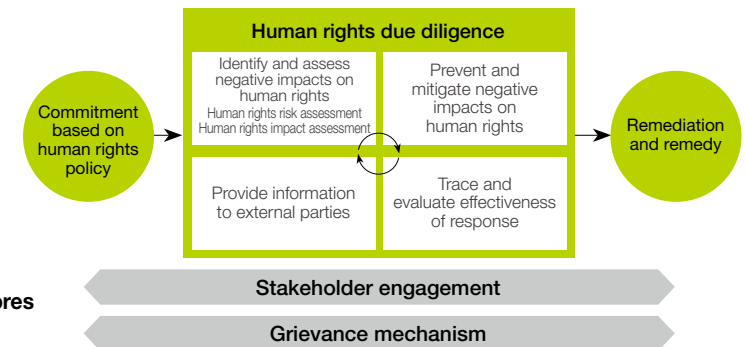
The Subcommittee for Human Rights, D&I, which was established under the Sustainability Committee responsible for planning of sustainability activities and monitoring of progress, conducts education and awareness activities related to the protection of human rights and provides advice and recommendations for the establishment and implementation of human rights due diligence frameworks to ensure the Group fulfills its responsibilities to respect human rights according to its Human Rights Policy and that its operations are executed appropriately.

### Human Rights Due Diligence

In accordance with the CSR Procurement Guidelines, since 2017 the Group has been working on a process to identify negative impacts and risks to human rights in product procurement and to formulate and implement appropriate countermeasures. However, we have not been able to identify human rights issues in the supply chain other than the procurement process. Therefore, in 2023, we conducted a human rights risk assessment to identify potential human rights risks in the Wacoal Group's entire supply chain. The identification process subsequently involved discussions with third-party organizations, leading to the identification of three human rights themes that the Group should address in the future.

#### Important Human Rights Themes

1. Continual understanding of human rights issues in the procurement supply chain
2. Improvement of the workplace environment for all employees, including those in offices, factories, and stores
3. Respect for consumers' human rights and diversity



## TOPICS

### 2024 Human Rights Impact Assessment Results

Regarding human rights issues of foreign workers, which is generally considered to have high potential risk, a third-party organization pointed out to us that we needed to take a step beyond our usual CSR procurement activities. Therefore, we conducted a Human Rights Impact Assessment in 2024.

#### (1) Verification of Employment Status of Foreign Technical Intern Trainees

We verified the employment status of foreign technical intern trainees, primarily at our Group companies within Japan.

#### (2) Direct Questionnaire Survey of Foreign Technical Intern Trainees

We conducted an online questionnaire survey to gather direct feedback from rights holders. This survey was carried out in collaboration with a third-party organization, and its content is based on the Dhaka Principles for Migration with Dignity.

#### (3) Conducting Interviews

Interviews were conducted at selected factories based on the findings from (2). To ensure objectivity and neutrality, the interviews were conducted by the third-party organization, and neither our Company nor factory personnel were present.

### Evaluation Results Summary

- Regarding the working and living conditions of foreign technical intern trainees, no human rights violations were observed, and it was confirmed that the relationship between them and the Company is very good.
- Smooth daily communication has been established. Regarding work duties, Japanese staff make efforts to provide explanations in concise Japanese. For daily life, a system is in place where daily concerns and difficulties are promptly shared with the factory management and addressed, primarily through the efforts of life guidance counselors and personnel from the supervising organization.
- Since signage within the factory is primarily in Japanese, enhancing multilingual signage is desirable, aiming not only to ensure safety and security but also to improve quality and reduce defect rates.
- It is important to regularly confirm the impact on living conditions and the standard of living wages caused by Japan's rapid price increases and yen depreciation, in cooperation with the supervising organization and life guidance counselors.

Issues identified in the evaluation results have been shared with factory management, and improvement actions are being implemented.

## Human Rights

### CSR Procurement Activities

Our Group delivers the highest quality products cherished by our customers, working not only with suppliers within the Group who share our philosophy and aspirations, but also with the cooperation of numerous business partners who produce raw materials and goods. Realizing the importance of meeting the expectations of society, establishing mutual trust, and working in unison, we believe that promoting CSR procurement together with our business partners will maximize the interests of all of our partners along the supply chain and contribute to the sustainable growth of all parties. As such, we will continue to engage proactively in this area going forward.

In October 2017, our Company established “Wacoal Group CSR Procurement Guidelines,” as our corporate Group’s shared policy for procurement. We promote transactions based on the trusting relationship and cooperation with manufacturing outsourcees that put importance on social requirements, such as human rights, working practices, the environment, and ethics.

### Main Content of the Wacoal Group CSR Procurement Guidelines


1. Organizational Governance - Development of a transparent system for managing organizations that complies with laws
2. Respect for human rights, and non-engagement in infringement on human rights
3. Sound labor-management relationships, occupational health and safety
4. Care for environmental conservation
5. Fair competitions, respect for property rights of everyone
6. Guaranty of the safety and reassurance of consumers
7. Coexistence with local communities, and social contribution


### System for Promoting CSR Procurement

The Subcommittee for CSR Procurement, a subordinate body of the Sustainability Committee (which is responsible for developing an overall plan for sustainability activities and monitoring their progress) formulates an overall plan related to CSR procurement, monitors progress, coordinates across the Group, and provides education, guidance, and support.

### Disclosure of Basic Information of Contract Manufacturers

Since May 2018, we have been publishing basic information about our contract manufacturers that have agreed to disclosure on our website.

 Disclosure of the basic information on factories entrusted with the manufacturing of our products:  
<https://www.wacoalholdings.jp/en/sustainability/csr/list/>

 CSR procurement activities based on the Wacoal Group’s mutual respect and collaboration:  
<https://www.wacoalholdings.jp/en/sustainability/csr/>

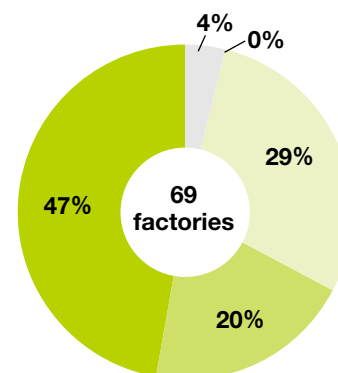
### Fiscal 2025 Initiatives

- Conducted self-assessments to evaluate the status of compliance with matters specified in the “Wacoal Group CSR Procurement Guidelines” and provided feedback on the analysis and evaluation results
- Strengthened monitoring of contract manufacturer sewing factories that accept foreign technical intern trainees
- Conducted a human rights impact assessment on foreign technical intern trainees in order to gain a better understanding of their actual situation

### Monitoring Results (Self-Assessment Results of Contract Manufacturers)

Self-assessments are conducted every two years, with 69 factories subject to assessment for fiscal 2025. Of these 69 factories, 36 have undergone continuous self-assessment since fiscal 2023. Factories with lower levels will be prioritized for on-site inspections, with corrective actions and improvements planned.

### Results of the Self-Assessment at the Contract Manufacturers



### Assessment Criteria: Level 5 (High Rating)–Level 1 (Low Rating)

Rating	Details
Level 5	Exemplary level. Sustainance of high standards expected going forward.
Level 4	Above-average level overall. Pursuit of higher standards expected going forward.
Level 3	Improvements in all areas expected going forward.
Level 2	Improvements in all areas highly expected going forward.
Level 1	Serious issues (high risk of contract termination) exist. Improvements must be made immediately.

### Fiscal 2026 Plans

- Implemented self-assessment sheets for sewing factories, raw material suppliers, and dyeing factories, strengthening monitoring functions through analysis and evaluation feedback, corrective and improvement plans, and follow-up.
- Conducted on-site audits, primarily at new sewing factories.

## Social Contribution Activities

The social contribution activities promoted by our Group embody, in various forms, our corporate Mission—the social mission we are committed to fulfilling in modern society.

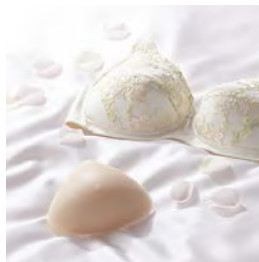


### Breast Care Activities

As a company whose core business manufactures women's innerwear, Wacoal views the increased incidence of breast cancer as a social issue that must be addressed if it is to continue growing.



Pink Ribbon Campaign



Wacoal Remamma

#### ●Charity of Pink Ribbon

Wacoal Corp. has held the Pink Ribbon Fitting Campaign at Wacoal stores and the Pink Ribbon Campaign at Wacoal web store during the month of October every year, as part of its Pink Ribbon Activities that are designed to raise awareness of the importance of early detection, diagnosis, and treatment of breast cancer. At Wacoal stores, 10 yen per person when you get measured or try on a product, and 10 yen per purchase at the Wacoal website store, regardless of the type or number of products, will be donated to a pink ribbon organization.

#### ●The Remamma Project

Since its launch in 1974, Wacoal's Remamma business has supported the desire to "be beautiful in your own way," offering innerwear and swimwear for women who have undergone breast surgery. In addition to establishing five Remamma Rooms nationwide, we hold consultation sessions staffed by dedicated advisors across the country.



### Educational Activities

We conduct activities aimed at providing accurate knowledge to adolescents experiencing confusion and anxiety about changes in their bodies and minds, helping them view their growth in a positive light.



Wacoal's Outreach Program

#### ●Tsubomi School

Tsubomi School began in 2001, offering classes to elementary and middle school students (grades 4 through 9) and their parents and teachers. It teaches children how to choose underwear that fits their changing, growing bodies. Since adolescent children often feel confused or anxious about changes in their bodies and minds, the program was launched with the idea that they should "gain accurate knowledge and view their growth positively." In the workshops, Wacoal employees serve as instructors. Drawing on research data from the Wacoal Human Science Research & Development Center, they clearly explain topics like body shape changes and the differences between adult and child bodies. Furthermore, in line with the recent trend toward achieving gender equality in society, more schools are implementing co-ed physical education and sex education classes. Responding to these changes, Tsubomi School introduced a co-ed course for fourth-grade elementary students starting in 2023. This course allows boys and girls to learn together about topics such as "body changes during body changes during a key growth period (puberty)" and "the types and roles of underwear that protect private areas."



### Cultural Activities

Wacoal has contributed to the promotion and development of Western clothing culture among Japanese women through its women's innerwear business. As part of such efforts, we have been engaged in various cultural activities focused on fashion and art.



Photograph courtesy of The Kyoto Costume Institute /  
Photo by Kazuo Fukunaga



SPIRAL GARDEN makes its debut  
in Kyushu

#### ●The Kyoto Costume Institute (KCI)

In 1978, with the approval of the then Ministry of Education, the public interest incorporated foundation Kyoto Costume Institute (KCI) was established with our financial contribution to systematically collect, preserve, research, and exhibit Western clothing. The costume exhibitions showcasing the research findings of this foundation have been invited overseas, serving as a bridge for international cultural exchange in various locations.

#### ●SPIRAL

In 1985, we opened SPIRAL, a complex of cultural facilities, in Aoyama, Tokyo, with the aim of bringing together life and art. The building features Spiral Hall and Spiral Garden, in which a variety of events are held, ranging from dramas, plays, and music concerts to symposia and art shows. While providing many opportunities for young artists to make presentations, SPIRAL has also worked with such young artists to develop diverse cultural projects. In 2025, marking its 40th anniversary, SPIRAL opened "SPIRAL GARDEN" a new mixed-use space featuring shops, cafes, and galleries, within One Fukuoka Building—SPIRAL's first venture into Kyushu.



## Material Issues to Be Addressed by 2030

We have established 11 material issues with our customers, our employees, the environment, society, and governance as targets. These will serve as our benchmarks until 2030 for our business' growth and our work to achieve a sustainable society.

**■ Identification Process** In order to realize VISION 2030—the Group's medium- to long-term management strategy framework—while evolving our long cultivated strengths, such as research, planning, and sales, we conducted an analysis of material issues based on social and environmental issues to be addressed, as well as business growth. As a result, we identified five targets and 11 material issues. We arrived at this decision by gaining insight into the business challenges and social and environmental issues we expect to face by 2030, while taking into account macro trends and the requests of various stakeholders.

<b>STEP 1</b>	Creation of a list of issues to be addressed based on dialogue with and requests from stakeholders
<b>STEP 2</b>	Discussions between management and outside experts
<b>STEP 3</b>	Discussions with the next generation of management candidates
<b>STEP 4</b>	Discussions with young employees
<b>STEP 5</b>	Identification of material issues

### ■ Material Issues

#### Customers

Maximize the value provided to customers



	Material Issues	Concrete efforts toward the resolution of material issues	KPIs (by 2030)	Targets
1	Enhancement of customer experience value by pursuing personalization	Increasing of customer connections and learning from them to wow other customers	Increase in the number of customers with connections to the Wacoal Group Increase in the number of people experiencing Wacoal's unique services that enhance the customer experience	Under consideration*
		Creation of products that exceed expectations and are loved	Revitalization of the innerwear business by promoting the development of new products and services that utilize customer data	
	2	Endeavoring to expand business areas	Increase in growth and profitability in businesses other than women's innerwear Creation of new business to contribute to well-being Expansion of internal resources into new fields	
			Achievement of global growth to provide inspiration to customers around the world Overseas business expansion	
3	Enhancing product quality and building service excellence	Pursuit of quality control systems and quality levels demanded by the times	Continuous monitoring of product quality and implementation of improvement activities Maintenance and improvement of the quality of digital and over-the-counter services	
	Material Issues	Concrete efforts toward the resolution of material issues	KPIs (by 2030)	Targets
4	Growth into human resources who can expand their potential and have confidence, pride, and success	Growth of human resources that proactively enhance self-proficiency and take on challenges with enthusiasm, regardless of generation or position	Enhancement of initiatives geared toward self-motivated career design and skill improvement Nurturing of human resources and creation of an environment in which employees can take on challenges with enthusiasm	Under consideration*
			Development of a work environment in which people from diverse backgrounds can work together Increase in the number of employees who can act with clarity on what the Company should be and its mission	
	5	Building of an organization that can demonstrate great results through co-creation and collaboration	Fostering of an organizational culture in which people from various positions can cooperate and achieve their missions	
6	Continuous improvement of employees' health and health awareness	Improvement of employees' mental and physical health	Improvement of employees' productivity and mental and physical health Improvement of health literacy	

\* Although we had planned to disclose target figures during fiscal 2025, we are currently re-evaluating both material issues and target values in conjunction with the formulation of our next medium-term management plan.

## Material Issues to Be Addressed by 2030

### Environment

Preserve the environment globally for future generations



7

Promotion of business activities that reduce environmental impact

Concrete efforts toward the resolution of material issues

Fostering of environmental awareness among both employees and consumers

Achievement of a decarbonized society

Promotion of waste reduction

Achievement of a society of that recycles resources

KPIs (by 2030)

Visualization of ecological activities in business activities

Realization of a decarbonized society and reduction in CO<sub>2</sub> emissions

Reduction of product disposal rate

Increase in rate of environment-friendly materials used

Targets

1) Zero in-house emissions (Scope 1 and 2) (domestic businesses)  
2) Zero product waste (Wacoal Corp.)  
3) Rate of environment-friendly materials used of 50% (Wacoal Corp.)  
4) 20% reduction in supply chain emissions (Scope 3) (Wacoal Business (Domestic))  
Note: For our overseas business, we plan to start by tracking our own emissions (Scope 1 and 2) and disclosing our targets by fiscal 2025.

### Society

Realize a society in which everyone plays an active role in their own way



8

Promotion of co-creation innovation to solve social issues

Concrete efforts toward the resolution of material issues

Contribution to the improvement of women's QOL

Promotion of diversity and inclusion

Promotion of respect for human rights and CSR procurement activities

KPIs (by 2030)

Promotion of breast care activities

Fulfillment of needs through products and services and development of ideas that contribute to improving women's quality of life

Contribution to women's quality of life through ongoing dialogue with stakeholders

Promotion of in-house enlightenment activities to foster an understanding of diversity-related issues such as gender

Promotion of dialogue and co-creation activities with external stakeholders to foster an understanding of diversity-related issues such as gender

Establishment and implementation of human rights due diligence and promotion of human rights training

Expansion of scope of CSR procurement activities

Under consideration\*

### Governance

Enhance governance toward realization of sustainable growth



9

Implementation of highly transparent management

Concrete efforts toward the resolution of material issues

Maintenance and establishment of an optimal corporate governance system that will improve effectiveness

Thorough compliance with laws and regulations and development of an organization with high ethical standards

Strengthening of organizational resilience by steadily responding to business risk

KPIs (by 2030)

Implementation of Japan's Corporate Governance Code

Demonstration of the Board of Directors' functions and promotion of diversity

Ongoing improvement of the executive remuneration system to increase corporate value

Establishment of fair and motivating evaluation and executive remuneration systems

Prevention of inappropriate behavior in corporate activities and enhancement of compliance awareness among all officers and employees

Review of selection methods and response policies for major risks, promotion of information security measures for digital transformation and communication technology operations, and enhancement of the business continuity plan

Under consideration\*

11

Continuous improvement of profitability and capital efficiency

Execution of the management strategy and clarification of roles and authority

KPIs (by 2030)

Strengthened management of key performance indicators and verification of cost-effectiveness to improve the effectiveness of medium- to long-term strategies

Implementation of business portfolio management to realize growth

Establishment of an executive structure for timely and appropriate decision-making

\* Although we had planned to disclose target figures during fiscal 2025, we are currently re-evaluating both material issues and target values in conjunction with the formulation of our next medium-term management plan.

# Governance

Interview with an External Director.....	43
Management Team.....	45
Corporate Governance .....	47
Engagement.....	51

## Interview with an External Director

The company management the Wacoal Group should pursue is enhancing corporate value by spinning out next-stage growth from existing assets and realizing it through “management by all employees”

### Tetsuro Harada

External Director (Independent)



#### Current Status and Expected Potential of the Wacoal Group

**Q. You were appointed as an external director in June 2024. How do you perceive the current state of the Board of Directors and your own role?**

Approximately one year has passed since my appointment. The Board of Directors holds active discussions between management and external directors. Many comments are made from the perspective of capital markets, and while some points may be uncomfortable for internal directors to hear, this fosters open debate. I feel governance reforms are steadily progressing. I understand my role is to contribute to management by leveraging my experience driving structural reforms as CEO of Dream Incubator Inc., along with the expertise cultivated in my specialties of strategic consulting and venture investment and incubation. As societal change accelerates, the nature of corporate management and management methodologies are also evolving. The current Wacoal Group must grasp “how the Company should be” from a

medium- to long-term perspective, make decisions swiftly, and execute them. I feel the role of external directors, who can promote management evolution from an external perspective without being constrained by internal ties, will continue to grow in importance.

**Q. Based on your extensive experience supporting numerous companies as a management consultant, where do you see the next growth opportunities for the Wacoal Group?**

I have observed factory tours, research and development, and quality inspections, engaging in dialogue with individuals across diverse departments, including the brand manager. Through these interactions, I came to recognize the Wacoal Group’s long-cultivated strengths: its high level of dedication to functionality, design, and wearability, and the fact that this dedication has been passed down as an organizational capability. However, the current reality is that due to changes in customer needs and the market, these strengths of the Wacoal Group are not being fully leveraged. Furthermore, the domestic market faces a challenging environment of contraction due to population decline. For the Wacoal Group to identify its next

growth opportunities, it must approach this from both existing and new business domains. Within existing domains, it is crucial to constantly analyze market and competitor trends, identify winning strategies, and swiftly determine how to differentiate from others, translating these insights into actionable measures. To achieve this, continuous market analysis, fostering an open environment conducive to discussion, and embedding this as part of the corporate culture are indispensable. For new business areas, the key to growth lies in deploying the competitive assets cultivated in existing businesses into new fields. For example, CW-X, which applies our innerwear expertise and years of accumulated human body measurement data to the sports domain, has already earned high acclaim. In fact, it is trusted by world-class athletes like Ichiro Suzuki and Shohei Ohtani. CW-X continues to support wearers in achieving their ideal physical condition. This exemplifies the Wacoal Group’s mission. CW-X plans to further expand its business domain and grow into a core revenue pillar. We intend to continue supporting such challenges to create new value from existing assets.



## Interview with an External Director

### ■ Toward Enhancing Corporate Value Over the Medium to Long Term

#### Q. What evolution is necessary for the Wacoal Group to achieve medium- to long-term growth and enhance corporate value?

The Wacoal Group operates under a holding company structure, overseeing and managing its various operating companies. Strengthening governance through the holding company is crucial for enhancing the overall corporate value of the group. To confront and prevail in rapidly changing markets, advanced market analysis and strategic planning are indispensable, yet individual operating companies face limitations. The holding company's involvement in cross-group analysis and strategy formulation, strengthening management decisions through “the power of science”—that is, leveraging data and scientific methodologies—will be a key element for future growth.

Another piece of advice comes from insights I gained while consulting for large corporations. In recent years, I feel that top companies in their industries are entering an era where they struggle to create new value. These top companies have developed products and services using the most suitable methods within their industries and built organizations optimized for those methods. However, in today's era of major industrial transformation, where industry boundaries are disappearing, these optimized organizations and methods can sometimes become constraints. Not just the Wacoal Group, but every top company is grappling with the struggle to create new value. Furthermore, they share the common challenge of how to empower employees responsible for value creation. Konosuke Matsushita, after much contemplation on how to ensure a company's sustainable growth, arrived at the concept that “the best management is management based on collective wisdom.” He believed that management does not hold all the answers; rather, it involves pooling the wisdom of all employees and leveraging it for corporate growth. He actively promoted this philosophy within his company.

I understand that “management by all employees” is a universal concept that can serve as a guiding principle even for modern

companies facing challenges. I believe that unless employees take the lead in envisioning the company's future, its survival and growth will be difficult. What is needed at that time is for each employee to adopt a management perspective and proactively engage in their own work. This becomes the driving force supporting the Company's sustainable growth. What I want to convey to all employees is that, when distilled to its essence, management boils down to the following four principles:

#### **(1) Be useful to people:**

**Consider what is currently acceptable to customers. Analyze not only the market but also competitors, and think about how to develop products that are more useful and desired.**

#### **(2) Generate profit:**

**Think in terms of overall optimization that creates total profit, not just partial optimization focused solely on one's own department.**

#### **(3) Grow:**

**Pursue sustained growth, not just temporary profits. Consider not only the business itself but also the growth of our human capital—the vital assets essential for the organization's survival and advancement.**

#### **(4) Share:**

**Profits are returned to employees and shareholders while also being allocated for future investments.**

I want all employees to constantly consider and discuss whether there are elements within their assigned duties or cross-departmental projects that could be further evolved from a management perspective. Approaching your work with a mindset of “management by all” will change how you see your tasks. A higher vantage point reveals a different landscape, making work more engaging. Let that renewed sense of purpose fuel your drive to embrace change and pursue ambitious challenges with passion.

The collective strength of every employee embodying the spirit of “management by all employees” is the source of the Wacoal

Group's corporate value. The key to our future growth lies in how many employees we can cultivate with a management perspective and how many individuals we can nurture who will proactively drive change. As an external director, I aim to be a source of support and encouragement for these challenges, working toward realizing this vision.

#### Profile


#### Tetsuro Harada

Earned an MBA from the University of California, Berkeley in 1996. After serving in the Japan Maritime Self-Defense Force and working at Nippon Life Insurance Company, joined Dream Incubator Inc. in 2000. Appointed Representative Director, President and CEO in 2020, and Director (Chairman of the Board) in 2023. Served as an external director of our Company since 2024.



## Management Team As of June 30, 2025

### Directors

 Career Summary of Each Officer  
<https://www.wacoalholdings.jp/en/group/holdings/>



#### Masaaki Yajima

Representative Director,  
President and CEO

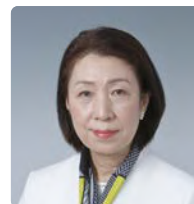
Attendance at Board of  
Directors Meetings in  
2024: 17/17

#### Reasons for Selection as an Officer

Mr. Masaaki Yajima has extensive experience and expertise in the technology & production, sales and global divisions of Wacoal Corp., and also has been serving as the Representative Director, President and CEO (Group CEO) of the Company since June 2023. Therefore, we believe that he is qualified to serve as a Director of the Company.

#### Areas of Expertise and Insight

Company management, global awareness, marketing, technology/production quality control



#### Chizuru Yamauchi

External Director  
(Independent)

Attendance at Board of  
Directors Meetings in  
2024: 17/17

#### Reasons for Selection as an Officer

Ms. Chizuru Yamauchi has extensive knowledge as an executive, as well as expertise in diversity and inclusion, which enables her to contribute to the Company's human resources and organization strategies, such as women's empowerment, human resource strategy and organizational development. We expect that she will continue to provide advice and oversight of management that will contribute to enhancing our corporate value.

#### Areas of Expertise and Insight

Company management, sustainability, diversity & inclusion



#### Akira Miyagi

Representative Director,  
Vice President and  
Executive Officer and CFO

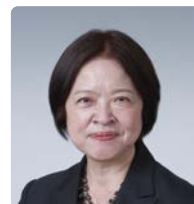
Attendance at Board of  
Directors Meetings in  
2024: 17/17

#### Reasons for Selection as an Officer

Mr. Akira Miyagi has extensive experience and expertise in the administrative divisions (particularly in the administration division and corporate planning division) of the Company and Wacoal Corp., our core operating entity, and also has been serving as a Director of the Company since June 2018, in charge of corporate planning and finance. Therefore, we believe that he is qualified to serve as a Director of the Company.

#### Areas of Expertise and Insight

Company management, legal/compliance, finance/accounting, human resource/organizational development, global awareness



#### Hisae Sato

External Director  
(Independent)

Attendance at Board of  
Directors Meetings in  
2024: 17/17

#### Reasons for Selection as an Officer

Ms. Hisae Sato utilizes extensive experience as a consultant at a foreign-affiliated consulting firm and overseeing pension assets on a global level for a global automobile manufacturing and sales company, as well as high-level knowledge in the areas of investment and financial capital markets to provide advice and suggestions on the Company's management. We expect that she will continue to provide advice that will contribute to enhancing our corporate value and contribute to strengthening the supervisory functions of the Board of Directors.

#### Areas of Expertise and Insight

Investment/financial/capital market, finance/accounting, sustainability, diversity & inclusion



#### Keisuke Kawanishi

Director, Corporate Officer

Attendance at Board of  
Directors Meetings in  
2024: 13/13

#### Reasons for Selection as an Officer

Mr. Keisuke Kawanishi has extensive experience and expertise in the sales and global divisions of Wacoal Corp., as well as in our U.S. entity. He also has been serving as the Representative Director, President and CEO of Wacoal Corp. since April 2023 and driving structural reforms through the formulation and execution of the revised medium-term management plan of Wacoal Corp. Therefore, we believe that he is qualified to serve as a Director of the Company.

#### Areas of Expertise and Insight

Company management, human resource/organizational development, global awareness, marketing



#### Koji Nitto

External Director  
(Independent)

Attendance at Board of  
Directors Meetings in  
2024: 17/17

#### Reasons for Selection as an Officer

Mr. Koji Nitto has extensive experience as a manager who can incorporate finance into management strategies, serving as a CFO and Senior Management Executive Officer of the Global Strategy Division of an electronic equipment manufacturing and sales company that operates businesses globally. In particular, his knowledge based on his experience leading return on invested capital (ROIC) management will contribute to improving our profitability and capital efficiency. We expect he will continue to contribute to enhancing our corporate value and strengthening the supervisory functions of the Board of Directors.

#### Areas of Expertise and Insight

Company management, investment/financial/capital market, finance/accounting, global awareness



#### Tsunehiko Iwai

External Director  
(Independent)

Attendance at Board of  
Directors Meetings in  
2024: 17/17

#### Reasons for Selection as an Officer

Mr. Tsunehiko Iwai's extensive knowledge and insight as a former Representative Director of a cosmetics manufacturer and distributor which operated globally, as well as his expertise on research & development, production and technology enable him to contribute to the management of the Company. In addition, he provides advice based on his knowledge on compliance and sustainable management. We expect that he will continue to provide advice and oversight of management that will contribute to enhancing our corporate value.

#### Areas of Expertise and Insight

Company management, legal/compliance, sustainability, diversity & inclusion, marketing, technology/production quality control



#### Tetsuro Harada

External Director  
(Independent)

Attendance at Board of  
Directors Meetings in  
2024: 13/13

#### Reasons for Selection as an Officer

Mr. Tetsuro Harada has extensive experience as a consultant in providing strategic consulting, management development, and venture investment development for corporations in various industries, and knowledge based on such experience. As such, this, including his track record, will contribute to the formulation and execution of our management strategy. We expect that he will continue contributing to improving our corporate value and strengthening the supervisory function of the Board of Directors.

#### Areas of Expertise and Insight

Company management, investment/financial/capital market, finance/accounting, human resource/organizational development

# Management Team

As of June 30, 2025

## Audit & Supervisory Board Members

 Career Summary of Each Officer  
<https://www.wacoalholdings.jp/en/group/holdings/>



### Shinichi Kitagawa

Audit & Supervisory Board Member (Full Time)

Attendance at Board of Directors Meetings in 2024: 17/17  
Attendance at Audit & Supervisory Board Meetings in 2024: 18/18

#### Reasons for Selection as an Officer

Mr. Shinichi Kitagawa has been engaging in auditing the legality of the business execution of Directors of the Company and the legality and appropriateness of accounting for four years, by utilizing his knowledge in finance and accounting, company management, human resource development and organizational development, and DX. We determined that he will continue to utilize his knowledge in the Company's audit system.

#### Areas of Expertise and Insight

Company management, finance/accounting, human resource/organizational development, digital transformation



### Katsuhiro Okamoto

Audit & Supervisory Board Member (Full Time)

Attendance at Board of Directors Meetings in 2024: 17/17  
Attendance at Audit & Supervisory Board Meetings in 2024: 18/18

#### Reasons for Selection as an Officer

Mr. Katsuhiro Okamoto has been engaging in auditing the legality of the business execution of the Directors and the legality and appropriateness of accounting in cooperation with the Accounting Auditor for four years, by utilizing his knowledge in company management, global awareness, technology/production, and quality control. We determined that he will continue to utilize his knowledge in the Company's audit system.

#### Areas of Expertise and Insight

Company management, global awareness, technology/production quality control



### Hitoshi Suzuki

External Audit & Supervisory Board Member (Independent)

Attendance at Board of Directors Meetings in 2024: 16/17  
Attendance at Audit & Supervisory Board Meetings in 2024: 17/18

#### Reasons for Selection as an Officer

Mr. Hitoshi Suzuki has experience in deliberating monetary policy as a member of the Policy Board, which is the highest decision-making body of the Bank of Japan, as well as professional experience at a major financial institution in overseas location and in the market sector and has contributed to auditing at the Company utilizing this knowledge. We determined that he will continue to utilize his extensive experience in the Company's audit system.

#### Areas of Expertise and Insight

Company management, investment/financial/capital market, global awareness



### Motoko Tanaka

External Audit & Supervisory Board Member (Independent)

Attendance at Board of Directors Meetings in 2024: 17/17  
Attendance at Audit & Supervisory Board Meetings in 2024: 18/18

#### Reasons for Selection as an Officer

Ms. Motoko 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. Based on this experience and expertise, she has conducted audits at the Company. We determined that she will continue to utilize her experience and expertise in the Company's audit system.

#### Areas of Expertise and Insight

Finance/accounting, sustainability, diversity & inclusion



### Harunobu Shiho

External Audit & Supervisory Board Member (Independent)

Attendance at Board of Directors Meetings in 2024: –  
Attendance at Audit & Supervisory Board Meetings in 2024: –

#### Reasons for Selection as an Officer

Mr. Harunobu Shiho is a legal expert with ample experience and a proven track record as an attorney, primarily in the area of business law. In addition, he has a deep insight into corporate governance, risk management, and compliance, and experience as an external director at other companies. We determined that he will utilize his experience and expertise in the Company's audit system.

#### Areas of Expertise and Insight

Company management, legal/compliance, sustainability, diversity & inclusion

## Skills Matrix for Directors

	Name	Male Female	Independence (for external officers only)	Expertise and experience beneficial to the Company*									
				Company management (experience and insight)	Legal/Compliance	Investment/Financial/Capital Market	Finance/Accounting	Sustainability Diversity & Inclusion	Human Resource/Organizational Development	Global awareness	Digital transformation	Marketing	Technology/Production Quality Control
Directors	Masaaki Yajima	Male		●						●		●	●
	Akira Miyagi	Male		●	●		●		●	●			
	Keisuke Kawanishi	Male		●					●	●		●	
	Tsunehiko Iwai	Male	●	●	●			●				●	●
	Chizuru Yamauchi	Female	●	●				●					
	Hisae Sato	Female	●			●	●	●					
	Koji Nitto	Male	●	●		●	●			●			
	Tetsuro Harada	Male	●	●		●	●		●				

## Skills Matrix for Audit & Supervisory Board Members

	Name	Male Female	Independence (for external officers only)	Expertise and experience beneficial to the Company*									
				Company management (experience and insight)	Legal/Compliance	Investment/Financial/Capital Market	Finance/Accounting	Sustainability Diversity & Inclusion	Human Resource/Organizational Development	Global awareness	Digital transformation	Marketing	Technology/Production Quality Control
Audit & Supervisory Board Members	Shinichi Kitagawa	Male		●			●		●		●		
	Katsuhiro Okamoto	Male		●						●			●
	Hitoshi Suzuki	Male	●	●		●				●			
	Motoko Tanaka	Female	●				●	●					
	Harunobu Shiho	Male	●	●	●			●					

\* The above tables do not cover all the knowledge and experience possessed by the candidates.

 Status of Significant Concurrent Positions  
[https://www.wacoalholdings.jp/en/ir/general\\_meeting/files/soukai\\_05\\_250612.pdf](https://www.wacoalholdings.jp/en/ir/general_meeting/files/soukai_05_250612.pdf)

## Corporate Governance

### Basic Approach

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

### Corporate Governance Structure

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 were chaired by external directors (independent) and the majority of which are composed of external directors (independent).

Overview of the Corporate Governance Structure (as of June 25, 2025)

Format	Audit & Supervisory Board system
Number of directors	8
Of whom, external directors	5
Term of directors	1 year
Number of Audit & Supervisory Board members	5
Of whom, external Audit & Supervisory Board members	3
Number of independent officers	8
Participation of external directors in determination of remuneration	Yes
Organizations to assist in decision-making	Nomination of Directors Advisory Committee and Remuneration of Directors Advisory Committee
Key committees	Group Management Meeting, Management Issues Review Meeting, and Quarterly Achievements Review Meeting
Performance-based bonuses	Yes

### External Directors and External Audit & Supervisory Board Members

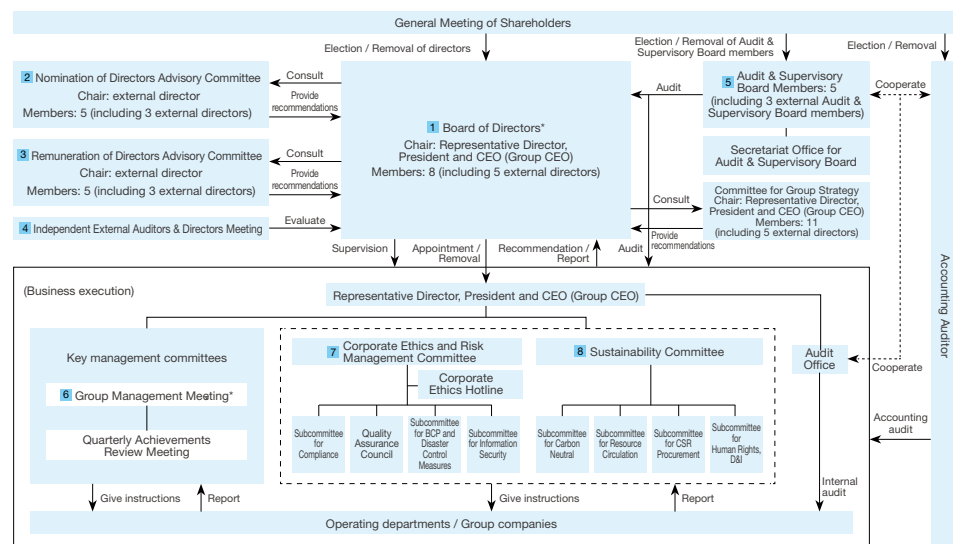
We have elected those persons having extensive knowledge and experience as executives and persons having insight into investment and financial capital markets, to our external directors, and each of such persons takes a role in improving the appropriateness of the decision made by the Board of Directors by giving objective and independent advice based on their long careers in each business area and extensive professional knowledge.

### Strengthening of the Functions of the Audit & Supervisory Board and Its Members

The Audit & Supervisory Board comprises two internal full-time Audit & Supervisory Board members and three external Audit & Supervisory Board members. In addition, one full-time staff member is assigned as the secretariat of the Audit & Supervisory Board to assist the Audit & Supervisory Board members in their duties as needed. The Audit & Supervisory Board makes decisions on the preparation of the audit report, selection and dismissal of full-time Audit & Supervisory Board members, audit policies, methods of investigation of businesses and financial conditions, and other matters related to the execution of duties by Audit & Supervisory Board members, in accordance with the Companies Act, and also makes decisions on matters related to the election, dismissal or non-reappointment of accounting auditors, consent to compensation, etc., of accounting auditors, consent to the appointment of Audit & Supervisory Board members, and other matters related to the resolution of the Audit & Supervisory Board.

### Corporate Governance Structure

Corporate Governance Structure  
<https://www.wacoalholdings.jp/en/group/governance/system/>



\* Both internal and external Audit & Supervisory Board members attend meetings for the purpose of auditing the performance of duties by directors

### Corporate Governance Initiatives

	2005	2010	2015	2020
Topics	2005 Established a pure holding company		2013 Stopped listing ADRs on the U.S. NASDAQ market and de-registered with the SEC	2022 Changed the structure of the Group Philosophy for the first time since our founding and defined our new Mission in modern society
Representative Director and President	Yoshikata Tsukamoto		2018 Hironobu Yasuhara	2023 Masaaki Yajima
Compensation/Evaluation				2021 Introduced restricted stock compensation plan 2022 Revised the ratio of base remuneration and stock compensation 2024 Introduced performance share unit compensation plan
Number of independent external officers	2005 Increased the number of external directors by two members and the number of external Audit & Supervisory Board members by one member External directors: 2 External Audit & Supervisory Board members: 3	2010 Increased the number of external directors by one member External directors: 3; External Audit & Supervisory Board members: 3 (For the period of 2013-2014 only, there were 2 external directors and 3 external Audit & Supervisory Board members)		2023 Increased the number of external directors by two members External directors: 5 External Audit & Supervisory Board members: 3
Establishment of committees	2007 Established the Advisory Committee for the Remuneration and Nomination of Directors		2015 Established the Independent External Auditors & Directors Meeting 2017 Established the Corporate Ethics and Risk Management Committee by integrating the Risk Management Committee and Corporate Ethics Committee	2022 Established the Sustainability Committee



## Corporate Governance

### Analysis and Evaluation of the Effectiveness of the Board of Directors

The Company conducts an annual evaluation on the effectiveness of the Board of Directors from the two perspectives of “improving stakeholder trust (creating social value)” and “improving organizational performance (enhancing corporate value),” and strives to continuously enhance the functions and effectiveness of the Board of Directors. 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 fiscal 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 of questionnaire survey, analysis, and 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 evaluation through monitoring and sharing opinions at the Independent External Auditors & Directors Meeting.

For the evaluation of effectiveness conducted in fiscal 2025, we updated the evaluation design with a focus on the status of initiatives to improve the issues identified in the previous fiscal year and confirmed “the status of improvement measures in fiscal 2025 to address issues identified through the results of the effectiveness evaluations for fiscal 2023 and fiscal 2024.” The Secretariat of the Independent External Auditors & Directors Meeting conducted a questionnaire survey of the directors and Audit & Supervisory Board members. In addition to scrutinizing their answers to the questionnaire and their awareness of the issues as raised in the free comment section, we asked their opinions on the future roles and responsibilities of directors and the improvement measures to enhance the effectiveness of the Board of Directors.

Following that, we shared opinions freely on the improvement measures at the Independent External Auditors & Directors Meeting and reported to the Board of Directors.

### Evaluation Results of Effectiveness and Progress on Initiatives for Improvement

As a result of the deliberations by the Board of Directors based on the responses to the questionnaire survey, it was confirmed that the Company’s Board of Directors generally functions appropriately and is effective. The Board of Directors was confirmed to be effective for the following reasons.

1. The external directors and external Audit & Supervisory Board members continuously take steps to understand the Company’s business through activities outside of the Board of Directors, including taking part in site visits and creating opportunities for interaction with employees, including executive officers and brand managers, and high-quality discussions are held based on their understanding.
2. The Board of Directors, the majority of which consists of external directors, engages in free and open discussions utilizing this external knowledge and management experience.
3. The progress of initiatives on the main management issues in the revised medium-term management plan were reported regularly and in-depth discussions were conducted.
4. Improvement activities on the issues identified in the effectiveness evaluation for the previous fiscal year have progressed to a certain degree.

Evaluation result (issues and concerns)	Status and plans for improvement initiatives
<b>1</b> 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 and promotion of more active discussion at the meetings of the Board of Directors.	(Status of initiatives) • We have set an annual schedule for each item and implement regular reporting on the progress of initiatives on the main management issues in the revised medium-term management plan. • We have facilitated multiple discussions based on reports from the management of local subsidiaries with regards to issues in overseas business (China, etc.) and KPIs related to business improvement. (Plans) • As the next fiscal year will be the year when we formulate the next medium-term management plan, we will create more balance in agenda items to allocate more time to the consideration of important management problems and medium- to long-term business strategies, thereby promoting active discussion to formulate the medium-term management plan.
<b>2</b> Further improvement in the quality of deliberations based on communication with our employees and inspection of local business offices in order to understand the reality of business conditions as well as risks and opportunities.	(Status of initiatives) • We have carried out visits and inspections at stores, logistics centers, owned real estate, and factories in Japan and overseas with the aim of responding effectively to changes in the business environment. • We have created opportunities for discussions on brand strategy between the independent officers and the respective brand managers and for communication between the independent officers and executive officers. (Plans) • In addition to continuing to create opportunities for visits to stores, logistics centers, and owned real estate, we will enhance the opportunities for department heads, general managers and managers who are engaged in supply chain management reform and sales activities to communicate with the independent officers.
<b>3</b> Arrangement of the system to make sure amendment of the plan can be implemented in a timely and adequate manner if required by ensuring reporting on the status and results of the matters resolved and executed, such as the progress of the medium-term management plan.	(Status of initiatives) • We reported and held in-depth discussions on the response to the main management issues in the revised medium-term management plan and the progress of structural reform at a specified wholly-owned subsidiary (Wacoal Corp.). • We made organizational decisions on transfers of shares and businesses and consolidation and reorganization of factories in Japan and overseas by monitoring profitability at each subsidiary. • We implemented regular reporting related to asset reduction and decided to sell some owned real estate. (Plans) • Included under item 5 below.
<b>4</b> Reinforcement of the distribution of meeting materials in advance and the improvement of the quality of discussion by clarifying the argument of the materials.	(Status of initiatives) • Although we have worked on improvements to make it easier to understand the focus of discussions by establishing requirements for meeting materials and informing those who make proposals, there is room for improvements in the content of the executive summaries, which should clearly state the intention and background for submission to the Board of Directors, the main points for discussion, and matters raised by the Group Management Meeting. (Plans) • We will achieve further improvements in the quality of discussions by working to expedite the submission of meeting materials, creating time for confirmation and amendment by the secretariat of the Board of Directors, ensuring the provision of the required materials, and clarifying the main points for discussion.
<b>5</b> Arrangement of the system that allows us to identify risks and opportunities and take the risks adequately in response to the changes in the business environment.	(Status of initiatives) • Although we have made progress on improvements to ensure that matters that should be recognized as risks (uncertainties) in discussions on transfers of shares/businesses or M&A transactions are clearly stated in meeting materials, there is room for improvement in terms of identifying wide-ranging risks and opportunities based on the external environment and the Company’s own position and in-depth discussions related to such risks and opportunities. (Plans) • Looking ahead to the formulation of the next medium-term management plan, we will present the items that should be prepared in advance for the formulation of the plan, as well as reviewing and improving the format to enable management of progress against the plan. • We will improve the business plan formulation process to ensure verification of strategy scenario suitability, discussion of recovery plans and strategy changes required in response to the emergence of risks or opportunities, and facilitation of organizational decisions.
<b>6</b> Formulation of a successor development plan including the processes for selection and development of candidates and the implementation of monitoring.	(Status of initiatives) • We consulted with the Nomination of Directors Advisory Committee on what the selection of successor management candidates for executive officers and department head positions should look like and held discussions based on these consultations. • We appointed executive officers of a specified wholly-owned subsidiary (Wacoal Corp.) as mentors and implemented a human resources development program for management candidates at the subsidiary. (Plans) • We will clarify the appointment and dismissal criteria for department head positions and above, build a pool of successors, and begin selection and development of human resources. In conjunction with the aforementioned initiatives, we intend to further strengthen the supervisory and advisory functions of the Board of Directors while making more use of the knowledge of the external directors.

## Corporate Governance

### Executive Remuneration System

Under the Company's system for the remuneration of officers, compensation comprises basic remuneration, which is fixed; performance-based bonuses linked to business results of each fiscal year; restricted stock, which provide medium- to long-term incentives; and performance share unit, for which the Company's Board of Directors has set a certain period of time as the performance evaluation period. Given that they are not involved in the execution of duties, independent external directors and Audit & Supervisory Board members only receive fixed basic remuneration.

#### Roles and Activities of Remuneration of Directors Advisory Committee

As an advisory body to the Board of Directors, the Remuneration of Directors Advisory Committee discusses and resolves matters related to officers' remuneration and system from an independent and objective perspective. A majority of the members of the Remuneration of Directors Advisory Committee, chaired by independent external director Mr. Tsunehiko Iwai, are independent external directors. The Remuneration of Directors Advisory Committee is also attended by the external Audit & Supervisory Board member(s) as an observer to ensure transparency.

#### Roles and Agenda at the Board of Directors' Meeting

Board of Directors discusses and resolves matters related to officers' remuneration based on recommendations received from the Remuneration of Directors Advisory Committee.

#### Basic 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 agency.

#### Performance-Based Bonuses

The total amount of the performance-based bonus is based on achievement as a percentage of the consolidated operating income recorded for each fiscal year, plus other performance factors (consolidated net sales, consolidated income before income taxes), to increase the degree of linkage between bonuses and consolidated business performance. Performance-based bonus is paid once a year after approval at the general meeting of shareholders for the relevant fiscal year.

#### Restricted Stock

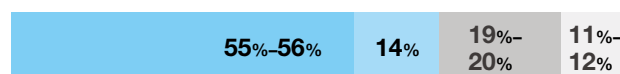
The restricted stock are determined in consideration of the monthly amount of basic remuneration and the fair value of stock, which in turn are determined pursuant to the recommendations of the Remuneration of Directors Advisory Committee, which is composed of members, majority of which are independent external directors and will be allotted in the number determined and resolved at a Board of Directors meeting once a year. Allotted shares will be subject to transfer restriction during the period from the date allotted shares are granted until the date such director, Audit & Supervisory Board member or corporate officer designated by the Company retires from their position. The transfer restrictions on all allotted shares will be removed upon the expiration of the transfer restriction period if such eligible grantee has continuously held the position of director, Audit & Supervisory Board member or corporate officer until the date of the first Ordinary General Meeting of Shareholders. The Company may repurchase all of the allotted shares bearing transfer restrictions as a result of a breach of restricted stock allotment agreement without consideration.

#### Performance Share Unit (non-monetary remuneration)

As for the performance share unit, 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.

The Board of Directors of the Company shall determine performance evaluation indicators and coefficient that are necessary in the specific calculation of the number of performance share unit to be delivered, such as respective numerical targets to be used in allotting the shares of the performance share unit.

#### Percentages of Basic Remuneration, Performance-based Bonuses, Restricted Stock, and Performance Share Unit



■ Basic remuneration ■ Performance-based bonuses  
■ Restricted stock ■ Performance share unit

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 & 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 designate as necessary. The transfer restriction period shall be the period from the date on which such shares of the performance share unit are granted until the date of retirement from the positions of director, Audit & Supervisory Board member, or corporate officer as designated by the Company, with the conditions for removing the transfer restrictions to be provided separately. If an eligible director resigns from any position of director, Audit & Supervisory Board member, or corporate officer as designated by the Company, the Company shall naturally acquire the allotted shares free of charge, unless the Company's Board of Directors justifies the reason not to.

The above was confirmed by the Board of Directors of the Company based on the reports prepared by the Remuneration of Directors Advisory Committee and was resolved at the 76th Ordinary General Meeting of Shareholders held on June 25, 2024.

#### Remunerations Paid to Officers in FY2025

Classification	Total amount of remuneration, etc. (¥ million)	Total amount of remuneration, etc., by type (¥ million)				Number of eligible recipients
		Basic compensation	Performance-based bonuses	Stock compensation	Non-monetary remuneration	
Directors (excluding external directors)	168	124	–	44	44	3
Audit & Supervisory Board members (excluding external members)	41	41	–	–	–	2
External directors and external Audit & Supervisory Board members	70	70	–	–	–	9

(Notes)

- The numbers of directors, Audit & Supervisory Board members and external officers as of the end of the current fiscal year were three, two and eight, respectively. The number of external officers in the table above includes one external officer who resigned upon the close of the 76th Ordinary General Meeting of Shareholders held on June 25, 2024.
- Aggregate amount of remunerations, etc. to Directors (excluding External Directors (Independent)) include officers' remuneration from the consolidated subsidiaries.
- Non-monetary remuneration, etc. to directors (excluding external directors (Independent)) comprises share-based compensation in the amount of ¥44 million.

## Corporate Governance

### Policy on Cross-Shareholdings and Standards for Exercising Voting Rights

From the viewpoint of improving asset efficiency, the Company intends to reduce its cross-shareholdings by approximately ¥30 billion during the revised medium-term management plan period (from fiscal 2024 to fiscal 2026), and to reduce the ratio of cross-shareholdings to net assets to 10% or less.

Furthermore, the Corporate Governance Guidelines stipulate that the purpose of the Company's cross-shareholdings is to enhance enterprise value over the medium to long term by maintaining and strengthening transactional relationships; establishing, maintaining, and strengthening cooperative and transactional relationships with respect to business development; and maintaining stable financial transactions.

#### Reference: Status of Cross-Shareholdings

	FY2021	FY2022	FY2023	FY2024	FY2025
Number of stocks	75	65	60	50	45
Total balance sheet amount (¥ billion)	50.1	46.0	43.9	47.5	35.6
Ratio to consolidated net assets	22.9%	20.3%	20.6%	22.1%	18.3%

(Notes)

1. The Company applied US GAAP from fiscal 2021 to fiscal 2022 and IFRS from fiscal 2023 onward.
2. Cross-shareholdings by Wacoal Corp., which holds the largest amount of investment stocks on the balance sheet (i.e., the balance sheet amount of investment stocks) among the Company and our consolidated subsidiaries, are stated.

### Compliance and Risk Management Structure

The Company's Corporate Ethics and Risk Management Committee has the Representative Director, President and CEO acting as the administrative manager, supervisor, and the Representative Director, Vice President and Executive Officer and CFO as its chairperson. The committee is tasked with developing the compliance structure, examining compliance issues that could significantly affect the Wacoal Group, ensuring all employees understand and internalize corporate ethics, and effectively promoting control of any management risks to the Wacoal Group.

#### Compliance Structure

The Company has established the Wacoal Code of Ethics and the Corporate Ethics: Wacoal's Code of Conduct to ensure that directors and employees perform their duties in compliance with laws, regulations, and the articles of incorporation and sound social norms. Further, the Wacoal Code of Ethics and the Corporate Ethics: Wacoal's Code of Conduct stipulates resolute refusal of demands from antisocial forces. In addition, the Company has established an internal whistleblowing system and other systems that enable directors and employees to report on any misconduct or inappropriate behavior.

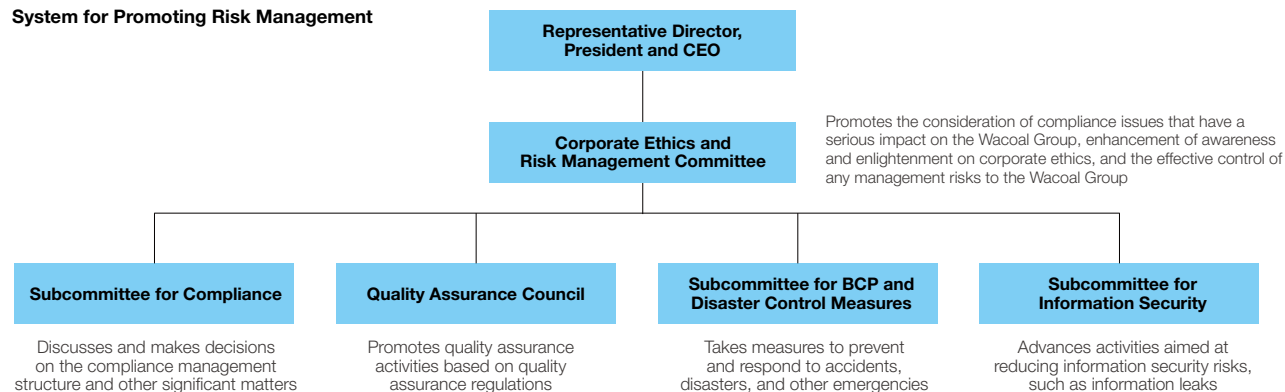
#### Risk Management Structure

Subject to the approval of the Board of Directors, the Corporate Ethics and Risk Management Committee stipulates basic regulations for risk management. Pursuant to these regulations, the committee clarifies the responsibilities for each category of risk and advances the construction of a risk management system that comprehensively encompasses the Wacoal Group's overall risks. Further, given the diversification of risks related to information security and their increasing impact on business operations, a Subcommittee for Information Security was established in 2022.

#### Subcommittee for Information Security

To reduce information security risks in the Group's business activities, the Subcommittee for Information Security collects information, investigates current situations, and conducts analysis in relation to information security as a whole, including cyberattacks that target customers' personal information and critical technical information. Also, the subcommittee deliberates on the formulation of the Group's action policies and specific countermeasures, the establishment and abolition of related regulations, and the implementation of strategic investments and monitors progress. The deliberated policies and activity details are regularly reported to the Board of Directors through the Corporate Ethics and Risk Management Committee.

#### System for Promoting Risk Management



## Engagement (Establishing Mutual Trust Through Dialogues)

We consider constructive dialogue regarding improving corporate value important for strengthening mutual trust with all stakeholders. Therefore, in order to link medium- to long-term improvement in corporate value and the construction of a highly effective management system, we actively undertake engagement activities that target employees, shareholders and investors, and reflect their valuable opinions in our management strategy.


### Basic Policy on Dialogue with Shareholders and Other Stakeholders

As it is our opinion that actively holding constructive dialogue with shareholders and investors and reflecting the results of that dialogue in management leads to medium- to long-term improvements in corporate value and sustainable growth, we set policies related to these activities.

 Policy for Dialogue with Shareholders / Investors  
[https://www.wacoalholdings.jp/en/sustainability/talk\\_with\\_stockholder/](https://www.wacoalholdings.jp/en/sustainability/talk_with_stockholder/)

### Basic Policy on Information Disclosure

We see timely disclosure of accurate information as the foundation of mutual trust in relationships with all stakeholders. We are also keenly aware that disclosure is essential for accurate assessments of our corporate value. We actively disclose information while complying with all related regulatory requirements.

 Basic Policy on Information Disclosure  
<https://www.wacoalholdings.jp/en/ir/management/disclosure/>

### Stakeholder Relations

At the Wacoal Group, we define corporate value as the integration of all value gained by customers, employees, shareholders, investors, and other stakeholders. Through our communication with all stakeholders, we strive to maintain solid relationships and build deep mutual trust. Moreover, the details of our investor relations and ESG (environmental, social, and governance) activities are communicated through the efforts of the Corporate Communications Department.

### Communication Activities for Analysts and Institutional Investors (Results)

Activity	FY2023	FY2024	FY2025
Individual meetings with institutional investors and analysts	128 times	136 times	111 times
Results briefings (for analysts and institutional investors)	4 times	4 times	4 times
Business briefings (for analysts and institutional investors)	Twice	Twice	Twice
Factory tours (for analysts and institutional investors)	—	—	Once
Conferences organized by securities companies	Once	Once	—
Overseas roadshows	—	—	—
Briefings for individual investors	Once	—	Once
Meetings for engaging with external directors (for analysts and institutional investors)	10 times	Once	Once

Activity	FY2023	FY2024	FY2025
Feedback on IR activities (for directors)	Quarterly	Quarterly	Quarterly
Briefings (for employees)	Held briefings on integrated report for management personnel (389 participants)	Held briefings on integrated report for employees (400 participants)	Held briefings on integrated report for employees (600 participants)

### Follow-up meetings regarding the revised medium-term management plan (small meetings)

#### Meeting for engaging with external directors



Date: March 7, 2025  
 Location: Tokyo (SPIRAL BUILDING)  
 Objective: Discuss the revised medium-term management plan and the governance system  
 Attendees: Tsunehiko Iwai, External Director (Independent); Hisae Sato, External Director (Independent); Koji Nitto, External Director (Independent); Tetsuro Harada, External Director (Independent)  
 Participants: 14 participants from 11 companies

- "There was a shared understanding regarding the point that the **internal organizational structure is also recognized as a challenge** in advancing the strategy."
- "The fact that the external directors **suggested the speed of implementation is slow** was notable."

#### Senior management meeting on the fiscal 2025 financial results and the fiscal 2026 business plan



Date: June 11, 2025  
 Location: Tokyo  
 Objective: Discuss the financial results for fiscal 2025, the business plan for fiscal 2026, and the progress of the revised medium-term management plan with the senior management team  
 Attendees: Masaaki Yajima, Representative Director, President and CEO; Akira Miyagi, Representative Director, Vice President and Executive Officer and CFO; Keisuke Kawanishi, Representative Director, President and CEO of Wacoal Corp.  
 Participants: 9 participants from 8 companies

- "I can **highly commend** the in-depth discussion on the next medium-term management plan and **the senior management team's clear articulation of their thinking**."
- "This fiscal year is considered critical for the China business, but **the criteria for deciding whether to continue or withdraw are not clear**. I would like you to **disclose the quantitative KPIs you will use to decide whether to continue or withdraw**."
- "You shared the concrete strategies for the US business, including the shift from depending on department stores to strengthening e-commerce, measures to improve UI/UX, and the target for CAGR growth of 10%. This made the **current challenges and countermeasures clear**."



## Data

11-Year Financial Summary .....	53
5-Year Non-Financial Summary .....	54
Investor Information / Our Corporate Website / Editorial Postscript.....	55

# 11-Year Financial Summary

Financial Information/Financial Highlights includes 25-Year Financial Indicators.  
<https://www.wacoalholdings.jp/en/ir/finance/>

	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
<b>Performance</b> (millions of yen)											
Revenue	191,765	202,917	195,881	195,725	194,201	186,760	152,204	172,860	188,592	187,208	173,896
Cost of sales	90,722	95,901	92,950	91,909	89,804	84,959	67,798	76,607	82,189	83,123	76,452
% of revenue	47.3%	47.3%	47.5%	47.0%	46.2%	45.5%	44.5%	44.3%	43.6%	44.4%	44.0%
Selling, general and administrative expenses	87,940	93,151	91,866	91,282	99,518	94,696	82,836	91,240	102,301	100,575	100,841
% of revenue	45.9%	45.9%	46.9%	46.6%	51.2%	50.7%	54.4%	52.8%	54.2%	53.7%	58.0%
Business profit								—	4,102	3,510	-3,397
Operating profit (loss)	7,082	13,865	11,065	12,534	4,879	6,632	-1,115	5,013	-3,490	-9,503	3,328
Operating profit margin	3.7%	6.8%	5.6%	6.4%	2.5%	3.6%	—	2.9%	—	—	—
Profit before income taxes and equity in net income of affiliated companies	11,342	14,957	16,569	14,286	2,203	4,359	10,792	7,246	-699	-8,290	5,693
Net profit attributable to owners of parent	8,444	11,159	12,525	9,745	341	3,472	7,025	4,608	-1,643	-8,632	6,989
Return on equity (ROE)	3.9%	4.9%	5.5%	4.2%	0.2%	1.6%	3.3%	2.1%	-0.8%	-4.0%	3.6%
Return on assets (ROA)	4.0%	5.0%	5.6%	4.8%	0.8%	1.6%	3.6%	2.3%	-0.2%	-2.8%	2.1%
Return on invested capital (ROIC)	—	—	—	—	—	—	—	—	—	—	3.1%
<b>Financial Condition</b> (millions of yen)											
Total assets	300,272	292,854	294,958	298,534	281,767	277,688	322,761	303,245	285,659	294,029	272,183
Shareholders' equity	228,857	224,374	227,568	232,712	216,494	205,371	215,612	223,005	213,482	215,142	194,892
Cash and cash equivalents	38,410	34,059	33,995	29,487	30,133	27,905	63,557	37,982	26,781	33,547	23,419
Inventories	42,893	44,445	43,822	42,676	42,508	43,427	43,250	45,268	53,720	49,989	50,226
Property, plant and equipment	49,188	53,938	55,288	54,333	53,270	52,083	49,758	52,961	46,702	45,478	43,252
<b>Cash Flows</b> (millions of yen)											
Net cash provided by operating activities	14,337	12,635	16,351	15,493	13,620	13,325	4,260	13,008	7,334	11,392	4,939
Net cash provided by (used in) investment activities	164	-11,407	-3,032	-7,362	-2,474	2,569	-2,562	-3,096	3,902	13,497	9,382
Net cash provided by (used in) financing activities	-8,391	-4,547	-13,055	-12,303	-10,872	-17,471	33,605	-36,349	-22,541	-20,211	-22,926
Free cash flow	14,501	1,228	13,319	8,131	11,146	15,894	1,698	9,912	11,236	24,889	14,321
<b>Investment</b> (millions of yen)											
Capital expenditures	4,478	8,978	7,445	5,884	5,783	6,981	5,604	9,745	5,048	3,381	3,875
Depreciation	5,074	4,815	5,032	5,492	5,647	6,029	6,128	6,185	5,440	5,100	4,870
<b>Price earnings ratio (PER)</b>											
Shareholders' equity per share (yen)	—	—	—	3,454.40	3,321.57	3,291.06	3,454.18	3,628.56	3,623.29	3,846.66	3,713.17
Net profit per share attributable to Wacoal Holdings Corp. (EPS) (yen)	—	—	—	143.46	5.16	54.26	112.57	74.04	-27.44	-151.62	129.65
Dividends per share (interim dividends per share)	—	—	—	36	72	60	40	50	80	100	100
Total amount of dividends	4,225	4,648	4,940	4,871	4,732	3,808	2,496	3,093	4,720	5,601	5,292
Dividend yield	2.2%	2.5%	2.6%	2.3%	2.6%	2.6%	1.6%	2.7%	3.2%	2.7%	2.0%
Dividend payout ratio	50.0%	41.7%	39.9%	50.2%	1395.3%	110.6%	35.5%	67.5%	—	—	—
Price earnings ratio	22.55	16.95	15.24	21.47	533.33	43.25	21.81	24.88	-90.63	-24.50	39.28
Price-book value ratio (PBR) (times)	0.83	0.84	0.83	0.89	0.83	0.71	0.71	0.51	0.69	0.97	1.37

Notes: 1 In fiscal 2024, the settlement dates of certain consolidated subsidiaries were changed from the previous settlement dates to March 31, the settlement date of the Company, to reflect periodic profit and loss for the period more accurately on the consolidated financial statements.

2 As of October 1, 2017, Wacoal Holdings Corp. conducted a one-for-two reverse stock split of its ordinary shares. Per share information has been calculated based on the assumption that the reverse stock split was conducted at the beginning of fiscal 2024.

3 The Company applied Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost (ASU2017-07) from the beginning of fiscal 2019. As a result, some of the figures for the leading management indicators relating to fiscal 2018 and before present the indicators after the retroactive application of the accounting standard.

4 In fiscal 2020, the breakdowns of the Wacoal Business (Domestic) segment, the Peach John Business segment, and the Other business segment were partially changed due to a partial revision of the Group's internal performance management categories. There were no retroactive adjustments resulting from these changes.

5 IFRS has been applied on a voluntary basis from fiscal 2023. No retroactive adjustments.

## 5-Year Non-Financial Summary

	Range			Unit	FY2021	FY2022	FY2023	FY2024	FY2025
Environmental									
Greenhouse gases	Scope 1	Group's operating bases in Japan¹	t-CO₂	1,611	1,736	1,701	1,578	1,513	
	Scope 2	Group's operating bases in Japan¹	t-CO₂	4,103	4,369	4,179	4,245	3,987	
	Scope 3⁴			304,503	294,512	298,553	160,411	126,459	
	Category 1 Purchased goods and services	Wacoal Business (Domestic)	t-CO₂	273,758	251,005	273,944	140,559	104,545	
	Category 2 Capital goods	Wacoal Business (Domestic)	t-CO₂	16,387	28,496	8,656	5,676	8,650	
	Category 3 Fuel- and energy-related activities not included as a part of Scope 1 and Scope 2 emissions	Wacoal Business (Domestic)	t-CO₂	1,091	1,209	1,201	1,272	1,235	
	Category 4 Upstream transportation and distribution	Wacoal Business (Domestic)	t-CO₂	5,674	5,828	6,364	4,999	4,858	
	Category 5 Waste generated in operations	Wacoal Business (Domestic)	t-CO₂	187	146	168	268	253	
	Category 6 Business travel	Wacoal Business (Domestic)	t-CO₂	1,073	1,782	2,349	791	689	
	Category 7 Employee commuting	Wacoal Business (Domestic)	t-CO₂	2,807	2,700	2,448	1,840	1,686	
	Category 8 Upstream leased assets	Wacoal Business (Domestic)	t-CO₂	1,070	1,005	911	1,495	1,349	
	Category 12 End-of-life treatment of sold products	Wacoal Business (Domestic)	t-CO₂	2,456	2,341	2,513	3,512	3,195	
	Water	Water used	Group's operating bases in Japan¹	1,000 m³	92	96	101	100	85
Waste	Total waste emissions	Group's operating bases in Japan¹	t	717	874	839	758	801	
Brassiere recycling activities	Number of stores	Wacoal Corp.	Stores	750	750	800	800	800	
	Number of brassieres collected²	Wacoal Corp.	Bras	220,000	257,000	240,000	204,000	188,000	
Social									
Human capital	Number of employees	Consolidated	Persons	20,316	20,447	19,629	17,756	16,448	
	% of female managers	Wacoal Corp.	%	27.3	27.3	29.3	32.2	38.6	
	Number of mid-career recruits	Wacoal Corp.	Persons	27	48	17	30	74	
	% of disabled in workforce	Domestic Group³	%	2.54	2.43	2.51	2.46	2.84	
The advancement of work-life balance	% of female employees taking child-rearing leave	Wacoal Corp.	%	98.4	100.0	99.1	100.0	100.0	
	% of male employees taking child-rearing Leave	Wacoal Corp.	%	62.5	56.5	38.9	66.7	66.7	
	% of employees return to work after taking child-rearing leave	Wacoal Corp.	%	96.8	79.1	100.0	88.7	89.5	
Social citizenship	The breast cancer screening support project (Number of people screened)	Wacoal Corp.	Persons	4,406	4,784	4,338	4,237	2,680	
	The breast cancer screening support project (Number of screening days)	Wacoal Corp.	Days	104	114	106	105	63	
Governance									
Number of Directors	Female	Consolidated	Persons	1	1	1	2	2	
	Male	Consolidated	Persons	6	5	5	6	6	
Of which, External Independent Directors	Female	Consolidated	Persons	1	1	1	2	2	
	Male	Consolidated	Persons	2	2	2	3	3	

Notes: 1 Head Office Building, Spiral Building, Asakusabashi Building, Kojimachi Building, Kyoto Building, Shin-Kyoto Building, Moriyama Distribution Center, Fushimi Distribution Center, Wacoal Manufacturing Japan Corp. (Nagasaki, Kumamoto, Fukuoka, Fuku, Niigata)

2 Cumulative numerical value converted at 1 unit = 100 g, based on the total recovered weight

3 Wacoal Holdings Corp., Wacoal Corp., Ai Co., Ltd., Peach John Co., Ltd., Unenana Cool Corp., Linge Noel Co., Ltd., Wacoal Manufacturing Japan Corp., Wacoal Distribution Corp., Wacoal Career Service Corp., Wacoal I Next Corp.

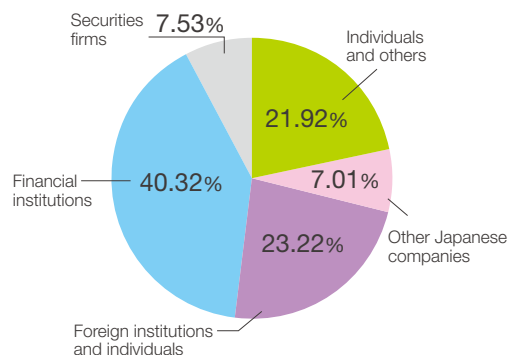
4 The method of calculation for Scope 3 was changed from fiscal 2024, and some results for prior years have been retroactively adjusted.

## Investor Information

(As of March 31, 2025)

<b>Stock Listing</b>	Tokyo Stock Exchange	<b>Shareholder Register Agent for Common Stock</b>	Mitsubishi UFJ Trust and Banking Corporation, 1-4-5, Marunouchi, Chiyoda-ku, Tokyo 100-8212, Japan
<b>Fiscal Year-end</b>	March 31	<b>American Depositary Receipts</b>	Cusip No.: 930004304 Ratio (ADR:ORD): 1:5 Market: OTCQX Symbol: WACLY
<b>Securities Code</b>	3591	<b>Depository</b>	The Bank of New York Mellon, 240 Greenwich St., New York, NY 10286, U.S.A. Tel: 1-201-680-6825 U.S. toll free: 888-269-2377 (888-BNY-ADRS) <a href="https://www.adrbnymellon.com/">https://www.adrbnymellon.com/</a>
<b>Fiscal Year</b>	From April 1 to March 31		
<b>Number of Shares Issued</b>	55,500,000 (Treasury Stock: 3,840,910)		
<b>Trading Unit</b>	100 shares		

### Ownership and Distribution of Shares Number of Shareholders: 14,038



### Major Shareholders

Name	Number of shares held (Thousand shares)	Percentage of shares outstanding (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	5,594	10.83
Meiji Yasuda Life Insurance Company	3,050	5.9
MUFG Bank, Ltd.	2,704	5.24
The Bank of Kyoto, Ltd.	2,353	4.55
GOLDMAN SACHS INTERNATIONAL	1,737	3.36
Nippon Life Insurance Company	1,570	3.04
The Shiga Bank, Ltd.	1,569	3.04
Mitsubishi UFJ Trust and Banking Corporation	1,525	2.95
Custody Bank of Japan, Ltd. (Trust Account)	1,513	2.93
NOMURA PB NOMINEES LIMITED OMNIBUS-MARGIN (CASHPB)	1,230	2.38

## Our Corporate Website

### Wacoal Holdings Corp.'s Website

<https://www.wacoalholdings.jp/en>



### Vision

- > Message
- > The WACOAL Way
- > "VISION 2030"
- > Revised Medium-Term Management Plan
- > Corporate Governance
- > Compliance
- > DX

### Wacoal's Business

- > Wacoal Group's Business Model
- > Value Creation Process
- > Material Issues
- > Business Fields

### Company Profile

- > Wacoal Holdings Corp.
- > Wacoal Corp.
- > Wacoal Group
- > Turning Point

### Investor Relations

<https://www.wacoalholdings.jp/en/ir/>



### Investor Relations

- > Management Information
- > Financial Information / Financial Highlights
- > Monthly Sales Data
- > IR Library
- > Dividend and Share Repurchase
- > Shareholder Benefits
- > Stock Information
- > General Meeting of Shareholders
- > Stock Price Information

### IR News

- > IR News
- > IR Schedule
- > Disclaimer
- > FAQs

### Sustainability

<https://www.wacoalholdings.jp/en/sustainability/>



### Sustainability Policy

- > The WACOAL Way
- > A Message from the President
- > Basic Policy, Relations with Stakeholders
- > System for Promoting Sustainability
- > Material Issues
- > Integrated Report
- > ESG DATA BOOK

### Focus Areas of Our Initiatives (ESG Issues)

- > CSR Procurement
- > Corporate Governance
- > Compliance
- > Risk Management
- > Quality and Safety
- > Human Capital
- > Environmental
- > Social Contribution
- > Human Rights
- > Engagement with Stakeholders
- > Customer Support
- > ISO 26000 Comparison Table

### Editorial Postscript

Thank you very much for reading Integrated Report 2025. As part of the revised medium-term management plan, we put the focus on "people" and incorporated the voices of many of our employees in Japan and overseas in producing this year's report. We hope their voices will convey, even if only in a small way, the background, challenges, and commitment behind our initiatives. Going forward, we will continue to value dialog with stakeholders and to work diligently to create value through highly transparent disclosure of information, as well as our investor relations, public relations, and sustainability promotion activities.

Satoko Watanabe, General Manager, Corporate Communications Department  
Production team: Nozomi Akae, Haruya Shimazaki, Haruna Tani, Yuki Nakata, Ai Miyaji

