

ALWAYS CREATING, SHARING VALUE. ALWAYS STRIVING FOR MORE.

Our enduring aspiration in this statement reflects our strong determination to continue self-transformation and evolution—now and into the future.

We strive to attract customers and keep innovating ourselves toward new possibilities by building a system that enables us to constantly offer value to customers and by putting that system into action.

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Editorial Policy

This report has been prepared as a communication tool that systematically outlines sustainable and replicable growth strategies from both a financial and non-financial perspective in order to achieve our corporate statement: “Always creating, sharing value. Always striving for more.” It follows the IFRS Foundation's International Integrated Reporting Framework and the Ministry of Economy, Trade and Industry's Guidance for Collaborative Value Creation. We will strive to further enhance the content of the report in the future to deepen the understanding of our Group among a broader range of readers, including shareholders and investors.

(Key points of Integrated Report 2025)

In the second year of issuing our Integrated Report, we have built upon the framework established in the inaugural edition, with particular emphasis on the following points:

- Presenting in concrete terms the progress made on the vision and growth strategy outlined in the previous year's report
- Clearly communicating our initiatives for value creation and the foundations that support these efforts
- Aiming for more accessible information disclosure with a focus on dialogue with stakeholders

Reporting Period

March 1, 2024 to February 28, 2025; hereinafter FY02/25

Reporting Scope

World Co., Ltd. (hereinafter “World” or the “Company”) and its Group companies

Amounts in This Report

The amounts and ratios in this report are rounded to the nearest unit.

Disclaimer regarding Forward-Looking Statements

The present plans, forecasts, strategies, and other contents in this report include forward-looking statements that represent World's judgment based on information available at the time the report was produced. Please note that actual future results may differ significantly due to various factors. The risks and uncertainties that may affect our earnings performance include economic conditions affecting our business environment, market competition, exchange rates, taxes, and other systems.

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Always creating, sharing value.

Always striving for more.

World has created many product and store brands with various values in the past.

These brands are the result of our unique creativity and have served to enhance the values of fashion in society. However, such values do not remain unchanged; instead, they change as customer needs change over time. In order to continue evolving as a “Value-Creating Enterprise,” we at World must keep creating new values in response to ever-changing customer needs.

Our enduring aspiration in this statement reflects our strong determination to continue self- transformation and evolution— now and into the future. We strive to attract customers and keep innovating ourselves toward new possibilities by building a system that enables us to constantly offer values to customers and by putting that system into action.

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In the fashion industry, the effective utilization of limited resources is a pressing issue. For the WORLD Group to continue creating long-term and sustainable value as a value-creating enterprise, we must not only take responsibility for production but also create a cycle that includes usage and disposal. We believe a focus on social value leads to industry sustainability, and is the key to our business growth.

By realizing fashion diversity and sustainability, we aim to continuously offer the joy of fashion to our customers in various forms. To achieve this mission, we are committed to establishing and evolving the "WORLD Fashion Ecosystem."

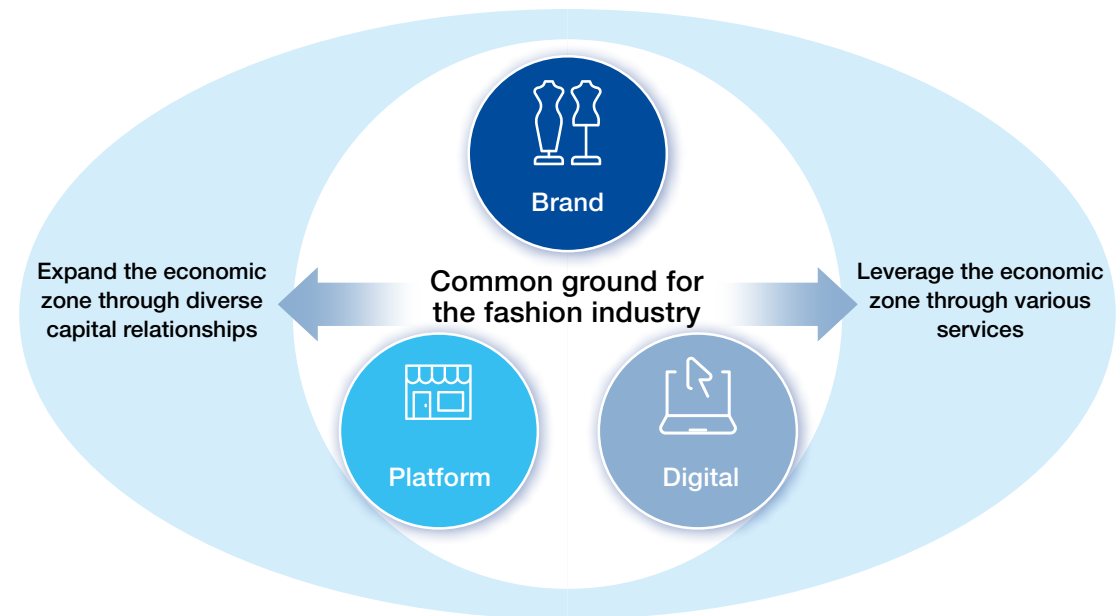
Transforming the supply chain is beyond the capability of any single company. However, since the announcement of our SPARCS Vision* in 1992, we have tirelessly pursued production free of losses and waste, and achieved growth accordingly. We are therefore confident that we can realize our vision.

The WORLD Group will lead the creation of a common platform for a new fashion industry by expanding our economic sphere via diverse capital relationships and by leveraging our economic sphere through various services.

* SPARCS Vision: SPARCS is an acronym for "Super," "Production," "Apparel," "Retail," and "Customer Satisfaction." It refers to a business model that transforms losses and waste into value through integrated operations ranging from retail to production with a customercentric perspective.

WORLD Fashion Ecosystem

**"Pursue the creation of a fashion industry without losses and waste
= Evolution of our SPARCS vision"**



Taking steps to realize our founding ambition of "soaring onto the global stage one day" supported by a business model that is truly unique in the world

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Transitioning from an Apparel Company to a Comprehensive Fashion Service Group Building a Common Platform for a New Fashion Industry Moving Toward the Establishment of the WORLD Fashion Ecosystem

World's Purpose and Its One-of-a-Kind Business Model

Our purpose is fully embodied in our corporate statement: "Always creating, sharing value. Always striving for more."

With this philosophy as our starting point, amid a period of transformation in the apparel industry, we have advanced initiatives that go beyond the conventional apparel business, aiming to pursue a fashion industry free of losses and waste as a comprehensive fashion service group. In this way, we have created new market value and have presented a vision for the fashion industry of the next generation.

The driving force behind today's World and its sustainable growth—while managing a diverse portfolio of companies and brands—lies in its history of flexibly responding to market changes, and in the bold initiatives it has taken in business format

**Nobuteru Suzuki**

Representative Director of the Board,
President and Executive Officer

development and brand creation since its founding, as well as in the experience and expertise accumulated through those efforts.

Furthermore, in order to enable the uniquely talented individuals who have carried forward this legacy of embracing challenges to demonstrate their capabilities with even greater autonomy, we are putting in place a system to assign and develop employees with diverse backgrounds in the right roles. By doing so, we are evolving an organizational culture that "transforms change into strength." This forms the foundation of our business continuity and serves as the source of our competitiveness.

The WORLD Fashion Ecosystem* we aim to realize is a business model that regards every stage in a brand's lifecycle—from "cradle to grave," that is, from birth, growth, and maturity to decline and eventual regeneration—as an opportunity for revenue generation.

* WORLD Fashion Ecosystem: Please refer to [P.3](#) for details.

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For example, for companies seeking to newly enter the apparel industry, we are able to provide one-stop support and execution—from brand development and product planning to store design and system implementation. We are already offering a variety of services and products tailored to client needs in the food and other industries, including sales agency operations, store design, uniform production, and product packaging design. Through these efforts, we are enabling companies across a wide range of industries to utilize the brand management expertise and infrastructure we have cultivated in our fashion business.

We also receive many requests for turnaround support. By leveraging our platform functions, we work to enhance the enterprise value of underperforming businesses through initiatives such as improving profit structures—including stronger cost control—along with support provided via the joint investment company established with the Development Bank of Japan Inc.

In this way, we continue to create new businesses while responding to a wide range of needs as a comprehensive fashion service company that goes beyond apparel alone. It is precisely because we have consistently looked ahead and embraced unprecedented challenges that today's World exists. We believe this unrelenting spirit of challenge itself is our greatest strength.

An organization is a place where many individuals collaborate to achieve ambitious goals that cannot be accomplished alone. At World, which operates a wide range of businesses, it is essential to maintain a sense of unity across the organization, even as different values and business domains coexist. We refer to this as “sophisticated cohesion among diverse businesses.” We are committed to creating an environment in which each individual's unique qualities can be fully expressed, and we believe that the coexistence of diversity and unity is the very essence of World's approach to organizational management.

**Review of FY02/25 and Laying the
Groundwork for Non-Linear Growth**

In FY02/25, the second year of our medium-term management plan “PLAN-W,” we achieved our targets across all profit categories and made tangible progress under the theme of “demonstrating sustainable growth and profitability.”

Looking at performance by business segment, in the Brand Business, while the lifestyle business performed well, the apparel business saw widening disparities among brands, and issues related to profitability became increasingly apparent. In response, we established the Brand Division in FY02/25 and are now undertaking not only individual brand-level improvements, but also fundamental structural reforms with a targeted focus, based on successful case studies.

In the Digital Business, as a result of thoroughly pursuing a strategy of “selection and concentration,” the B2C domain registered steady growth. Notably, Tin Pan Alley Co., Ltd., which operates a pre-owned apparel business, delivered results that significantly exceeded expectations. In addition, Laxus Technologies, Inc., which operates a rental service for luxury branded bags, successfully completed a stock market listing in December 2024, aiming for further autonomous growth. In the B2B domain, profitability similarly improved, and we made OpenFashion Inc. a subsidiary to drive the development of new services. Looking ahead, we aim to further evolve the WORLD Group's Digital Business by generating synergies with Fashion-Co-Lab. Co., Ltd., which supports the development and operation of various systems within the Group. At the same time, we will accelerate in-house utilization of Maison AI, our proprietary AI platform—a competitive advantage unique to the WORLD Group—in order to offer advanced services grounded in real-world application that no other company can deliver.

In the Platform Business, we welcomed MC Fashion Co., Ltd. into the Group at the end of FY02/25 to support future growth expansion. By leveraging MC Fashion's human resources and expertise, we will build a foundation for non-linear growth. In addition, to enhance the stable supply of Japan-made products, we also made World Sewing Co., Ltd. a consolidated subsidiary. Going forward, we intend to increase added value by integrating our B2B businesses and further strengthen them as a growth engine for the Group.

Meanwhile, in the turnaround investment business, which we are concentrating on as our “next pillar,” we took a major step forward by completing a tender offer for Right-on Co., Ltd. through W&D Investment Design Inc. In the past, we have successfully executed turnarounds for companies such as Strasburgo Co., Ltd. and Knit Planner Co., Ltd., and we intend to apply the insight and expertise gained from those efforts to the turnaround of Right-on.

Finally, in our overseas business, we opened the first international location of RAGTAG, our chain of stores specializing in pre-owned designer-brand apparel, in Bangkok, Thailand in July 2025. Starting with this launch, we aim to rapidly establish a business foundation in the fast-growing ASEAN market.

**Accelerating Growth Toward the Completion
of “PLAN-W” and Future Financial Strategy**

Our medium-term management plan “PLAN-W” has now entered its final year. Given the current expansion of our business domains, it is essential that our diverse operations collaborate organically—reinforcing the connection between strategy and execution—and that we steadily build a foundation for management grounded in execution capabilities. While each business

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differs in characteristics and operational methods, we believe the key to advancing beyond “PLAN-W” lies in sharing a unified vision across the Group and building a system that enables autonomous collaboration—while incorporating rapidly evolving technologies, with AI at the forefront.

In our business portfolio, the Group as a whole has clearly shifted its focus toward growth. Until now, our efforts in the lifestyle business and B2B businesses within the digital domain have primarily focused on improving profitability. However, with structural reforms beginning to show tangible results, we are transitioning to the next phase: investing in growth with an eye toward scale expansion. In the B2C businesses as well, while continuing to address issues that have emerged, we will continue to make appropriate investments as we pursue the dual goals of sustainable growth and profitability.



As part of our financial strategy, we have already fully implemented return on invested capital (ROIC) as a key performance indicator across the Group. From FY02/25, we have also begun testing ROIC management by business segment. Through these initiatives, we aim to further enhance the precision of our management in improving capital efficiency, while increasing corporate value by working toward the achievement of specific numerical targets.

Meanwhile, our current stock price remains near 1x price-to-book ratio (PBR), and it is clear that our valuation in the capital markets remains insufficient. However, results from FY02/25 reflect tangible progress in our diversified business structure, which is no longer dependent solely on apparel—signaling a key turning point in our transformation from a traditional apparel company. We will strive to meet the expectations of the capital markets by achieving sustained, profitable growth.

Looking ahead, we will continue to respond flexibly to various changes while driving the evolution of our strategies and organizational structure, with the aim of achieving sustainable enhancement of corporate value.

Responsibility and Action Toward Sustainable Value Creation

ESG issues—beginning with climate change—are critically important themes for those of us involved in the fashion industry. In the apparel industry in particular, the supply chain is exceptionally long and complex, which limits what any single company can accomplish alone. That is why, as an industry pioneer, we have prioritized early collaboration with stakeholders, including with government bodies, suppliers, and partner companies. One example is the World Ecoromo Campaign, which collects and re-

circulates unwanted clothing. Now in its 16th year, the campaign has collected more than 19.95 million clothing items to date. In another initiative with Japan's Ministry of the Environment, we are co-developing a sustainable material called CIRCRIC, designed to help reduce greenhouse gas (GHG) emissions, in partnership with our suppliers. We are targeting a 20% usage rate of CIRCRIC in our own products by the end of 2026. We intend to further accelerate efforts to lead the industry.

We place strong emphasis on building an effective governance framework within the WORLD Group—not merely on formalistic system design. A majority of the members of our Board are outside members, and we ensure regular rotation to avoid long-term dependence on the same individuals. We are also actively promoting diversity, including through the appointment of women, and are committed to ensuring transparent management. In particular, we maintain regular dialogue with outside members of the Board, sharing all risk-related information to enable vigorous and constructive discussions. Going forward, we will further strengthen sincere and substantive governance, grounded in integrity and transparency.

As a company aiming to become a comprehensive fashion service group, our commitment to quality is of utmost importance. In particular, we have set extremely rigorous quality control standards, always placing the value we deliver to our customers as our highest priority.

Furthermore, as part of our contribution to local communities, we actively engage in initiatives such as clothing collection activities and workshops using leftover fabric, particularly in areas where we operate—such as Kobe, where our headquarters is located, and Minato Ward in Tokyo, where we have an office. Through these efforts, we aim to grow together with local communities and fulfill our social responsibilities as a company that earns lasting trust.

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Human Capital Management Initiatives and Organizational Development

As the WORLD Group's business domains continue to expand, upskilling employees—who support the Company's growth—has become an urgent priority. We are strengthening human resource development by enhancing educational opportunities, supporting reskilling, and conducting regular job rotations so that each employee can gain a wide range of experiences.

We are also shifting away from the previous development model that relied solely on one-on-one relationships between supervisors and subordinates, and moving toward a system in which talent development is carried out by entire teams and across the Group as a whole. In particular, based on the principle that a supervisor's role is not only to deliver results but that developing people is equally important, we are working to raise the quality of leadership across all levels. With the expansion of our business domains in recent years and the resulting increase in mid-career hires with strong aspirations, we are also focusing on creating an environment where people from diverse backgrounds can work together, inspire one another, and grow.

At the same time, in advancing human capital management, revisiting employee compensation is essential. For a company to achieve sustainable growth, it must establish a compensation structure that is appropriate to that aim. At our Company, in addition to raising salary levels, we are also working to expand our employee stock ownership program as a measure to support employees in building assets for the future.

Going forward, we will further strengthen the competitiveness of our organization as a whole by creating an environment where each employee can proactively shape their own career and fully realize their potential.

Message to Our Stakeholders

I would like to express my heartfelt gratitude to all our stakeholders—including, first and foremost, our shareholders—for the generous and continued support you have extended to us thus far.

Since the launch of our medium-term management plan “PLAN-W,” we have promoted a variety of initiatives aimed at enhancing corporate value. While these efforts have begun to yield some results, we recognize that they are still not sufficient. In order to enhance our market valuation, we believe it remains essential to continue strengthening communication and engagement, so that the market can accurately understand our business strategy.

We are also committed to fostering a sense of partnership among our employees as we work together to enhance corporate value. In addition to the significant expansion of the employee stock ownership program mentioned earlier, we grant stock options linked to share price performance to officers at the executive officer level and above. Through these efforts, we will continue working to closely align the entire Group with the interests of our shareholders.

The WORLD Group's business activities are made possible by the understanding and cooperation of our many business partners. In particular, in promoting sustainability—where there are limits to what a single company can achieve—we have achieved results by working collaboratively. We will continue to build sincere and sustainable partnerships, placing importance on win-win relationships that provide mutual benefit.

The WORLD Group now stands at a major turning point.

We are stepping into the next stage of our growth—not bound by the conventional framework of an apparel company, but as a comprehensive fashion service group that operates the WORLD Fashion Ecosystem, a business model truly unmatched on a global scale.

As we move through this process of transformation, we will continue to embrace challenges as a unified Group, so that our shareholders and all stakeholders can walk alongside us and share in the excitement of this journey. We invite you to look forward to the continued growth of the WORLD Group.



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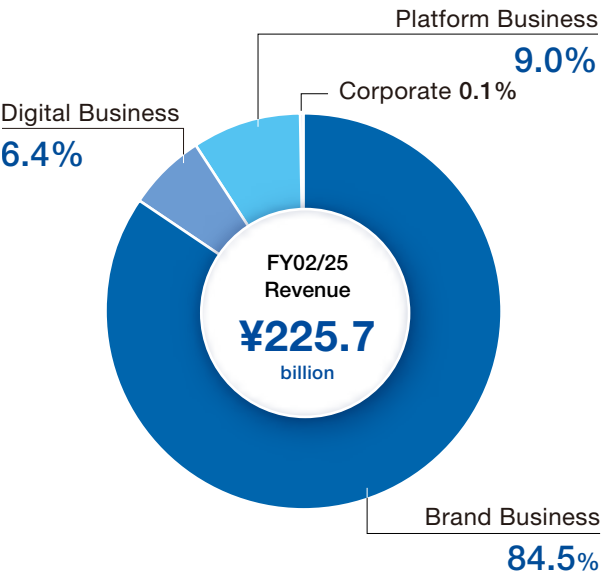
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VALUE CREATION STORY

Group Overview (FY02/25)

As a value-creating enterprise, the WORLD Group aims to continuously create value over the long term and in a sustainable manner. To achieve this objective, we have built three business pillars that go beyond the apparel field: the Brand Business, the Digital Business, and the Platform Business.

Revenue (external revenue) composition by business*



Revenue	¥225.7 billion
Core operating profit	¥17.0 billion

* The figures above represent the Group's overall earnings performance, including external revenue for each division as well as amounts for shared corporate functions.



Revenue	¥198.9 billion
(External revenue)	¥190.6 billion
Core operating profit	¥11.1 billion

We operate a diverse portfolio of brands that cater to various age groups and fashion preferences, including women's, men's, and children's apparel, as well as accessories. In addition, through investments in fashion-related businesses and value-enhancement initiatives, we are developing new fashion businesses.



Revenue	¥32.5 billion
(External revenue)	¥14.5 billion
Core operating profit	¥2.6 billion

The Digital Business consists of B2B (system solutions) and B2C (circular) services. In our B2B operations, we not only operate and develop the WORLD Group's own e-commerce mall but also undertake contracted e-commerce operations for other companies and provide digital solutions. In our B2C operations, we operate RAGTAG stores specializing in pre-owned designer-brand apparel, usebowl stores offering more casual pre-owned apparel, and &Bridge off-price stores.



Revenue	¥74.5 billion
(External revenue)	¥20.4 billion
Core operating profit	¥1.8 billion

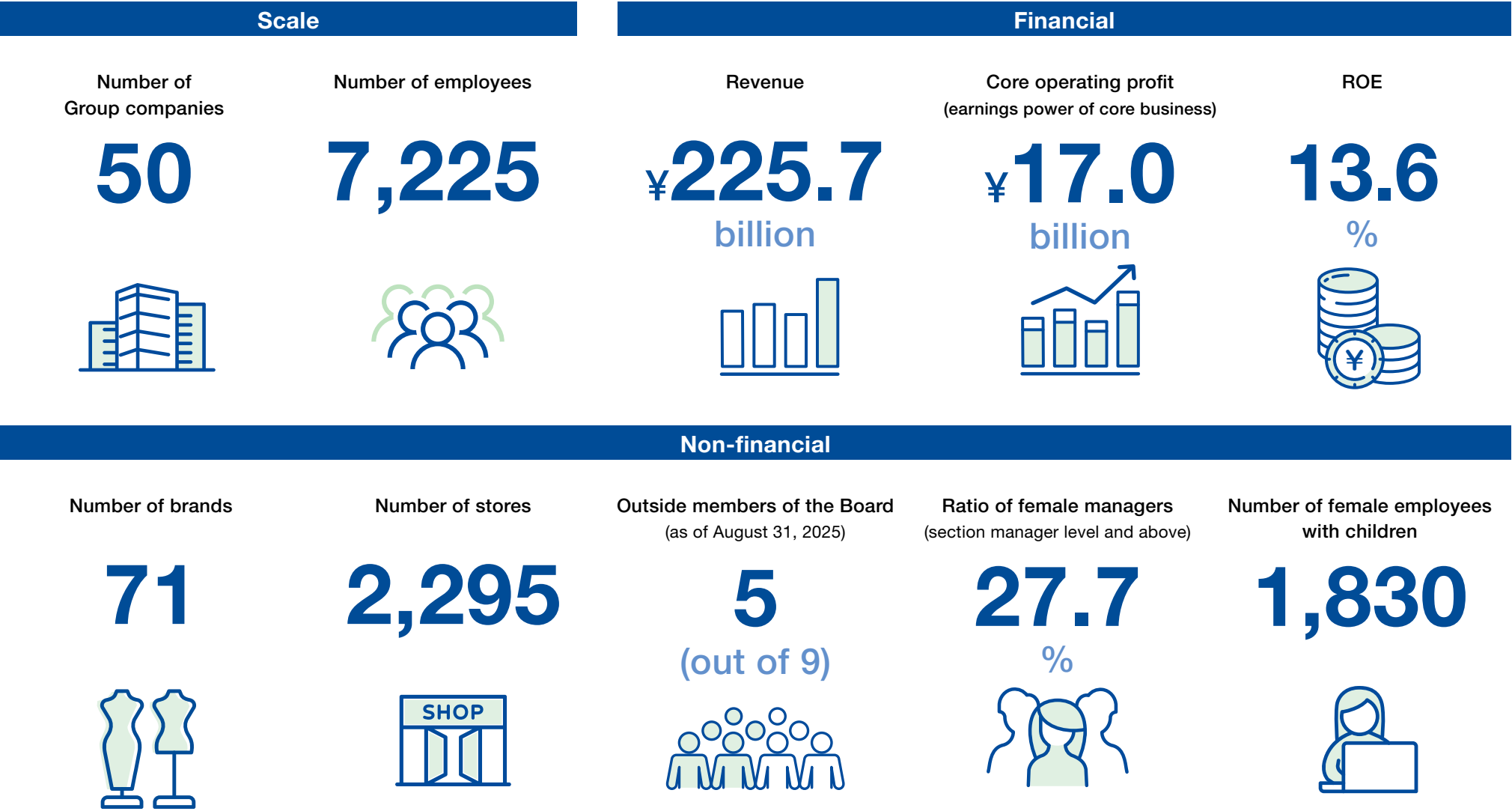
The Platform Business was launched out of a desire to actively share the expertise the WORLD Group has cultivated over its 60-year history with partners both inside and outside the industry, helping address challenges faced by the fashion industry as a whole. From developing stores that generate new value to delivering a variety of services, we provide one-stop solutions to external partners.

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Key Figures—*The WORLD Group at a Glance* (FY02/25)

Since its establishment, World has continuously pursued diversity and sustainability in the fashion industry.



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Since its founding, World has anticipated market changes and continuously transformed itself, bringing fresh perspectives to the fashion industry. Our unwavering commitment to self-transformation is driven by our goal of creating customer satisfaction.

1st Founding: 1959 Establishment and Growth of Wholesale Operations

In 1959, World was established in Kobe, Hyogo Prefecture, as a wholesaler of women's knitwear. We pioneered methods that predated the modern apparel industry, such as specifying designs and colors in-house and manufacturing them in factories. Early on, we employed fashion designers to successively launch unique products. We also developed total coordination brands during an era when single-item proposals were the norm, and established stores that exclusively sold World products. These initiatives increased our recognition as a fashion brand and expanded our wholesale business.



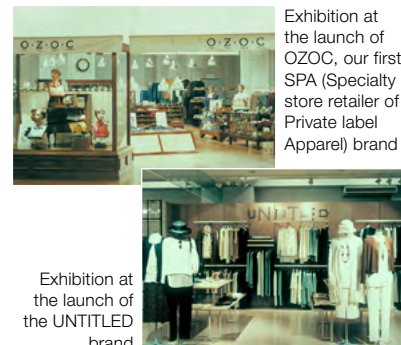
World Co., Ltd. was founded with the aspiration to "soar onto the global stage one day."

WORLD COORDINATE (now CORDIER): a total coordination brand

2nd Founding: 1992 SPARCS Vision* / Promotion of SPA Retail Format

As fashion diversified and consumer preferences continued to change, World announced its medium-term management vision, SPARCS Vision, in 1992. This marked a transition to a market-in business model aimed at maximizing productivity and customer satisfaction by integrating processes from retail to production under a customer-centric perspective, while transforming losses and waste into value. To realize this vision, we launched the SPA brand OZOC and have since significantly grown our retail business by embracing a multi-format, multi-brand strategy and developing diverse sales floors to flexibly accommodate market changes.

* Please refer to the note on P.3



Exhibition at the launch of the UNTITLED brand

3rd Founding: 2005 Expansion of Industrial Platform

Following the MBO in 2005, we have striven to strengthen our functions across the entire value chain—from upstream to downstream—starting with our retail stores, with the goal of further enhancing corporate value over the medium to long term. We established World Production Partners Co., Ltd. to strengthen production capabilities and expanded into the interior and home decor businesses alongside our apparel business. Furthermore, to build an e-commerce platform business, we founded Fashion-Co-Lab. Co., Ltd., advancing efforts to develop an industrial platform that integrates sales, planning, production, and digital operations to further enhance customer value.



SHOO-LA-RUE: a store that offers a wide range of products, from women's apparel to children's clothing and fashion accessories

World Ecomomo Campaign: a clothing recycling initiative



4th Founding: 2017 Toward the Establishment of the WORLD Fashion Ecosystem

Amid the rapid changes in consumer purchasing behavior driven in large part by the maturation and digitalization of the apparel market in Japan, World transitioned to a business holding company structure in 2017 to achieve lasting growth. We also announced the WORLD Fashion Ecosystem, expanding our SPARCS Vision into the lifestyle and circular economy areas to create a fashion industry free of losses and waste. Through updates to existing businesses and the development of next-generation business models, we continue to generate new value.

- 2017** Transitioned to a business holding company structure, with World Co., Ltd. as the holding company.
Established the fund management company W&D Investment Design Inc. with Development Bank of Japan Inc.
Added Asplund Co., Ltd. to the Group to strengthen the lifestyle business.
- 2018** Added Tin Pan Alley Co., Ltd. to the Group to expand into the business domain of secondary distribution.
Relisted on the First Section of the Tokyo Stock Exchange.
- 2019** Added HIROFU Co., Ltd., a manufacturer of premium leather goods, to the Group through the W&D Design Fund.
Added Kobe Leather Cloth Co., Ltd., a general shoe trading company, to the Group.
- 2020** Appointed Nobuteru Suzuki as Representative Director of the Board, President and Executive Officer.
- 2022** Made Narumiya International Co., Ltd. a consolidated subsidiary.
- 2023** Strasburgo Co., Ltd. became a wholly owned subsidiary after receiving business turnaround support from W&D Investment Design Inc., an equity-method affiliate of World Co., Ltd.
- 2024** Laxus Technologies, Inc. listed on the TSE Growth Market; became an equity-method affiliate.
- 2025** W&D Investment Design Inc. successfully completed a tender offer for Right-on Co., Ltd.
Made MC Fashion Co., Ltd. (formerly Mitsubishi Corporation Fashion Co., Ltd.) a consolidated subsidiary.



212 KITCHEN STORE: a specialty store for kitchenware

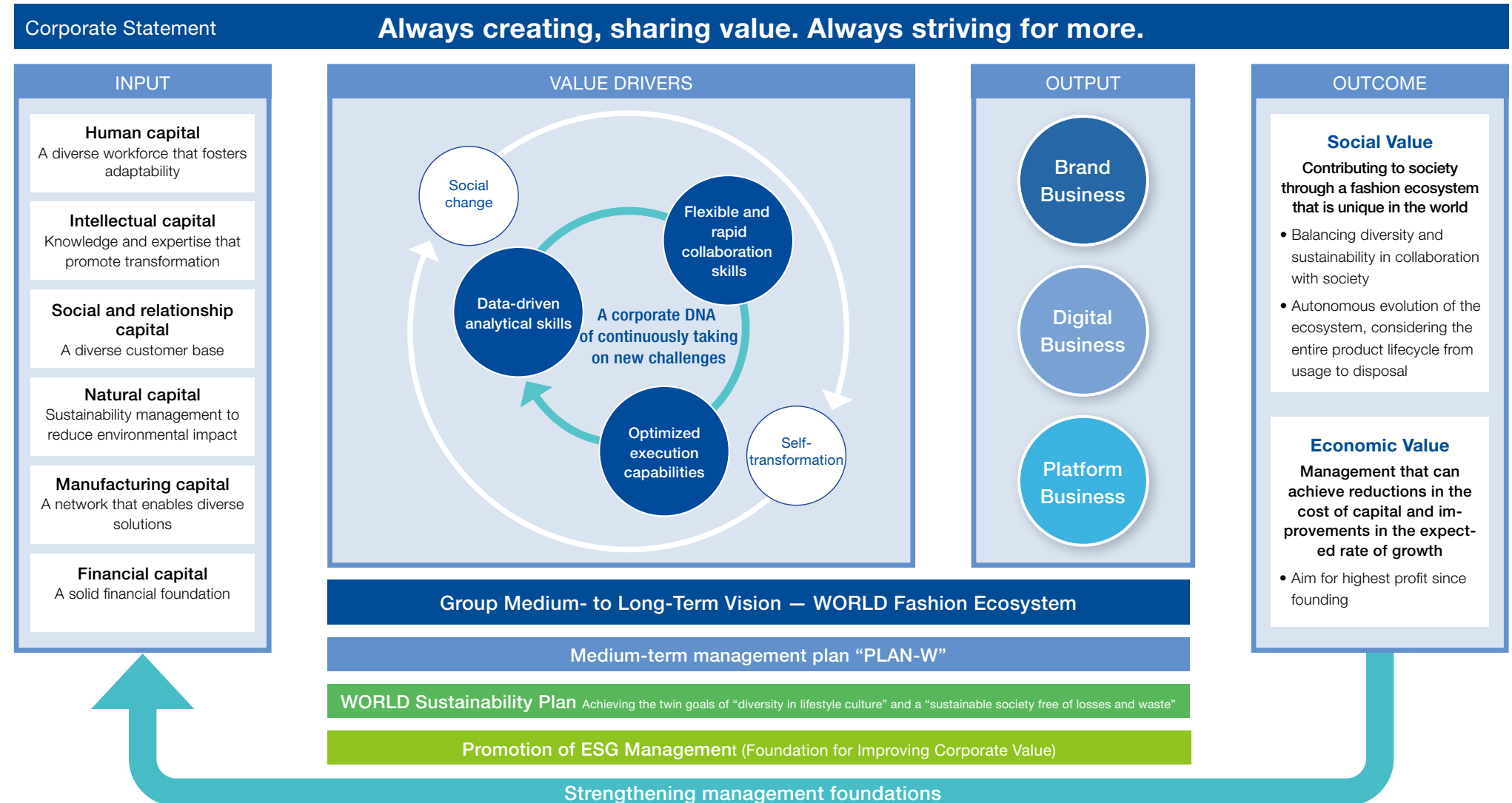


RAGTAG: a store specializing in pre-owned apparel

Value Creation Process

Adapting to Market Changes through Self-Transformation

To maximize customer satisfaction, World constantly challenges itself to undergo new transformations by leveraging its analytical skills to anticipate market changes and its flexible thinking and execution capabilities. The relentless pursuit of transformation, which is embedded in our DNA, is the source of our strength.



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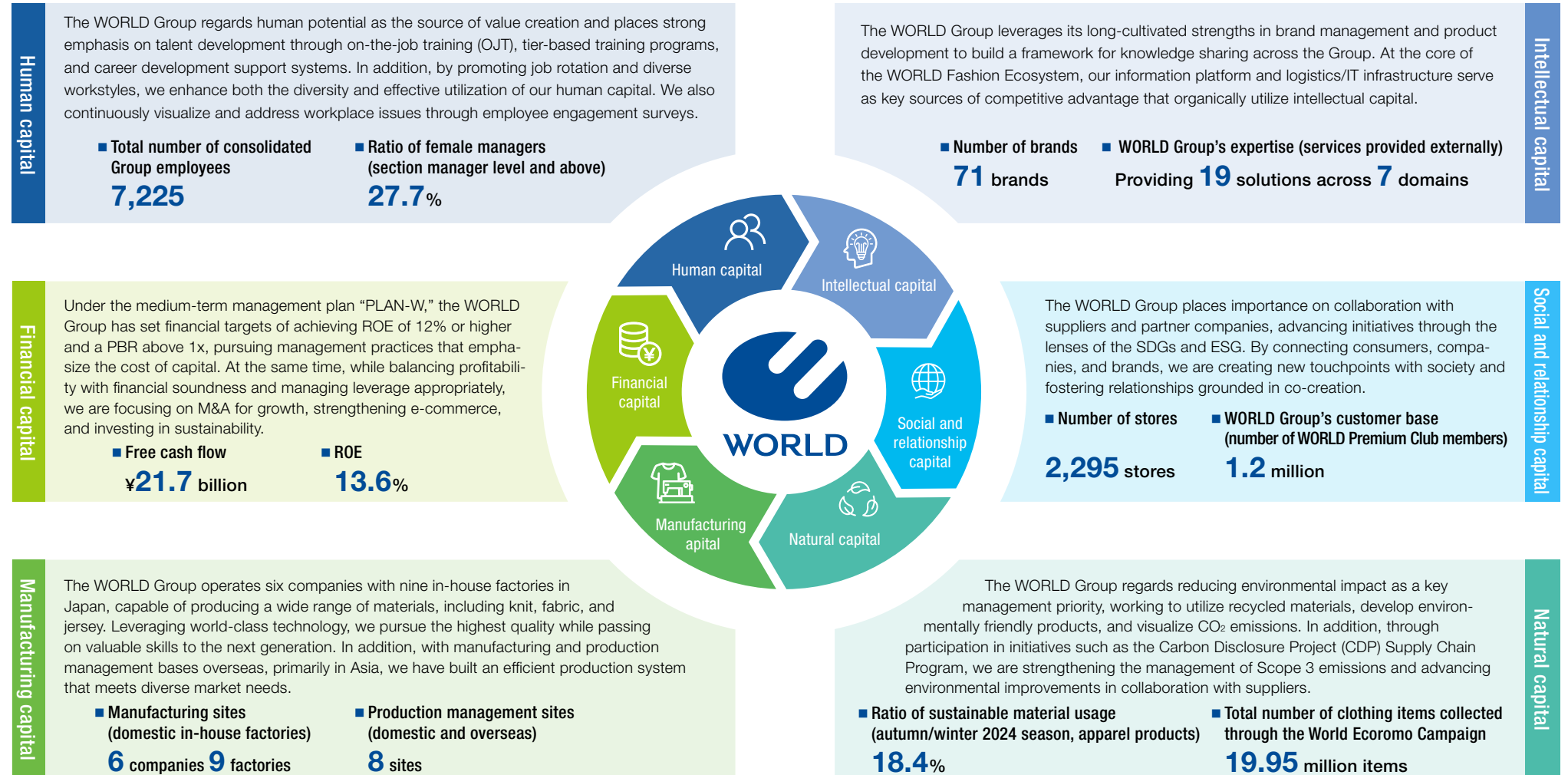
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Management Capital

The WORLD Group organically utilizes six forms of capital—human, intellectual, financial, social and relationship, manufacturing, and natural—to enhance corporate value. Building on manufacturing capital, which primarily comprises our proprietary logistics and sales infrastructure, we combine human and intellectual capital to achieve both sustainable growth and solutions to social issues through the WORLD Fashion Ecosystem.

(As of February 28, 2025)



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Moving Toward Non-Linear Growth—Shaping Our Next Chapter

Q1 As Chief Financial Officer, what perspective do you bring to management?

I am responsible for the entire capital cycle—from fundraising and investment to debt repayment and shareholder returns. My top priority is fulfilling my accountability to all stakeholders. In my role as the person directly accountable, I hold myself to the principle that true accountability is fulfilled only by solving problems and delivering results—a conviction I strive to embody every day.

Since I joined World in 2013, the Company has undergone a series of major transformations—from the shift to a holding company structure in 2017 and the full-scale rollout of our B2B external sales business, to our re-listing in 2018, aggressive M&A activity, and changes in corporate executives and business heads. Among all these developments, the most symbolic shift is that we are no longer simply an apparel company.

While we are still widely perceived as a department store apparel company, the reality is that we have built a diversified business portfolio centered on three core segments: the Brand Business, the Digital Business, and the Platform Business. This strategic shift in our business structure has a significant impact not only on our earnings model but also on our financial structure. We therefore intend to further communicate our appeal as a company that continues to grow through a unique business model.

Earlier in my career, I worked as a financial analyst at investment banks, developing insights into industry structures and learning about topics such as competitive advantages of companies and their relationship to performance metrics, the complexities of leadership transitions, and the dynamics of capital markets—where the strong often grow stronger. Thereafter, as a turnaround manager, I came to deeply understand—through firsthand experience—the importance of disciplined leadership and trust-building, particularly when working with financial institutions and creditors.

Today, I draw on these experiences as a member of the management team, remaining consistently focused on setting appropriate goals for each stage of our growth, identifying challenges, and ensuring the steady execution of our strategies and initiatives.

Q2 How would you evaluate FY02/25? What challenges emerged, and what are your expectations and outlook for the next fiscal year?

In FY02/25—the second year of our medium-term management plan "PLAN-W"—we generally achieved our earnings targets through steady execution. While our revenue and gross margin fell short of projections, core operating profit—which reflects the earnings power of our core business—reached ¥17 billion, supported by appropriate cost control. This marked the highest full-year profit since our re-listing. Furthermore, profit attributable to owners of parent reached an all-time high in the Company's history.

By segment, challenges remained in the Brand Business—particularly the need to strengthen our ability to adapt to changes in the business environment, especially within apparel brands. On the other hand, both the Digital Business and the Platform Business steadily enhanced their earnings power, allowing the portfolio as a whole to function in a complementary manner. This progress in structural transformation demonstrates that our strategy is steadily beginning to bear fruit.

Another key achievement within my area of responsibility was the successful execution of several corporate actions that were not part of the original plan. For example, to expand the B2B domain of our Platform Business, we acquired MC Fashion Co., Ltd. and made it a consolidated subsidiary. In addition, through W&D Investment Design Inc.—our joint investment company with the



Keiichi Nakabayashi

Member of the Board,
Executive Vice President
and Executive Officer

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Development Bank of Japan Inc. — we conducted a tender offer for Right-on Co., Ltd., which is now an equity-method affiliate.

All of these M&A initiatives are designed to utilize the expertise we have cultivated over time and to drive future earnings growth under mutually complementary partnerships. Going forward, we will continue to pursue value creation in new business domains by combining organic initiatives—such as refining existing businesses and fostering internal innovation—with inorganic strategies, including the promotion of strategic M&A.

For FY02/26—the final year of our medium-term management plan "PLAN-W"—we have announced an upward revision to our initial earnings forecast to reflect both our efforts to revitalize the Brand Business and expected contributions from newly integrated group companies. While return on equity (ROE) is expected to continue exceeding our target level, we recognize that there is still room for improvement in return on invested capital (ROIC), which remains a key area of focus.

Q3 What are the priorities in your financial strategy and capital policy for achieving the goals of "PLAN-W"?

Our basic capital policy is centered on the continuous enhancement of corporate value through our three-pronged approach: balancing profit growth, financial soundness, and shareholder returns. Under the three-year framework of our medium-term management plan "PLAN-W," we are pursuing a financial strategy aimed at improving our price-to-book ratio (PBR) by aligning sufficient capital efficiency with market expectations for growth. This strategy serves as the foundation of the WORLD Fashion Ecosystem.

The financial strategy under "PLAN-W" consists of the following three steps.

The first step is improving capital efficiency. We have already exceeded our ROE target level, and going forward, we aim to continuously enhance ROE by appropriately managing financial leverage while maintaining a balance with ROIC. The second step is reducing the cost of capital. Our current cost of equity (COE)

stands slightly above 10%, still short of our target of 8%. In addition, volatility—reflected in the beta coefficient—remains an area for improvement. To address this, we plan to further reduce financial risk to bring the beta down. The third step is raising our expected growth rate, which is also a key focus this fiscal year. While maintaining ROIC above our weighted average cost of capital (WACC), we need to build an optimal business portfolio strategy that enables sustainable growth.

PBR is the product of ROE, which reflects profitability, and the price-to-earnings ratio (PER), which reflects market expectations for future growth. We recognize that our greatest challenge lies in fostering stronger market conviction in our capacity for sustainable growth. In reality, we are already in a "value creation" state with a positive equity spread, but growth expectations—as reflected in our

PER—remain muted. In short, we recognize the need to address the issue of raising market expectations for our growth head-on.

Q4 In last year's integrated report, you raised the issue of eliminating the sub-1x PBR early on. While the stock price is determined by the market, could you share your perspective—from a corporate finance standpoint—on future measures to enhance corporate value?

At present, our PBR has recovered to 1x, but we view this as merely a milestone along the way. While our valuation is deter-

Financial Strategy and Capital Policy for Achieving the Goals of "PLAN-W"

Initiatives in PLAN-W			
	Initiatives taken so far	Progress evaluation	Future initiatives
Value creation Equity spread ↓ Growth expectation (Inverse of) PER	To improve capital efficiency (ROE) • Recovery of parent company's profit ▶ We achieved the record high profit in FY02/25 after 40 years due to continuous profit recovery after the COVID-19 pandemic. • Improvement of the "quality" of capital ▶ The refinancing of the perpetual subordinate loan in the amount of 15 billion yen led to buying back of stock and capital reduction effect.	○	• Sustainable growth of parent company's profit ▶ We review the parent-subsidiary relationship and the positioning of related companies in addition to improvement of extraordinary profit or loss and of financial account balance. • Enhancement of shareholder returns Shareholder returns ▶ We systematically raise the dividend payout ratio while enhancing capital adequacy pursuing the optimal capital composition.
	To reduce cost of capital (COE and r) • Improvement of forecast accuracy ▶ Though we generally abide by the forecast disclosure for the earning and the dividend, the monthly sales disclosure led to the stock price fluctuation. • Optimization of shareholder composition ▶ The number of individual shareholders increased steadily supported by expanding shareholder benefits and it is necessary to increase foreign institutional investors.	△	• Continued countermeasures to address decreasing beta value ▶ We continue and reinforce the approaches described in the left column while viewing the pressure to raise the risk free rate. • Reduction of financial risks Financial stabilization ▶ We aim to achieve the lowest WACC among A rating companies, establishing the optimal capital composition reflecting the credit spread.
	To improve the expected rate of growth (g) Focused area • Preparation for value-creating growth model ▶ We will promote the study and trial calculation for ROIC by business, in addition to turning to growth investment including acquisitions. • Review of "basic policy" for capital strategy ▶ We make balance adjustment by shifting a focus from stabilization to growth and shareholder returns after having completed the perpetual subordinate loan payment.	×	• Establishment of value-creating growth model Profit growth ▶ We pursue growth by focusing resources to businesses having positive ROIC spread and substantial room for growth. • Optimization of capital allocation ▶ We make weighted allocation of funds to growth investments and shareholder returns while trying to establish the optimal capital composition.

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mined by the market, we will continue to pursue improvements grounded in corporate finance principles to earn a stronger market valuation. In addition to maintaining a positive equity spread—calculated as ROE minus COE—we are working to enhance our PER by simultaneously lowering our cost of capital and boosting growth expectations. Our goal is to achieve market valuations of roughly 1.5x PBR and 12.5x PER in the near term. To that end, this fiscal year we are prioritizing the establishment of a value-creating growth model, with particular emphasis on raising our PER by strengthening market expectations for future growth.

To enhance our market valuation, we will pursue the following three key initiatives going forward.

First, to increase capital efficiency, we improved the quality of our capital by repaying our perpetual subordinated loan ahead of schedule. This will enable us to sustain improvements in ROE, achieve an optimal capital structure, and further strengthen shareholder returns. Second, to reduce our cost of capital, we are working to improve the accuracy of our earnings forecasts, optimize our shareholder composition, and review our capital structure with consideration for credit spreads. Through these efforts, we aim to mitigate financial risk. Third, to raise our expected growth rate, we will prioritize capital allocation in areas with high growth prospects while maintaining a positive ROIC spread, with the goal of establishing a value-creating growth model. Achieving this will require revisiting our capital allocation strategy in line with our broader capital policy.

Due to the M&A deals executed in the previous fiscal year, some financial indicators—such as the debt-to-equity (D/E) ratio—temporarily fell below target levels. However, we are working to swiftly rebuild an optimal capital structure while generating synergies with the newly integrated Group companies. As we prepare for the next medium-term management plan, we believe it is essential to chart a clear course toward establishing an optimal capital structure, while setting forth a capital allocation policy that fosters growth expectations among our investors.

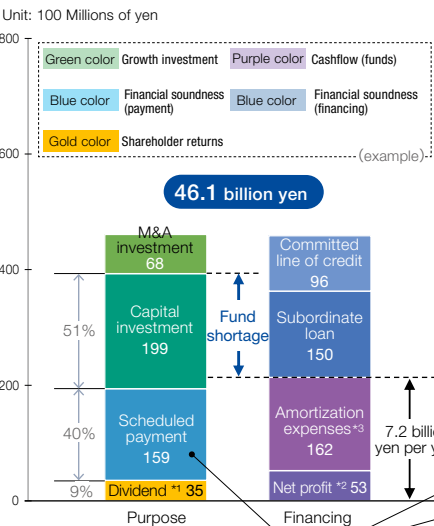
Q5 What is your current assessment of capital allocation going forward?

In balancing our three-pronged capital policy, the full repayment of our perpetual subordinated loan—mentioned earlier—has allowed us to secure a baseline level of financial soundness. Going forward, we intend to shift into a new phase: one in which we progressively increase capital allocation toward shareholder returns and growth investments, while continuing to optimize our capital structure.

Specifically, during the three-year recovery period following the COVID-19 pandemic (FY03/21–FY03/23), we faced a persistent funding shortfall. However, over the three-year span of "PLAN-W" (FY02/24–FY02/26), we expect our cash flow to remain broadly balanced. This reflects an improvement in our funding structure, as cash flow—defined as net profit plus amortization expenses (i.e., internally generated funds)—is now sufficient to cover all essential capital outlays to sustain stable business operations, including capital expenditures, debt repayments, and dividends. In addition, we have completed the full repayment of our perpetual subordinated loan one year ahead of schedule.

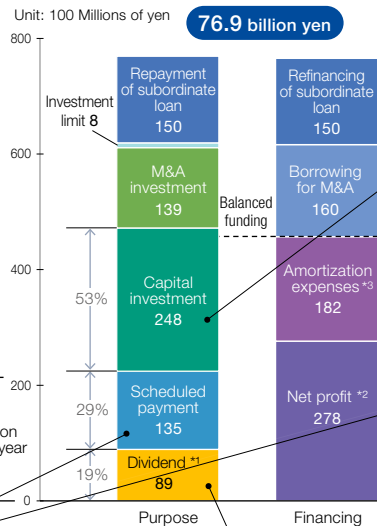
Capital Allocation

Three-year period after COVID-19 pandemic (FY03/21 - FY03/23)



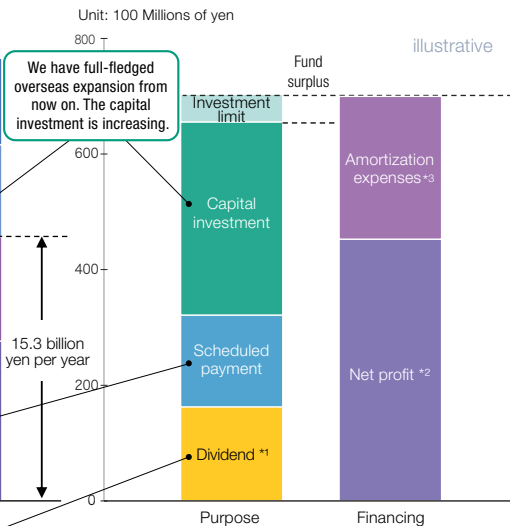
The scheduled payment is stable at the pace of 5 billion yen per year.

Three-year period in PLAN-W (FY02/24 - FY02/26)



For the dividend payout ratio, we start a systematic raise toward 40% from FY 02/26, one year ahead of schedule.

Three-year period in the next PLAN-W (FY02/27 - FY02/29) illustrative



Rebalancing our capital policy

With financial soundness secured through the full repayment of our perpetual subordinated loan, we will now strategically allocate more capital toward shareholder returns and growth investments.

*1: The interest for subordinate loan is included in the dividend.

*2: The net profit is calculated by adding or deducting the profit attributable to owners of parent and the non-cash profit / loss.

*3: Amortization expenses exclude depreciation of right-of-use assets (IFRS 16).

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Given this financial position, we expect to enter a stage of cash surplus during the three years covered by the next medium-term management plan (FY02/27–FY02/29), with cash inflows projected to exceed outflows. With our syndicated loan scheduled to mature at the end of March 2027, we are preparing to execute a refinancing strategy aimed at establishing an optimal capital structure. This, in turn, will enable us to pursue a more flexible and assertive capital allocation strategy.

While working to establish an optimal capital structure, we have laid the foundation for a more focused allocation of capital toward growth investments and shareholder returns. By next spring, when the next medium-term management plan kicks off, we are preparing to disclose a capital allocation policy based on concrete figures, presented in a clear and accessible manner for investors.

Q6 Could you share your views on shareholder returns and investor relations, as well as your policy going forward?

We believe the most beneficial approach for our shareholders is to enhance both profit growth and shareholder returns in a balanced and sustainable manner. Specifically, alongside our management target of achieving profit CAGR of 8% or higher—one



of our three core management indicators—we plan to gradually raise our dividend payout ratio from the current 30% to 40%. This approach is designed to steadily increase total shareholder returns by combining profit growth with a higher return ratio.

Even within the mature domestic fashion industry, we are confident in our ability to identify and pursue appropriate growth opportunities—setting ourselves apart from companies that lean heavily on shareholder returns due to limited growth potential. As long as we see avenues for growth, we will prioritize dividend payments over share buybacks, with the aim of enhancing per-share value through dividends. In fact, during the "PLAN-W" period, we have achieved tangible results, including doubling our dividends at a CAGR of 30%. Going forward, we will continue to increase dividends, driven by sustainable profit growth, as we strive to further enhance shareholder value.

We are also focused on building an appropriate shareholder base. To enhance corporate value, it is not enough to accumulate business achievements; it is equally important to communicate them accurately and ensure they are well understood by the market. To that end, we are further strengthening dialogue with shareholders and investors. At the same time, we are working to enhance both the volume and quality of our investor relations (IR) activities.

In terms of volume, we aim to increase the number of IR meetings we conduct annually from the current level of approximately 130 to around 280, exceeding our previous record of 263 meetings in FY03/03. To enhance quality, we are focusing on communicating our medium- to long-term growth potential in a clearer and more considerate manner. Our goal is to earn the support of high-quality, long-term shareholders by understanding the values investors prioritize and actively integrating them into our management strategy.

Additionally, to cultivate a loyal base of individual investors, we are planning and executing a variety of initiatives aimed at making our Company's appeal more tangible and engaging. At the same time, we are working to expand our IR tools—including English-language materials—to attract more interest from overseas investors.

Q7 Finally, do you have a message for your stakeholders?

Our top priority is to ensure the successful achievement of this fiscal year's earnings targets. By successfully delivering on "PLAN-W"—our first medium-term management plan that was internally formulated and then publicly disclosed—we aim to establish a reputation as a company that keeps its promises. From the perspective of human capital management, we are also expanding our employee stock ownership program and introducing stock-based compensation in the form of stock options for senior executives across the Group. These initiatives are designed to strengthen each employee's awareness of value creation and to align their interests with those of our shareholders over the medium to long term. As a unified organization, we are fully committed to enhancing corporate value.

Looking ahead, our next medium-term management plan will go beyond simply achieving record-breaking earnings or establishing an optimal capital structure. We will focus on steadily delivering concrete results by bringing to fruition the seeds we have sown—such as new business development and M&A initiatives. Through this process, we will further strengthen our fundamental strength—our ability to drive self-transformation—and embody sustainable value creation. Furthermore, on key themes such as ROIC-centered capital cost management and strategic capital allocation, we will uphold our accountability and pursue management that is both transparent and instills confidence among stakeholders.

By continuously taking on such challenges and accumulating achievements, we strive to be a company that meets the expectations of all our stakeholders, including shareholders, financial institutions, business partners, employees, and customers.

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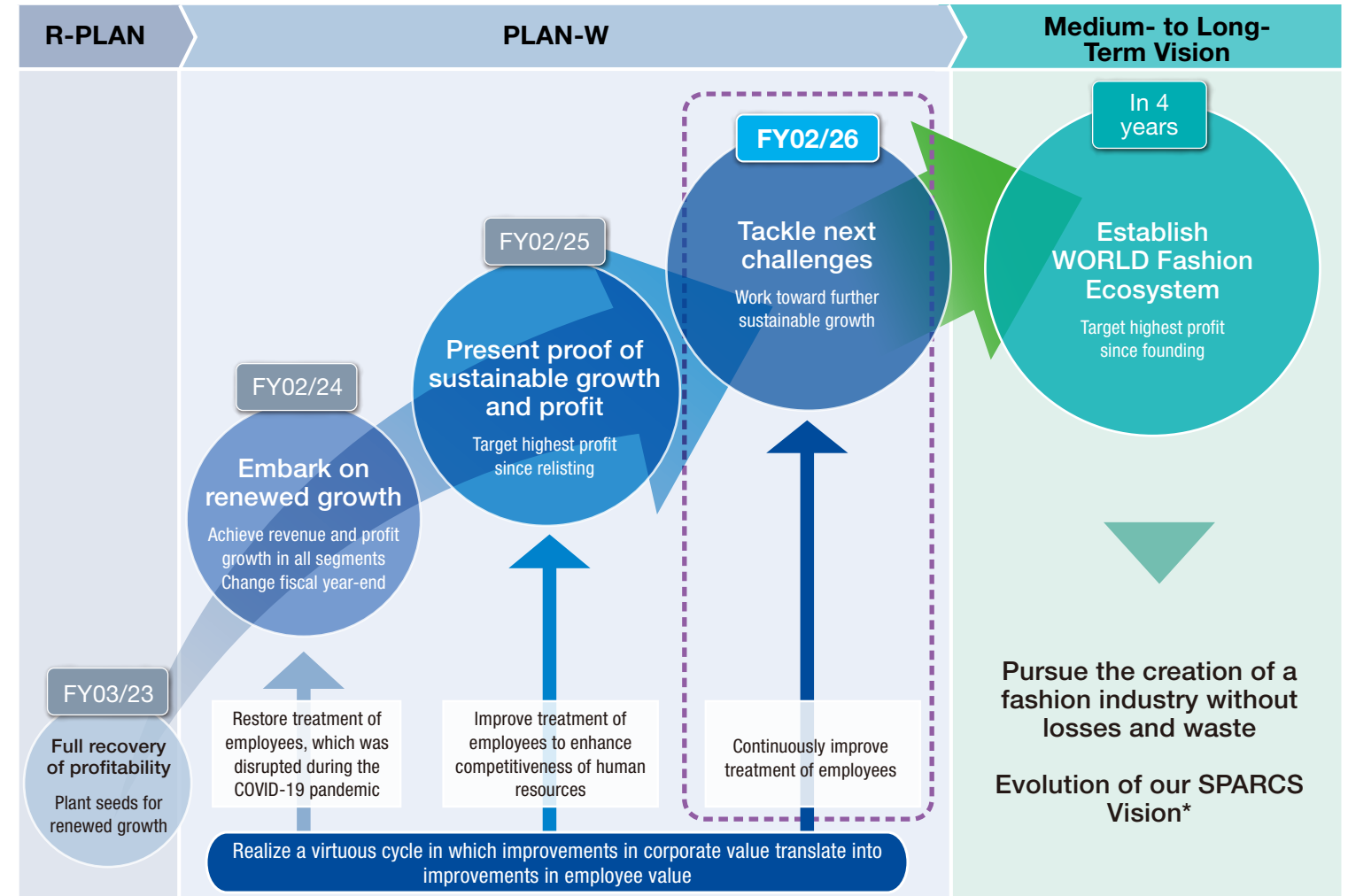
Toward Sustainable and Replicable Growth: Realizing our Medium- to Long-Term Vision

The medium- to long-term vision of the WORLD Group is to build and evolve the "WORLD Fashion Ecosystem," a fashion ecosystem that is unique in the world, and continuously offer the joy of fashion to customers in various forms by realizing fashion diversity and sustainability. We have formulated "PLAN-W" as our medium-term management plan to help us achieve this vision. To target sustainable and replicable growth in the future, we need to pursue not only short-term profit growth but also steadily improve the environmental, social, and governance (ESG)-related management that underpins our operations. We believe various factors will play an important role here, including establishing the foundations necessary to balance and achieve both diversity and sustainability, which is in sync with the execution of our strategy for sustainable development goals (SDGs), and creating a positive cycle of simultaneously improving corporate and employee value.

FY02/26 marks the final year of "PLAN-W." As we bring this plan to completion, we will pursue non-linear growth in preparation for the next medium-term management plan, which will represent our "next challenge."



Medium-term management plan



* Please refer to the note on P.3

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FY02/26 is the final year of our medium-term management plan “PLAN-W.” As we bring this plan to completion, we are also preparing for the next medium- to long-term phase.

In a rapidly changing world and amid the growing urgency of addressing social issues, we are pursuing sustainable growth by steadily implementing the following initiatives.

The WORLD Group aims to achieve sustainable growth by evolving its business portfolio through the expansion of unique and diverse businesses that go beyond the Brand Business. We positioned FY02/25 as a year to “demonstrate sustainable growth and profitability” and successfully achieved our targets across all profit categories. While continuing our relentless efforts to improve operations across all businesses, we will further strengthen the fundamental competitiveness of each business—supported by organizational restructuring—to ensure the successful completion of “PLAN-W.” Under “PLAN-W,” we have set the following management indicator targets: for growth, core operating profit CAGR of 8%; for profitability, ROE of 12.0% or higher and ROIC of 8.5% or higher*¹; and for financial

soundness, a net D/E ratio of 0.5x or less*². Through these initiatives, we will continue to enhance corporate value.

*¹ ROIC is calculated as “NOPAT ÷ Invested capital,” with “NOPAT” defined as “Operating profit - (Income tax expense + Profit attributable to non-controlling interests),” and “Invested capital” as “Average shareholders’ equity for the beginning and end of period + Net interest-bearing liabilities (Borrowings + Finance lease liabilities under Japanese GAAP - Cash and cash equivalents).”

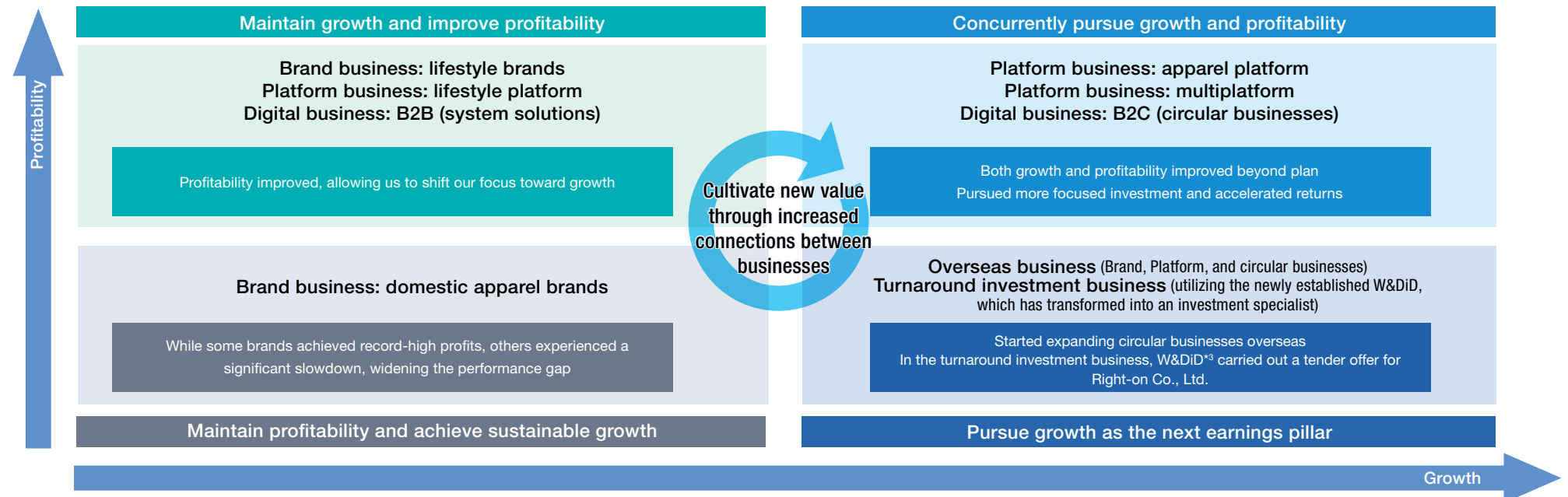
*² The net D/E ratio is calculated as “Net interest-bearing liabilities at end of period (Borrowings + Finance lease liabilities under Japanese GAAP - Cash and cash equivalents) ÷ Total equity attributable to owners of parent at end of period.”

*³ W&D Investment Design Inc. (W&DiD): Our joint investment company with the Development Bank of Japan Inc., established to design the growth of portfolio companies by leveraging both “business” and “finance” as complementary drivers.

WORLD Group’s Medium-Term Business Strategy

Sustainable Profit Growth Through a Unique Business Portfolio Strategy

Advancing toward a growth stage beyond the framework of an “apparel company.” Through the distinctive roles played by its diverse businesses, the Group as whole will realize sustainable growth in revenue and profit.



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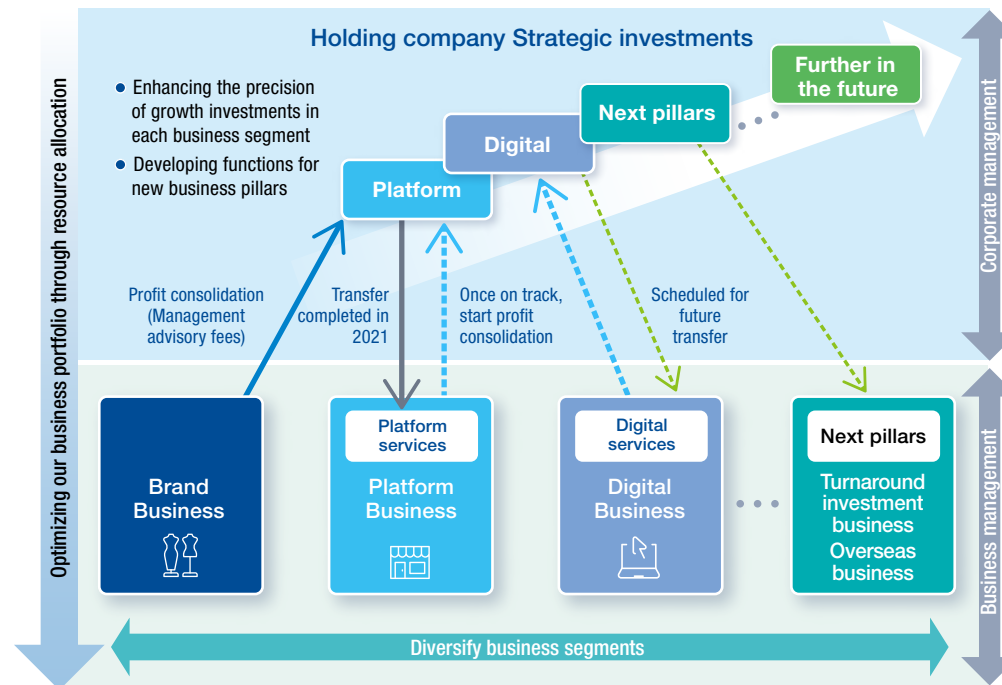
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Business Portfolio Strategy

The WORLD Group constantly evolves its corporate organization to ensure it embodies the corporate statement: “Always creating, sharing value. Always striving for more.”

As we expanded the Brand Business under our SPARCS Vision* in the past, we developed and strengthened capabilities in production, sales, and various other business service functions. With the transition to a holding company structure in 2017, we accelerated the monetization of these functions in the form of the Platform Business and set up the Platform Business Promotion Office within the holding company. We consolidated and allocated a certain amount of profit from the existing Brand Business to pursue strategic investment and develop functions, thereby promoting business growth. As a result, the Platform Business successfully commercialized solutions at an early stage, strengthening external sales in addition to sales within the Group. The functions of the Promotion Office were also transferred from the holding company to World Platform Service Co., Ltd., allowing the Platform Business to evolve into the fully independent business it is today.

Business Portfolio Strategy



Similarly, the Digital Business established a division within the holding company that promotes its strategic growth. Furthermore, the turnaround investment business and the overseas business, which could become the next pillars of the Group's operations, launched activities to establish and expand their operations. In other words, the WORLD Group's corporate organization is designed to foster a comprehensive business development cycle under which a certain amount of profits from established, profitable businesses are reinvested strategically to develop the next independent businesses for the Group.

Human Capital Management

Aligning the Directions of Employee and Shareholder Value Enhancement

We will align the directions of enhancing employee value and shareholder value in a way that contributes to higher engagement. As a first step in FY02/26, we will significantly expand our employee stock ownership program and grant stock options to executive officers.

At the same time, we will actively promote talent development across the Group and promote initiatives to improve engagement.

Promotion of ESG Management

Continuing to Be a Company That “Does the Right Thing”

We continue to advance ESG initiatives that form the foundation of our management while expanding the scope of such activities. Among these efforts, evolving through greater diversity in governance is our top priority. By increasing the diversity of our Board of Directors, we aim to ensure transparency, fairness, objectivity, and independence, while continuously striving to enhance “right” governance through open and vigorous discussions and exchanges of opinions.

* Please refer to the note on [P.3](#)

Medium-Term Management Plan “PLAN-W”

Tackle Next Challenges (Initiatives for Further Sustainable Growth)

Initiatives for the Turnaround Investment Business, the Next Pillar of Growth

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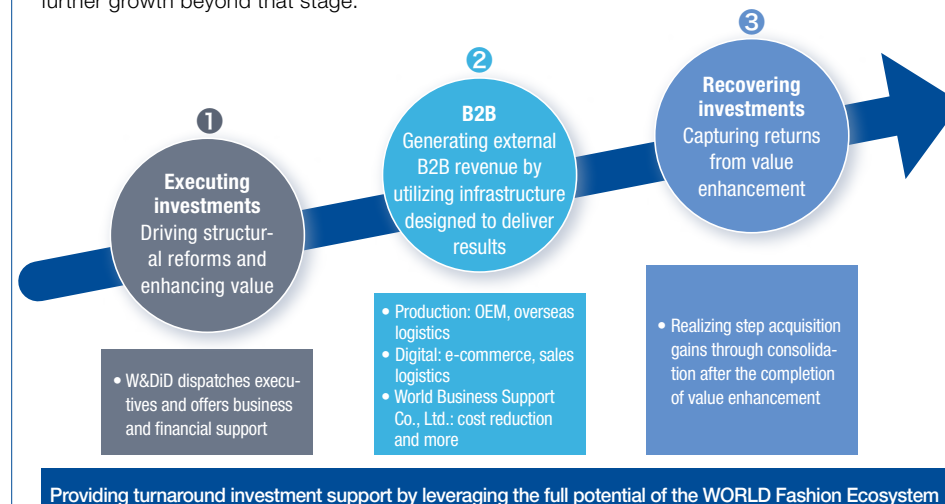
Implementation of a Tender Offer for Right-on Co., Ltd.



The WORLD Group is promoting the turnaround investment business as the next pillar of its growth strategy set forth in the medium-term management plan “PLAN-W.” Through W&D Investment Design Inc. (hereinafter referred to as W&DiD), a joint investment company with the Development Bank of Japan Inc., we conducted a tender offer for Right-on Co., Ltd. and made it an equity-method affiliate in January 2025. We are currently providing turnaround support by leveraging the Group's diverse business support platforms—

including production, sales, digital, and spatial design—while also sharing turnaround expertise tailored to the characteristics of the fashion industry, along with replicable support methods.

Going forward, we will continue to utilize the expertise and platform functions we have cultivated through our multi-format, multi-brand operations spanning women's, men's, and children's apparel as well as jewelry, accessories, and furniture. By investing in and supporting companies in need of business turnaround, we seek to restore their performance and unlock further growth beyond that stage.



Strengthening Platform Functions To Further Expand the B2B Business

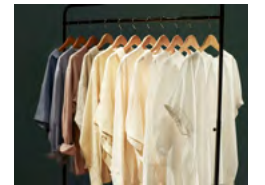
Made MC Fashion Co., Ltd. a Consolidated Subsidiary



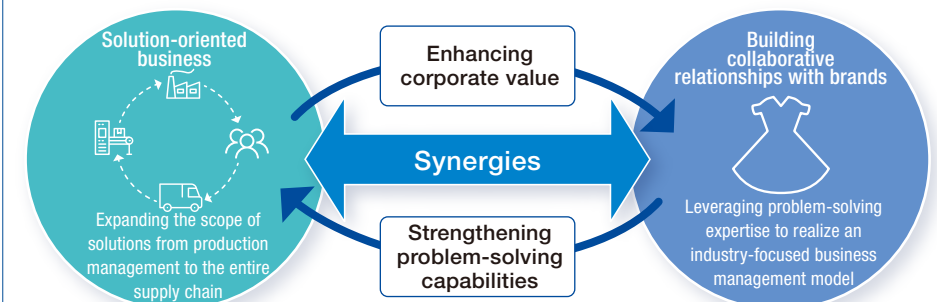
As part of efforts to strengthen platform functions aimed at further expanding the B2B business, we acquired all shares of Mitsubishi Corporation Fashion Co., Ltd. in February 2025 and welcomed the company to the Group under its new name, MC Fashion Co., Ltd. MC Fashion is a fables manufacturer in the fashion industry that supplies apparel, accessories,

and footwear products. It possesses capabilities in material and product procurement, a global production network, skilled personnel, and a large customer base as a B2B company.

The WORLD Group intends to make full use of MC Fashion's expertise and network to further expand its OEM business. By leveraging synergies with the Group's broad platform functions, we plan to deliver products and services to more companies. In July 2025, we entered into a business and capital alliance agreement with the knitwear brand CFCL to build collaborative relationships for the global expansion of fashion brands. Through this initiative, we will support CFCL in strengthening its supply chain management, talent base, and corporate functions, thereby promoting its growth and contributing to the enhancement of the international competitiveness of Japan's fashion industry.



Diversifying and strengthening earnings by realizing an industry-focused business management model built on two pillars: “solution-oriented businesses,” including OEM, and “co-management of brands (investment business)”



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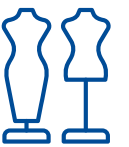
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Strategy by Business: Brand Business



The Brand Business, which forms the core of the WORLD Group, operates a diverse range of brands that cater to a wide variety of age groups, fashion preferences, sales channels, and price ranges. Through brand portfolio management, we flexibly adapt to changes in the market.

Our product categories include women's, men's, and children's apparel, as well as accessories, jewelry, and home decor. Across the Group, we own a total of 71 brands and operate stores through diverse commercial facilities, including department stores, station buildings, fashion buildings, and shopping centers. Our price range spans from high-end luxury to more affordable lower tiers. By developing businesses that meet customer needs across these categories and channels, we are pursuing a steady growth strategy.

For middle-upper brands primarily distributed through department stores, we focus on differentiated, high-value-added product development. Drawing on the advanced technical capabilities of our multiple in-house factories in Japan, we provide high-quality products in a timely manner.

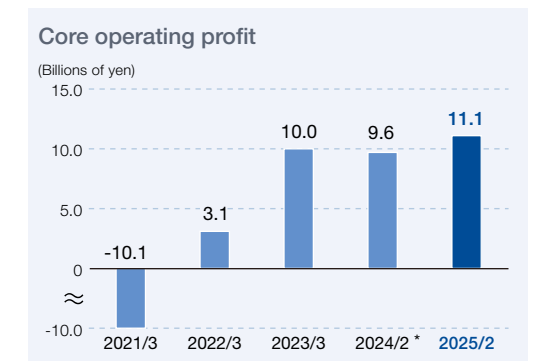
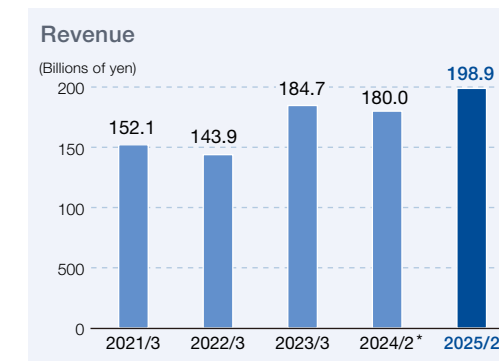
For middle-lower brands mainly sold through shopping centers, we are working to improve profitability by consolidating business structures and establishing a framework to promote direct trade. At the same time, we are pursuing a net increase in store count and strengthening store development.

For lifestyle brands that offer home goods and fashion accessories, we are working to broaden customer approval and achieve further growth by developing new brands, which are currently being prepared for launch.

The Brand Business is also accelerating its overseas expansion. In Thailand, we are expanding the store network of TAKEO KIKUCHI. In Taiwan, we are strengthening the jewelry brand COCOSHNIK to establish a dominant presence, opening new stores for DRESSTERIOR, and accelerating the rollout of "petit main" through a partnership with Narumiya International Co., Ltd., which supplies children's apparel.

In FY02/25, while lifestyle brands performed strongly, apparel brands faced challenges in adapting to weather-related changes—such as extreme heat and lingering summer weather—and responding to customer needs. For FY02/26, we have added a "hot autumn" sub-season to the conventional spring, summer, autumn, and winter seasons, advancing product planning that aligns with market characteristics and customer needs. Going forward, the Brand Business will continue to pursue product development that responds to market changes, while also working to expand its brand portfolio, including through M&A, with the aim of enhancing profitability and driving sustainable growth.

FY02/25: Progress and Achievements



* FY02/24 results reflect an irregular 11-month accounting period due to a change in the fiscal year-end.

Strategy by Business: Brand Business

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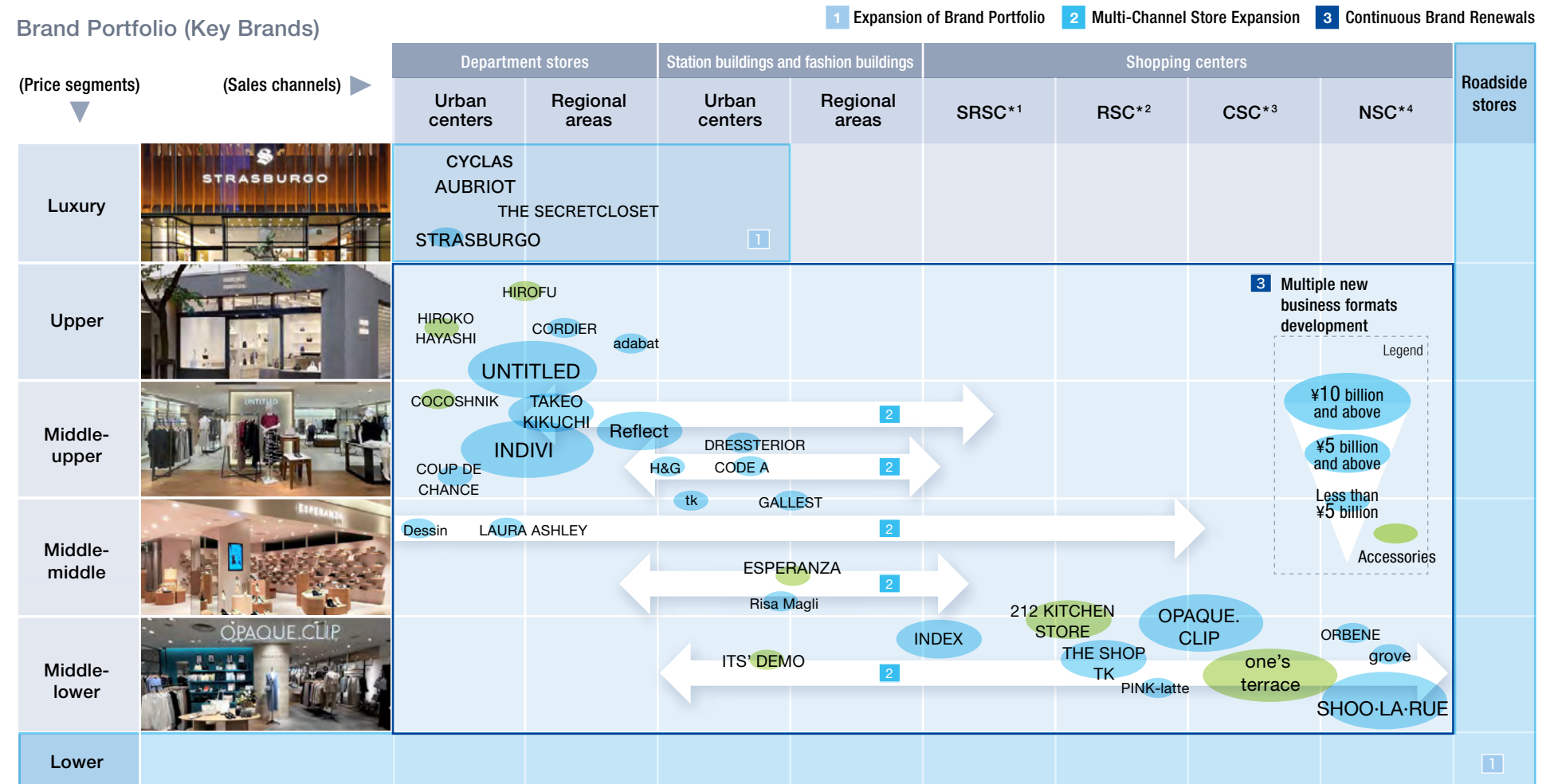
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A Brand Portfolio Built on Diverse Sales Channels and Price Ranges

The WORLD Group continues to expand its portfolio by leveraging the combined strengths of brand development and store development, in line with changes in the market and customer needs. In Japan, we operate stores nationwide in a wide range of commercial facilities, including department stores, station buildings, fashion buildings, and shopping centers. From luxury and upper brands

offering high-end products to middle-lower brands providing more affordable products primarily in shopping centers, we structure our brand portfolio to reflect not only diverse fashion preferences but also a broad range of sales channels and price ranges. Through these portfolio strategies, we consistently deliver value through fashion.

Brand Portfolio (Key Brands)



*1 SRSC (Super Regional Shopping Center) *2 RSC (Regional Shopping Center) *3 CSC (Community Shopping Center) *4 NSC (Neighborhood Shopping Center)

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A Diverse Portfolio of Brands for a Wide Range of Age Groups and Fashion Preferences

The Brand Business, which forms the core of the WORLD Group, offers customers a diverse portfolio of brands that cater to a broad range of age groups and fashion preferences, spanning women's, men's and children's apparel, jewelry, accessories, and furniture.

Our portfolio ranges from middle-upper brands—primarily distributed in department stores—that focus on differentiated, high-value-added product development, to middle-lower brands—mainly sold

in shopping centers—that cater to a broad customer base across age groups. We also operate life-style brands featuring products such as home goods and fashion accessories centered around familiar themes of fashion, food, and lifestyle. In addition, our Group includes Narumiya International Co., Ltd., which provides a wide range of popular children's apparel brands; Kobe Leather Cloth Co., Ltd., which manages a large part of the footwear value chain in-house; HIROFU, a premium leather goods brand with cross-generational appeal; and Strasburgo, which specializes in luxury apparel.



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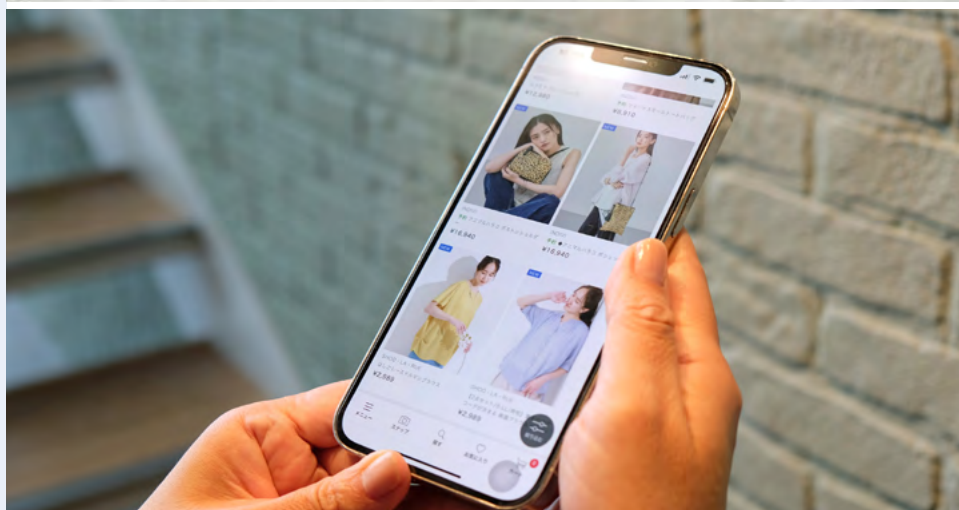
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Strategy by Business: Digital Business



The Digital Business consists of B2B (system solutions) and B2C (circular) services. In B2B (system solutions) operations, we not only develop and operate our proprietary e-commerce site, WORLD ONLINE STORE, but also undertake contracted development and operation for external e-commerce malls and provide digital solutions. On our own site, we are enhancing app functionality and promoting our unique OMO (Online Merges with Offline) model, which integrates digital and physical experiences to deliver the combined benefits of e-commerce and physical stores to customers. Through these initiatives, we are working in collaboration with the entire Brand Business to improve our services.

In solution services, we are implementing initiatives such as reducing internal logistics costs, while upgrading inventory management and other core systems. Through Fashion-Co-Lab. Co., Ltd., we are promoting the SIMLES solution business, a platform that leverages the expertise cultivated within the Group to address common challenges in the retail industry.

In addition, as a sales agent for Maison AI, an AI tool developed by OpenFashion Inc. specifically for the fashion industry, we are strengthening our sales activities.

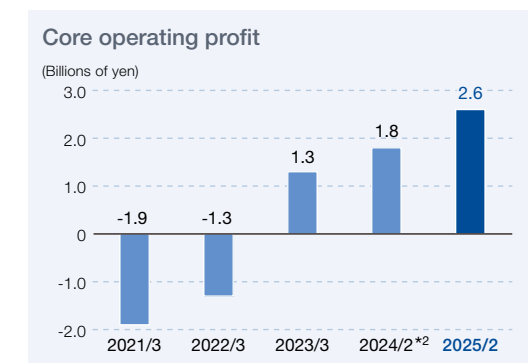
In B2C (circular) operations, Tin Pan Alley Co., Ltd., which operates RAGTAG stores specializing in pre-owned apparel, is advancing OMO initiatives in both procurement and sales. In addition to expanding store openings in Japan's major cities, Tin Pan Alley opened its first overseas RAGTAG location in Bangkok, Thailand, in July 2025, thereby establishing a foundation for secondary distribution in the ASEAN market and aiming to rapidly develop its business in line with market needs. Meanwhile, & Bridge Co., Ltd., which operates &Bridge off-price stores, is strengthening business collaboration—such as leveraging Tin Pan Alley's expertise in e-commerce and store operations—to maximize synergies.

Lexus Technologies, Inc.*1, which provides a branded bag rental service, has also benefited from collaboration within the Group's circular businesses, such as by selling gently used bags to RAGTAG. As part of its growth strategy, Lexus Technologies listed on the Tokyo Stock Exchange Growth Market in December 2024.

*1 Lexus Technologies is currently an equity-method affiliate of World Co., Ltd.

In B2B (system solutions) operations, Fashion-Co-Lab. Co., Ltd. achieved a substantial improvement in profitability in its e-commerce contracting business, while in B2C (circular) operations, RAGTAG, which enjoys strong support from fashion-conscious customers, continued to perform well in FY02/25.

FY02/25: Progress and Achievements



*2 FY02/24 results reflect an irregular 11-month accounting period due to a change in the fiscal year-end.

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Three Core Strategies

1 Focus on the Circular Economy

- Progress**
- Continued to accelerate store openings and renovations of RAGTAG, which specializes in pre-owned designer-brand apparel
 - Launched initiatives to drive the growth of &Bridge off-price stores
 - Secured growth investment for Laxus, a high-end branded bag rental business (raised funds for growth through stock market listing and strengthened collaboration as an equity-method affiliate)
- Future Initiatives**
- Begin opening new stores across multiple business formats and enter full-scale investment phase

2 Focus on the Solutions Business

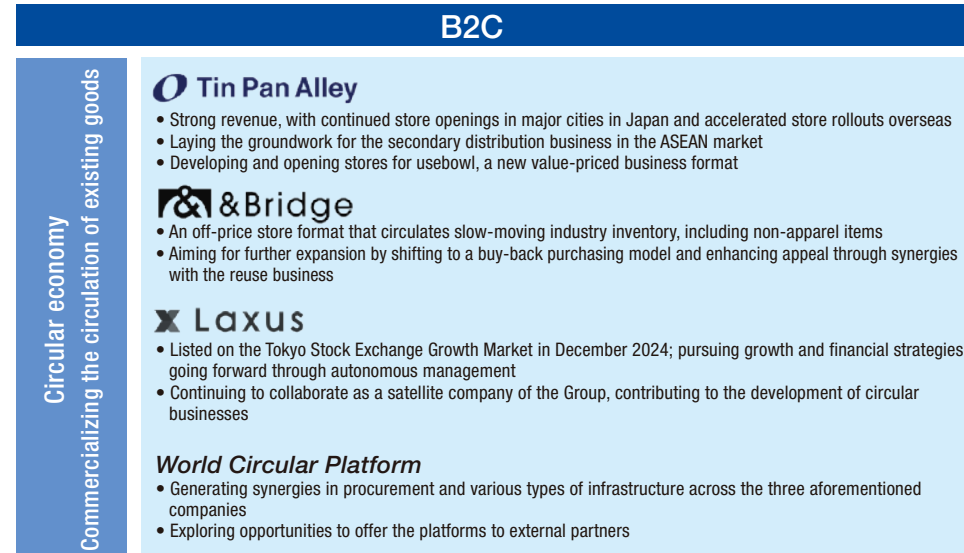
- Progress**
- Strengthened the Group's development systems and expanded external DX support and AI solutions by making OpenFashion Inc. a consolidated subsidiary
 - Launched service improvements aimed at renewed growth in physical stores
 - Explored the integration of Maison AI into various solutions
- Future Initiatives**
- Fully roll out the product strategy
 - Generate product synergies through collaboration with MC Fashion Co., Ltd.

3 Strengthen the Management Foundation

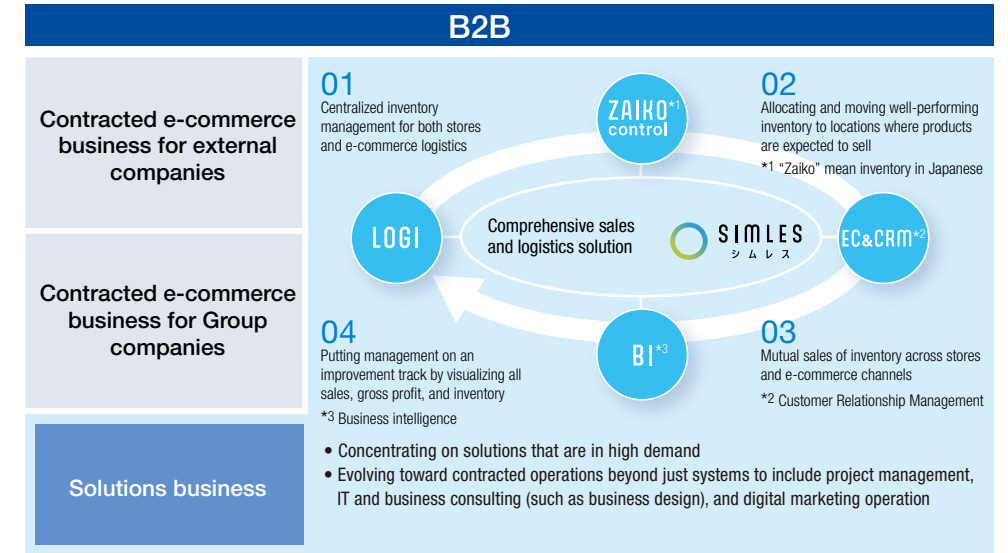
- Progress**
- Began introducing higher compensation ranges by revising the personnel system to emphasize performance and growth
 - Steadily advanced recruitment of key personnel by strategically enhancing management and sales resources
 - Synergies with OpenFashion Inc. progressed smoothly
- Future Initiatives**
- Strengthen planning and sales organization
 - Create synergies through collaboration with MC Fashion Co., Ltd. in IT talent development

Accelerating Growth through Selection and Concentration

1 Strategy: Focus on circular economy services



2 Strategy: Concentrate on solutions business



3 Strengthen management foundations to increase profitability from the business development phase

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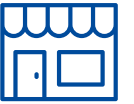
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Strategy by Business: Platform Business



In the Platform Business, the WORLD Group leverages the extensive expertise and frameworks it has cultivated over the past 60 years—in areas such as branding, products, store development, and sales—to provide business solutions to external companies within and beyond the fashion industry. By proactively offering these platform functions, we aim to address challenges facing the broader fashion industry, while also working to expand into new business domains related to fashion, food, lifestyle, and leisure.

World Platform Service Co., Ltd., our intermediate holding company, has the marketing capabilities to serve external clients. By combining the expertise and frameworks of each platform company in a cross-functional manner, it proposes and delivers optimized, one-stop solutions tailored to client needs.

World Store Partners Co., Ltd., which functions as a sales platform, leverages its customer service capabilities and store management expertise cultivated across various business formats and sales channels to undertake contracted sales operations for a wide range of industries, from apparel and accessories to food products. In addition to organizing and operating outlet and "family sale" events for stakeholders, World Store Partners has steadily expanded its external sales services by planning and managing events for external companies, utilizing the scale advantages of the WORLD Group.

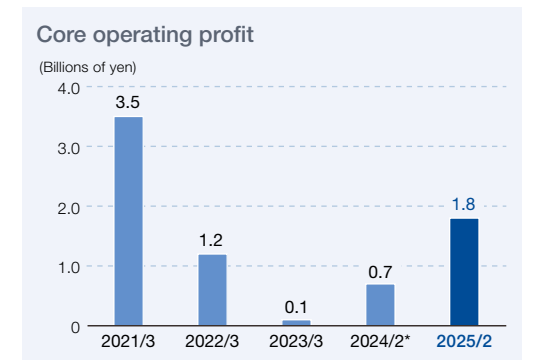
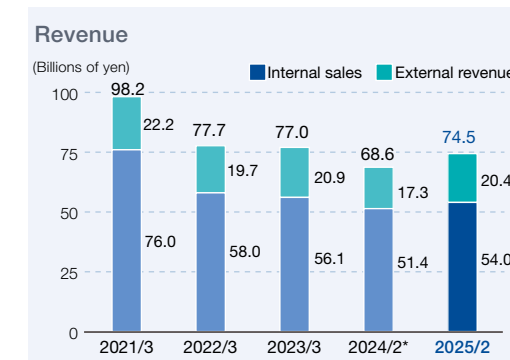
World Production Partners Co., Ltd., which serves as a production platform, is engaged in building direct-trade frameworks—including the development of new overseas production sites—and provides guidance, support, and related services to enhance the productivity of domestic manufacturing subsidiaries.

Asplund Co., Ltd., which manages a lifestyle platform, helps expand the service lines and client base of the Platform Business. Its activities include spatial design for stores, hotels, restaurants, and other facilities; the manufacturing and sale of store fixtures and fittings; and the wholesale of furniture and home goods.

To drive the expansion of our B2B businesses, we are also further strengthening our platform functions. In February 2025, we welcomed MC Fashion Co., Ltd. (formerly Mitsubishi Corporation Fashion Co., Ltd.), a supplier of apparel, accessories, and footwear products, into the Group. By leveraging MC Fashion's global production network, talent, and customer base, we aim to achieve further business growth through synergies with the Group's existing platform functions. In March 2025, we also added World Sewing Co., Ltd. (formerly TSI Sewing Co., Ltd.) to the Group, thereby strengthening our domestic production capabilities.

As we work toward building the WORLD Fashion Ecosystem, a vision aimed at realizing diversity and sustainability in fashion, we will continue to strengthen the foundations of our platform capabilities and expand our B2B businesses.

FY02/25: Progress and Achievements



* FY02/24 results reflect an irregular 11-month accounting period due to a change in the fiscal year-end.

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Strategy by Business: Platform Business

Three Core Strategies

1 One-Stop Solutions

Progress • Increased revenue per existing client by improving unit prices through multi-service proposals and ongoing business relationships

Future Initiatives • Strengthen dedicated client teams to further improve spending per client and repeat transaction rates

2 Problem-Solving Sales Approach

Progress • Rolled out sales infrastructure to visualize sales activities and currently working to embed these practices; KPI design and operational standardization are still under development

Future Initiatives • Promote the development of KPIs and business processes aligned with the problem-solving sales approach to accelerate new client acquisition

3 Customer-Centric Reorganization of Products and Services Progress

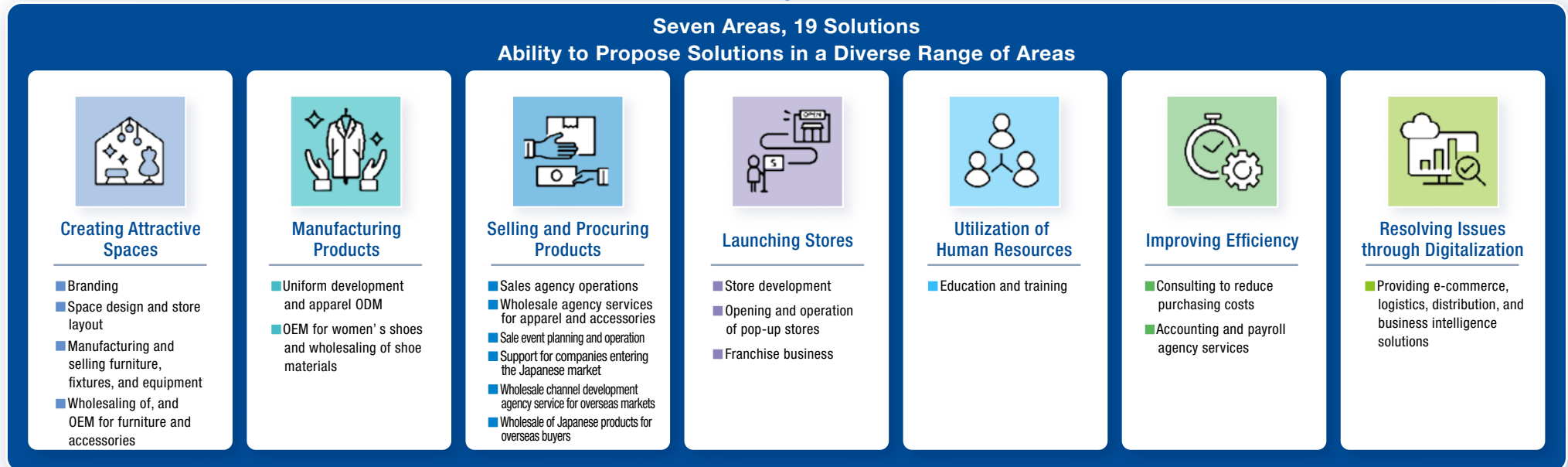
Progress • Advancing the launch of new services while continuing to improve existing offerings
• Expanded service offerings through the integration of MC Fashion Co., Ltd. into the Group

Future Initiatives • Accelerate the development and deployment of new services while continuing to update existing services

Expand B2B operations through the integration of MC Fashion Co., Ltd. into the WORLD Group, gaining access to top-tier talent and operational expertise, while rapidly incorporating a diverse range of new service offerings previously unavailable to the Group



Explore various case studies
World Platform Service Co., Ltd.
(available in Japanese only)



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Case Studies

In the Platform Business, the WORLD Group actively provides the diverse expertise and frameworks it has cultivated over the years as new services to clients both within and beyond the fashion industry. Examples include contracted sales services that leverage our customer service capabilities and store management expertise developed across multiple sales channels. We also design and produce uniforms that combine fashion and functionality, created by our in-house designers and pattern makers.

Contracted Sales



GODIVA

Provided contracted sales services to GODIVA, a premium Belgian chocolate brand founded in 1926.

Spatial and Store Design



Châteraisé

Directed store and product packaging design for YAT-SUDOKI, a sweets brand by Châteraisé Co., Ltd., at its Ginza 7-chome location.

In addition, drawing on our track record of developing over 200 brands and our strong store development capabilities, we offer store design, spatial design, and product design services with integrated branding. The Platform Business also encompasses a contract furnishings business, manufacturing and selling original furniture and fixtures through in-house production.

Uniforms



Juchheim

Designed and produced uniforms for the confectionery brand Juchheim.

Contracted Furnishings Services



LAGOON TOOTH TOOTH (MARINE PIA KOBE)

Manufactured, and sold furniture and fixtures.

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Since its founding, the WORLD Group has believed in the power of fashion to bring smiles to people's faces.

It has also placed great importance on contributing to lifestyle culture and earning the trust of society.

Going forward, we aim to realize our dual vision: fostering greater diversity in lifestyle culture while realizing a sustainable society free of losses and waste.



We celebrate diversity. And we will continue to nurture the smiles that fashion brings to people's faces.

- For over 30 years, our Group has steadfastly upheld the importance of diversity in lifestyle culture, and we will continue to do so.
- Together, we strive to realize a sustainable society rich in diverse choices—continuing to bring more smiles to people's faces through fashion.

From the very start of production—through to use, and eventual disposal.

- We are tackling structural issues within the industry and, together with our partners, turning losses and waste into new value.
- Our responsibility does not end with production. We are building an ecosystem that looks ahead to how products are used and eventually discarded—making contributions with the entire lifecycle in mind.

What we can achieve alone is limited. We must go beyond individual companies and create together with society.

- Guided by the three pillars our Group has long valued—building a circular society, enhancing the competitiveness of domestic industry, and fostering a diverse society and lifestyle culture—we pursue initiatives that achieve a balance between the value gained by society and by the WORLD Group.



Creating an organization where individuals shine and knowledge is generated.

- At the heart of building a robust ecosystem are people and knowledge. We are building a foundation where individuals with diverse abilities and at various stages of life can thrive, while promoting co-creation with local communities and external partners. At the same time, to secure medium- to long-term competitiveness and enhance added value, we will continue to invest in acquiring intellectual property and expertise.

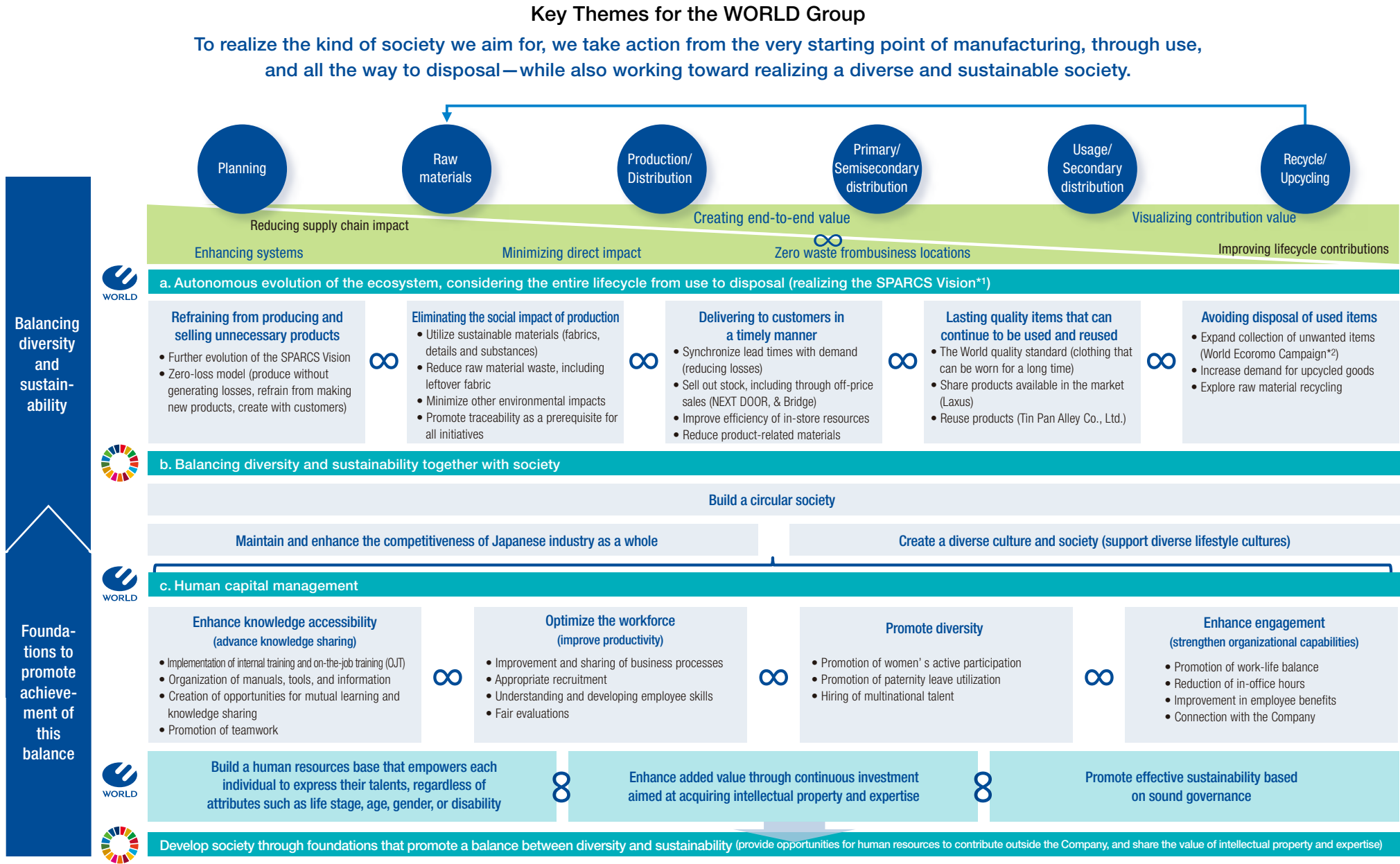
With integrity and sincerity.

- A society can only be built on fair and proper business practices. We are committed to realizing governance that embodies integrity and sincerity.

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*1 Please refer to the note on P.3

*2 Please refer to the note on P.39

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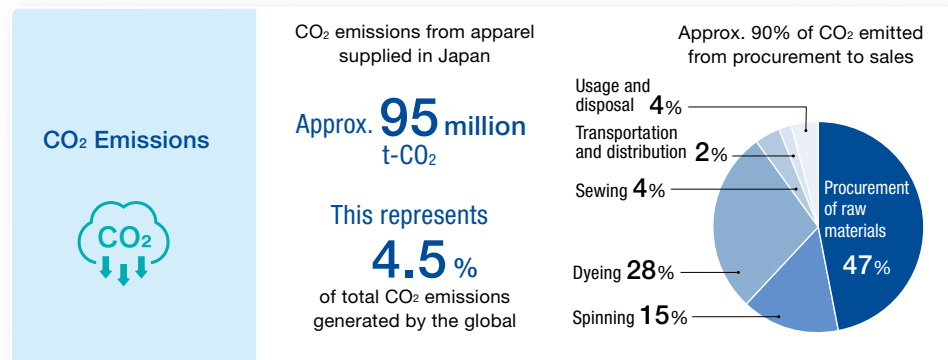
Recognizing Challenges Resulting from Environmental Impact in the Apparel Industry

To preserve the natural bounty of the earth for future generations, the apparel industry must fundamentally shift away from the traditional model of mass production and mass consumption to an industry structure that minimizes environmental impact. The fashion industry is globally recognized as the second most environmentally damaging industry after the petroleum industry*¹, and this is an issue that must be addressed urgently.

However, we acknowledge that environmental initiatives in the apparel industry remain insufficient. Suppliers in the apparel industry include various independent entities responsible for sourcing raw materials, processing, manufacturing (turning fabrics into products), warehousing, transportation, and distribution (retail), all of which play a role in delivering products to customers. This fragmented structure complicates efforts to gauge environmental impact at each stage and to implement comprehensive environmental strategies.

The WORLD Group recognized these supply chain challenges at an early stage and has worked to address environmental issues. We expand our businesses by providing timely and appropriately scaled products tailored to customer needs while simultaneously reducing potential waste products, thereby

Environmental Impact of the Apparel Industry



Source: Results of FY2020 research project "Fashion and Environment" by Japan's Ministry of the Environment

Environment

conserving resources and lowering CO₂ emissions. This balancing of economic value with social value has been deeply embedded in the Group's business activities for over 30 years, particularly since the launch of our SPARCS Vision*², which calls for "turning losses and waste into value."

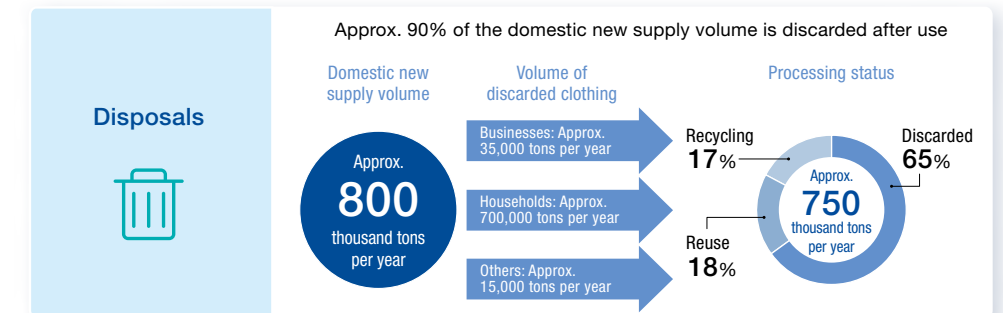
We believe fashion has the power to bring smiles to people's faces and enrich their lives. By offering diverse choices, we aim to enhance the well-being of people and contribute to social progress. We view this as one of the social values contributed by the Group. However, we also believe that bringing smiles to customers' faces should not come at the expense of the natural environment. Pursuing diversity without sustainable practices would undermine the essence of fashion and threaten the very sustainability of the apparel industry. With this sense of urgency, we established the WORLD Sustainability Plan in 2022. Through our sustainable vision (see P. 32), we will continue to lead the apparel industry's environmental initiatives going forward.

*1 Source: United Nations Conference on Trade and Development (UNCTAD) report published on April 30, 2019

*2 SPARCS Vision: Please refer to the note on P.3

 [WORLD SUSTAINABILITY PLAN & REPORT \(available in Japanese only\)](#)

Efficient Use of Resources



Source: Ministry of the Environment, FY2022 Survey on Measures to Promote Circular Fashion: Material Flow

Protection of Human Rights

 **Human Rights**  Reports indicate that human rights violations are prevalent in apparel production processes globally. These include forced labor such as long working hours, and health damage due in large part to poor working conditions.

Industry Structure Characteristics

The fragmented structure of the apparel industry makes it more difficult to visualize environmental impact than in industries such as the automotive sector.



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Approach toward the Environment

The WORLD Group has established a sustainable vision that aspires to achieve the twin goals of “diversity in lifestyle culture” and a “sustainable society free of losses and waste.” Leveraging our diverse brand and product lineup, along with our long-standing expertise in addressing environmental challenges, we aim to build a sustainable society while adapting to the increasingly diverse and segmented lifestyles and needs of our customers.

To achieve this, we have formulated three themes as our long-term vision: (1) build a sustainable value chain that does not impose burdens on society, (2) maximize resource value by eliminating losses and waste, and (3) contribute to a circular economy with a focus on product lifecycles. We have established medium-term goals linked to each theme and will focus on reducing environmental impact and enhancing environmental value. At the same time, we will build an ecosystem that considers the entire product lifecycle, from the start of manufacturing to usage and disposal.

Vision	Medium-Term Goals		Key Initiatives	Progress (as of February 28, 2025)
Building a sustainable value chain that does not impose burdens on society	CO ₂ Emissions	Own impact: Reduce by 50% by 2030 (compared to FY03/18)	• Introduction of renewable energy at offices and factories under direct energy contracts. For leased retail spaces and other facilities, renewable energy is introduced with the cooperation of property owners (e.g., shopping center operators) • Installation of LED lighting in offices, retail stores, and other facilities	45% reduction (compared to March 2018)
		Indirect impact: Reduce by 20% per apparel product by 2030 (compared to FY03/22)	• Visualization of emissions reduction rates achieved by switching raw materials to sustainable alternatives • Development and sales of sustainable materials under the proprietary material brand CIRCIC (see P. 37) • To promote the transition to sustainable raw materials, seasonal targets are set and progress toward those goals is monitored through a dedicated system	Promoting the transition to sustainable raw materials
	Water Environment	Visualize the environmental impact on water resources until 2027 and set corresponding targets	• Visualization of water usage across operations	Water usage in apparel production fully assessed Environmental impact reduction strategies currently being formulated
Maximizing resource value by eliminating losses and waste	Product Disposal	By FY02/26, achieve zero disposal of unsold apparel inventory; in addition, reduce waste from non-apparel products through recycling and other initiatives	• Development of products adapted to climate change, pricing aligned with consumer needs, appropriate purchasing and inventory control, and promotion of final sell-out through outlets and special events	100,000 items/year disposed of (including 20,000 apparel items and 80,000 non-apparel items)
	Facility Waste	Reduce facility waste by 50% by 2030	• Reduction of waste from leftover fabrics and other materials generated at in-house factories • Upcycling of leftover fabrics and threads	18% reduction (compared to March 2022)
Contributing to a circular economy with a focus on product lifecycles	Circular Services	By 2027, generate over 10% of profit contributions from the WORLD Group's leading domestic circular businesses	• Expansion of circular businesses	Expansion underway for RAGTAG and usebowl stores specializing in pre-owned apparel, as well as for off-price &Bridge stores
	Clothing and other items circulated	Collect and utilize 10 million items per year by 2030	• Expansion of the World Ecoromo Campaign, which collects unwanted clothing from customers (see P. 39) • Launch of the World Ecoromo Campaign on own e-commerce site	2.87 million items/year circulated (including 1.37 million apparel items collected and 1.50 million items resold through circular channels)



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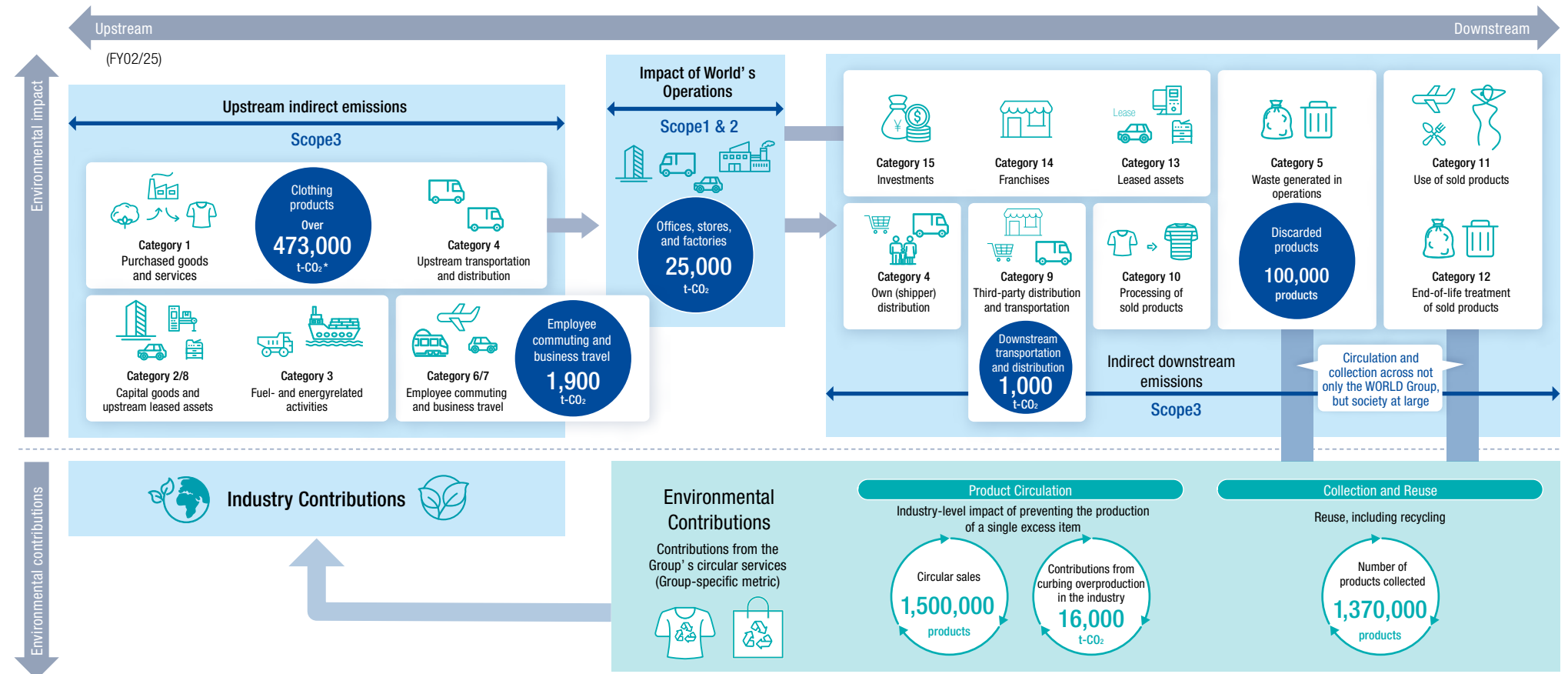
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In pushing ahead with these initiatives, we recognize that a precise understanding of the global environmental impact of the Group's business activities is essential, as is reducing environmental impact across the entire supply chain. We will visualize the environmental impact of each product and disclose related information to our customers. We believe it is also our responsibility to foster a shift in consumer purchases toward products with higher environmental value. Looking further ahead, we intend to offer our

environmental initiatives and expertise not only to industry peers but also to other sectors through our Platform Business, which aims to solve problems in various industries.

Through such continuous efforts, we will accelerate business growth that balances social and economic value.



* CO₂ emissions are calculated using a reasonable and justifiable methodology; however, figures may fluctuate due to evolving market expectations for calculation and analysis methods as well as future refinements.

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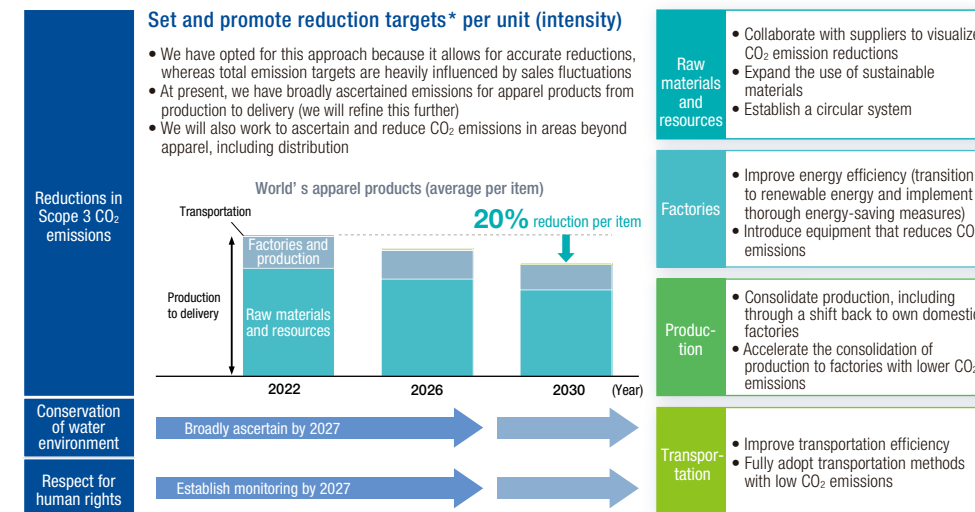
Building a Sustainable Value Chain That Does Not Impose Burdens on Society

Reducing Social Burdens across the Entire Supply Chain

For indirect emissions (Scope 3), our goal is to reduce CO₂ emissions per product unit (intensity) by 20% by 2030 (compared to FY03/22).

We believe that using intensity targets, rather than total emission targets that fluctuate with sales, is an effective method to ensure progress in reducing CO₂ emissions across the entire supply chain. We have visualized intensity metrics, and in the first phase of the initiative, have estimated CO₂ emissions for apparel products and have found that such emissions are the highest during the raw materials stage. As a result, we are transitioning to sustainable materials at present. We have set seasonal targets for the rate of transition and are managing the usage rates of sustainable materials per product through a dedicated system while monitoring monthly progress. Our next step is to clarify the amount of CO₂ emission reductions achieved through these efforts.

With regard to water resource conservation, given the use of various types of dye in the apparel industry, we believe key initiatives are reducing water usage, finding ways to promote water recycling, and ensuring proper wastewater treatment.



* At present, these targets apply to apparel products. We have currently ascertained environmental impact for Scope 3 categories 1 and 4 (upstream), but we plan to refine this and expand the scope.



CIRCRCIC: A Brand of Sustainable Materials

CIRCRCIC is the WORLD Group's overarching material brand for all sustainable materials used in its products. Among them, materials designed to support a closed-loop system for apparel serve as a symbol of the brand and bear the CIRCRCIC name.

Instead of ending with disposal, clothing fibers are reprocessed and spun into new yarn. In January 2025, 212 KITCHEN STORE—a specialty kitchenware retailer operated by WORLD Group's Lifestyle Innovation Co., Ltd.—launched the CIRCRCIC Apron, made with the Group's sustainable CIRCRCIC material, designed with environmental impact in mind, including the reduction of greenhouse gas (GHG) emissions.

Starting with a careful manufacturing process from the yarn (raw material) stage, we spent approximately 18 months developing and bringing the product to market.

This is the first initiative within the WORLD Group's sustainable material line, CIRCRCIC, to reuse leftover inventory as raw material—creating circular material rather than discarding it.



[CIRCRCIC website \(available in Japanese only\)](#)



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Maximizing Resource Value by Eliminating Losses and Waste

Product disposals not only lead to the waste of limited resources but also generate CO₂ emissions during incineration. Aside from environmental concerns, they are also closely tied to social issues such as financial expenditures (e.g., warehouse storage fees) and labor shortages (e.g., securing personnel to manage disposals).

In response to these challenges, the WORLD Group focuses on achieving two key goals: “zero product disposals by FY02/26” and “50% reduction in waste from our factories by 2030.” We are committed to reusing resources instead of discarding them, and to maximizing the value derived from limited resources. This forms the foundation of our growth strategy, which has always emphasized “timely and appropriately scaled products.” As a leader in rebuilding an apparel industry that is free of losses and waste, we view the aforementioned goals as a mission that must be accomplished without delay.

To realize our goals, we are currently promoting the following three initiatives.

1. Establish a Zero-Waste Production Model by Refraining from Manufacturing Unnecessary Products

We are pushing ahead with the digitalization of our existing operations, leveraging AI and other technologies to further enhance quick-response systems. We are also minimizing raw material and production losses through a digital supply chain, including by optimizing production volumes through fine-tuned demand forecasts.

2. Synchronize Lead Times to Reduce Losses

We are shortening the lead times from planning to production to sales, ensuring that products are

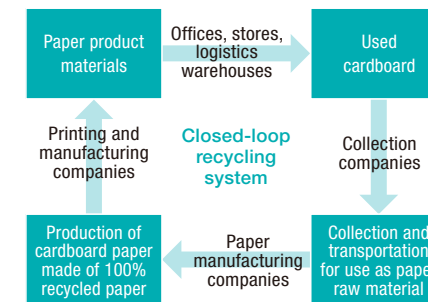
delivered at the right time to meet customer needs while preventing an increase in inventory that could become potential waste. A significant part of this effort involves promoting a return to domestic production, particularly for high-end products, which halves the lead time from orders to delivery compared to production in China or other Asian countries.

3. Reuse and Recycle Products and Resources

Alongside reducing the absolute volume of resources used in each stage of our operations, we are promoting reuse and recycling. Examples include the development of the upcycling brand “be released,” which creates new products from pre-owned clothing; the adoption of 100% recycled paper shopping bags made from a portion of the used cardboard from our logistics centers; the reuse and recycling of hangers used in deliveries to domestic apparel brands; and the re-molding of collected shoe lasts.

Closed-Loop Recycling of Used Cardboard

We recycle a portion of the used cardboard generated by World's logistics centers into 100% recycled paper, which is used for shopping bags.



Reuse of Delivery Hangers

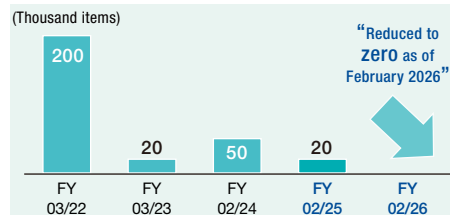
Since 2005, we have established a circular system for hangers used in deliveries to our domestic apparel brands and are pursuing reuse and recycling initiatives.



Disposal of Unsold Product Inventory

By FY02/26, we aim to eliminate the disposal of apparel products, transforming all products made from resources into new value.

► Number of unsold apparel products disposed of



Disposals at Own Factories

To utilize resources effectively, FY03/22 has been set as the baseline year, with a target of 50% reduction in disposals by 2030.

► Disposals at own factories and production



Re-molding of Plastic Shoe Lasts

Kobe Leather Cloth Co., Ltd., a general shoe trading company that operates the ESPERANZA and other shoe brands, collects used plastic shoe lasts sold to various manufacturers, grinds them in-house, and re-molds all of them using recycled materials.





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Contributing to a Circular Economy with a Focus on Product Lifecycles

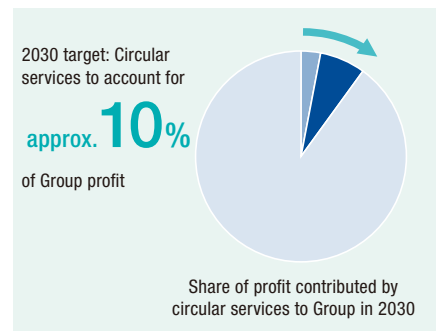
The WORLD Group takes pride in leading the Japanese apparel industry in circular economy initiatives, with RAGTAG facilitating the reuse of 700,000 items annually, Laxus offering a bag- sharing service, and “& Bridge” contributing to a reduction in product disposals through a semi- secondary market.

Building on these “non-production” business models, we have launched upcycling initiatives that leverage Group synergies to create new resource cycles by “reusing instead of discarding.” At present, we are working on projects such as “be released,” a service offered by Tin Pan Alley Co., Ltd., where items not eligible for trade-in are collected at the customer's request, upcycled, and resold. We are also involved in an industry-academia collaboration project where students from Sugino Fashion College design, produce, and sell upcycled products themselves.

To further grow circular initiatives into a core business for the Group, it will be essential to collect more items that can serve as the raw materials for these efforts. Going forward, we will therefore focus on increasing awareness to expand our buy-back programs. In addition, we aim to establish a closed-loop system where collected clothing items are resold as Group products after undergoing chemical or material recycling. Through these initiatives, we will encourage broader social awareness of the concepts of “continuing to use existing products” and “not discarding used products.”

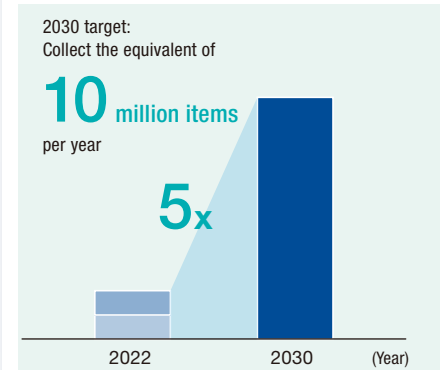
Contribution of Circular Services to Group Profit

Through the circular services we have offered to date, we are not only contributing to improved sustainability, but also growing this business into one of the pillars of our Group operations.



Number of clothing items circulated

“Mottainai Points” are defined as the number of clothing items collected to prevent simple disposal. The Japanese term mottainai embodies the concept of valuing resources while avoiding disposal and waste.



World Ecoromo Campaign



Since 2009, World has conducted the annual World Ecoromo Campaign*, collecting unwanted clothing from customers and facilitating reuse or recycling through our partner companies, both domestically and internationally. The proceeds generated from these activities are donated to funds supporting children in need, such as the Great East Japan Earthquake Fukushima Children's Fund and the Ashinaga Foundation that provides financial and emotional support to children who have lost one or both guardians.

A distinctive feature of the World Ecoromo Campaign is that it does not limit collection to products from the WORLD Group. In the 16 years since we launched the campaign, we have collected over 19.95 million items and raised ¥118 million in donations. In FY02/24, the campaign was recognized for its sustainability and contribution to the advancement of the sustainable development goals (SDGs) in the fashion industry, earning the “Sustainable Award in the Ladies' Category” at the FY2022 Department Store Buyers Awards organized by Senken Shimibun Co., Ltd.

1 Accepting Clothing from Brands Outside the WORLD Group

We accept clothing items that customers no longer wear. Please bring them to a collection site during the campaign period.

Over **19.95 million** items collected since 2009

2 Exchange Clothing for Discount Tickets

Clothing items can be exchanged for discount tickets usable at WORLD Group stores. Note: The number of items collected and the value of the discount tickets vary by store.



4 Proceeds Used to Support Children's Futures

The proceeds from our partner companies are donated to funds that support children in need.

Total donations to support children's futures **Approx. 118 million**



3 Providing Clothing to Those in Need

The collected clothing items are reused or recycled domestically and internationally through our partner companies.

Partner companies facilitate **reuse and recycling**

* Ecoromo: A term coined by the WORLD Group. It combines the words “ecology” and “koromo” (meaning “clothing” in Japanese).

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Contribution to Society

Approach toward Society

The WORLD Group aims to work with society to balance diversity and sustainability through activities centered around the themes of “building a circular society,” “maintaining the domestic industry as a whole and enhancing its competitiveness,” and “fostering a diverse society and lifestyle culture.” These initiatives are built into the business strategies of each Group company, enabling us to pursue activities that confer value to both society and the Group.

Focus Areas

Our initiatives are centered around three key themes that the WORLD Group has long valued.

Building a circular society

We are promoting collaboration with a wide range of stakeholders in order to expand activities toward building a circular society. At WORLD Group stores nationwide, and in collaboration with other companies, government bodies, and municipalities, we are conducting clothing collection campaigns. Furthermore, to establish the World Closed-Loop System, we are working to expand sales of the sustainable material brand CIRCRIC.

A society that balances diversity and sustainability

Maintaining the Domestic Industry as a Whole and Enhancing its Competitiveness

Since the 1970s, the WORLD Group has been committed to maintaining and expanding the domestic production base, including through business successions. Going forward, we will contribute to Japan and other regions by working to improve the sustainability of the fashion industry in collaboration with other companies, including by taking on production for other domestic and international brands.

Fostering a Diverse Society and Lifestyle Culture

As a company that proposes fashion products, we also consider it one of our social responsibilities to engage in activities that bring smiles to our customers' faces. We aim to create a society where everyone can enjoy fashion, express themselves, and discover new values. To achieve this, we are undertaking various activities with an eye toward future commercialization.

Our Vision

Contributing to a society in which diversity and sustainability coexist

Medium-Term Goals

Building a circular society

Maintaining the domestic industry as a whole and enhancing its competitiveness

Fostering a diverse society and lifestyle culture

Key Initiatives

Establishing the World Closed-Loop System

Contributing to the business continuity of domestic production factories

Regularly hosting upcycling events
Donating the proceeds from the World Ecoromo Campaign

Progress (as of February 28, 2025)

- Expanded sales of **CIRCRIC**, the Group's sustainable material brand; launched an original apron made from circular material, reusing unsold inventory as raw material instead of discarding it
- Continued operation of directly managed domestic factories
- Ensured business succession through the acquisition of domestic production factories
- Regular upcycling events held, with **19,913** participants (in FY02/25)
- Donated **¥6.94 million** in proceeds from the World Ecoromo Campaign (FY02/25)
Cumulative donations since 2011: **¥118 million**



Presentation ceremony for the World Ecoromo Campaign donation to the City of Kobe



Scenes from the upcycling event

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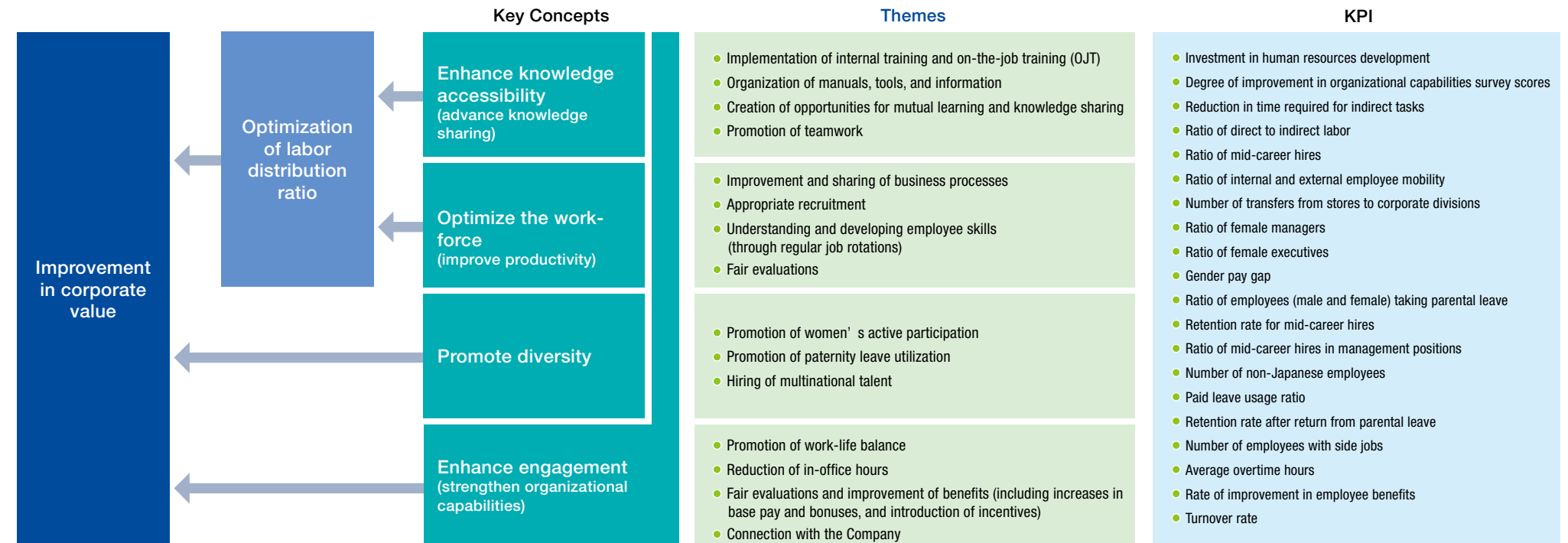
WORLD Group's Approach toward Human Capital Management

A critical factor that has helped lead the Group to success has been an adaptable workforce. To keep up with the fast-changing trends of the fashion industry, we have consistently adjusted our business models without hesitation, explored new production and sales channels, and built and adopted cutting-edge systems since our founding. We have assembled a team that is capable of keenly anticipating changes, embracing them with a positive attitude, and responding flexibly, and this has proved a major strength of the Group. To further enhance our human capital management with this strength at its core, we have established the following key concepts: "enhance knowledge accessibility (advance knowledge sharing)," "optimize the workforce (improve productivity)," "promote diversity," and "enhance engagement (strengthen organizational capabilities)."

A distinctive feature of the Group's human capital management is its integration with our medium-term business strategy. To achieve our ROE target of 12% or higher and establish the WORLD Fashion Ecosystem—two goals defined in our medium- to long-term roadmap—we have set KPIs for each of the aforementioned key concepts that are connected to our business strategy and growth trajectory.

All our employees are encouraged to clearly link their work to the growth of our businesses, leveraging their talents and skills in actions to achieve our goals. World, in turn, ensures that their achievements are properly recognized. Through this cycle, we aim to enhance employee engagement, thereby driving sustained growth in corporate value.

Human Capital KPIs Linked to Financial Value



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Key Concept 1

Enhance Knowledge Accessibility (Advance Knowledge Sharing)

The WORLD Group believes the ability to rapidly adapt to changes in customer preferences and lifestyles directly fuels its business growth, making the knowledge held by its employees a valuable asset. With our operations spanning a wide range of business domains, the knowledge and expertise of our active employees are the source of our competitiveness. We believe the sharing and transfer of such knowledge and expertise are critical elements that underpin the sustainable growth of the Group.

In FY2024, we focused on building expertise in e-learning systems accessible to all employees, while preparing and updating task lists. We also launched a community called Tsunagu World (lit. "Connecting World"), aimed at sharing best practices and enhancing communication across departments and job functions.

In addition, we are offering the knowledge sharing expertise accumulated through these initiatives as a service to customers in our Platform Business.



Role-based communities at *Tsunagu World*

Key Concept 2

Optimize the Workforce (Improve Productivity)

In the retail industry, productivity is an indispensable indicator for measuring corporate value. At the WORLD Group, we also work to improve productivity by setting productivity targets across our Group companies and striving to meet them through enhanced operational efficiency and ongoing digital transformation.

As the Group operates various businesses centered on the Brand, Digital, and Platform Businesses, the skills required from our employees evolve with the changing times. To secure the necessary talent for the business portfolio outlined in our medium-term management plan, we focus on developing multi-skilled personnel through knowledge sharing, training programs, and job rotation.

To support employee career development, supervisors create development plans that consider each employee's career aspirations and aptitudes. Furthermore, we are actively promoting e-learning programs, internal recruitment, and other initiatives to provide opportunities for multi-track career paths for each job type and career development across different job types.



An employee who began a new career through internal recruitment (left), together with her supervisor

Key Concept 3

Promote Diversity

In the WORLD Group, providing a diverse workplace is not only about factors such as gender, age, race, nationality, or gender identity, but also includes bringing together individuals with different values and perspectives. Such an environment fosters new ideas and encourages mutual growth through stimulation and collaboration.

We also continuously conduct diversity, equity, and inclusion (DE&I) training and seminars to foster a workplace where each member can respect and work alongside others with different attributes and preferences.

In our recruitment efforts, we aim to provide opportunities for individuals from diverse backgrounds to thrive. To support the retention of employees within their first year of joining the Company, we regularly conduct interviews, offer advice, and provide mentoring. We also strive to foster a deeper understanding of diversity and a sense of belonging through various initiatives, such as roundtable discussions focused on advancing women's participation and forums for younger employees to share information about work challenges.

As part of our efforts to support inclusive employment, our Group's special subsidiary for employees with disabilities has established a safe and supportive work environment for them.



Promoting diversity: A panel discussion with Ms. Sputnikol

Key Concept 4

Enhance Engagement (Strengthen Organizational Capabilities)

The WORLD Group views the enhancement of engagement as a crucial factor to strengthen its organizational capabilities and undertakes various initiatives to this end.

Since 2015, we have been conducting an organizational capabilities survey, which serves as our engagement survey, to identify organizational challenges. We have also put in place follow-up systems, formulating improvement action plans for each Group company and verifying the implementation of those plans.

Furthermore, we are actively working to improve employee benefits and address the gender pay gap, establishing a framework that ensures fair evaluations and compensation for employees.

Recognizing that a work-life balance is essential to increase engagement, we operate various programs that consider employees' life stages and productivity, such as parental leave (available to both male and female employees), work arrangements that prioritize personal life, a side job system, and flexible working hours for nursing care purposes. We are also committed to promoting health management through our Safety and Health Committee, and have been certified as an Outstanding Organization of KENKO Investment for Health (2025).



World Children's Visitors Day



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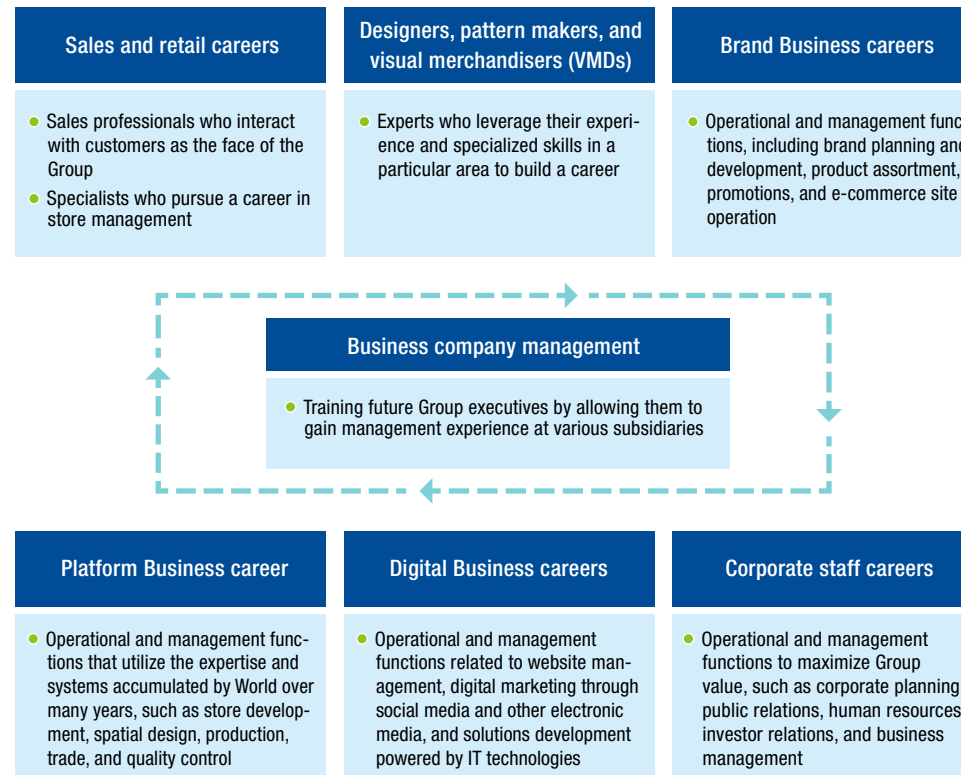
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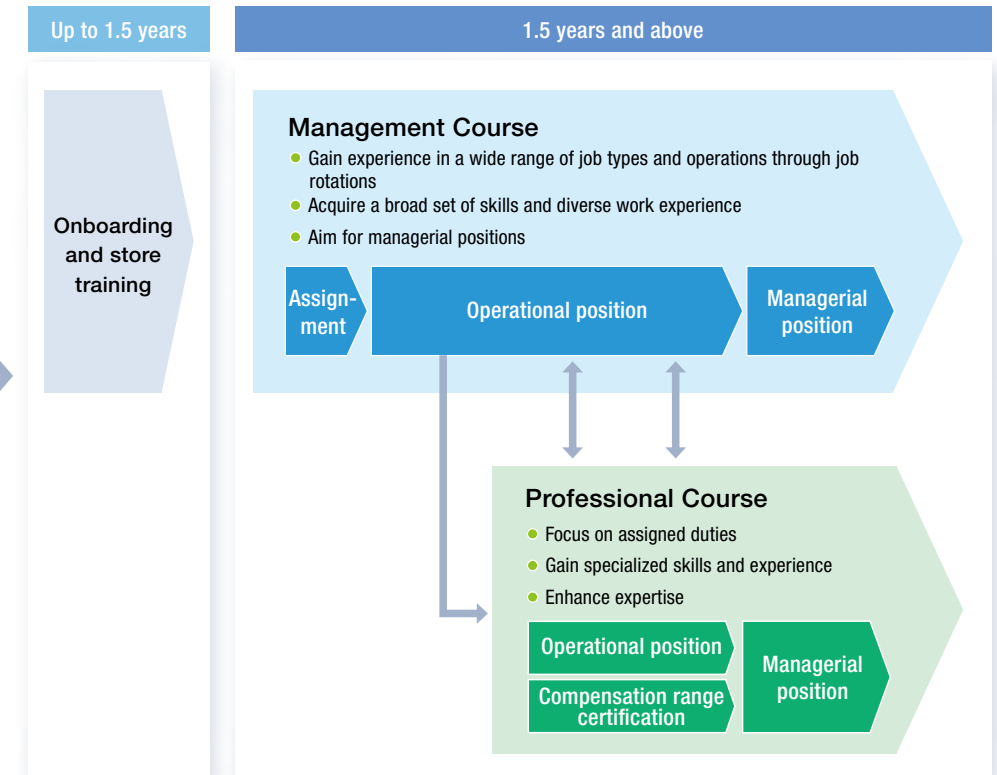
Aligning Management Strategy with Human Resources Portfolio

To achieve our vision, we are promoting a human resources strategy that is linked to our management strategy. As our operations diversify, we believe it is essential to offer a variety of positions and career paths, while also enhancing the dynamism of our workforce. In addition, we promote individualized training and career development for employees, providing more opportunities for them to thrive.

► Diverse Positions and Career Paths Aligned with Businesses



► Multi-Track Career Selection System



Regular Initiatives to Assess Employee Status and Support Talent Development





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Vision	Medium-Term Goals		Key Initiatives	Progress (as of February 28, 2025)
Enhancing knowledge accessibility	Investment in human resource development	Provide diverse learning opportunities	- Structured human resource development through the Talent Development Committee - Career investment through internal recruitment and job rotation - Use of an e-learning platform that enables anytime learning - Promotion of an annual program that supports employees in growing from independent sales stylists, to skill-building, and eventually to management readiness - Regular on-site guidance and training at stores by specialized departments - Promotion of training programs tailored to job types (e.g., factory training for merchandisers and designers, patternmaker training) and job levels (e.g., general staff, managers)	Annual training hours, participation time, and related metrics are currently being calculated
		Develop talent through business development	Human resource development through the hosting of NEXT WORLD, a business contest aimed at refining ideas for new business development	Held the 3rd NEXT WORLD (2025) business contest, focused on idea submissions
Optimizing the workforce	Offering diverse positions and career paths	Continue promoting cross-segment mobility and career path development	Securing multiple career paths and making them more dynamic in line with business diversification	97 employees transferred through internal recruitment and job rotation
Advancing diversity	Ratio of female managers (section manager and above)	45% by February 2030	Setting female manager ratio targets based on the male-to-female employee ratio at each company, and actively developing and promoting women into management roles	27.7% ^{*2}
	Ratio of women in management positions ^{*1}	Align with workforce composition (approx. 80%) by February 2030	- Regular roundtable sessions with female employees working across the Group - Conducting DE&I training for employees	66.0% ^{*2}
	Paternity leave usage ratio	100% by February 2030	- Creating and disseminating a paternity leave guidebook for male employees - Promoting understanding of paternity leave among managers (e.g., through e-learning)	23.5% ^{*2}
	Ratio of employees with disabilities	Maintain employment rate above the legally mandated level	Maintaining and improving workplace environments where employees with disabilities can thrive	2.84% ^{*3}
	Ratio of mid-career hires in management positions	Maintain 50% or higher	Continuing recruitment of a certain number of external candidates for managerial roles	62.5% ^{*2}
Strengthening engagement	Creating opportunities for recognition	Continue to expand and evolve the WORLD GROUP AWARD across all job categories in the Group	Hosting the WORLD GROUP AWARD, recognizing outstanding employees from both stores and headquarters	Held 14th WORLD GROUP AWARD * From FY02/25, the award program has been expanded to include headquarter functions and production site employees
	Monitoring and improving organizational health	- Continue specific actions for monitoring and improvement - Review monitoring items in line with the times	Regularly assessing organizational health through employee surveys and implementing concrete actions to address identified issues	Identified issues based on survey results, and formulated and implemented improvement measures



^{*1} Personnel serving in positions of responsibility within the organization (e.g., store managers)
^{*2} Total consolidated subsidiaries (domestic), including MC Fashion Co., Ltd. and LIFE GEAR Co. Ltd., but excluding OpenFashion Inc.
^{*3} Figures as of March 1, 2025.



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Goals for Establishing a Foundation for Human Resources

The WORLD Group is building a diverse support system that enables every employee to thrive. We are achieving this by promoting a healthy work-life balance tailored to individual circumstances, ensuring that everyone can reach their full potential.

Key Monitoring Indicators *1



Systems Supporting Both Productivity and Life Stages *2

Achieve work styles that can flexibly accommodate each life stage

Flexible working hours system	A system that allows employees to flexibly adjust their daily working hours and holidays with manager approval, as long as they meet the required monthly working hours
Life-care work arrangement	A system that allows employees to temporarily reduce their working hours due to unavoidable circumstances caused by changes in their life stage, while still prioritizing work responsibilities
Life-priority work arrangement	A system that facilitates flexible working options for those who wish to prioritize their personal life over work
Second career support work arrangement	A system that permits long-term leave for employees who wish to start their own business or develop skills for a career transition
Flexible working hours for child-care and nursing care	A system that allows flexible working hours for childcare or nursing care purposes, as long as employees meet certain conditions
+	
Side job program	A system that supports personal fulfillment and societal engagement through side jobs

Voices from Working Mothers at World



*1 Figures reflect data for domestic consolidated companies.
 *2 Systems implemented across 14 key domestic consolidated companies

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MANAGEMENT STRUCTURE THAT SUPPORTS SUSTAINABLE GROWTH

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Roundtable Discussion with Outside Members of the Board and a Group Executive Officer



Hayuru Tsutsumi
Outside Member of the Board

Hidehiko Aoki
Outside Member of the Board
Chairman of the Board

Emiko Yagi
Group Executive Officer
Senior Manager of the SDGs Promotion Division of World Co., Ltd.
Deputy General Manager of Group Management Headquarters of World Co., Ltd.
Senior Manager of Group Human Resources Management Division of World Co., Ltd.

Human Capital Management as the Foundation of Sustainable Growth at the WORLD Group

At the WORLD Group, which operates a diverse portfolio of businesses, human capital management initiatives—aligned with corporate strategy—play a central role in enhancing corporate value.

In this roundtable discussion, two outside members of the Board and an executive officer (Senior Manager of Group Human Resources Management Division) engaged in a multifaceted dialogue on talent development initiatives promoted across the Group and the governance mechanisms that support them.

Human Capital Management Initiatives at the WORLD Group

Yagi The WORLD Group positions human capital management as a foundation for enhancing corporate value. Based on four key concepts—(1) enhancing knowledge accessibility, (2) optimizing the workforce, (3) promoting diversity, and (4) strengthening engagement—we have established KPIs for each area and are advancing initiatives through a dual approach: cross-Group programs and autonomous efforts by individual companies and departments. In accordance with our medium-term targets, we

confirm and refine our progress on a semiannual basis to enhance the effectiveness of these initiatives. Among these pillars, we place the highest priority on talent development.

We are also advancing specific initiatives under the following six priority themes:

- (1) Offering diverse career paths
- (2) Enhancing education and training programs
- (3) Strengthening career development support
- (4) Evolving frameworks for talent identification and development
- (5) Implementing measures to strengthen engagement
- (6) Monitoring engagement

The first priority—offering diverse career paths within the Group—leverages our multiple business domains to offer opportunities for cross-functional and cross-departmental transfers and experiences. In doing so, we are building an environment in which employees can flexibly and independently shape their own careers.

The second priority—enhancing education and training programs—centers on a complete overhaul of our education and training framework, which had temporarily stagnated during the COVID-19 pandemic. We have restructured the system to enable personnel at all levels, from new hires to senior management, to progressively acquire the knowledge and skills required for their respective roles and ranks. We also work to promote retention of learning by visualizing course completion records via e-learning and conducting comprehension checks.

The third priority—strengthening career development support—has involved launching an initiative to create development plans for all employees. Career interviews, led by HR departments, are conducted to support each employee's growth in line with their individual aspirations and aptitudes. In addition, we have revamped our internal application and job rotation systems to develop mechanisms that encourage individual employees to take on challenges.

The fourth priority—evolving frameworks for talent identification and development—entails the establishment of Talent Development Committees within each Group company and department. These committees engage in team-based discussions to formulate development policies and corresponding development plans for potential successors to key positions and candidates for managerial roles. These plans are then brought to the Group Talent Development Committee, where talent is further assessed and development strategies are examined from a Group-wide perspective that transcends departments. The plans are then finalized to advance talent development across the organization.

The fifth priority—strengthening engagement—focuses on developing flexible workstyles that accommodate different life stages and personal values. In addition to introducing systems such as the flexible working hours system, lifestyle-oriented work arrange-

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Roundtable Discussion with Outside Members of the Board and a Group Executive Officer

ments, and a side-job program, we are expanding our employee stock ownership plan and reviewing our compensation system. These efforts are aimed at creating a virtuous cycle in which individual motivation directly contributes to the Group's growth. The sixth priority—monitoring engagement—places strong emphasis on visualizing and improving engagement levels. We conduct an annual survey targeting all employees, rigorously identify organizational issues, and provide thorough feedback. Based on the results, we coordinate with relevant leaders to translate findings into concrete improvement actions.

Underlying all of these initiatives is our belief that “corporate value is maximized by creating an environment in which every employee can fully demonstrate their strengths.” We are working to further advance our human capital management through both system design and on-the-ground implementation.

Aoki In businesses like those operated by the WORLD Group, where value is delivered not only through products but also through customer service and spatial design, it is ultimately people who create that value. No matter how sophisticated the strategy or systems may be, it is each and every employee who brings them to life on the front lines and delivers them to customers. That is why I believe investment in human capital lies at the very core of management.

I once had the opportunity to hear the following insight from a management scholar I hold in high regard: “For example, if you have ¥10 billion in capital, its value is fixed—it is neither more nor less than ¥10 billion. But people are different. If you hire 100 employees, the impact they generate can vary dramatically depending on their level of motivation. Their contribution could amount to the equivalent of 150 or even 200 people—or, conversely, as little as 10. That is why the most important job of a manager is to draw



out people's motivation.” This idea left a lasting impression on me, and I believe it captures the very essence of human capital management. As outside members of the Board, we too are convinced that people-centric management is what ultimately determines medium- to long-term corporate value, and it is key to fulfilling our responsibility of enhancing that value over the long term.

As Chairman of the Board, I place great importance on creating a forum for deeper discussions on key themes—including human capital—by drawing out the perspectives of outside members of the Board, who possess diverse viewpoints. In particular, I believe that practical insights from individuals like Ms. Tsutsumi, who possesses specialized expertise in talent development, have a positive impact on the Board by offering valuable recommendations rooted in on-the-ground realities.

Tsutsumi I work with various companies on organizational and talent development, and with the revision of the Corporate Governance Code mandating greater disclosure, I strongly feel that we have entered an era in which companies are seriously engaging with human capital management. While companies tend to focus on the business side, specifically profit generation as a means of delivering value to shareholders, it is people who support that outcome. As Mr. Aoki mentioned earlier, I believe that “how you harness your people” is also a critical element.

At the WORLD Group, business leaders themselves deliver presentations at Board meetings, candidly communicating the initiatives being implemented on the ground as well as their awareness of key challenges. Even from an outside perspective, I place a great deal of trust in the thoroughness of their explanations and the sense of responsibility they demonstrate. I also sense that this approach is having a positive ripple effect across the organization, fostering a culture of learning and autonomous action.

Furthermore, I feel that management approaches questions and feedback from outside members of the Board with sincerity, creating a positive cycle that leads to higher-quality follow-up actions. I have had the opportunity to ask Ms. Yagi questions and

receive explanations, and over the course of these interactions, I have seen that a wide range of initiatives and measures are being implemented as the organization drives things forward.

I believe the purpose of the Corporate Governance Code is to enhance corporate value by linking human capital strategy and management strategy in a mutually reinforcing way.

Challenges such as promoting diversity and transforming organizational culture cannot be addressed unless the management team recognizes their importance and commits to them. I find it reassuring that the management team at the WORLD Group is committed to these issues and that systems are in place to ensure follow-up.

Establishing Mechanisms to Enhance Effectiveness and Fostering a Culture That Encourages Taking on Challenges

Aoki Human capital management at the WORLD Group goes beyond system design—it is both practical and strategic in its actual implementation. Key features include the establishment of systems that support individual career development while respecting employee autonomy, as well as the use of multidimensional evaluation metrics tied to performance outcomes. In particular, under the leadership of President Suzuki, I believe the Group's strong commitment to fair evaluation stands out as a highly trustworthy aspect, even from an external perspective.

What is particularly noteworthy is that we not only introduce systems but also place strong emphasis on how employees actually feel—listening to voices from the front lines and focusing on motivation. This approach makes a significant difference in human capital initiatives, which often become mere formalities at many companies.

At the same time, I feel there is a broader societal trend emerging—one that may become a key challenge going forward. I believe exploitative or overly demanding companies once faced intense criticism, which triggered a wave of resignations among young employees. More recently, however, we are seeing the

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opposite phenomenon: in workplaces that are too accommodating or not sufficiently demanding, some young people are choosing to leave because they feel they are not growing. Precisely because systems are firmly in place, we sometimes hear feedback such as “there is no room left to take on challenges” or “the workload is so light that there is little sense of accomplishment.” While this may be considered a luxury problem in some respects, if left unaddressed, it could lead to a decline in engagement. Some people do not want to take on managerial roles, while others are eager to work hard and take on more, so I believe it is essential to accommodate both.

I get the sense that there is a strong underlying presence of employees at the WORLD Group who are passionate about the fashion industry. The key, then, is how to cultivate systems and a culture that empower them to take bold initiatives. I see this as a crucial factor that will ultimately determine the true success of human capital management.

Yagi Driven precisely by the awareness of these issues, we plan to introduce a High Performer Rotation Program. The aim is to rotate high-performing talent across departments, moving away from fixed placements, so they can broaden their perspectives while gaining diverse experiences. At the same time, we intend to build a framework that allows the entire Group to share and leverage the capabilities of exceptional individuals.

From a diversity, equity, and inclusion (DE&I) perspective, we are expanding training that deepens understanding of unconscious bias, as well as programs focused on gender equality and

inclusivity. In addition to fostering an environment where individuals can work in a way that is true to themselves, we also place importance on creating the conditions necessary for diverse teams to maximize their performance.

We have also established



cross-Group exchange events and networking opportunities. These initiatives go beyond simply encouraging communication—they serve as valuable opportunities for employees to broaden their perspectives by learning about initiatives in other departments and to deepen mutual understanding of each other's values and ways of thinking. As a result, we are seeing a positive impact in terms of proactive behavior and the willingness to take on new challenges among employees.

Going forward, we aim to further evolve these systems and frameworks, while also looking at the emotional and cultural dimensions—specifically, how employees feel and how they act. By doing so, we intend to make our human capital management even more effective.

Present Challenges and the Rebuilding of Shared Values

Yagi What I have particularly felt over the past few years—especially in the wake of the COVID-19 pandemic—is that attention to people on the ground waned temporarily. As companies prioritized navigating prolonged deflation and an increasingly uncertain external environment, there was a tendency to put off investment in people, such as recruitment and talent development. The hiring of new graduates was also scaled back, and opportunities for employee connection and spontaneous dialogue declined, which I believe had an impact on talent development.

To make up for these “lost years,” we began working to regain momentum starting last fiscal year. At the core of this effort is the establishment of the Talent Development Committees, which I mentioned earlier as one of our priority themes.

In addition, ensuring psychological safety is essential for each employee to fully express their strengths in an authentic way. To foster an open and inclusive workplace culture, we are actively promoting open dialogue that transcends hierarchical boundaries and working to create an environment where individuals feel safe to take on challenges without fear of failure.

We have also launched cross-Group exchange events aimed

at restoring a sense of unity. In these dialogue sessions among members from different companies and departments, we are seeing positive sparks—comments like “I did not know someone like this worked here” or “I would like to learn from how other departments operate.” These interactions are already leading to new forms of collaboration and proposals for improvement.

A talent strategy is not effective simply by putting systems in place—it also requires the mindset and attitude to actively make use of them. In that sense, addressing unconscious bias and driving a mindset shift among the management team are also essential. By listening carefully to the voices from the front lines, we intend to continue evolving an environment where each individual can believe in their own potential and take on new challenges.

Tsutsumi The essence of human capital management lies not only in establishing systems and setting goals, but also in figuring out how to improve the work environment itself. In particular, promoting diversity is not just about increasing the number of women in management positions. Discussions around job diversification are emerging, and I believe it is valuable to consider how individuals can broaden their careers—even without necessarily aiming for upward promotion. If employees gain more skills, find enjoyment in their work, and feel motivated, that engagement can naturally lead to advancement over time, in my view. In reality, many women hesitate when it comes to the idea of career advancement, so it is also important to clearly communicate that career development is not solely about climbing the corporate ladder. At the WORLD Group, with its diverse business portfolio, individuals can choose from a wide range of career paths and expand their professional horizons. I truly believe this is an organization where people can make the most of their abilities and open up new opportunities through career development.



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Aoki Within the WORLD Group, it is not just a matter of gender—people come from a wide range of backgrounds and work across various functions. In an organization where diverse talent coexists, I believe it is essential not only to respect each other's differences, but also to share common standards for decision-making and a unified set of values in order for the organization to function smoothly. Without clear decision-making processes—without a shared understanding of “this is how decisions are made at our Company”—there is a risk of falling into unhealthy dynamics, such as decisions being driven by the loudest voice or prioritizing the opinions of those with formal authority.

When bringing together a variety of expertise, I believe it becomes difficult to achieve meaningful results without a shared framework for how decisions are made. Of course, the first step is to create an environment where people from diverse backgrounds can actively contribute—that is a prerequisite. But I feel the next step is to focus on effectiveness: how can we make well-informed decisions as a group of people with various backgrounds, and how can we translate those decisions into tangible outcomes? To do that, we need to go deeper into defining and embracing the shared values that everyone should hold.

Tsutsumi That is right. To achieve human capital management in the true sense of the term, it is essential for the entire organization to share the values and culture that employees hold dear. It is about establishing a kind of “home base” that everyone can return to in times of uncertainty—a foundation, a set of guiding principles that support decision-making and behavior. That,

in itself, becomes a source of value. This applies not only to relationships among employees but also to how we engage with customers. Having a concept like this “home base” in place encourages everyone to remain aware of it in their daily work. I believe the goal is to foster a culture where this kind of mindset becomes second nature.

Yagi Right now, we are fully engaged in the rebuilding of shared values. As the Group expands and incorporates a wider range of cultures and values through M&A deals, it has become essential to foster a sense of belonging among all employees by deeply embedding a set of values. At the WORLD Group, we have articulated a set of simple yet practical values that have long been cherished as a code of conduct. These values are expressed in the form of “Five Principles of the Heart” and “Eight Cultures.” Examples include: “a sincere heart to say ‘yes,’” “a reflective heart to say ‘I am sorry,’” and “a humble heart to say ‘thanks to your support.’” These principles are basic attitudes rooted in human decency and represent values we hold dear. By sharing these values, we create a foundation where diverse individuals can engage with one another constructively. We believe these principles are not mere slogans—they function as a true common language only when used routinely in the workplace, serving to foster organizational unity and support sound decision-making across the Group.

In the near future, we plan to launch the Group Value Project with the aim of re-embedding the Five Principles of the Heart and the Eight Cultures throughout the organization. This initiative

also represents a renewed effort to instill the true spirit of human capital management.

The WORLD Group has fostered a culture of “adapting to change and driving self-transformation” since its founding. With a mindset of always striving for more—this year over last, this month over last, today over yesterday—our employees take initiative in embracing change. It is not just about establishing systems, but also about nurturing the mindset that enables those systems to truly function. That, above all, is essential to taking our human capital management to the next level, and we are fully committed to advancing this effort.



WORLD Group—The Five Principles of the Heart

1. A sincere heart to say “yes”
2. A reflective heart to say “I am sorry”
3. A humble heart to say “thanks to your support”
4. A proactive heart to say “I will take care of it”
5. A grateful heart to say “thank you”

WORLD Group—The Eight Cultures

- | | |
|----------------------|-----------------------------|
| 1. Open Culture | 5. Management Cycle Culture |
| 2. Team Culture | 6. Self Control Culture |
| 3. Challenge Culture | 7. 1% Culture |
| 4. Winning Culture | 8. Period Culture |

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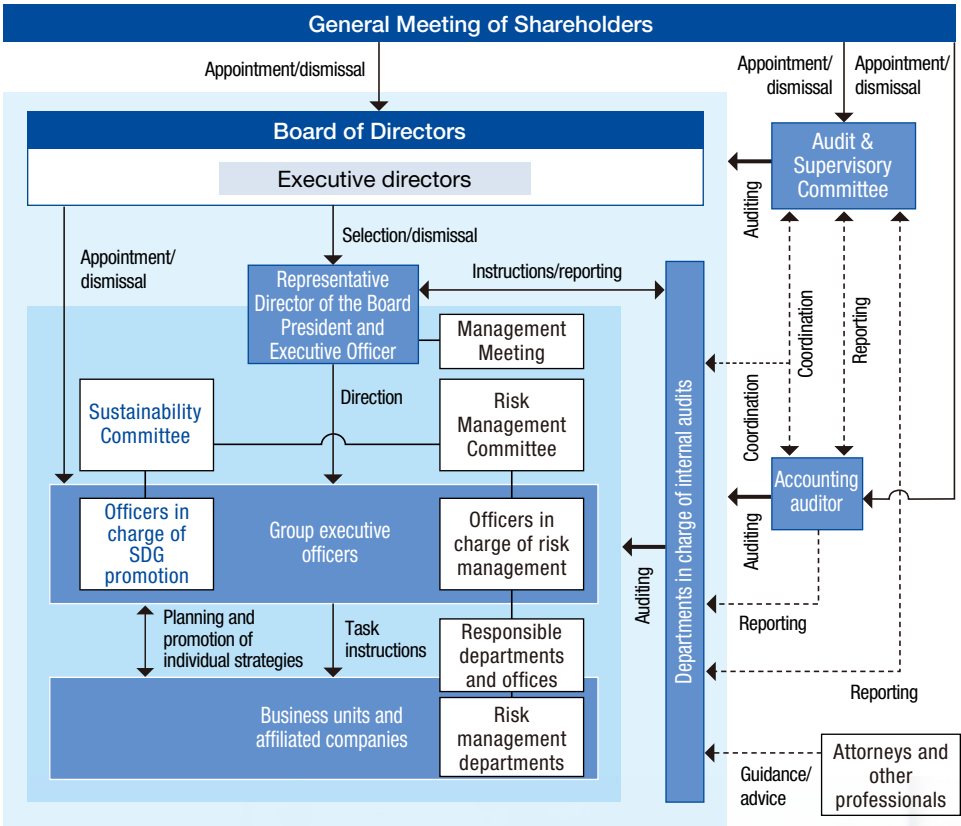
Basic Approach

Our basic approach toward corporate governance is to continuously enhance corporate and shareholder value by increasing management transparency and establishing a sound and competitive management organization, along with a corresponding decision-making framework, in compliance with laws, regulations, and social norms. We have adopted the structure of a company with an Audit & Supervisory Committee to establish a monitoring board model in which the executive team manages the Company, while the Board of Directors focuses on overseeing business execution and management bodies.

History of Strengthening Corporate Governance

FY2015	• Transitioned to a company with an Audit & Supervisory Committee • Transitioned to a structure that separates supervisory and executive functions
FY2016	• Transitioned to a Board of Directors structure with a majority of outside members
FY2017	• Established voluntary Nomination & Compensation Committee
FY2018	• Appointed the first female outside member of the Board (member of the Audit & Supervisory Committee)
FY2024	• Increased the total number of female outside members of the Board (including members of the Audit & Supervisory Committee) to three • Appointed an outside member of the Board as the Chair of the Board of Directors

Corporate Governance Structure



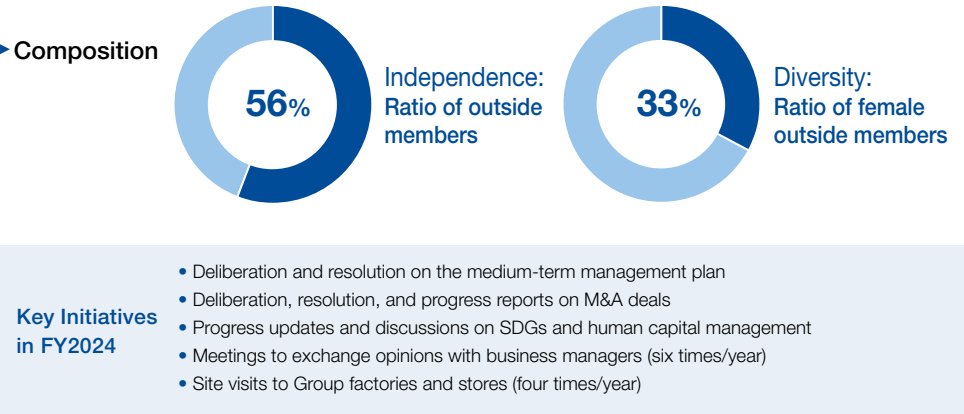
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Overview of Major Governing Bodies

Board of Directors

The Board of Directors fulfills the responsibilities set forth in laws, regulations, and our Articles of Incorporation, while making strategic decisions and providing oversight of business execution as our highest decision-making body. World considers the appropriate number of members to ensure active deliberation and nominates candidates from both inside and outside its organization. The candidates are selected based on criteria such as extensive management experience, broad insight, high degree of specialized expertise, strong character, and ethical views. They are appointed by resolution of the General Meeting of Shareholders in an effort to maintain the diversity of the Board and secure an overall optimal balance of knowledge, experience, and skills for the Company. To ensure independence, the majority of the Board is composed of outside members, with five of the nine members, including the Chair, being outside members.



Audit & Supervisory Committee

The Audit & Supervisory Committee, which is composed of a majority of independent outside members of the Board, is responsible for supervising the execution of duties by Board members. Furthermore, in collaboration with internal audit departments and the accounting auditor, the Committee audits the effectiveness of the Group's internal control systems based on its annual audit plan, and, when necessary, can request reports from members of the Board, executive officers, and executive departments of the Company and its Group companies.

Full-time members of the Audit & Supervisory Committee attend important meetings such as Management Meetings and Risk Management Committee meetings, where they can gather information related to business execution and provide input as needed.

Key Initiatives in FY2024

- On-site audits of subsidiaries, key departments of the holding company, stores, distribution centers, and other locations in collaboration with internal audit departments
- Reporting by and exchanges of opinion with the accounting auditor, internal audit departments and internal whistleblowing reports
- Semi-annual opinion exchange meetings with the Representative Director and outside members of the Board
- Audit of MC Fashion Co., Ltd., which became a subsidiary at the end of FY2024

Nomination & Compensation Committee

The voluntary Nomination & Compensation Committee is composed of six members: five independent outside members of the Board and the Representative Director of the Board, President and Executive Officer. A majority of the members are independent outside members of the Board, and the Committee is chaired by an independent outside member of the Board. In accordance with the procedures set forth in the Committee's regulations, the Committee deliberates and decides on draft proposals for candidates for members of the Board (including those who are members of the Audit & Supervisory Committee), matters related to the selection and dismissal of the Representative Director of the Board, President and Executive Officer, and matters related to succession planning (including training). It also deliberates on matters related to individual compensation amounts for members of the Board (excluding those who are members of the Audit & Supervisory Committee), as well as other matters related to the compensation of members of the Board or other executive management. In FY2024, the Committee held nine meetings.

Risk Management Committee

The Risk Management Committee, organized under the leadership of the Representative Director of the Board President and Executive Officer, appoints responsible officers and departments, and promotes our Compliance and Risk Management Program across the WORLD Group.

The Committee serves as a body that advances risk management for the entire Group, deliberating on issues and measures related to the promotion of risk management.

Sustainability Committee

The Sustainability Committee, organized under the leadership of the Representative Director of the Board, President and Executive Officer, appoints responsible officers and departments, and promotes basic policies and initiatives related to sustainability. The Board of Directors receives regular reports from the President and the Sustainability Committee, and provides oversight and supervision.

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Evaluation of Board Effectiveness

To further enhance the effectiveness of its Board of Directors, World conducts an annual self-evaluation through a questionnaire completed by all members of the Board. This evaluation covers the composition, operation, deliberation status, and other relevant aspects of the Board. Based on the results, the Company analyzes and assesses the Board's effectiveness.

Questionnaire Topics	• Board composition	• Board operation	• Board deliberation
	• Board roles and responsibilities	• Board support	• Other

Evaluation for FY02/24	
Evaluation Summary • The Board of Directors consists of a majority of outside members, and efforts are made to ensure diversity (including through the appointment of female members). Discussions are generally fair and equitable. • Within the Board, which separates supervisory and executive functions, the executive side makes efforts such as offering various preliminary information and providing opportunities to deepen an understanding of on-site operations. In addition, opportunities are adequately provided for outside members of the Board to request additional information from the Company as needed. • Outside members of the Board deepen their understanding of the Company, leading to more specific and constructive Board discussions. Candid feedback and opinions contribute to the Board's overall effectiveness. • Matters related to operations and deliberations by the Board of Directors (including the frequency of meetings, the number of items discussed, time, the quality and quantity of materials, and meeting management) are deemed appropriate. • The voluntary Nomination & Compensation Committee, which is appointed by the Board, is operated appropriately and functions properly.	Challenges and Issues • To further enhance the composition (balance and diversity) of the Board, consider defining required qualifications for members from the perspective of the "ideal state" of the Board and selecting candidates accordingly. • Provide progress reports and conduct discussions related to initiatives aimed at evolving management in growth areas, IT governance, and other domains. • Provide progress reports and conduct discussions on initiatives aimed at realizing human capital management. • Provide opportunities for information sharing to further encourage such sharing and collaboration among outside members of the Board, and between outside members of the Board and the management team or other parties.

Evaluation for FY02/25	
Evaluation Summary • The Board of Directors is composed of a majority of outside members and is chaired by an outside member, ensuring a highly objective and independent governance structure. Under this system, open, vigorous, and constructive discussions and exchanges of opinions are conducted, and the Board's effectiveness is, on the whole, functioning effectively and appropriately. • Taking into account the skill mix required to respond to changes in the business environment, efforts were made to further optimize the diversity and balance of members of the Board. • Opportunities to deepen understanding of on-the-ground business operations (such as through opinion exchange sessions and site visits) are appropriately provided to outside members of the Board, along with other relevant information. In addition, appropriate opportunities are ensured for outside members to request additional information from the Company. • For important matters such as M&A activities, reporting is appropriately provided from the early stages of consideration, and opportunities for discussion are ensured. • By offering observations and advice based on their individual expertise, outside members of the Board with diverse backgrounds contributed in a more specific and multifaceted manner, which led to deeper and more active discussions.	Challenges and Issues • Feedback was provided mainly regarding operational improvements to the Board of Directors (such as earlier provision of materials and more substantial deliberation time), enhanced discussions on compliance and internal controls, and efforts to further secure opportunities for collaboration and information sharing among members of the Board. • Issues identified through the evaluation will continue to be addressed and improved on an ongoing basis. • An annual self-evaluation is conducted regularly through questionnaires and other methods, and the results are analyzed and assessed to further enhance the effectiveness of the Board.

Executive Compensation

Basic Policy

The compensation for members of the Board is allocated to each member within the total amount determined by the General Meeting of Shareholders, distinguishing between members of the Board who are not members of the Audit & Supervisory Committee and those who are. This allocation is decided by the Board of Directors following approval by the voluntary Nomination & Compensation Committee, which consists of a majority of outside members of the Board. However, the compensation for members of the Board who are members of the Audit & Supervisory Committee is determined through discussions among those members.

There are four types of compensation: (1) base compensation, (2) bonuses as performance-linked compensation, (3) restricted stock as non-monetary stock compensation, and (4) stock-option-based compensation as non-monetary, performance-linked compensation. However, for members of the Audit & Supervisory Committee and outside members of the Board, in light of the nature of their roles, which do not involve efforts to enhance profit, only base compensation (1) is provided, and none of the compensation types described in (2) through (4) above are granted under the current policy.

The details of each type of compensation described in (1) through (4) above are all approved by the voluntary Nomination & Compensation Committee. The ratios (composition) of these types of compensation are resolved by the Board of Directors following approval by the voluntary Nomination & Compensation Committee.

Determination Policy	
Base compensation	For fixed compensation, a predetermined amount is paid monthly as base compensation, in accordance with each position.
Performance-linked compensation	Bonuses as performance-linked compensation are paid in May of the following fiscal year. The amount is calculated by applying a coefficient—based on indicators such as consolidated core operating profit, profit attributable to owners of parent, and the achievement level of ESG targets—to a standard performance-linked bonus value set for each position.
Restricted stock as stock compensation	Restricted stock (RS) is granted at a designated time each fiscal year as stock compensation in an amount determined for each position. The transfer restriction is lifted after a three-year restriction period, on the condition that the recipient completes a full one-year term.
Stock-option-based compensation as performance-linked compensation	Stock-option-based compensation, granted as non-monetary and performance-linked compensation, is provided to members of the Board (excluding outside members) as compensation aimed at improving the remuneration, treatment, and sense of belonging of those members. It is also intended to strengthen incentives and commitment among executive officers toward improving the Group's earnings performance and stock price, with the goal of enhancing corporate value, employee value, and shareholder value in an integrated manner. Stock options are granted to members of the Board (excluding outside members) in an amount determined for each position. These stock options are structured so that, in accordance with the resolution of the General Meeting of Shareholders relating to their issuance, the number of stock acquisition rights that can be exercised fluctuate in line with the share price of the Company's common stock. The content, amount, timing, and conditions of the stock-option-based compensation are determined—based on the recommendations of the voluntary Nomination & Compensation Committee and with consideration to changes in the business environment—to ensure they remain appropriate for their intended purpose.
Compensation composition ratios	The content of base compensation, performance-linked bonuses, restricted stock as non-monetary stock compensation, and stock-option-based compensation as performance-linked compensation is all approved by the voluntary Nomination & Compensation Committee. The composition ratios (percentages) of these types of compensation are also approved by the voluntary Nomination & Compensation Committee—based on the basic policy outlined on the next page—and subsequently resolved by the Board of Directors.

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Members of the Board (excluding members of the Audit & Supervisory Committee and outside members of the Board)	Base compensation 66.77%	Bonuses 14.24%	Restricted stock compensation 18.99%
Members of the Board (Members of the Audit & Supervisory Committee) (excluding outside members of the Board)	Base compensation 100%		
Outside officers	Base compensation 100%		

Note: The compensation ratios in the basic policy are adjusted to account for economic conditions and are finalized by the voluntary Nomination & Compensation Committee.

Total Compensation Amounts for Officers in FY2024

Category	Total compensation amount (millions of yen)	Total amount by compensation type (millions of yen)			Number of eligible officers
		Base compensation	Performance linked compensation	Non-cash compensation	
Members of the Board	161	127	6	28	8
(of which, outside members)	(30)	(30)	(-)	(-)	(4)
Members of the Board (Members of the Audit & Supervisory Committee)	37	37	-	-	4
(of which, outside members)	(19)	(19)	(-)	(-)	(3)
Total	198	164	6	28	12
(of which, outside officers)	(49)	(49)	(-)	(-)	(7)

Notes: 1. The table above includes two members of the Board (including one outside member) and one member of the Board who is a member of the Audit & Supervisory Committee (an outside member of the Board), all of whom retired at the conclusion of the 66th Ordinary General Meeting of Shareholders held on May 28, 2024.

2. The total compensation amount for Board members does not include the employee salary portion for members who concurrently serve as employees.

3. Indicators used when providing performance-linked compensation include financial metrics such as consolidated core operating profit and profit attributable to owners of parent, along with key non-financial ESG indicators such as CO₂ reduction. Performance-linked compensation is designed to function as an incentive for improving earnings performance and corporate value. For FY02/25, consolidated core operating profit was ¥17,013 million, and profit attributable to owners of parent was ¥11,105 million. Note that the amount of performance-linked compensation reflects the provision for bonuses for FY02/25.

4. The maximum monetary compensation for Board members (excluding those who are Audit & Supervisory Committee members) is ¥400 million per year (including ¥30 million for outside members), as resolved at the Ordinary General Meeting of Shareholders held on June 9, 2015. At the conclusion of this meeting, the number of Board members (excluding those who were Audit & Supervisory Committee members) was five (including two outside members). Furthermore, bonuses for Board members (excluding those who are Audit & Supervisory Committee members) are paid within the aforementioned compensation limit of ¥400 million per year.

5. The maximum monetary compensation for Board members who are Audit & Supervisory Committee members is ¥80 million per year, as resolved at the Ordinary General Meeting of Shareholders held on June 9, 2015. At the conclusion of this meeting, the number of Board members who were Audit & Supervisory Committee members was three.

6. At the Ordinary General Meeting of Shareholders held on June 15, 2018, the compensation amount for restricted stock granted to Board members (excluding outside members and those who are Audit & Supervisory Committee members) that may be allocated (up to ¥40 million per year) within the aforementioned annual amount of ¥400 million, and related details were resolved. At the conclusion of this meeting, the number of Board members (excluding outside members and those who were Audit & Supervisory Committee members) was three.

7. The Company grants stock compensation to Board members (excluding outside members and those who are Audit & Supervisory Committee members). This non-cash compensation (stock compensation and stock options) is granted at a specific time each fiscal year, in an amount corresponding to the relevant position. Stock compensation is provided in the form of restricted stock (RS) and is subject to the completion of a one-year tenure. The transfer restriction is lifted after a three-year restriction period has elapsed. The Company has granted 14,600 shares to three directors (excluding those who are Audit & Supervisory Committee members and outside directors) as stock compensation.

Support System for Outside Members of the Board

As deemed necessary, World provides outside members of the Board with appropriate and timely information required for the execution of their duties, particularly through agenda items submitted to the Board of Directors. This ensures thorough deliberations at Board meetings. In addition to deliberations on proposals, we set aside time to offer explanations and other information on issues and situations to deepen their understanding of Group businesses and challenges.

Specific Initiatives

- Roughly one week before Board meetings, agendas are shared, and weekly information is provided on the agendas and materials for Management Meetings and other important internal meetings.
- Opinion exchange meetings are held with business managers (six times a year), and factories and stores are visited (several times a year) to achieve a deeper understanding of the Group's businesses.

Policy on Reducing Cross-Shareholdings

World is progressively reducing its cross-shareholdings, and, in principle, aims not to hold such shares. However, we may hold shares of other companies for strategic reasons if we deem that doing so will help maintain trading relationships, create business opportunities, or otherwise contribute to an improvement in our medium- to long-term corporate value.

When exercising voting rights for cross-shareholdings, we comprehensively evaluate whether the proposals contribute to an improvement in the value of the partner company, consider the impact on our corporate value, and assess other relevant factors.

For cross-shareholdings held by our Group (including those acquired through M&A), the Board of Directors annually reviews the necessity and rationale for continuing to hold each stock. This review primarily considers the appropriateness of the holding purpose and the associated benefits and risks.

Group Governance (Shareholdings in Narumiya)

On February 21, 2022, World became the parent company of Narumiya International Co., Ltd. (Tokyo Stock Exchange Standard Market). By converting this equity-method affiliate into a consolidated subsidiary, we are now able to share management resources that could not be shared with an equity-method affiliate, including personnel, store assets, funds, and confidential data collected in the course of business operations, such as product, sales, and inventory information. We aim to maximize synergies for both companies through the mutual utilization of these management resources. Narumiya makes independent decisions in accordance with the management philosophy and policies of its Group, and this ensures its autonomy in our view.

As announced in the timely disclosure dated July 3, 2025, titled "Notice Concerning Execution of a Share Exchange Agreement (Simplified Share Exchange) for Making Narumiya International Co., Ltd. A Wholly Owned Subsidiary of World Co., Ltd.," Narumiya International Co., Ltd. will become a wholly owned subsidiary of the Company on October 1, 2025, the effective date of the share exchange. The shares of Narumiya are scheduled to be delisted from the Tokyo Stock Exchange Standard Market on September 29, 2025 (with the final trading date set for September 26, 2025).

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- Mar. 1999 Joined Andersen Consulting Co., Ltd. (currently Accenture Japan Ltd.)
- Sep. 2004 Joined Roland Berger Ltd.
- May 2010 Joined Enterprise Turnaround Initiative Corporation of Japan
- Feb. 2012 Joined The Boston Consulting Group K.K.
- Sep. 2012 Joined the Company
- June 2014 Executive Officer, Executive General Manager of SPARCS Promotion Division
- Apr. 2015 Managing Executive Officer, Executive General Manager of Structural Reform Headquarters
- Oct. 2015 Managing Executive Officer, Executive General Manager of Structural Reform Headquarters, Executive General Manager of International Headquarters
- Apr. 2017 Senior Managing Executive Officer, Responsible for Group Planning Headquarters and D-GROWTH Strategy Headquarters
- Apr. 2018 Senior Managing Executive Officer, Supervising the Group strategies, Responsible for Group Planning Headquarters and D-GROWTH Strategy Headquarters
- June 2020 Representative Director of the Board, President and Executive Officer (current position)



- Apr. 1995 Joined Kankaku Research Institute Co., Ltd. (currently Mizuho Securities Co., Ltd.)
- Oct. 1997 Joined SBC Warburg Japan Ltd. (currently UBS Securities Japan Co., Ltd.)
- July 2003 Joined Industrial Revitalization Corporation of Japan
- Jan. 2007 Joined Frontier Management Inc. as Executive Officer
- Nov. 2011 Managing Executive Officer
- July 2013 Joined the Company as Executive Officer, Deputy Executive General Manager of Corporate Management Headquarters
- Dec. 2013 Executive Officer, Executive General Manager of Corporate Management Headquarters
- Apr. 2015 Managing Executive Officer, Executive General Manager of Corporate Platform Headquarters
- Apr. 2017 Managing Executive Officer, Executive General Manager of Group Support Headquarters
- Apr. 2018 Managing Executive Officer, Supervising the Group financing, Responsible for Group Support Headquarters, Joint Representative of World Investment Network Co., Ltd.
- June 2020 Executive Vice President and Executive Officer, Joint Representative of World Investment Network Co., Ltd.
- May 2024 Member of the Board, Executive Vice President and Executive Officer (current position) Joint Representative of World Investment Network Co., Ltd. Director of NARUMIYA INTERNATIONAL Co., Ltd. (current position)



- Mar. 1987 Joined former World Co., Ltd.
- June 1991 Member of the Board
- June 1996 Senior Managing Member of the Board, Executive General Manager of Human Resources Headquarters
- June 1999 Executive Officer, Head of Second Generation Middlemix Group
- June 2002 WEL, Head of Sport Casual Group
- Apr. 2008 WEL, Department Manager of Corporate Strategy Department of the Company
- June 2013 Executive Officer, Deputy Executive General Manager of Corporate Support Headquarters
- June 2017 Member of the Board (current position)



- Apr. 1989 Joined Nomura Research Institute, Ltd., assigned to Investment Research Department
- Jan. 1997 Seconded to Research Department of U.S. Nomura Securities International, Inc.
- July 2000 Joined Goldman Sachs Japan Co., Ltd. Vice President of Research Department, Tokyo Branch
- July 2005 Joined Merrill Lynch Japan Securities Co., Ltd. (currently BofA Securities Japan Co., Ltd.) Managing Director of Research Department
- Sep. 2017 Joined Nomura Securities Co., Ltd. Managing Director of Equity Research Department
- Sep. 2020 Professor of Department of Management of Technology, Tokyo University of Science, Graduate School of Management (current position)
- Dec. 2021 Outside Director of KATO SANGYO CO., LTD. (current position)
- Aug. 2022 Outside Director of Butsuryukakumei Co., Ltd. (current position)
- June 2023 Outside Member of the Board of the Company (current position)
- May 2024 Chairman of the Board of Directors (Non-executive Director and Chair) (current position)

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Hayuru Tsutsumi
Outside Member of the Board

Jan. 1987 Joined BRITISH CALEDONIAN AIRWAYS LIMITED
Apr. 1988 Joined BRITISH AIRWAYS PLC
Sep. 1997 Joined Skymark Airlines Inc.
Sep. 1998 Joined ALC EDUCATION INC.
Sep. 2002 Joined NIHON L'ORÉAL K.K.
Mar. 2007 Joined Recruit Executive Agent Co., Ltd.
Nov. 2012 Representative Director of Hayuru Corporation Co., Ltd.
May 2014 Outside Director of LIFE CORPORATION
Aug. 2020 Representative of OFFICE HAYURU (current position)
May 2021 Auditor of Incorporated Educational Institutions, Osaka Jogakuin (current position)
May 2024 Outside Member of the Board of the Company (current position)



Ryo Oishi
Outside Member of the Board

Apr. 1996 Joined Marubeni Corporation
Dec. 2000 Representative Director of Web Senka Limited (currently Serverworks Co., Ltd.)
May 2014 Outside Director of Sky365 Co., Ltd.
Dec. 2018 Representative Director, President of Serverworks Co., Ltd.
Mar. 2024 Representative Director, President and Executive Officer (current position)
Mar. 2024 Outside Director of FUJIFILM Cloud Corp. (current position)
May 2025 Outside Member of the Board, World Co., Ltd. (current position)



Naoteru Matsuzawa
Member of the Board
(Member of the Audit & Supervisory Committee)

Apr. 1984 Joined former World Co., Ltd.
Oct. 2001 Department Manager of Human Resources Planning Department
May 2007 President and Representative Director of Le Monde Des Gourmet Inc.
May 2011 Executive Manager of Fashion Cross Merchandising Store Business Department of the Company
May 2014 Deputy Executive General Manager of Human Resources Headquarters
Nov. 2014 Executive General Manager of Human Resources Headquarters
Apr. 2015 Executive Officer, Executive General Manager of Human Resources Headquarters
Apr. 2017 Senior Group Executive Officer, Executive General Manager of Group Human Resources Headquarters
Apr. 2018 Group Executive Officer, Executive General Manager of Group Human Resources Headquarters
Apr. 2020 Group Executive Officer, Executive General Manager of Group Support Headquarters
Apr. 2021 Group Executive Officer, Deputy Executive General Manager of Group Planning Headquarters
Jan. 2023 Group Executive Officer, Executive General Manager of Neo-economy Business Headquarters, Deputy Executive General Manager of Group Planning Headquarters
Apr. 2023 Group Executive Officer, Assistant to President
June 2023 Member of the Board who is a full-time Member of the Audit & Supervisory Committee (current position)



Kanae Fukushima
Outside Member of the Board
(Member of the Audit & Supervisory Committee)

Apr. 2000 Assistant Judge at Tokyo District Court
Aug. 2004 Assistant Judge at Yokohama District Family Court Odawara Branch
Apr. 2005 Assistant Judge at Naha District Family Court
Apr. 2008 Assistant Judge at Tokyo District Court
Apr. 2010 Judge at Tokyo District Court
Apr. 2012 Judge at Kobe District Court
Apr. 2014 Judge at Tokyo High Court
Apr. 2016 Instructor at Judicial Research and Training Institute
Mar. 2019 Registered as an attorney at law (Dai-ichi Bar Association)
Apr. 2019 Joined Utsunomiya Shimizu & Haruki Law Office
June 2022 Outside Director, Audit & Supervisory Committee Member of WOW WORLD Inc.
Aug. 2022 Corporate Auditor of iXs Co., Ltd. (current position)
Oct. 2022 Outside Director, Audit & Supervisory Committee Member of WOW WORLD GROUP Inc.
Jan. 2023 Partner of Utsunomiya Shimizu & Haruki Law Office (current position)
June 2023 Outside Member of the Board who is a Member of the Audit & Supervisory Committee of the Company (current position)
Dec. 2023 Public interest member of Tokyo Metropolitan Government Labor Relations Commission (current position)
June 2024 Corporate Auditor of Solasto Corporation (current position)
Jun. 2025 Auditor, KATITAS Co., Ltd. (current position)



Naoko Tomita
Outside Member of the Board
(Member of the Audit & Supervisory Committee)

Apr. 1988 Joined Mitsui Mutual Life Insurance Company (currently TAIJU LIFE INSURANCE COMPANY LIMITED)
Jan. 1994 Joined Tohmatsu & Co. / Deloitte & Touche LLP; New York
Feb. 1997 Joined IBJ Investment, Ltd.
Dec. 1999 Director and Chief Financial Officer of Crayfish Co., Ltd.
Sep. 2001 Joined General Electric International, Inc.
Aug. 2003 Joined Industrial Revitalization Corporation of Japan
Sep. 2004 Outside Director of OCC Corporation
Apr. 2007 Executive Adviser of Bandai Namco Holdings Inc.
Aug. 2015 Joined Deloitte Tohmatsu Financial Advisory Co., Ltd.
July 2016 Deputy Director and Chief Financial Professional Inspector of Research Planning Section No. 2. Planning and Management Division, Supervision Bureau, and Director of Financial Research Center of Financial Services Agency
Dec. 2019 Chief Financial Officer of DNX Ventures
Dec. 2021 Outside Director who is an Audit & Supervisory Committee member of WHI Holdings Co., Ltd. (current position)
Aug. 2022 Outside Director of INTELLEX Co., Ltd. (current position)
May 2024 Outside Member of the Board who is a Member of the Audit & Supervisory Committee of the Company (current position)
Oct. 2024 Representative Director of Y&N Management Co., Ltd. (current position)
Apr. 2025 Professor of Faculty of Management and Economics, Graduate School of Business Innovation of Kaetsu University (current position)

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The WORLD Group has established the corporate statement: “Always creating, sharing value. Always striving for more.” Guided by this statement, we strive to build and implement systems that continuously deliver value to our customers, earn their empathy, and take on the challenge of constantly driving self-innovation in pursuit of new possibilities. To realize this vision and to ensure that our Board of

Directors makes decisions and oversees management appropriately, we have organized the areas of expertise required of our Board members into a skills matrix.

The following summarizes the skills and experience possessed by the Company's Board members.

Name	Tenure	Gender	Current Position	Board Meeting Attendance	Corporate Management	Industry Knowledge	HR & Talent Development	Finance & Accounting	Legal & Risk Management	Digital & Innovation	Diversity & International Experience	Reason for Appointment
Nobuteru Suzuki	4 years 11 months	Male	Representative Director of the Board President and Executive Officer	14/14	●	●	●			●	●	Since joining the Company, Nobuteru Suzuki has consistently delivered results as a core member of the executive team through the development and execution of corporate strategies. His extensive insights are well aligned with the Group's strategies, and he has decisively demonstrated leadership in implementing structural reforms during the COVID-19 crisis. Mr. Suzuki has been reappointed to further strengthen the Group's position as a cutting-edge company that meets customer expectations and contributes to the fashion industry.
Keiichi Nakabayashi	1 year	Male	Member of the Board Executive Vice President and Executive Officer	11/11	●	●		●	●			Since joining the Company, Keiichi Nakabayashi has consistently delivered results as a core member of the executive team, primarily through the development and execution of financial strategies. Drawing on his experience as a securities analyst and management consultant, he has demonstrated strong execution capabilities and leadership during the Company's IPO process and in managing the financial response to the COVID-19 crisis. Mr. Nakabayashi has been reappointed based on the belief that his contributions will support the Group's efforts to enhance corporate value and increase satisfaction among all stakeholders—including shareholders, financial institutions, business partners, and employees—as a cutting-edge company.
Mitsuyoshi Hatasaki	7 years 11 months	Male	Member of the Board	14/14	●	●						Mitsuyoshi Hatasaki possesses diverse and extensive expertise in the Company's business operations, human resources, and administration. In connection with his external and public affairs activities—such as engagement with industry associations and real estate developers—he has served in key roles at various organizations and built a wide network of contacts. Mr. Hatasaki has been reappointed to contribute to the development of the Group and the fashion industry.
Hidehiko Aoki	1 year 11 months	Male	Outside Member of the Board Chairman of the Board (Non-executive Director and Chair)	14/14		●		●			●	Hidehiko Aoki has amassed extensive experience as a securities analyst specializing in the retail and distribution industries, both in Japan and internationally. He has also served as an outside officer at a listed company, has in-depth knowledge of the Company's industry, and brings practical expertise in capital markets. Mr. Aoki has been reappointed with the expectation that he will contribute to enhancing corporate value by providing valuable advice and oversight to the Company's management, drawing on his wealth of experience and insights.
Hayuru Tsutsumi	1 year	Female	Outside Member of the Board	11/11	●		●				●	Hayuru Tsutsumi has experience in organizational and talent development, as well as in organizational management across various industries. She also has a proven track record in corporate management and has served as an outside director at a listed company. Ms. Tsutsumi has been reappointed with the expectation that she will play a meaningful role in providing appropriate advice to the Company's management, overseeing business execution, and contributing to other important areas.
Ryo Oishi (New appointment)	—	Male	Outside Member of the Board	—	●					●	●	Ryo Oishi has a wealth of experience and insights into cloud technologies and the cloud service business. Growth in the Company's Digital Business is essential, and Mr. Oishi has been appointed with the expectation that he will contribute to enhancing corporate value by providing valuable advice and oversight to the Company's management.
Naoteru Matsuzawa	1 year 11 months	Male	Member of the Board (Member of the Audit & Supervisory Committee)	14/14 (Audit & Supervisory Committee 16/16)		●	●		●			Naoteru Matsuzawa has been involved in the Company's human resources and corporate management operations. From May 2011 to March 2023, he contributed to enhancing corporate value as the head of the Fashion Accessories and Household Goods Business, Human Resources Headquarters, Group Support Headquarters, and Group Planning Headquarters. Mr. Matsuzawa has been reappointed in view of his extensive operational experience within the Company and his broad knowledge of areas such as human resources and corporate management.
Kanae Fukushima	1 year 11 months	Female	Outside Member of the Board (Member of the Audit & Supervisory Committee)	14/14 (Audit & Supervisory Committee 16/16)			●		●		●	Kanae Fukushima has built a high level of expertise throughout her career by handling civil, criminal, and administrative cases in the family, district, and high courts since her appointment as a judge in 2000. She also has experience serving as an outside officer at listed companies. Ms. Fukushima has been reappointed with the expectation that she will participate in corporate management by utilizing her deep expertise and experience to ensure the Company's sound and sustainable growth through oversight and audits and to offer appropriate recommendations for decision-making regarding business execution and corporate governance.
Naoko Tomita	1 year	Female	Outside Member of the Board (Member of the Audit & Supervisory Committee)	11/11 (Audit & Supervisory Committee 11/11)	●			●			●	Naoko Tomita has gained a wide range of experience and insights through her role as a corporate manager. She is a U.S. certified public accountant and has also served as an outside director at listed companies. Ms. Tomita has been reappointed with the expectation that she will participate in corporate management by utilizing her broad insights and experience—mainly in accounting and finance—to ensure the Company's sound and sustainable growth through oversight and audits and to offer appropriate recommendations for decision-making regarding business execution and corporate governance.

Note: The list above does not represent all knowledge, experience, or expertise held by each individual.

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Risk Management

Basic Approach

The WORLD Group constantly prepares for potential risks and emergencies, including natural disasters, from a business continuity perspective. To this end, we have created an internal organization to maintain a communication network, set up a Crisis Management Headquarters, and implement other necessary measures. Furthermore, we have created a Crisis Management Manual in an effort to inform Group employees about emergency response procedures. In the event of an emergency, the Crisis Management Headquarters, under the leadership of the President, will swiftly verify facts, investigate causes, decide on countermeasures, and address the situation.

If any risk materializes despite our crisis management organization, we will conduct thorough investigations to determine the causes, consider measures to prevent recurrence, and continuously introduce improvements.

Management Structure

The Risk Management Committee, organized under the leadership of the Representative Director of the Board, President and Executive Officer, appoints responsible officers and departments. It promotes our Compliance and Risk Management Program across the entire Group and deliberates on issues and countermeasures.

Our risk management regulations (Crisis Management Regulations) apply to the entire Group, and the Risk Management Committee comprehensively and integrally manages risks across the Group. Our risk management departments manage the occurrence, responses, impacts, and other aspects of risks in a uniform manner as set forth in the Crisis Management Regulations.

Based on these regulations and our Risk Classification Manual, the Group Internal Audit Office conducts audits and other evaluations.

Internal Control Systems

Basic Policy

The Board of Directors has resolved to establish the following systems (hereinafter "Internal Control Systems") to ensure the appropriateness of the Company's operations.

Development of Internal Control Systems

In accordance with the Companies Act and the Regulations for Enforcement of the Companies Act, World has developed the following Internal Control Systems.

Basic Policy on Development of Internal Control Systems

- A system to ensure that the execution of duties by the Company's Board members and employees (including Group executive officers, hereinafter the same), as well as by the Board members and employees of the Company's subsidiaries, complies with laws, regulations, and the Articles of Incorporation
- A system to preserve and manage information related to the execution of duties by the Company's Board members
- Regulations and other systems to manage the risk of losses within the Group
- A system to ensure that the Board members of the Group execute their duties efficiently
- A system to report matters related to the execution of duties by Board members and employees of the Company's subsidiaries to the Company
- A system to ensure the appropriateness of operations within the corporate group, which includes the Company, its parent company, and its subsidiaries
- Matters related to employees who should assist the duties of the Company's Audit & Supervisory Committee, matters related to the independence of such employees from Board members (excluding those who are Audit & Supervisory Committee members), and matters related to ensuring the effectiveness of instructions from the Audit & Supervisory Committee to such employees
- A system for reporting to the Company's Audit & Supervisory Committee by the Company's Board members (excluding those who are Audit & Supervisory Committee members) and employees, by the Board members and employees of the Company's subsidiaries, or by individuals who have received reports from these parties
- A system to ensure that individuals who report to the Company's Audit & Supervisory Committee are not treated unfavorably as a result of their reporting
- Procedures for the prepayment or reimbursement of expenses incurred in the execution of duties by the Company's Audit & Supervisory Committee, policies for handling other expenses or debts arising from the execution of such duties, and other systems to ensure that audits by the Audit & Supervisory Committee are conducted effectively
- A system for the elimination of organized crime groups

Elimination of Organized Crime Groups / Basic Approach and Implementation Status

The WORLD Group Code of Conduct and our Basic Policy on Internal Controls set forth a basic policy of not maintaining relationships of any kind with organized crime groups. Our system for the elimination of organized crime groups is implemented as follows.

- Appointment of responsible department and officer responsible for preventing unreasonable demands
The Planning and Operation Department has been designated as the responsible unit, and officers tasked with preventing improper demands have been assigned to the Tokyo and Kobe offices.
- Collaboration with external specialized organizations
We collaborate with external specialized organizations such as the police, the Tokuboren (a public interest incorporated association within the Tokyo Metropolitan Police Department for preventing violent crime), and Prefectural Corporate Defense Measures Councils to seek guidance on dealing with organized crime groups.
- Collection and management of information on organized crime groups
The responsible department routinely collects and accumulates information on organized crime groups.
- Development of response manual
We regularly review and update our Manual for Dealing with Organized Crime Groups.
- Implementation of training activities
Through the Group's compliance training programs, we regularly educate employees on the basic approach toward, and response measures for, the elimination of organized crime groups.

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Compliance

Basic Approach

The WORLD Group Code of Conduct applies to consolidated subsidiaries in Japan. Within our internal regulations, rules that can be standardized across the Group are established as common Group regulations. Our Code of Conduct and internal regulations serve as the foundation for promoting our compliance program throughout the WORLD Group.

 [Business Partner Code of Conduct](#)

Management System

The Risk Management Committee is organized under the leadership of the Representative Director of the Board, President and Executive Officer. It appoints responsible officers and departments to promote our Compliance and Risk Management Program across the entire Group, and deliberates on issues and countermeasures.

Compliance Promotion Activities

World creates compliance programs tailored to the nature of duties and hierarchical levels of each position and continuously provides successive training opportunities. We regularly check and evaluate the level of group-wide awareness and adherence to our Code of Conduct. We review the overall compliance system of the WORLD Group in a timely and appropriate manner, aiming for further improvement and promotion.

Corporate Ethics Hotline (Internal Whistleblowing System)

World operates an internal whistleblowing system (Corporate Ethics Hotline) based on its Internal Whistleblowing Regulations. This system is designed to collect information on violations of the Code of Conduct, fraudulent activities, and other improper conduct, and to address reported cases.

The Corporate Ethics Hotline can be utilized for consultations when issues related to the Code of Conduct are difficult to resolve within the workplace, when it is inappropriate to consult with a superior, or for inquiries regarding the Code of Conduct. In FY2024, the hotline received 43 reports across the entire Group.

Number of internal whistleblowing reports received

FY2020	FY2021	FY2022	FY2023	FY2024	Total (five-year period)
53	59	58	55	43	268

Initiatives to Strengthen Compliance

The WORLD Group seeks to establish and evolve the “WORLD Fashion Ecosystem,” a fashion business model that is unique in the world, as its medium- to long-term vision. By realizing fashion diversity and sustainability, we aim to continuously offer the joy of fashion to our customers in various forms. To achieve sustainable and replicable growth and thereby realize our medium- to long-term vision, we need to pursue not only short-term profit growth but also steadily improve ESG-related management, which serves as the foundation of our management. We believe various factors will play an important role in this effort, including establishing the foundations necessary to balance and achieve both diversity and sustainability, which is in sync with the execution of our strategy for sustainable development goals (SDGs), and creating a virtuous cycle in which improvements in employee value help increase corporate value. In particular, we regard evolution driven by a diversification of governance as a top priority, and we are committed to consistently reinforcing proper governance.

To further instill the principle that “sound governance takes precedence over everything else,” we conduct compliance training for officers and employees. In addition, we provide ongoing education and awareness activities on compliance, including workshop-style training tailored to the specific characteristics of individual business units, as well as training sessions targeted at management personnel.

We have introduced an internal whistleblowing system (Corporate Ethics Hotline) to handle compliance reports related to actions or incidents that violate laws, regulations, or internal rules. To raise awareness of the Corporate Ethics Hotline among officers and employees, we widely and thoroughly disclose and disseminate information by discussing the system during the annual compliance training and providing an overview of the system and related contact details on the Company intranet. The status of responses to internal whistleblowing reports is regularly reported to the Risk Management Committee and the Audit & Supervisory Committee to monitor whether the system is properly managed.

Respect for Human Rights

To express our commitment to respecting human rights, our Business Partner Code of Conduct clearly states that “in all processes of the value chain, we will respect individual human rights in accordance with international human rights standards such as the ‘Universal Declaration of Human Rights’ and the ‘International Bill of Human Rights,’ including by prohibiting child labor and forced labor, and we will not engage in business with entities that do not respect human rights.” Our apparel suppliers are required to agree to this principle and conduct regular self-audits. Going forward, we will expand the scope of agreement to the Business Partner Code of Conduct and the application of self-audits to include the lifestyle sector, aiming for 100% adoption by 2027. We will also further strengthen related monitoring functions.

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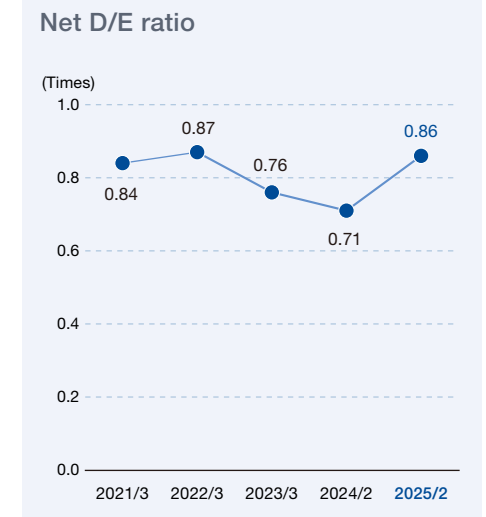
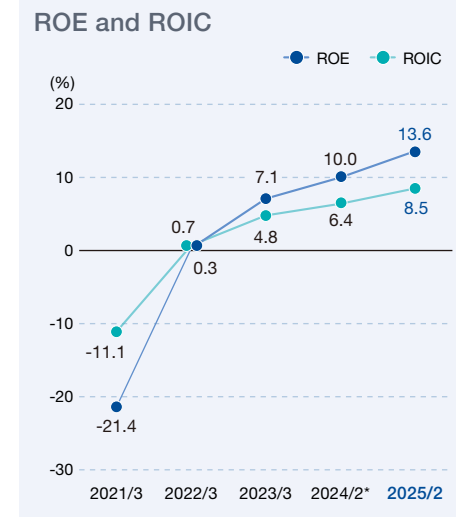
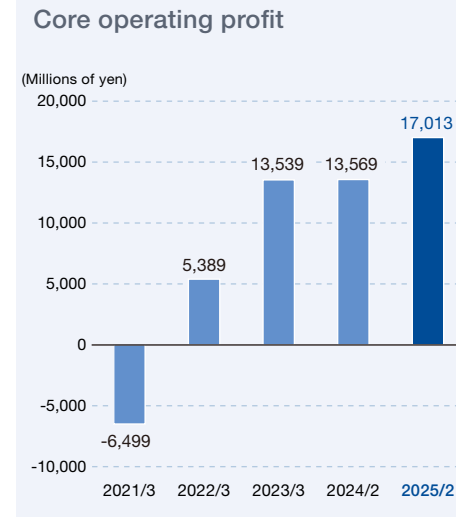
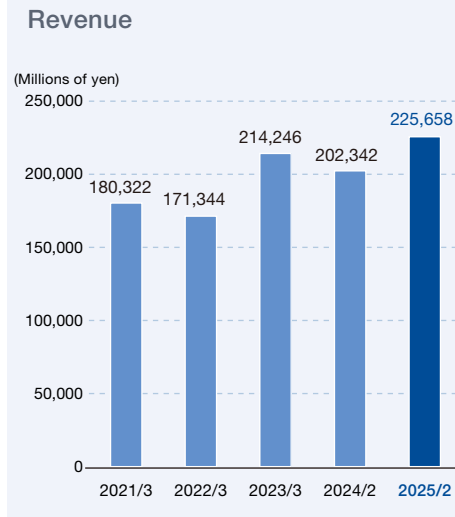
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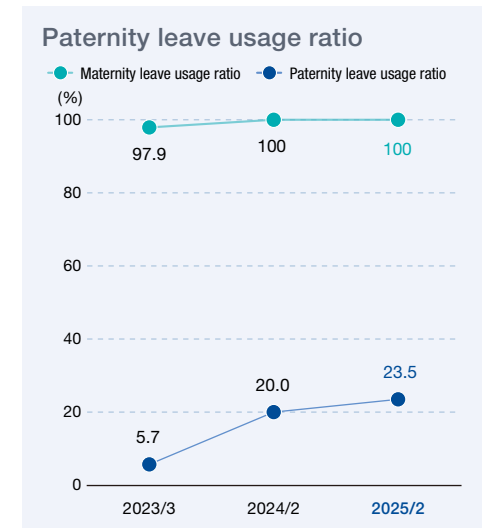
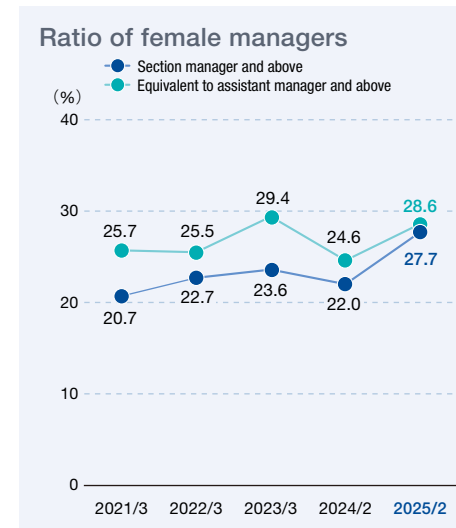
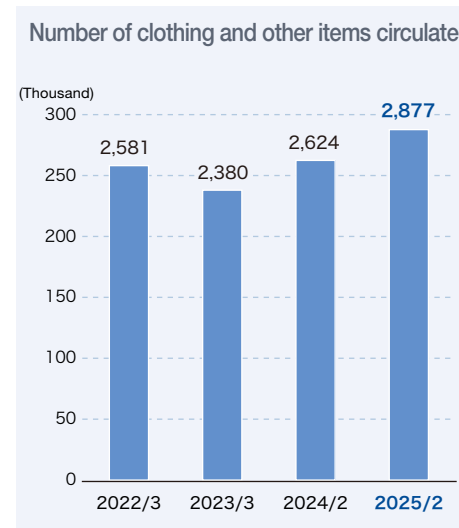
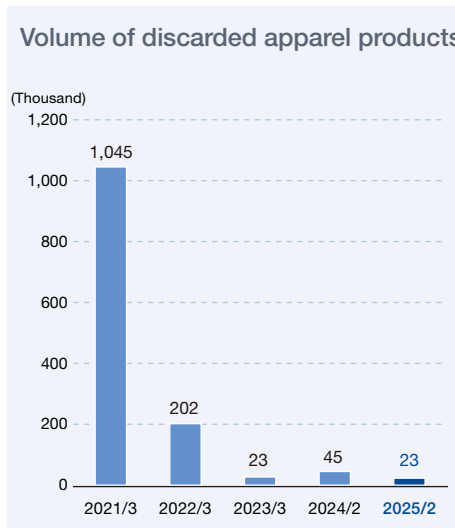
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* The ROE and ROIC figures for 2024/2 are presented on a 12-month basis.



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Note: FY02/24 was an irregular 11-month accounting period due to a change in the fiscal year-end.

	FY03/15	FY03/16	FY03/17	FY03/18	FY03/19	FY03/20	FY03/21	FY03/22	FY03/23	FY02/24	FY02/25
Profit and Loss (FY)											(Millions of yen)
Revenue	292,639	271,575	249,983	245,829	249,861	236,265	180,322	171,344	214,246	202,342	225,658
Gross profit	167,546	155,912	146,215	144,888	144,673	138,171	97,070	98,647	123,935	118,369	133,288
Core operating profit	5,263	11,668	14,463	15,923	16,320	13,065	(6,499)	5,389	13,539	13,569	17,013
Operating profit	5,508	3,576	12,066	13,225	14,827	12,351	(21,637)	2,196	11,686	12,004	16,796
Profit before tax	6,842	2,970	10,558	11,144	13,596	11,437	(22,556)	1,410	10,313	11,186	15,506
Profit attributable to owners of parent	4,509	743	8,150	6,743	9,200	8,080	(17,149)	239	5,686	6,764	11,105
Cash flows from operating activities	8,332	14,291	16,723	20,528	12,496	26,889	4,155	17,321	25,389	27,459	31,992
Cash flows from investing activities	704	9,769	(20,379)	(5,908)	(17,218)	(7,941)	(2,679)	(2,035)	(4,379)	(1,961)	(10,262)
Free cash flow	9,036	24,060	(3,657)	14,620	(4,723)	18,948	1,476	15,287	21,010	25,498	21,730
Cash flows from financing activities	(9,666)	(11,446)	(3,284)	(14,844)	3,453	(18,235)	(1,144)	(14,784)	(21,771)	(25,500)	(20,755)
Net increase (decrease) in cash and cash equivalents	(359)	12,231	(7,022)	(176)	(1,381)	651	445	717	(719)	163	900
Free cash flow in real terms*1	4,058	18,322	(7,688)	10,572	(7,981)	2,193	(14,426)	2,068	7,053	13,514	8,092
Financial Conditions (Fiscal Year-End)											(Millions of yen)
Total assets	200,092	184,864	193,770	202,938	213,546	261,996	245,386	251,690	251,421	239,685	273,880
Total liabilities and equity	187,418	171,949	173,087	175,825	135,425	178,668	165,357	167,388	162,192	151,267	187,375
Total equity	12,673	12,915	20,683	27,112	78,121	83,328	80,029	84,303	89,229	88,418	86,505
Financial Indicators											
ROE (Profit attributable to owners of parent/Average equity attributable to owners of parent over the business period)*2 (%)	38.1	5.9	49.4	28.5	17.7	10.2	(21.4)	0.3	7.1	10.0	13.6
ROIC (Return on invested capital)*2 (%)	3.1	1.4	10.3	8.7	8.7	6.3	(11.1)	0.7	4.8	6.4	8.5
Net D/E ratio (times)	7.35	5.69	4.02	2.74	0.81	0.80	0.84	0.87	0.76	0.71	0.86
Total number of issued shares (common stock)*3 (shares)	240,002,404	240,002,404	240,002,404	240,002,404	34,390,965	34,390,965	34,390,965	34,390,965	34,390,965	34,390,965	34,390,965
Total number of issued shares*3 (common stock, excluding treasury stock)(shares)	90,193,891	90,193,891	90,193,891	91,064,891	33,286,065	33,325,365	33,684,071	33,829,935	33,970,758	34,032,157	34,070,357
Earnings per share (Yen)	136.74	41.19	451.80	373.76	354.70	242.53	(511.08)	(7.79)	152.73	187.37	319.17

*1 Free cash flow in real terms is calculated using the following formula: Free cash flow + Repayments of lease liabilities (cash flow from financing activities)

*2 The ROE and ROIC figures for FY02/24 are presented on a 12-month basis.

*3 On July 12, 2018, World conducted a 1-for-5 reverse stock split of its common shares.

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		Scope	Units	FY03/18	FY03/19	FY03/20	FY03/21	FY03/22	FY03/23	FY02/24	FY02/25
Environment											
Greenhouse gas emissions	Scope 1: Direct emissions (fuel combustion)	Domestic consolidated companies	t-CO ₂	2,894	2,613	2,540	2,297	3,179	2,457	2,004	918
	Scope 2 (location-based): Indirect emissions (Electricity, heating, and steam supplied by other companies)	Domestic consolidated companies	t-CO ₂	36,572	35,061	34,425	26,327	28,654	23,015	19,581	20,731
	Scope 3: Indirect emissions (emissions by other companies related to business operator activities)										
	Category 1 *1: Purchased goods and services	Domestic consolidated companies	t-CO ₂	—	—	—	—	390,381	314,598	418,462	470,018
	Category 4 (upstream only) *1+2+3: Upstream transportation and distribution	Domestic consolidated companies	t-CO ₂	—	—	—	—	2,419	1,963	2,516	2,806
	Category 6: Employee business travel	Domestic consolidated companies	t-CO ₂	—	—	—	—	—	—	562	611
	Category 7: Employee commuting	Domestic consolidated companies	t-CO ₂	—	—	—	—	—	—	1,631	1,949
	Category 9: Downstream transportation and distribution	Domestic consolidated companies	t-CO ₂	—	—	—	—	—	968	1,040	954
	Gas consumption	Domestic consolidated companies	m ³	241,499	203,521	219,486	159,982	114,051	185,225	121,684	13,471
Energy consumption	Heavy oil	Domestic consolidated companies	kl	974	942	829	718	724	700	529	475
	Electricity consumption	Domestic consolidated companies	thousand kWh	74,202	70,951	75,168	60,439	65,616	57,037	47,388	54,790
	Share of renewable energy in total electricity consumption	Domestic consolidated companies	%	0	0	0	0	0	5.5	14.3	13.8
	Water consumption (offices and factories)	Group offices and factories	m ³	—	—	—	—	—	32,093	31,231	32,235
Water consumption	Water consumption (apparel products)	Domestic consolidated companies	m ³	—	—	—	—	—	—	54,253,030	53,915,278
	General waste, industrial waste, and food waste	Offices (WORLD Kobe Head Office, WORLD Kita-Aoyama Bldg.)	kg	—	—	—	—	—	28,310	50,337	35,590
Volume of discarded products	Total		items	562,674	985,639	861,470	1,638,361	514,295	253,556	381,295	98,778
	Apparel products	Domestic consolidated companies	items	—	—	368,753	1,044,623	202,121	22,678	45,157	22,936
	Non-apparel products	Domestic consolidated companies	items	—	—	492,717	593,738	312,174	230,878	336,138	75,842
Disposals at in-house factories (converted to kilograms)			kg	—	—	—	—	72,831	93,741	82,374	76,869
Clothing items circulated	Total			—	—	—	—	2,581,322	2,379,748	2,624,210	2,877,096
	Number of clothing and other items collected	Domestic consolidated companies	items	2,287,486	2,283,838	1,978,620	1,016,831	1,101,093	1,022,170	1,263,259	1,373,615
	Number of items sold in the secondary and semi-secondary markets	Tin Pan Alley Co., Ltd., & Bridge Co., Ltd.	items	—	—	—	—	1,480,229	1,357,578	1,360,951	1,503,481
Human capital											
Employee data	Number of employees	Consolidated companies	people	11,020	10,088	9,683	9,099	8,388	7,648	7,183	7,225
	Ratio of mid-career hires	Domestic consolidated companies	%	—	—	68.4	66.9	69.7	67.6	62.7	69.7
	Ratio of mid-career hires in management positions	Domestic consolidated companies	%	—	—	37.6	38.6	60.2	56.1	62.7	62.5
	Number of rehired employees	Domestic consolidated companies	people	—	—	193	183	141	155	202	244
	Number of non-Japanese employees	Domestic consolidated companies	people	—	—	71	72	52	42	45	45
	Number of employees with side jobs	Domestic consolidated companies	people	—	—	—	—	—	110	93	72
	Paid leave usage ratio	Domestic consolidated companies	%	—	—	—	—	—	55.5	59.4	58.2
	Average monthly overtime hours	Domestic consolidated companies	hours	—	—	—	—	—	6.9	7.94	6.1
	Employment of individuals with disabilities	Special subsidiaries for employees with disabilities and applicable Group companies *5	%	2.0	2.3	2.4	2.4	2.6	2.7	2.9	2.8
Work-life balance support	Number of employees taking parental leave	Domestic consolidated companies	people	—	—	—	—	—	677	463	461
	Maternity leave usage ratio	Domestic consolidated companies	%	—	—	—	—	—	97.9	100	100
	Paternity leave usage ratio	Domestic consolidated companies	%	—	—	—	—	—	5.7	20.0	23.5
	Retention rate after return from parental leave	Domestic consolidated companies	%	—	—	—	—	—	69.4	79.2	82.8
	Number of working mothers	Domestic consolidated companies	people	—	—	—	—	—	1,933	1,981	1,830
Active participation by women	Ratio of female employees	Consolidated companies	%	—	—	78.8	80.0	80.6	79.3	79.9	78.6
	Ratio of female managers (section manager and above)	Domestic consolidated companies	%	—	—	18.0	20.7	22.7	23.6	22.0	27.7
	Ratio of female managers (equivalent to assistant manager and above)	Domestic consolidated companies	%	—	—	24.0	25.7	25.5	29.4	24.6	28.6
	Ratio of women in management positions *4	Domestic consolidated companies	%	—	—	70.2	72.5	69.9	69.2	68.1	66.0
Governance											
Number of Board members		World Co., Ltd.	people	9	9	9	9	9	9	9	9
	Male	World Co., Ltd.	people	9	8	8	8	8	8	7	6
	Female	World Co., Ltd.	people	0	1	1	1	1	1	2	3
Number of independent outside Board members		World Co., Ltd.	people	5	5	5	5	5	5	5	5
	Male	World Co., Ltd.	people	5	4	4	4	4	4	3	2
	Female	World Co., Ltd.	people	0	1	1	1	1	1	2	3

*1 We determine the intensity per apparel product item and calculate emissions based on the number of items procured per product. These figures may change depending on calculation and analysis methods required by the market and future refinements.
*2 For non-apparel products, CO₂ emissions from Category 4 are also included in Category 1.
*3 Emissions from transportation between the Company's facilities, or from shipment-related logistics for which the expenses are borne by the Company, are not included.

*4 Personnel serving in positions of responsibility within the organization (e.g., store managers)
*5 Information is as of the day following each fiscal year-end.

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Company Information

Company Overview (as of February 28, 2025)

Company	World Co., Ltd.		Business activities	As a business holding company, World Co., Ltd. manages the overall operations of the Group companies that run the Brand Business, Digital Business, and Platform Business, and performs tasks incidental to these businesses.
Locations	Kobe Head Office	6-8-1, Minatojima-Nakamachi, Chuo-ku, Kobe, Hyogo Prefecture 650-8585, Japan	Number of employees	7, 225 (consolidated)
	Tokyo Office	WORLD Kita-Aoyama Bldg., 3-5-10, Kita-Aoyama, Minato-ku, Tokyo 107-8526, Japan	Fiscal year-end	February
Established	January 13, 1959		Number of Group companies	50
Capital	¥6,000 million			

Group Companies (as of March 1, 2025)

Business holding company **WORLD CO., LTD.**



Brand Business	
Domestic apparel brands	Domestic lifestyle brands
Middle upper FEELS INTERNATIONAL CO., LTD. WORLD INDUSTRY FABRIC CO., LTD. WORLD INDUSTRY KNIT CO., LTD. SENWA CO., LTD. EXPLORERS TOKYO CO., LTD. FRENCH BLEU CORP.	Fashion accessories WORLD LIFESTYLE CREATION CO., LTD. LIFESTYLE INNOVATION CO., LTD. COCOSHNIK CO., LTD.
Middle lower	Investment
ARCUS INTERNATIONAL CO., LTD. WORLD FRANCHISE SYSTEMS CO., LTD. KAYSWAY CO., LTD. PINK LATTE CO., LTD. NARUMIYA INTERNATIONAL CO., LTD.	Acquired brands WORLD INVESTMENT NETWORK CO., LTD. HIROFU CO., LTD. STRASBURGO CO., LTD. KOBE LEATHER CLOTH CO., LTD. KOBE LEATHER (HK) LIMITED W&D INVESTMENT DESIGN INC.* RIGHT-ON CO., LTD.*
International	
Overseas subsidiaries WORLD TAIWAN FASHION CO., LTD. WORLD SAHA FASHION CO., LTD. WORLD SAHA (THAILAND) CO., LTD.	



Digital Business	
B2B (system solutions)	B2C (circular)
E-commerce / Digital solutions FASHION-CO-LAB. CO., LTD. OPENFASHION INC.	Circular & BRIDGE CO., LTD. TIN PAN ALLEY CO., LTD. LAXUS TECHNOLOGIES, INC.*



Platform Business	
Intermediate holding company	Sales platform
WORLD PLATFORM SERVICE CO., LTD.	Sales WORLD STORE PARTNERS CO., LTD.
Production platform	Lifestyle platform
MC FASHION CO., LTD. LIFE GEAR CO., LTD. TCN CO., LTD.	Space creation WORLD AMBER CO., LTD. ASPLUND CO., LTD. WORLD FASHION (SHANGHAI) CO., LTD.
Production	Shared services platform
WORLD PRODUCTION PARTNERS CO., LTD. IDIOM CO., LTD. LA MODE CO., LTD. BANGKOK REPRESENTATIVE OFFICE WP2 (SHANGHAI) TRADING CO., LTD. WORLD SEWING CO., LTD.	Administrative services for companies WORLD BUSINESS SUPPORT CO., LTD.

* Equity-method affiliates

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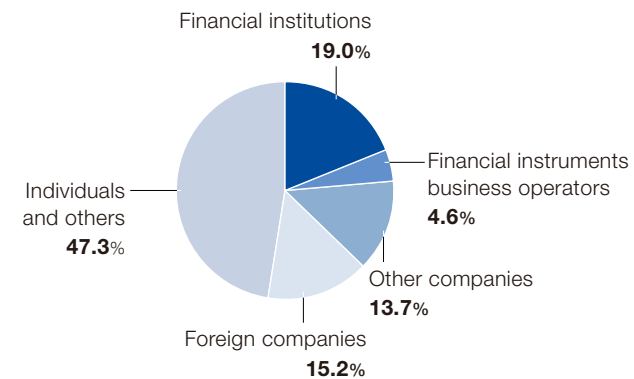
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Shareholder and Investor Information (as of February 28, 2025)

Stock Overview

Total authorized shares	137,500,000 shares
Total issued shares	34,390,965 shares
Number of shareholders (excluding treasury stock)	31,889
Listed market	Tokyo Stock Exchange Prime Market
Securities code	3612

Shareholding Distribution by Ownership Category



Stock Price and Trading Volume (Graph shows monthly closing prices and trading volume on the Tokyo Stock Exchange from September 2018 to July 2025)



Major Shareholders

Shareholder	Number of shares held (Thousand shares)	Ownership ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	4,402	12.9
Hidezo Terai	2,344	6.9
Custody Bank of Japan, Ltd. (Trust Account)	1,562	4.6
AT Kosan Godo Kaisha	1,000	2.9
KM Kosan Godo Kaisha	1,000	2.9
YR Kosan Godo Kaisha	1,000	2.9
EH Kosan Godo Kaisha	840	2.5
Kenji Kamiyama	695	2.0
Shigeo Hatasaki	600	1.8
Nomura Securities Co., Ltd.	534	1.6

Notes: 1. Ownership ratios are calculated excluding 320,608 treasury shares.
2. The number of shares held is rounded down to the nearest thousand shares, and ownership ratios are rounded to the first decimal place.

Stock Information

	FY03/21	FY03/22	FY03/23	FY02/24	FY02/25
Year-end stock price (Yen)	1,478	1,240	1,481	1,932	2,338
Dividend per share (Yen)	0	27	48	56	80
Dividend payout ratio (%)	—	—	36.36	40.55	50.57
Total shareholder return					
World Co., Ltd. (%)	71.12	61.63	74.63	95.19	169.14
TOPIX Total Return Index (%)	128.63	131.18	138.81	187.86	212.97

