



PLAY EARTH

Founded in 1951, GOLDWIN has a long history as a sportswear manufacturer. In 2021, we set forth the PLAY EARTH concept. Sports originated from play, and our concept is to focus on creating new engagement with nature and the environment through play.

GOLDWIN has reached a juncture when it should reassess its values and aspirations by thinking more broadly about the meaning and potential of sports. Sports evolved from competitions in running, swimming, climbing trees, and hitting targets. We must return to the origins of sports so that, through play, we intuitively grasp the principles and phenomena inherent in nature.

Repeated experiences of this kind will give people a more concrete appreciation of nature. In other words, we believe that modern-day people need back-to-basics experiences in primitive natural settings.

With our sights set on the future, we will open the way to the development of further possibilities in sports, science, nature, and many other areas by promoting play that creates new adventures and paradigms.

Based on the PLAY EARTH concept, we want to enjoy playing with the earth and thereby create environments and opportunities conducive to a better future for our planet.

Dedication to Detail

Our founder Tosaku Nishida emphasized that “Everyone pays attention to what is right before their eyes. What sets a manufacturer apart is giving painstaking attention to what is not readily visible.”

He advocated a strong commitment to manufacturing, emphasizing that it must satisfy all design, functionality, and aesthetic requirements without fail. This commitment has been passed down by generations of GOLDWIN employees, not only as an attitude to manufacturing but also as a philosophy of paying close attention to the essence of what lies behind what is seen on the surface.

As well as the pursuit of quality, modern manufacturing faces a range of issues that require due consideration and that are constantly changing. Such issues include reducing environmental impacts, meeting human rights responsibilities, and taking responsibility for the disposal of products after use by customers.

The social value that GOLDWIN creates is the continued provision of intangible, spiritual enrichment, both to the customers who purchase products and to society as a whole.

“Dedication to detail” encapsulates the philosophy that we want to share with our stakeholders around the world.

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Founding Spirit



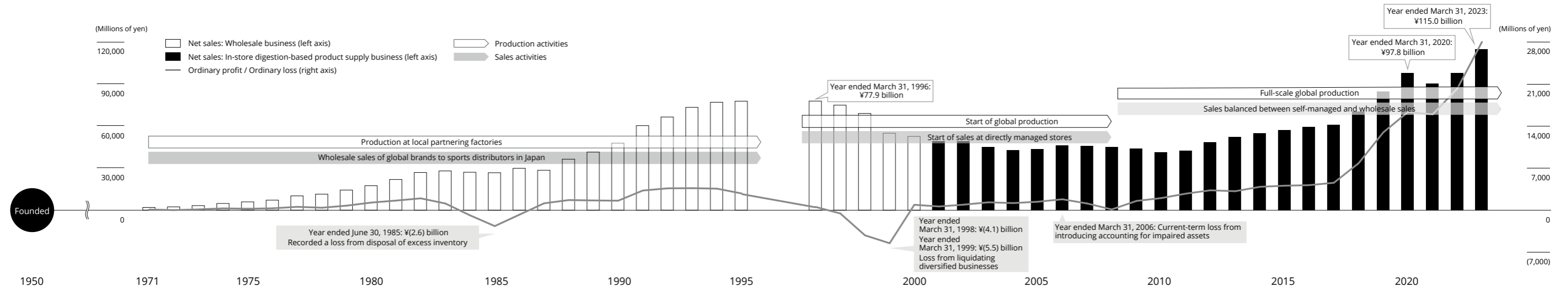
If I don't do it, who will?

In 1950, Tosaku Nishida, who had lost two brothers in World War II and needed to support his family, founded Tsuzawa Knit Fabric Manufacturer in Tsuzawa (now Oyabe), Toyama Prefecture. At the time, his mindset was “If I don't do it, who will?” With his brother-in-law, he established a business, incorporating it the following year. They named the company Tsuzawa Knit Fabric Co., Ltd. Exhibiting tremendous drive, they laid the foundation for the present-day GOLDWIN.

There is true value in the invisible.

GOLDWIN launched the manufacture of original climbing socks. This was a time when almost all hiking socks were imported, and Japan-made socks were considered inferior. After closely analyzing the imported products, Tosaku Nishida decided the difference laid in the threads. So GOLDWIN set about using wool from Shetland sheep raised in the cold climate of the United Kingdom. The improved socks earned a good reputation for being durable and warm. Instead of relying on yarn manufacturers for the raw material, GOLDWIN developed the materials it wanted based on the product's purpose. The yarn was created for a specific reason. The words of Tosaku Nishida, that “Everyone pays attention to what is right before their eyes. What sets a manufacturer apart is giving painstaking attention to what is not readily visible,” are the inspiration for GOLDWIN's focus on functional performance.

History and Growth



Transforms from a general knitwear manufacturer into a specialized sportswear manufacturer and builds relationships with overseas brands

In 1950, Tsuzawa Knit Fabric Manufacturer, the predecessor of GOLDWIN, was founded, and it was incorporated the following year. With "There is true value in the invisible" as its motto, the Company pursued manufacturing with a focus on functional performance. Three years after its founding, the Company transformed into a specialized sportswear manufacturer. In 1963, the Company changed its name to GOLDWIN Inc. At the Tokyo Olympics in 1964, GOLDWIN products were used for competition uniforms, thereby laying the foundations for joint development with athletes. Around this time, founder Tosaku Nishida went to Europe and was inspired by the functional beauty of the region's skiwear. As a result, GOLDWIN formed a technical alliance with French skiwear brand Fusalp in 1970. This alliance marked the beginning of our multi-brand business, through which we have entered into licensing agreements with overseas brands and introduced some of the world's most advanced technologies to new markets.

Overcomes a management crisis brought on by excess inventory in the wholesale business and embarks on a growth track with the new-found popularity of skiing

GOLDWIN broadened its sales channels to sports retailers nationwide and steadily expanded its wholesale business. However, oversupply to sales outlets led to large volumes of inventory, which continued increasing. Consequently, a loss due to excess inventory was recorded in 1984. This loss prompted us to analyze store inventory and strong sellers, in order to become more intentional about delivering the right volume of popular products at the right time, and to create systems that moved us away from a manufacturer-centric way of doing things. Thanks to these efforts, we recovered from the management crisis in the following year. Also, we began the development of the GOAL service, which uses S-NET to support the store management and sales strategies of customers, and launched the service in 1988. Skiing enjoyed a wave of popularity in the late 1980s, and the purchase of new skiwear each season became a trend. With its ski-related sales surpassing ¥26.0 billion, GOLDWIN embarked on a growth trajectory. Moreover, we engaged in product development with athletes and became the official supplier of the Swedish national ski team.

Streamlines multifaceted business segments and shifts from a wholesale business model to an in-store digestion-based product supply business model with self-managed sales outlets

After Japan's economic bubble burst around 1990, the lifestyles and values of individuals changed and people's ways of enjoying sports diversified. GOLDWIN broadened its management foundations by buying the trademarks of ellese and THE NORTH FACE in Japan. The Company decisively executed a three-year plan (1997-1999), which rationalized management through the streamlining of multifaceted business segments and brands. As a result, a loss accompanying the liquidation of diversified businesses was recorded in 1999. However, we achieved profitability in the next fiscal year through the concentration of management resources and a stronger financial position. In the same fiscal year, we reopened our Weather Station store in Tokyo's Aoyama district as THE NORTH FACE Harajuku, signaling the beginning of our full-fledged development of self-managed sales outlets. Further, we shifted from a wholesale business model to one based on actual demand, developing a range of store formats suited to specific markets. For example, we opened THE NORTH FACE+ stores, which offer a curated selection of the outdoor brands carried by GOLDWIN.

Establishes an in-store digestion-based product supply business model and a fulfilling and healthy lifestyle through sports products

Under the medium-term management plan that began in 2007, we sought to fundamentally improve operating profit through improvement in the gross profit margin and a reduction in distribution costs. We improved the gross profit margin by lowering the cost rate through a reduction in the product varieties we carried, the introduction of common materials, and the reform of procurement methods as well as by reducing returns and discounts through the improved accuracy of our demand forecasts. Meanwhile, we reduced distribution costs by curbing total inventory volumes and enhancing inventory turnover. Since the 2010s, GOLDWIN has been leveraging the functionality of sportswear to offer products for various types of users and a diverse range of usage scenarios. In addition to apparel, GOLDWIN is exploring new sports-related value and offering associated products and services. Further, given the diversification of avenues for customers to buy products, the Company is not only developing directly managed stores but also opening shop-in-shops through collaborations with wholesale partners and strengthening e-commerce, such as the general shopping website GOLDWIN WEB STORE.

Corporate Philosophy

MISSION

To realize a fulfilling and healthy lifestyle through sports

VISION

To improve the global environment through unbound imagination and breakthrough innovations that are beneficial to the world

To be a humane company that creates excitement and promotes a sustainable society

To offer inspiration and opportunities for children to unleash their potential that enable them to shape a beautiful future

VALUE

Prioritize sports and the environment, and live life without a boundary between work and play

TAGLINE

SPORTS FIRST

The tagline “SPORTS FIRST” encapsulates our commitment to “prioritize, love, and practice sports as the building block of developing superior products and services.” Moreover, we will leverage our passion and respect for sports to enhance management transparency, create healthy workplaces, give due consideration to the global environment and biodiversity, foster the next generation, and realize sports-based contributions to local communities and society.

At GOLDWIN, we have engaged in business with a mission “to realize a fulfilling and healthy lifestyle through sports” since our founding. To realize a three-fold vision based on this mission, we are dedicated to acting on our value through business activities that build a sustainable society while raising our corporate value.

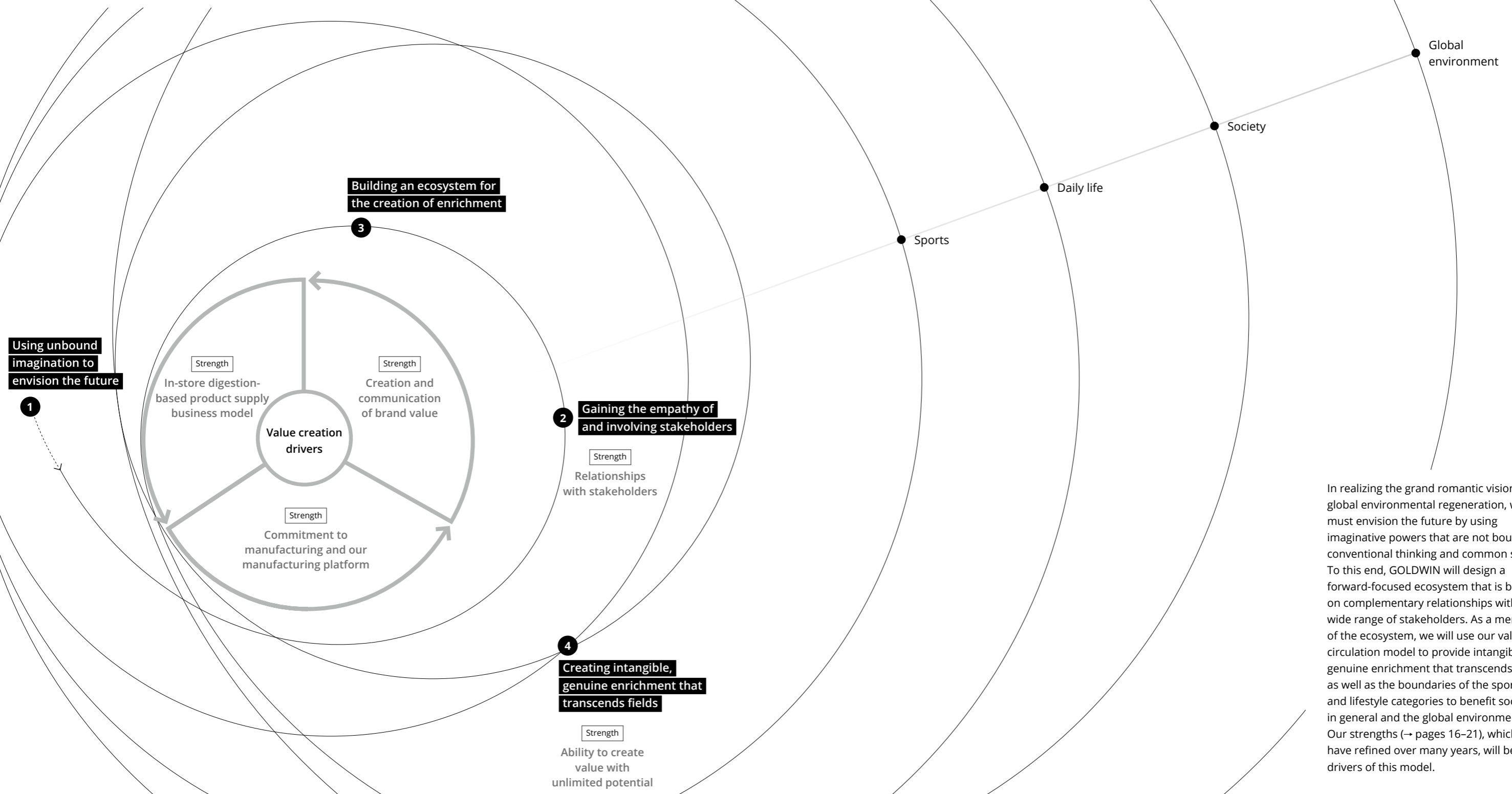


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Value Circulation Model

Always remaining altruistic, GOLDWIN will harmonize with the circular system of the earth's biosphere by advancing business management that achieves the greatest benefit with the least amount of resources. Through this approach, we aim to regenerate the global environment and sustainably enhance our corporate value.



In realizing the grand romantic vision of global environmental regeneration, we must envision the future by using imaginative powers that are not bound by conventional thinking and common sense. To this end, GOLDWIN will design a forward-focused ecosystem that is based on complementary relationships with a wide range of stakeholders. As a member of the ecosystem, we will use our value circulation model to provide intangible, genuine enrichment that transcends eras as well as the boundaries of the sports and lifestyle categories to benefit society in general and the global environment. Our strengths (→ pages 16–21), which we have refined over many years, will be the drivers of this model.

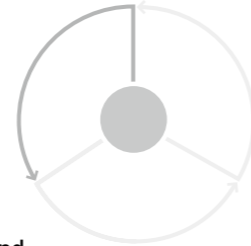
Strengths That Create New Value

By passing down its founding spirit and advancing corporate activities consistent with its vision, GOLDWIN is continuously enhancing its accumulated strengths.

Strength In-store Digestion-based Product Supply Business Model

We have established robust business foundations by utilizing our in-store digestion-based product supply business model, which involves gaining direct understanding of customer needs at our stores and ensuring efficient inventory management throughout the entire process, from production planning to sales.

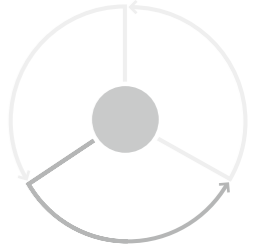
GOLDWIN reduces product returns and discounts through direct analysis of customer needs at self-managed sales outlets and the stores of wholesale partners and through enhanced accuracy of store demand forecasts, strict adherence to order plans, and rigorous implementation of inventory flow management. In addition, we promote the sale of all of each season's products and inventory by rigorously implementing production management that encompasses material procurement volumes, by introducing products to stores in a timely manner, and by flexibly moving inventory between stores. This in-store digestion-based product supply business model—which ensures efficient inventory management throughout the entire process, from production planning to sales—reduces the sales loss rate to an absolute minimum.



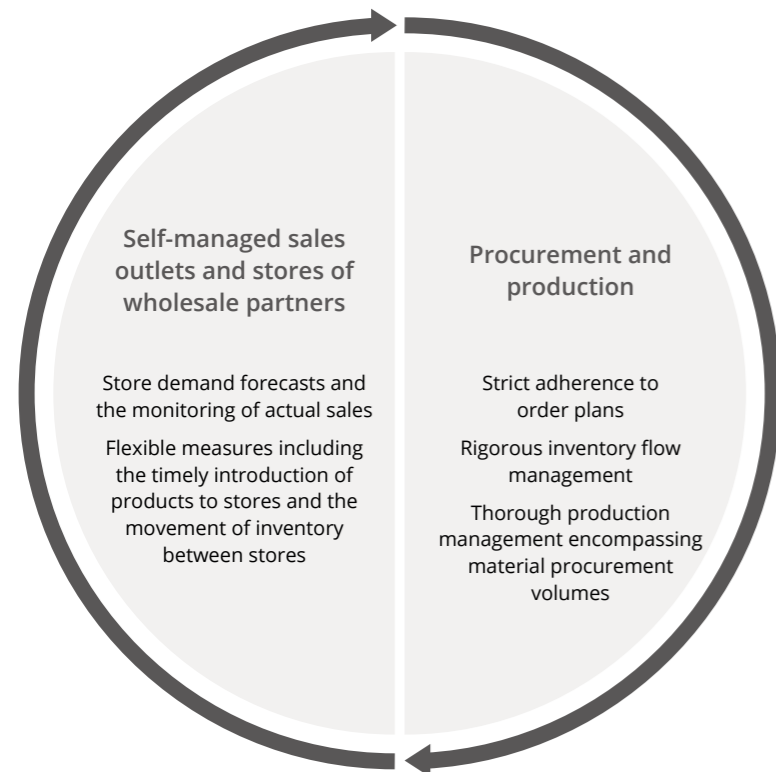
Strength Commitment to Manufacturing and Our Manufacturing Platform

In manufacturing, we have an unwavering commitment to high-value-added products, which is based on our conviction that "There is true value in the invisible."

GOLDWIN maximizes synergies between the experience it has accumulated as a sports apparel manufacturer and the latest technologies to conduct development aimed at realizing advanced functionality and design appeal, to implement strict inspections focused on high quality, and to develop products that break the mold. Our uncompromising pursuit of high-value-added products stems from the mindset of our founder, Tosaku Nishida, who emphasized that "Everyone pays attention to what is right before their eyes. What sets a manufacturer apart is giving painstaking attention to what is not readily visible." Passed down from generation to generation, this mindset is the starting point of GOLDWIN's manufacturing.



Promotion of the sale of all of each season's products and inventory



Sales loss rate

1.5%

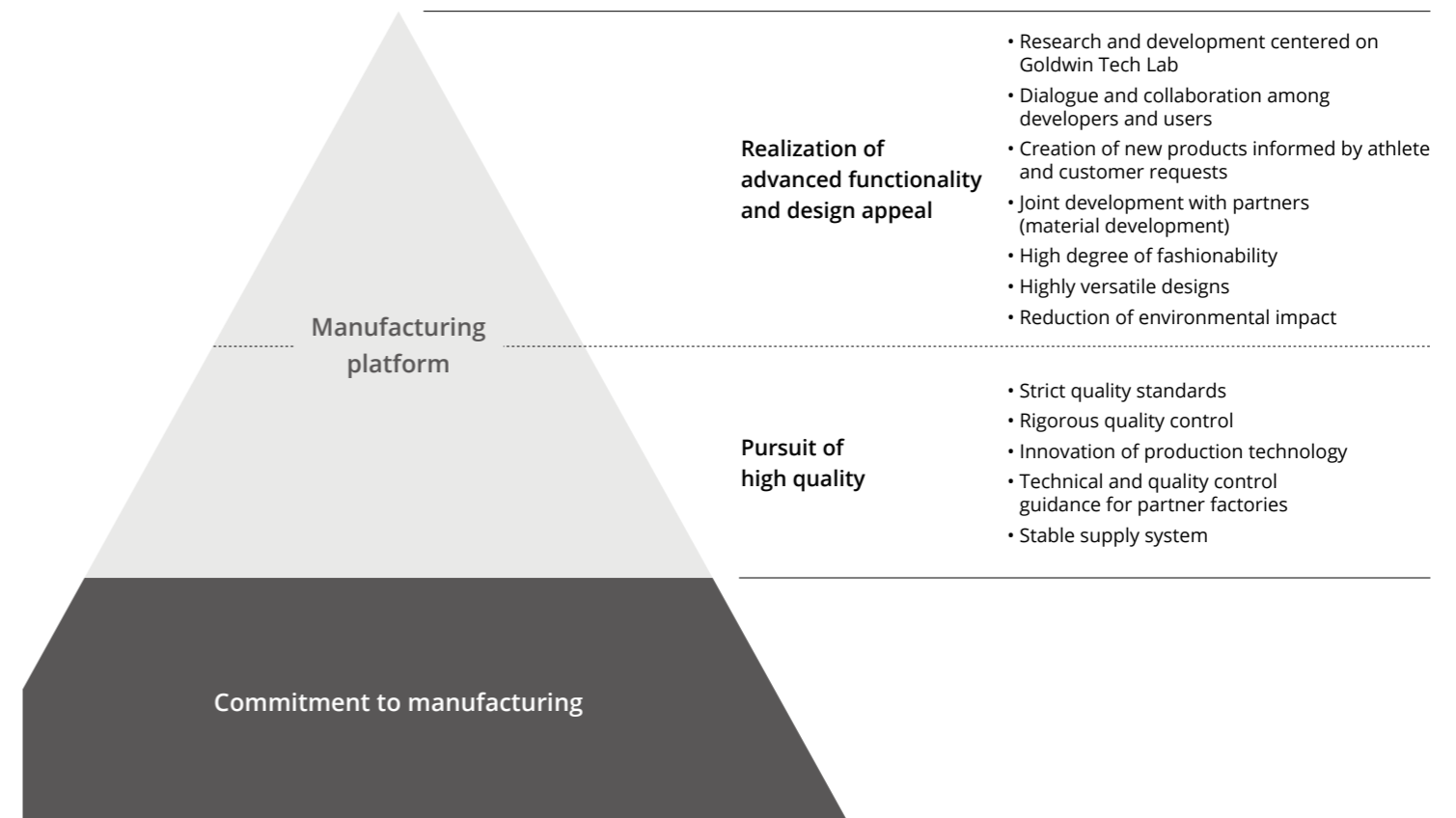
We realize a low sales loss rate by calculating the appropriate order quantities to meet actual demand and by actively managing inventory flow in stores and moving products between stores during seasons.

Number of directly managed stores

156

We aim to create various store formats that reflect regional characteristics and customer groups not only through the products carried but also through the creation of spaces that appeal to customers' five senses.

Rigorous pursuit of high-value-added products



Realization of advanced functionality and design appeal

- Research and development centered on Goldwin Tech Lab
- Dialogue and collaboration among developers and users
- Creation of new products informed by athlete and customer requests
- Joint development with partners (material development)
- High degree of fashionability
- Highly versatile designs
- Reduction of environmental impact

Pursuit of high quality

- Strict quality standards
- Rigorous quality control
- Innovation of production technology
- Technical and quality control guidance for partner factories
- Stable supply system

Commitment to Manufacturing and Our Manufacturing Platform

Research and Development

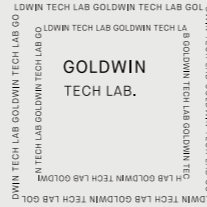
Goldwin Tech Lab

Realizing GOLDWIN's Vision through Advanced Research and Technologies

With its sights set on putting advanced manufacturing into practice, the Goldwin Tech Lab's research and development facility explores the manufacturing of the future.

In developing products, the facility conducts research and development aligned with our medium- to long-term business strategies. In addition, research and development results accumulated through industry-academia-government joint research partnerships as well as through cooperation with suppliers in various industries and athletes with whom GOLDWIN has contracts have become the Company's intellectual capital. This intellectual capital powers our creation of original, innovative products and our formulation of new concepts. We develop products that break the mold by

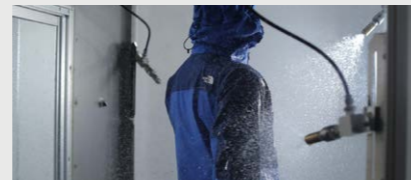
utilizing various technology development capabilities cultivated since our founding, product development capabilities that incorporate leading-edge equipment to merge human knowledge and IT, and an original quality inspection system that ensures the high quality of developed products. In addition, the facility's meeting and presentation section includes a virtual store, which enables practical prototyping of visual merchandising. Thus, Goldwin Tech Lab is an integrated facility that encompasses processes from research and development through to sales proposals. Going forward, we will enhance our corporate value by utilizing the facility to advance the development of non-apparel products, new development that uses digital technologies, and material development conducted together with suppliers.



Three-dimensional scanners and CAD
We design patterns using three-dimensional measurement instruments and three-dimensional computer-aided design (CAD). We will visualize three-dimensional information to develop products that are easier for wearers to move in and more comfortable to wear.



Motion laboratory
At this laboratory, we conduct analysis based on motion dynamics, physiology, and other sciences. For example, we measure movement using motion capture. We use the analysis results to develop materials and patterns for products that improve athletic performance and comfort.



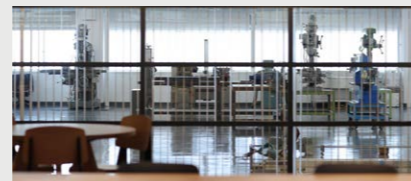
Artificial weather chamber and artificial rainfall chamber
Various weather conditions are artificially reproduced, and products are tested. Each product is tested to ensure that it meets required functions, and the results are utilized to make further improvements.



Constant temperature and humidity chamber
To maintain stable quality, the performance of materials and products is tested and evaluated under conditions of constant temperature and humidity.



Quality inspection section
The facility conducts product quality inspections and tests to ensure product quality is maintained at a level that satisfies market requirements and to support a quality assurance system that emphasizes customer satisfaction.



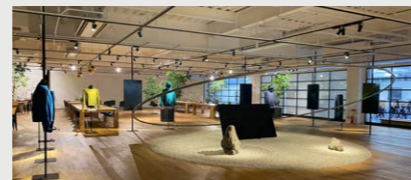
Prototyping section
As well as having a collection of manufacturing and processing technologies that enables the immediate realization of new ideas, this section develops new processing technologies.



Training section
This section conducts education and training focused on skills and knowledge, which includes practical training on sewing, patternmaking, and other skills. The role of the section is to develop personnel who have the capabilities to support GOLDWIN's manufacturing platform.



Archival exhibition
At the center of the exhibition is a representation of the future we should seek, and surrounding it are machines and products that symbolize the history of our product development. The exhibition expresses the connection of the past to the future, the harmony between technology and nature, and our aspiration to stride forward from Toyama Prefecture to Japan and then to the rest of the world.

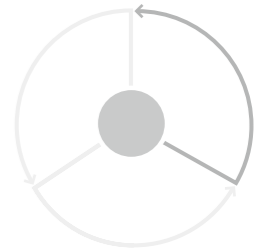


Meeting and presentation section
Located at the center of Goldwin Tech Lab, this section is a base for disseminating information to accelerate the development of quality, high-value-added products. A virtual store has been established to enable sales employee training and practical training on visual merchandising.

Strength Creation and Communication of Brand Value

We are constantly providing new value to more customers through collaboration with our wholesale partners and self-managed sales outlets, which directly communicate the worldview of our brands to customers.

In pursuit of differentiated brands that deliver as much added value as possible to customers, GOLDWIN has reformed its production, marketing, and sales methods to meet the needs of the times. Through our 156 directly managed stores and the brand sales areas of wholesale partners' stores in Japan and overseas, we use all available opportunities to rigorously pursue customer satisfaction while communicating our brands' worldview and added value to customers. These efforts include communication via brand websites and brand ambassadors.



Strengthening brands and increasing their penetration through enhanced customer engagement

Using all available opportunities to rigorously pursue customer satisfaction
Customer service, other services, repair, store design, and merchandising

- Brand appeal (communication)**
- Stores (self-managed sales outlets and brand sales areas of wholesale partners' stores)
 - Store personnel (professional advice)
 - Brand ambassadors
 - Promotional activities (customer experience)
 - Brand websites and social networking services (from stores)



- Brand value components**
- Brand history
 - Brand worldview
 - Product functionality and design
 - Manufacturing background

Number of brands

20

GOLDWIN operates a multi-brand business. We form strategic partnerships with the global parent companies of brands and create brand value on a global scale.

Original brands (GOLDWIN-developed brands)



Owned brands (brands whose trademark rights GOLDWIN has acquired)



Licensed and distributor brands



Strength Relationships with Stakeholders

In realizing the future envisioned by GOLDWIN, the empathy of stakeholders is essential. The significant momentum created by involving stakeholders will transmit value far and wide.

GOLDWIN has always utilized collaboration and co-creation with partners to drive its transformation. These joint initiatives have included the conclusion of licensing agreements with overseas brands and the involvement of business partners in the establishment of our in-store digestion-based product supply business model. Currently, we are embarking on innovation-focused co-creation with start-ups that share our vision of improving the global environment.



Joint Development with Spiber



- 2015 Announcement of the MOON PARKA prototype
- 2018 Elucidation of the supercontraction mechanism through repeated genetic analysis
- 2019 Change in name from QMONOS to Brewed Protein™
- 2019 Launch of Planetary Equilibrium Tee (t-shirt) and MOON PARKA® (outdoor jacket)
- 2020 Launch of The Sweater
- 2022 Launch of The Earth Hoodie (fleece)
- 2023 Launch of a collection comprising the above four brands and supported by a mass production system

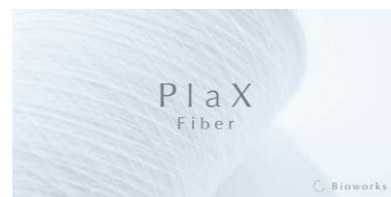
Reasons why the new material is attracting attention

- 1 Use of saccharide as main raw material**
(The saccharide used as a raw material is derived from renewable biomass and is not dependent on non-renewable resources such as petroleum.)
- 2 Recyclable in the biosphere**
(The material can be recycled because it is a biodegradable protein.)
- 3 Revolutionary potential comparable with that of synthetic fibers**
(It is the most revolutionary material since the invention of polyester and nylon.)

* Brewed Protein™ is a trademark or registered trademark of Spiber Inc. in Japan and other countries.

Co-creation with Bioworks

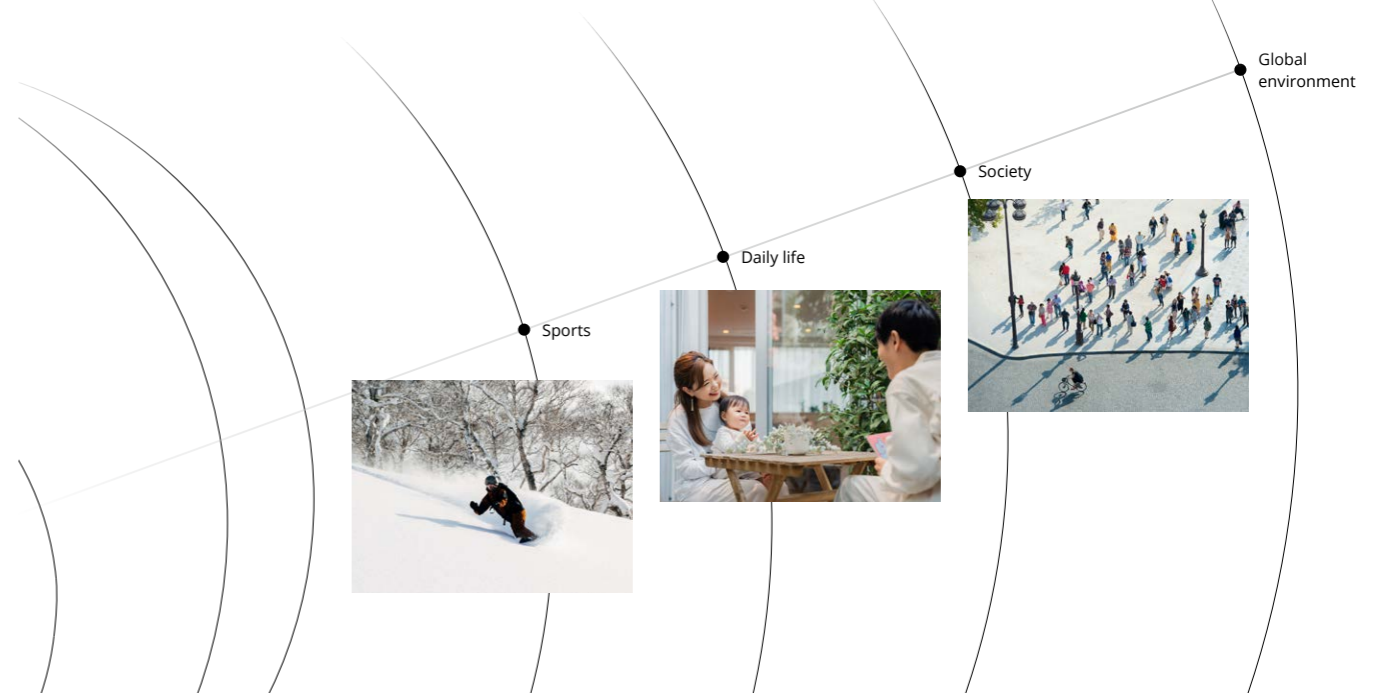
Bioworks Corporation is a biotechnology start-up engaged in the development of PlaX Fiber. The company creates this fiber, which features improved quality, functionality, and dyeability, by adding an in-house developed modifier to polylactic acid derived from plants such as sugar cane and corn. Recognizing the potential of PlaX Fiber as an environmentally friendly material that does not emit CO₂ into the atmosphere when incinerated and that is biodegradable, GOLDWIN has entered into a capital tie-up with the company. We are advancing collaborative efforts with a view to launching products under the Goldwin and THE NORTH FACE brands.



Strength Ability to Create Value with Unlimited Potential

GOLDWIN offers society intangible, genuine enrichment through the provision of value that transcends products, services, and eras.

By pursuing intangible value that extends beyond products and encompasses the spiritual enrichment of users, the Company has enhanced its competence in the creation of value with unlimited potential, particularly with respect to THE NORTH FACE brand. At the same time, without restricting our target value fields, we have widened the scope of product rollouts. Setting our sights higher still, we are also pursuing the creation of intangible value in the form of a better global environment.



THE NORTH FACE's Cross-boundary Rollouts

We have enhanced the brand value of THE NORTH FACE by conveying its essential value; by carefully communicating with directly managed stores, the stores of wholesale partners, and other partners; and by ensuring that we develop store formats that reflect customer preferences. As a result, the brand has continued growing, extending from its origins in the performance category to enter the lifestyle category, which is a larger market, and then the fashion category, which is an even larger market. We are developing this success model horizontally and utilizing it for our other brands.



Message from the President



GOLDWIN will expand its corporate identity to the world and sustainably increase its corporate value by helping restore the planet.

Takao Watanabe
President and Representative Director

Leaving Our Beautiful Planet for Future Generations

When I became president in 2020, the statement “To improve the global environment through unbound imagination and breakthrough innovations that are beneficial to the world” was newly added to our corporate philosophy, which has continued to be upheld since our founding. This statement forms a part of our vision and reflects my strong sense of urgency as a human being to ensure the sustainability of our planet. This sense of urgency is something that has been cultivated throughout my involvement in THE NORTH FACE business.

I learned a lot from Douglas Tompkins and Kenneth “Hap” Klopp, the founders of The North Face, Inc. When we entered into our licensing agreement in Japan in 1978, Hap Klopp shared his belief that THE NORTH FACE must use every opportunity to communicate the importance of protecting the environment. He also stated that in order to do so, “we must continue to improve our products so that they remain the very best in the minds of those who love nature.” In my mind, that became clear as soon as I realized coexistence with nature is a part of our business that takes precedence over everything else.

For the past three years, humanity has been at the mercy of the COVID-19 pandemic, resulting in the fatalities of approximately seven million people worldwide. In addition, natural disasters, such as typhoons, floods, heat waves, wildfires, and droughts, are clearly

increasing in frequency. There is no question that these disasters are all triggered by the destruction of nature due to human impact on the environment. The earth’s ecosystem was once well-balanced, with humans comprising a part of the ecological cycle. However, overpopulation, and the accompanying increased use of fossil fuels, has continued to disrupt the balance of the earth’s ecosystem, putting the existence of living things at risk. If this situation were to be ignored and the ecosystem were to collapse as a result, the survival of humanity may soon be in jeopardy.

Plants support the regeneration of the earth’s systems not only by providing the leaves and fruits required for the survival of the plants themselves but also by returning leaves and fruits to insects and birds, as well as fallen leaves for decomposition by bacteria and other microorganisms, and by providing oxygen to human beings and other living organisms. Humanity must fulfill its responsibility to the environment by advancing the concept of a “flow-type” society—which in the manner of plants behaves altruistically and focuses on giving back to others—as opposed to a “stock-type” society, which consumes everything for itself. It is worth noting that the apparel industry, in which we do business, produces the second highest amount of greenhouse gas (GHG) emissions out of all industries, pollutes the oceans through the release of microplastics, and disposes the large quantities of clothes it produces that remain unsold. The industry cannot be sustained by putting the earth’s ecosystem at risk. It is our mission at

GOLDWIN and my unwavering belief to conduct business by coexisting with nature and leaving a beautiful planet for future generations.

Adhering to a Business Model That Follows the Laws of Nature Based on the Inevitable

Richard Buckminster Fuller was a philosopher who advocated the harmonization of humanity and the earth with his "Spaceship Earth" concept. Through the expression "do more with less," he declared the notion that maximizing benefits by using minimal amounts of energy and materials is a principle shared by nature and the universe. Our in-store digestion-based product supply business model, developed as a result of choosing the inevitable in order to survive the management crisis we faced from the latter half of the 1990s, is in line with this principle.

At the time, our wholesale business was the core of our operations. While I was convinced that highly functional products would become widely used in daily life, I struggled in persuading our business partners who had a preconceived notion that outdoor apparel was only for outdoor enthusiasts. Assuming that was true, in 2001 we opened a directly managed store, which we designed ourselves, so that we could communicate our brands' worldview and introduce the products we developed directly to customers. Thereafter, GOLDWIN engaged in everything from manufacturing through to the development of stores and sales outlets and sales activities. Inevitably, the Company even took on inventory risk, a challenge we accepted by being prepared for the risks that come with limited management resources. The ability to directly engage with customers in this way enabled us to increase our brand value and accumulate know-how on ways to sell out products and not produce them in unnecessary amounts. By sharing this know-how with wholesalers, our customers were able to purchase the products they wanted at any time and our business partners were able to raise their profits without having to take on inventory risk. The Company has continued to refine this business model for more than 20 years in order to ensure the securing of profits.

The word "design" can be viewed as a way of harmonizing various things, devising solutions to

different issues in society, and producing tangible objects. It can be said that GOLDWIN has been designing businesses that are consistent with the laws of nature, in which it maximizes benefits by using minimal amounts of resources, and with the concept of altruism, in which all relevant parties reap the benefits through mutual interaction without the monopolization of profits by a single entity.

Ensuring Our Dedication to Detail

One of the phrases left by our founder is "There is true value in the invisible." I cherish this sentiment, which we refer to as "dedication to detail" in English to ensure its understanding overseas. The original meaning of this phrase was that we must pay careful attention to detail, beginning with the materials used, in pursuing high levels of functionality. However, I believe the phrase has a wider meaning that goes beyond the scope of manufacturing to include the provision of spiritual enrichment, which cannot be seen, not only to the customers who purchase our products but also to society as a whole. I believe that if GOLDWIN can create new forms of social value in accordance with these words, it will naturally create economic value by drastically differentiating itself from the competition, gain the support of society, and sustainably increase its corporate value. This belief is incorporated into our long-term vision, PLAY EARTH 2030.

Sports originated through the competitive activities people took part in while walking in the mountains, swimming in the oceans, and throwing stones as far as possible. In other words, people's first experiences of sports, our core business, were in natural environments. Under PLAY EARTH 2030, we will simultaneously pursue the sustainability of our business and the global environment in order to restore nature, which is under threat from conventional capitalism.

GOLDWIN has continued to evolve its in-store digestion-based product supply business model and achieved a certain level of success. That said, as we proceed under PLAY EARTH 2030 to resolve social and environmental issues from a broad perspective and create businesses that coexist with nature, it is imperative that we seek unique ideas that transcend existing values and homogeneity. However, there are limits to

the invisible value we can create on our own. Therefore, under PLAY EARTH 2030, we will look to design an ecosystem in which we work altruistically with others who share the same vision and exceed the frameworks of our business.

Brewed Protein™ is a good example of such an approach. In 2014, I met with Kazuhide Sekiyama, representative executive officer of biotechnology start-up Spiber Inc., and his passion to resolve global issues resonated with me. He told me about the idea of making protein threads through a process called microbial fermentation (brewing), which was inspired by spider silk and offered great potential. We have been working together in this development for the past eight years, and in 2022 we unveiled a collection of products made from this material and established a mass production system through the start of operations at Spiber's new plant in Thailand. We aim to increase the ratio of products made from Brewed Protein™ to 10% of all newly developed products by 2030. The molecular structure of the 20 amino acids contained in protein can be arranged and combined in almost an infinite number of ways. By outpacing the evolution of nature through the use of technology, we will seek to drastically increase the potential for developing new recycling-oriented materials and contribute to resolving issues related to resource and food shortages as well as climate change.

One of the steps we are taking to design this future society is the implementation of our medium-term management plan (fiscal 2021 to fiscal 2025).

Prioritizing Our Medium-Term Management Plan

Our medium-term management plan, which was launched during the height of the COVID-19 pandemic, follows the same direction as PLAY EARTH 2030, aiming to raise capital productivity and realize sustainability in the apparel market as well as achieve both our financial and non-financial targets. In fiscal 2022, the second year of our management plan, we steadily captured demand through the highly accurate performance of our supply chain and our ability to maintain a stable supply system, as sales of a wide range of brands grew upon the easing of COVID-19 restrictions and the recovery of inbound demand.

As a result, net sales exceeded the ¥100.0 billion mark for the first time since our founding. Operating profit also reached a record high, partly because the sales loss rate was minimized to 1.5%. I believe such favorable results are a step in the right direction. Having achieved our performance targets for the final-year of the plan ahead of schedule in fiscal 2022, we have upwardly revised our final year targets (please see page 36 for more details).

The foremost priority of our medium-term management plan is to develop our original Goldwin brand. Although THE NORTH FACE will continue to spearhead growth as our core brand, in countries other than Japan and South Korea there are restrictions on the sale of this brand due to trademark rights. Of the global apparel market, which is said to be worth ¥300 trillion, Japan only accounts for ¥10 trillion. The Company has barely tapped the remaining ¥290 trillion, and therefore it is critical that we focus on the overseas market. I would also like to see more and more people around the world resonate with the Company's vision of achieving coexistence with the global environment. Although we have fallen behind schedule due to the prolonged impact of the COVID-19 pandemic, we will work to rapidly increase the value of the Goldwin brand going forward, as we did in December 2021 when we opened Goldwin Beijing, our third directly managed store overseas.

Over the past two years, we have firmly established our vision for the Goldwin brand. And that vision is "Goldwin 0," which we announced in March 2022.

Expanding GOLDWIN's Corporate Identity across the Globe with Goldwin 0

Through Goldwin 0, we will convey our steadfast commitment to restoring the ecological cycle across the globe, which is incorporated into the meaning of "0" (as a number that is connected without any end-points), based on the following three concepts.

The first concept is "circulation." This concept is the main message we would like to communicate under Goldwin 0 in that, as described earlier, there is a need for humanity to create a cycle just like the earth's biosphere. The second concept, "borderless," reflects our commitment to extending altruistic connections among people beyond national borders. And the third

concept, “co-creation,” is the process of working together with diverse people, cultures, and communities to achieve that concept. By adhering to these three concepts, we will compete not only based on functionality but also by clearly expressing our product story, as we aim to establish Goldwin as an ethical, functional, and attractive premium brand. Since the introduction of these three concepts in 2022, we have not only posted record sales over a short period but also, unlike in years past, gained the support of our younger, more trend-conscious customers at our directly managed stores, which I see as a tremendous achievement.

In September 2023, we released a range of products made from Brewed Protein™ across the Group's various brands to markets around the world through the cooperation of VF Corporation and WOOLRICH International Limited, with which we have formed a capital alliance. This release was our first time to engage in such a large-scale campaign to promote Brewed Protein™ and is truly an initiative that embodies these three concepts.

With respect to co-creation, while M&A and other forms of investment are certainly an option, I believe the creation of new things should be complementary, in the same way as nature. In addition to Spiber, which I mentioned earlier, we have also teamed up with Bioworks Corporation, a venture company that develops materials made from biodegradable, plant-based polylactic acid (PLA). In 2023, we began selling



products made with PlaX Fiber, a highly functional PLA compound, for THE NORTH FACE and other GOLDWIN Group brands. Another effective means of promoting co-creation is investments in corporate venture capital. In March 2022, we established GOLDWIN VENTURE PARTNERS INC. and, in partnership with IGNITION POINT Venture Partners Inc., launched the operation of the GOLDWIN PLAY EARTH FUND. Through open innovation, we aim to conclude contracts to secure prominent technologies and human resources and to rapidly develop, from the ground up, technologies, products, and services that can be relied on to create synergies for existing businesses.

Goldwin 0 is not just one of our many projects. It takes on the mission of establishing our approach and corporate identity around the world, based on the many forms of our co-creation concept. In the remaining three years of our medium-term management plan, we will concentrate our efforts toward realizing this mission.

Extending the Success Model of THE NORTH FACE to Other Brands

Adored by people across a wide range of age groups, from those in their teens to their 80s, THE NORTH FACE has been steadily raising brand awareness, beginning with the performance category, then expanding into the lifestyle category, which has considerable market scale, and later into the fashion category to further enhance its brand value. We are working to extend this success model to other brands under our medium-term management plan. The success of THE NORTH FACE brand comes from the fact that its true value has continued to be conveyed through detailed communication with customers, and it has been able to detect the faintest signs of emerging market demand and provide ideas that overturn stereotypes—in other words, pursue invisible value. For example, rather than offering every single item from their product lineup, THE NORTH FACE stores cater to the tastes and preferences of their customers with the products they stock. THE NORTH FACE Sphere, which opened in Harajuku, Tokyo, in 2022, focuses on establishing close relationships with customers by selling products that accommodate the specific needs of each outdoor

enthusiast. In order to meet the needs of consumers who want to buy what they want, when they want, and where they want, we must constantly be within their reach. E-commerce is one method of doing so. Extending the success model of THE NORTH FACE to other Group brands means not just expanding the scope of our business domain; it also means deploying a business model that focuses on personalized communication, rather than traditional mass marketing, at various points of contact to develop individual relationships with customers.

In the apparel industry as a whole, we have been actively making efforts that go beyond the boundaries of its domain, and the functionality we have continued to refine through the outdoor segment, which can have an impact on people's lives, is a major source of differentiation. Above all, we do not view the market simply from the standpoint of competition. We are just trying to demonstrate the strengths that are unique to GOLDWIN.

Striving to “Be Ambitious and Aim for the Sky”

In order to realize the sustainability of our business and the global environment as set forth in PLAY EARTH 2030, we are working on a project to open PLAY EARTH PARK NATURING FOREST in 2026, a place where people can connect with nature and stimulate their imagination on a large tract of land in Toyama Prefecture. In this initiative, which can be said to be another one of our initiatives to design the future, we will work with local communities to create a venue where the children of today and the future can experience the origins of sports within a magnificent natural setting. By promoting businesses that contribute to realizing a sustainable society, such as is the case in passing on this communal land where people can live as humanly as possible to future generations, I believe GOLDWIN will be long recognized by society through gaining its support, and this social value will naturally lead to economic value. In order to manage our business from such a long-term perspective, it is essential that we fulfill our responsibilities to shareholders in the near term as well as work to restore the global environment by continuing to generate profits. On the other hand, to avoid

any misunderstanding, GOLDWIN is a company that maximizes profit without pursuing short-term gains.

After graduating from university, I joined the Company to fulfill my desire to be a part of THE NORTH FACE brand. Based on my love of the brand and unceasing passion for nature, I have always valued the importance of creativity over profitability. I share this value with GOLDWIN's employees through the expression “There is no boundary between work and play.” That, I believe, leads to higher levels of creativity among people, the creation of products and services that delight our customers, and higher profitability as a result. If we are to earnestly take on the challenge of restoring the global environment, the most important aspect of our sustainability is to ensure that each employee unleashes their boundless creativity with imagination that breaks from the confines of conventional wisdom.

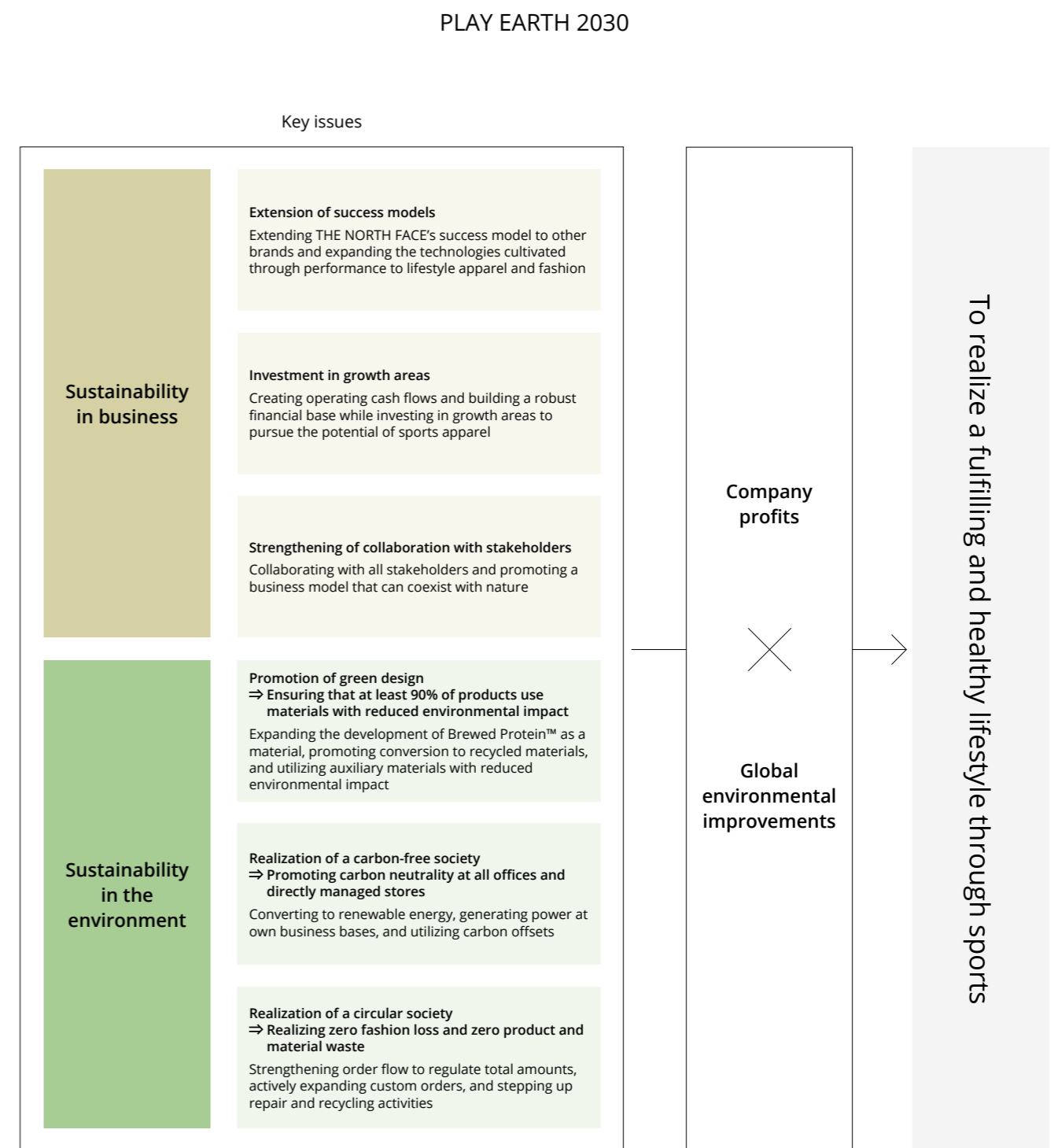
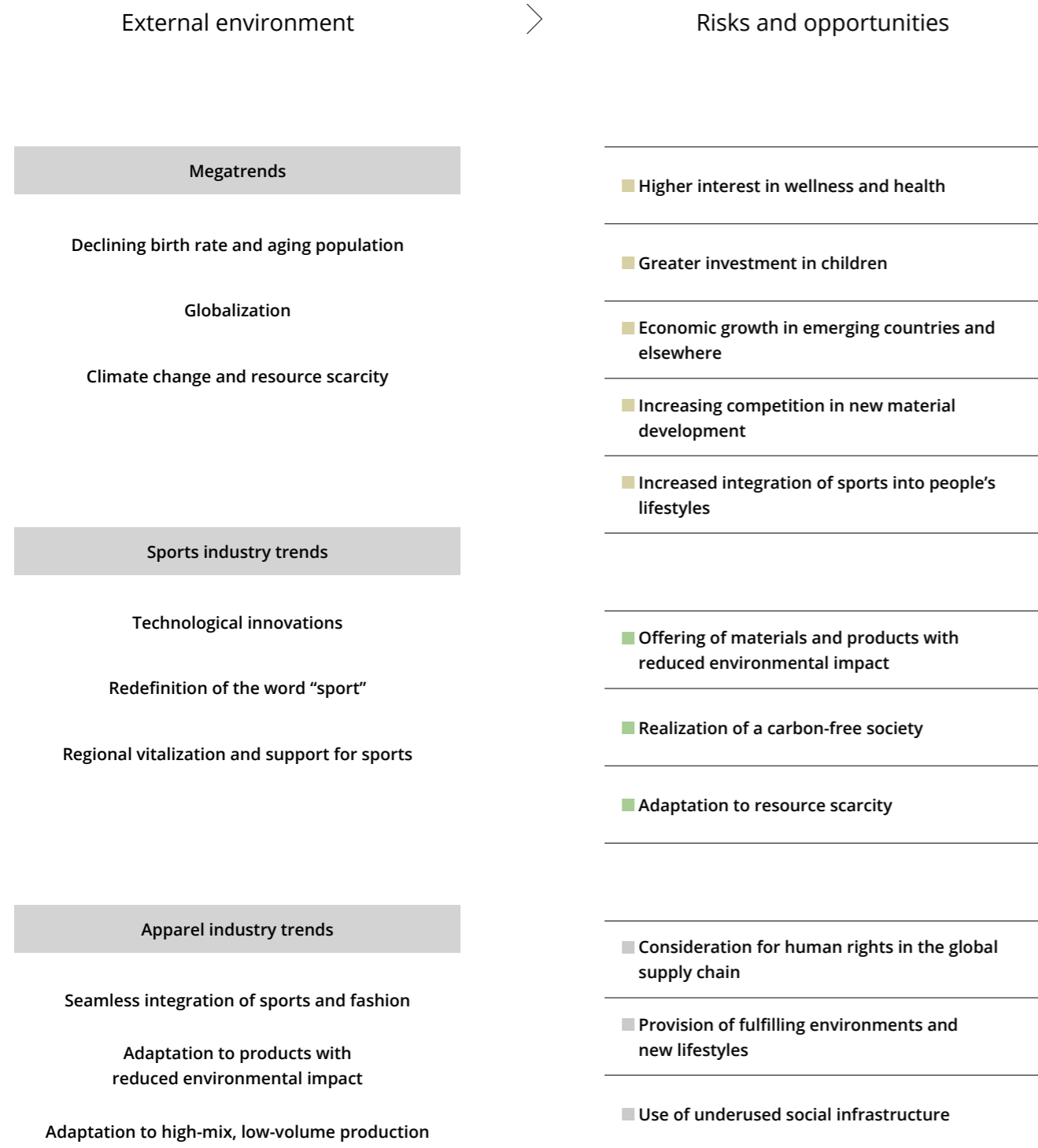
Our founder told us to “Be ambitious and aim for the sky.” Although reality may often fall short of your ambitions, what he really meant was that neither people nor companies will achieve great success unless they have true ambitions. The future that GOLDWIN is striving to pursue may raise doubts about the realization of its ambitions. However, we will continue to hold on to the ambition of restoring the global environment through our business activities and sustainably increasing corporate value, earnestly striving to realize this ambition through concerted efforts with our wide range of stakeholders.

Takao Watanabe

President and Representative Director

PLAY EARTH 2030

Viewing “PLAY EARTH” as a phrase that embodies our origins in sports, we are advancing initiatives to improve the global environment so that we can pass on a playground, in the form of communal land, to future generations. A reflection of this worldview, our long-term vision PLAY EARTH 2030 aims to achieve sustainability in terms of both business and the environment.



Offering “Play with Nature” Experiential Value for a Sustainable Future

PLAY EARTH PARK NATURING FOREST

In April 2023, PLAY EARTH PARK Inc. was established as a subsidiary in Toyama Prefecture, where GOLDWIN was founded.

The Company's new subsidiary is advancing the GOLDWIN PLAY EARTH PARK Business Concept project, which entails offering opportunities to play in nature, forming experiences that are the prototypes of sports. As the first phase in the implementation of this project, we are developing the PLAY EARTH PARK NATURING FOREST, scheduled to open in 2026 in the Sakuragaike area of Nanto City, Toyama Prefecture. We conducted the following interview about the project's vision and future prospects with the new company's leaders, Kazuya Nomura, who is the senior managing director, and Hiroshi Saito, who is the director and general manager of the Planning and Development Department.



Kazuya Nomura
Senior Managing Director
PLAY EARTH PARK Inc.

Hiroshi Saito
Director and General Manager of
Planning and Development Department
PLAY EARTH PARK Inc.

01 Preserving the original experience of playing in the surroundings of mountains and rivers for future generations

— *What goals do you aim to achieve through the GOLDWIN PLAY EARTH PARK Business Concept project?*

Nomura Our long-term vision PLAY EARTH 2030 calls on us to create an experience-based business as a new mainstay alongside our existing product-based business and thereby become a company that also offers opportunities for encounters and occasions. The GOLDWIN PLAY EARTH PARK Business Concept project focuses on enabling children to experience play and learning in nature. Through this focus, the project aims to involve families and other groups and to promote an awareness of interaction with the earth. Given the significant environmental impact of the apparel industry, we want to reduce our manufacturing's environmental footprint. At the same time, we aim to go one step further by providing opportunities for people to connect with nature.

Saito Based on GOLDWIN's mission “To realize a fulfilling and healthy lifestyle through sports,” the project is tasked with presenting sports as a way to play in nature and heightening the awareness of the value of such activities. Also, the project is underpinned by our desire to preserve the original experience of playing in the surroundings of mountains and rivers for children 50 to 100 years from now. I believe that childhood experiences of feeling the beauty of nature and developing a relationship therewith that transcends language greatly affect subsequent character development. We will offer one solution to the social issue associated with the continuing loss of environments where children can have contact with nature.

Nomura At the same time, the project is significant in terms of regional development. Our goal is to boost consumer activities and contribute to regional revitalization by also creating a lively atmosphere in the areas

around the park that we establish. Rather than town-based industrial development, the project will give the region's wonderful cultural and historical assets as much exposure as possible and utilize them to bring economic benefits to companies, municipal authorities, and the local community.

— *What kinds of experiences will the facilities and zones in Nanto offer visitors?*

Saito Specifically, we plan to establish a range of facilities and zones that includes a garden, a campsite, a farm, a restaurant, and a museum. These facilities and zones will allow visitors to immerse themselves in and enjoy the splendor of nature. We want children to develop a liking for nature. As visitors' activities will not be limited to a single facility or zone, answering the question “What kinds of experiences will be offered?” is actually not that easy. Broadly speaking, our goal is to preserve the beauty of nature for future generations by offering a variety of ideas for new ways of living.

Nomura I think that gaining an understanding of the park is a little challenging because the term “nature experience park” does not quite fit, and there are no similar parks anywhere in Japan at the moment. However, as effectively conveying a sense of the park's purpose is very important, we are currently discussing the matter in-house.

— *Why was “PLAY EARTH PARK NATURING FOREST” chosen as the park's name?*

Saito The name incorporates our PLAY EARTH concept. In addition, “naturing” expresses our commitment to creating a better environment through the interaction and interrelationship of people and nature. Left untouched, nature's ecosystems form altruistic cycles of mutual support in which surpluses produced by insects and trees enable other organisms to live. However, humans, who account for only 0.01% of the earth's total biomass, are placing the

heaviest burden on the environment. For the earth to be sustainable, the proper integration of our lifestyles and industries into the earth's cycles is essential. We have used “naturing” to suggest a progressive process and to express the hope that people and nature continue evolving.

02 Collaborating with municipal authorities in the creation of sustainable communities

— *Why did you choose the Sakuragaike area as the site for the park?*

Nomura The Sakuragaike area is what is known in Japan as a “*sato-yama*” environment, meaning nature and humans' daily activities intersect in the area. This intersection was an important reason for selecting the site. Neither deep in the mountains and inaccessible nor urbanized with a well-developed transportation network, the area is a mixture of hills and fields, and people have lived there for many generations. Also, the area's distinctive scattered village landscape is an ideal environment for learning about culture and history. In addition, Nanto has long been developing sustainable communities based on an “eco-village” concept. Consequently, our visions overlap in many respects.

Saito Traditionally, the people of Nanto have a special philosophy, which is known as “*dotoku*” in Japanese. It is based on showing altruism toward people and nature and living in gratitude for the abundance of nature. We have a great deal of empathy with this philosophy. Furthermore, Nanto mayor Mikio Tanaka says he wants to create a first-class rural area. We feel that his commitment to achieving regional revitalization by making the best use of local resources rather than by imitating cities is exactly in line with GOLDWIN's goals.



Rendering of PLAY EARTH PARK NATURING FOREST



Sakuragaike Pond

— *What kind of response have you received from the local community?*

Saito We have held several briefings on the project for the businesses, farmers, and landowners in the surrounding area. Generally, the response to these briefings has been positive, indicating stakeholders' high expectations with respect to the project. We are already receiving comprehensive cooperation from local prefectural and municipal entities, including assistance in site acquisition and the development of transportation infrastructure. That said, we are still only halfway through the project, and ongoing communication is essential.

Nomura I feel that the GOLDWIN PLAY EARTH PARK TOYAMA event held in summer 2022 at the Fugan Unga Kansui Park and the Toyama Prefectural Museum of Art and Design is a cornerstone of the project. We received a fantastic response from the local community for providing a place where children could play freely in nature. I believe that local residents hope to again see children in the Sakuragaike area having as much fun as they did during the event. Personnel who are usually in charge of manufacturing at the Toyama Head Office played leading roles in the event's frontline activities, providing an opportunity to deepen the relationship between our employees and the local residents. The hospitality we offered at that time was also well received and helped to foster trust in GOLDWIN.

03 Enhancing experiential programs that convert rain and snow into attractions

— *What difficulties, if any, have you encountered in advancing the project?*

Saito We really face a lot of challenges. The starting up and operation of large-scale, complex facilities of this kind require know-how completely different from that cultivated by the GOLDWIN Group to date. Consequently, everything is a new endeavor, and we advance the project through a process of trial and error each day. Based on our interactions with municipal authority officials and local interested parties, we are acquiring knowledge of the laws and regulations and land use rules, which is essential for development projects.

Nomura We often need the help of third parties, but we are also still trying to figure out who to ask for cooperation. With various unforeseen circumstances arising, I think the question is how to deepen discussions on solving problems so that we can take rapid action to address the problems in the limited time left until the opening in 2026.

— *Do you have any ideas or innovations designed to attract large numbers of visitors?*

Saito We plan to open the park year-round, including winter. Toyama has a lot of rain and snow, but we want to turn this into

an attraction. On snowy days, visitors will be able to walk in snowshoes through an endless white world, and on rainy days they can put on rainwear and have fun playing in the mud. I believe the key will be to devise novel activities that encourage people to see bad weather in a positive light and to realize that all aspects of nature can be enjoyed. GOLDWIN has an extensive lineup of clothing and gear to support such activities, which is an advantage.

Nomura I think that coming up with imaginative ways of encouraging frequent visits is critical. The pricing system has yet to be finalized, but we plan to create benefits for repeat customers. Encouraging GOLDWIN employees to visit by promoting the use of loyalty points will also be important. However, the most important task of all is to find ways of enhancing and expanding the experiential programs. We are working on a variety of ideas, such as offering visitors the opportunity to experience not only nature but also culture and history and furnishing a wide variety of consecutive experiential programs that are enjoyed by visiting repeatedly.

Saito The huge area covered by the park together with the further incorporation of regional collaboration will allow us to offer a menu of experiential activities that visitors would require more than just one day to enjoy. We will also step up marketing to school educational groups and actively promote the use of the park for summer camps and extracurricular classes. Our hope is that

many schools, both inside and outside Toyama Prefecture, will take advantage of the park to give students opportunities to study topics that cannot be grasped based solely on textbooks but must instead be understood through firsthand experience.

04 Creating a park with value through the concerted efforts of the GOLDWIN Group

— *What is your medium- to long-term vision?*

Nomura We are also considering the development of parks in other regions over the medium to long term once we have put PLAY EARTH PARK NATURING FOREST on a stable trajectory. As we continue our efforts, we may encounter government agencies or companies that share our philosophy and are willing to collaborate with us. We will value such encounters and explore various possibilities. On the other hand, an important feature of this project is that it will not be a promotional activity but a profit-generating business. Accordingly, in the near term our goal will be to generate profits commensurate with investment by establishing operations that rapidly achieve and sustain profitability. To this end, we will provide attractive experiential value that earns continuous endorsement from customers. I believe that the consistent provision of such value will build favorable relationships with customers, leading to the development of a business that generates stable profits.

Saito When considering the possibility of developing parks in other areas in the future, the significance of PLAY EARTH PARK NATURING FOREST, which is the first phase of the project, will increase in terms of establishing a system for park development and accumulating know-how. Since we will not be able to conduct the actual operations of the park entirely on our own, we must also determine how best to obtain

outside assistance. We may divide operations into those in which the strengths of GOLDWIN's existing businesses can be utilized and those that should be conducted by other companies. For example, we may manage camp sites in-house while seeking partner companies who can provide meals at the restaurant.

Nomura To create an appealing park, its personnel must have the kind of appeal that makes visitors want to return because they find a particular guide engaging. With this in mind, I want to ensure that we foster personnel in-house capable of playing central roles in communicating and developing relationships with customers. Only personnel can ensure that visitors have rewarding experiences every time they come to the park. What is more, the creation of welcoming settings is an area where GOLDWIN can demonstrate its distinctive character.

— *Finally, what are your thoughts on the personnel who are working on the project?*

Nomura Including the two of us, 11 personnel work at PLAY EARTH PARK. We have personnel from many different backgrounds. For example, the employee currently in charge of liaising with municipal authorities is a former employee of Nanto City Hall. Having the person who until recently was on the other side of the meeting table now sitting next to us and

handling various coordination tasks is reassuring. In addition, a former employee of the Japan National Tourism Organization, who has a wealth of practical experience in the operation of nature experience facilities and the development of promotional materials, has joined the company and is responsible for materials development. In this way, each employee is fulfilling a key role by utilizing their strengths. Although the project is now being led by the company's 11 personnel, I hope that more Group employees become interested in the project and express a desire to participate in it.

Saito I entirely agree with you. I believe that the GOLDWIN PLAY EARTH PARK Business Concept project requires all GOLDWIN Group employees to be focused on its realization. Within the Group, we will provide timely updates on our progress. Likewise, I want Group employees to give us their opinions and suggestions. For example, we would welcome ideas for potentially interesting initiatives or recommendations on the best people to contact when dealing with specific matters. I want to involve and interest the entire Group so that all of us develop the project together. I am convinced that only by doing so will we be able to create a park with real value where large numbers of visitors can fully enjoy "play with nature" experiences.



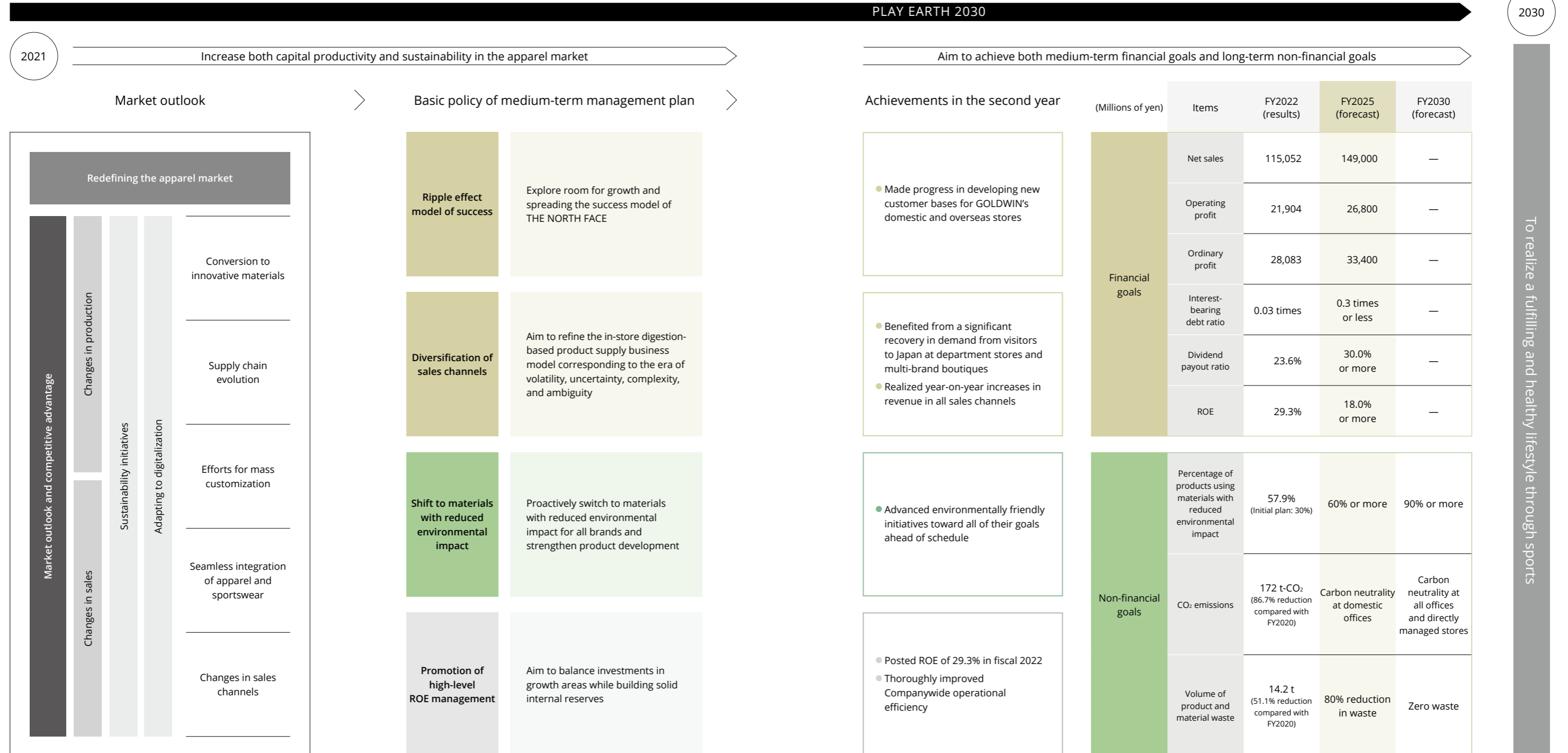


MEDIUM-TERM STRATEGIES

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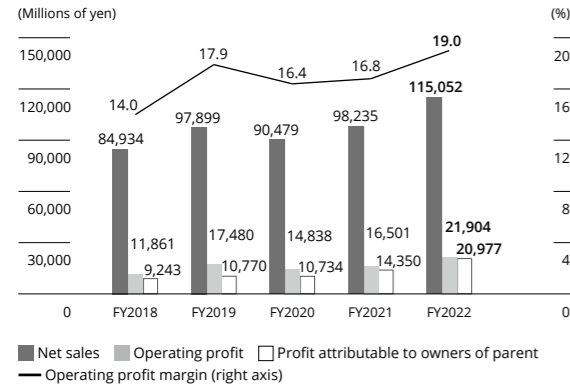
Basic Policy and Quantitative Targets for Our Medium-term Management Plan

We will build a solid financial base that achieves both investment in growth areas and resilience. Environmental problems related to the apparel industry receive frequent attention, and growth in the industry is scant. In recent years, however, the advancement of sustainability initiatives and digitalization has brought major changes to the industry. We aim to adapt to these changes with our signature tenacity and thereby achieve significant growth. With our sights set on fiscal 2030, we are significantly increasing marketing-related investments for growth. This investment will increase revenue at our directly managed stores and the stores of wholesale partners as well as grow e-commerce sales, which we have been developing as a third sales channel.

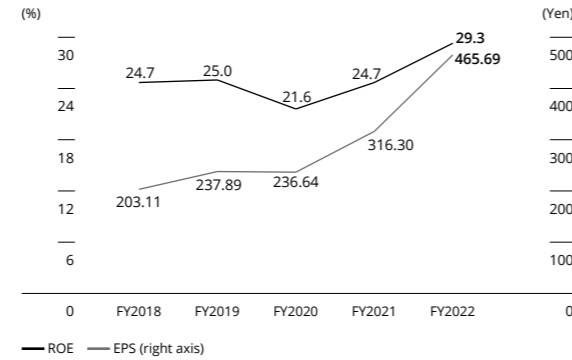


Financial and Non-financial Highlights

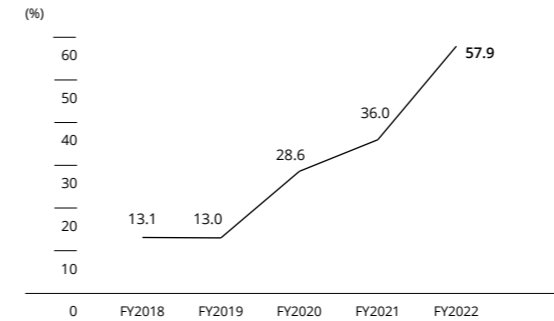
Net Sales / Operating Profit / Profit Attributable to Owners of Parent / Operating Profit Margin



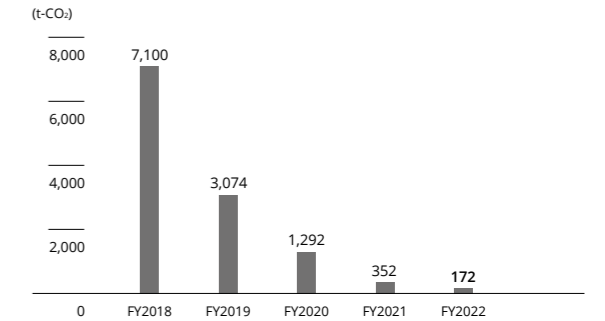
ROE / Earnings per Share (EPS)



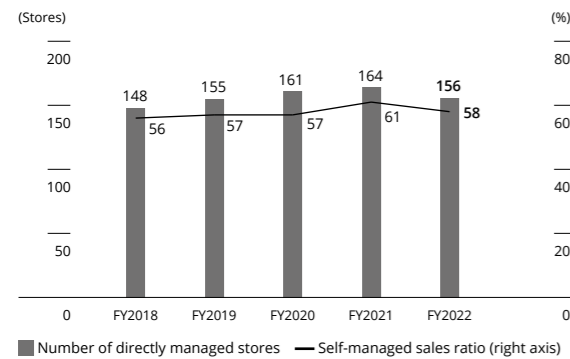
Sales Rate of Products Using Materials with Reduced Environmental Impact



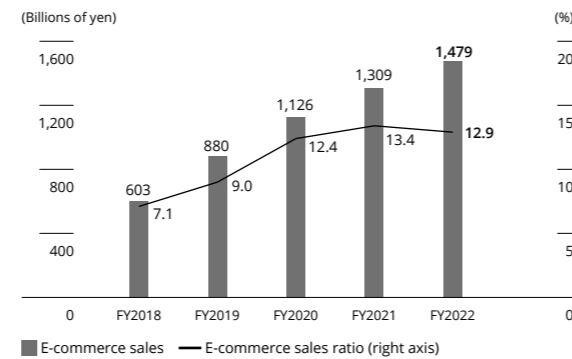
CO₂ Emissions (Main Business Locations in Japan)



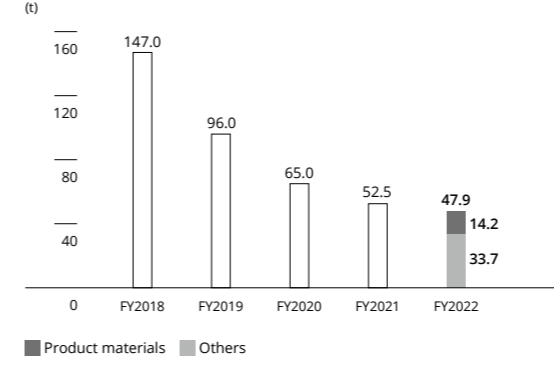
Number of Directly Managed Stores / Self-managed Sales Ratio



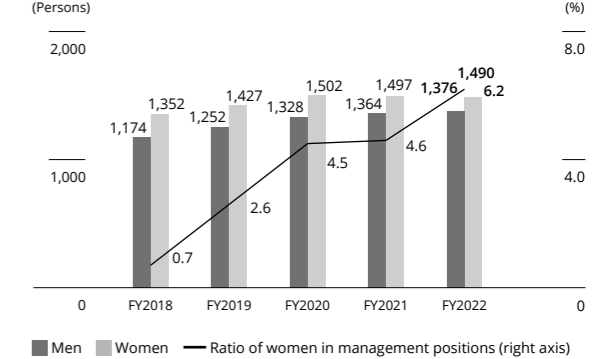
E-commerce Sales / E-commerce Sales Ratio



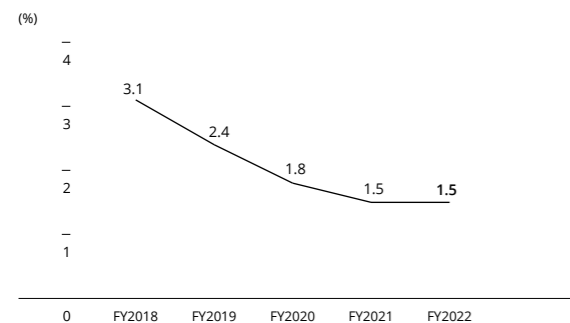
Waste Emissions



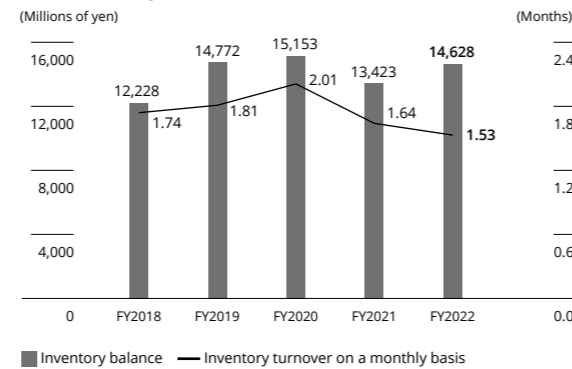
Number of Employees by Gender / Ratio of Women in Management Positions



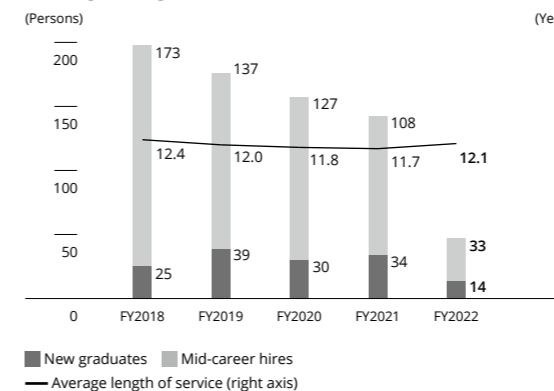
Sales Loss Rate



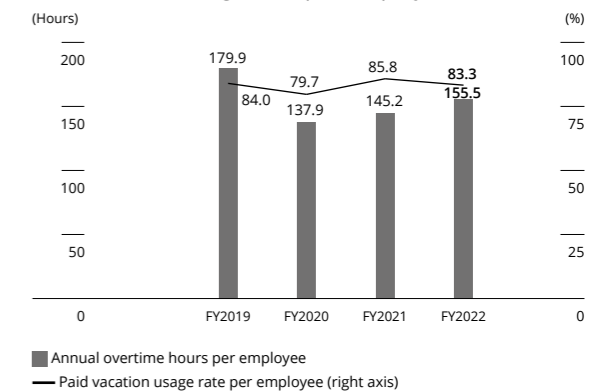
Inventory Balance / Inventory Turnover on a Monthly Basis



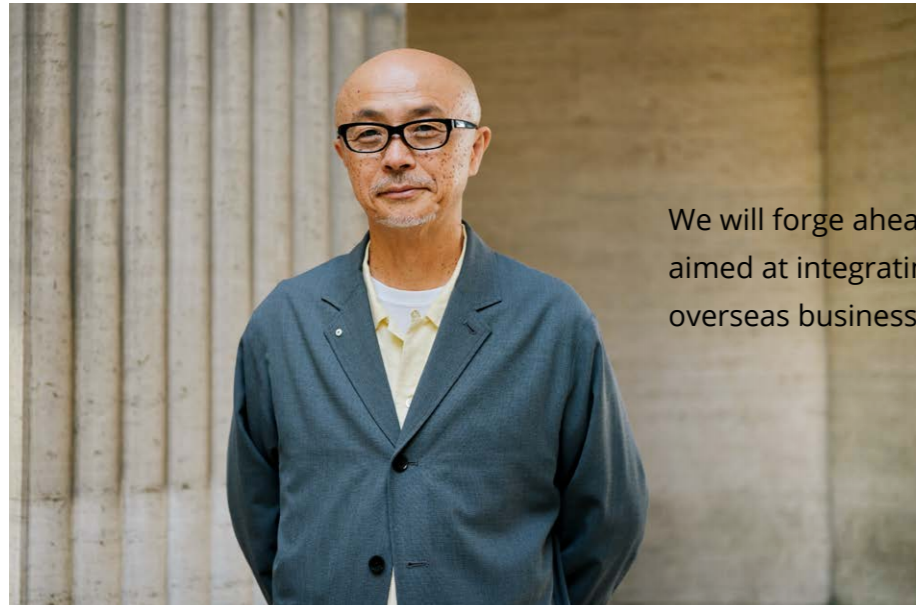
New Employees (New Graduates / Mid-career Hires) / Average Length of Service



Annual Overtime Hours per Employee / Paid Vacation Usage Rate per Employee



Overseas Strategy



We will forge ahead with a global strategy aimed at integrating the Goldwin brand and overseas business into our core business.

Eiichiro Homma
Director and Executive Vice President

Achieving Sustainable Growth

Our growth driver has been the licensing business, which combines licensing agreements based on leading global brands in respective sports categories with the quality manufacturing for which Japanese companies are renowned. However, the business faces several challenges. As a result of focusing management resources on domestic rollouts of well-established overseas brands, we have not allocated sufficient management resources to creating original brands and conducting the marketing needed to communicate with and earn the loyalty of customers around the world. Although we have stably expanded our business by acquiring THE NORTH FACE trademark rights in Japan and South Korea, our business structure has

become overly dependent on the brand and on the domestic market. To sustain growth amid aging populations and become more cost-competitive through increased scale, we must build solid business foundations in overseas markets. With our domestic business currently performing well, our most important task is to make inroads into the global market, rather than only cultivating brands that are limited to the domestic and South Korean markets. To this end, we must develop original brands that can be rolled out globally and strengthen our ability to realize marketing that conveys the value of these brands. I am fully aware of the highly competitive environment awaiting us. On the other hand, I have a real sense of the growing interest that our creative capabilities and added value are attracting overseas. Further, as we have established the profitability needed to support our investments, we have decided that now is the time to accelerate the pace of our efforts. Accordingly, under the current medium-term management plan, we are advancing a global strategy with the Goldwin brand at its core.

Providing Consumers with Multifaceted Value in Their Daily Lives

Previously, skiwear was our core business, which was prone to seasonal fluctuation. As this business was the direct cause of the management crisis that followed the end of the 1990s ski boom, in the 2000s we began to build a product mix that includes a larger percentage of products for daily life for which there is year-round demand. Specifically, we expanded the outdoor and lifestyle categories centered on THE NORTH FACE brand. Similarly, in globally rolling out the Goldwin brand, we will emphasize year-round products that cater to people's daily lives. Rather than unilaterally imposing a brand image, we will place importance on the actual situations in which customers use our products. If we only pursue functionality, we will become indistinguishable from our competitors. The purpose of the Company and the Goldwin brand is to provide consumers with multifaceted value in their daily lives that combines functionality with

fashionable style and progressive environmental friendliness.

Established in April 2023, the Goldwin Brand Business Headquarters comprises Goldwin brand-dedicated organizational functions and personnel and encompasses operations from planning to sales in both Japan and overseas. I have visited numerous countries in my capacity as president of nanamica inc., which operates in 24 countries around the world. Consequently, I have seen firsthand the international competitiveness of both our high-quality, advanced manufacturing and our retail operations, which are based on our in-store digestion-based product supply business model. The Company's basic strategy for overseas expansion of the Goldwin brand is to extend its success model, which capitalizes on these manufacturing and retail advantages.

In 2019, we transitioned from our previous overseas expansion strategy of wholesaling to retailers via regional sales agents and began opening directly managed stores overseas. Ultimately, our strategy is to replicate our success in Japan by building a well-balanced model that combines directly managed stores and wholesale operations. We first opened a store in San Francisco because the United

States is at the center of the outdoor industry and the city is one of the best gateways into the industry in the country. Then, in Europe, instead of opening a store in Switzerland, where we had previously been based, we opened a store in Munich, a city at the core of the sports industry in Germany, which is Europe's largest sports market. In December 2021, we opened a flagship store in Beijing, China, which has earned significant endorsement thanks to a beautiful retail space harmonized with nature and meticulously designed products that epitomize Japanese aesthetics.

In this way, we are implementing a strategy of opening stores only in the center of major markets and then expanding to other cities and countries once profitability is within sight. This approach reduces the risk associated with investing in new stores. Parallel development of flagship stores and online stores will heighten our profile, thereby supporting multiple store openings and wholesale operations.

The Response to Goldwin 0 Shows Positive Momentum

In October 2022, we launched the Goldwin 0 project to create a premium collection based on the advanced functionality and

high-quality manufacturing developed by GOLDWIN. We have collaborated with world-class creators in all of the collection's products, spaces, images, and communications. Every aspect of the Goldwin 0 collection—from design and production to sales and services—reflects an eco-conscious, nature-friendly philosophy. As well as offering products made of the structural protein material Brewed Protein™, which Spiber Inc. develops and manufactures, the Goldwin 0 collection guarantees long product lives by providing free repair services. By realizing advanced, multifaceted value that integrates sustainability, fashion, and sports, this project is enabling the Goldwin brand to reach many new customers beyond the boundaries of its traditional sports category. The project has also led to a dramatic rise in sales at overseas stores and increased inquiries from leading retailers in a range of countries.

Although the Goldwin brand and overseas business are still limited in scale, over the medium to long term we will grow them into a core business that follows in the footsteps of THE NORTH FACE business.



Promoting a Circular Society by Communicating an Original Brand to the World

— Launch of Goldwin 0

As an original brand bearing the Company's name, the Goldwin brand is focused on growing domestically and internationally.

In 2022, we launched Goldwin 0, an experimental project premised on circulation-based manufacturing. Takuya Kinami, general manager of the GOLDWIN Business Department, outlines GOLDWIN's ambitious initiatives for business acceleration and brand strengthening as well as the prospects for the future.

Providing a Window on GOLDWIN's Future through a New Project

The GOLDWIN Business Department markets collections of functional apparel. In addition to the many skiwear products we have offered over our long history, in recent years we have been rolling out year-round outdoor wear under the Goldwin brand. Moreover, we have been taking advantage of the materials and specifications of these products to advance the development of products in the lifestyle wear category that are designed primarily for use in urban settings. At the core of the Goldwin brand is advanced functionality and simple, minimalistic design, which is common to each collection. We have curbed excessive design while realizing unseen product specifications that provide value only the



Goldwin 0 3L Shell Jacket, made using Brewed Protein™ fabric

wearer can feel, such as apparel that is thin and light but very warm when worn. The brand also embodies the unique “dedication to detail” aesthetic that GOLDWIN has passed down since its founding. While our products are minimalistic and simple, we ensure painstaking attention to detail in our manufacturing, which is characterized by delicacy, precision, thoroughness, and economy.

In October 2022, we launched a new project under the Goldwin brand called “Goldwin 0.” The “0” represents the circumference of the earth as well as our aspirations to achieve a circular society and harmony with nature. We are currently busy exploring new possibilities under the themes of circulation-based manufacturing aimed at zero emissions, borderless brand design that transcends national boundaries and eras, and co-creation with partners worldwide. For GOLDWIN, this is an experimental project akin to the launching of a rocket. Providing a window on the Company's future, the Goldwin 0 project is a pioneering Companywide initiative that is showing the world GOLDWIN's commitment to progress while utilizing the resources and values cultivated over the years to boldly explore new possibilities. Efforts to draw such existing assets also reflect an approach of realizing our aspirations under the auspices of an original brand, rather than by launching a new brand in the conventional manner.



Goldwin 0 image visuals

Emphasizing Recyclable Materials and Diverse Co-creation

Regarding manufacturing, our most important starting point is always the user's point of view, in other words, when and how apparel will be worn. Given that catering to the needs of users in sports and daily life is its purpose, the Goldwin brand must pursue functionality and comfort. For the brand to attract new fans and build a solid market position, we need to tell a story that explains why people would want to wear our apparel.

With this in mind, for Goldwin 0 we have departed from the strategies of previous collections in two respects. The first departure is in relation to product design. Drawing inspiration from the concepts of connecting with nature and playing in nature, we have focused on enhanced creative design and artistry that attract people and combined these elements with the functionality that is GOLDWIN's hallmark. To achieve mold-breaking designs, the Goldwin 0 project is strengthening partnerships with a diverse range of highly experienced artistic designers both inside and outside the Company.

The second departure is our adoption of communication methods aimed at disseminating the brand image as widely as possible. Working in partnership with OK-RM, a London-based creative studio that offers

design insights and ideas, has led to the creation of a new brand image that will appeal to the younger generation and be communicated to the world. One example of our approach to communicating the brand image is our production and release of “Enquiry,” a video presenting the brand identity in a boldly expressive way that is unprecedented in Japan.

Above all, sustainability is at the core of the Goldwin 0 project. In keeping with the project's aim of improving the global environment, we are extremely selective about materials, specifications, and production processes. The best example of this environmental differentiation is the project's adoption of the structural protein material Brewed Protein™, which is being jointly developed by GOLDWIN and Spiber Inc. A biotechnology-enabled material that does not include any petroleum products, Brewed Protein™ has been used in 11 apparel items—including shell jackets, denim garments, and fleece jackets made using mole yarn—since the launch of the 2022 autumn-winter collection. As Brewed Protein™ is a futuristic material, the production and procurement of yarn has yet to stabilize. Consequently, stock of these apparel items has been limited. However, we plan to collaborate with Spiber and the Development Headquarters to establish a mass production system. With the aim of diversifying our materials, we would like to focus even more efforts on creating new products that use recycled materials.

Strengthening Our Ability to Communicate to the Global Market

The response to Goldwin 0 has been generally positive. Feedback shows that people are understanding and empathizing with the overall goals of the project, rather than only endorsing individual products. In particular, we are making solid progress with respect to communication, which is one of the main focuses of the Goldwin 0 project. For example, especially among the younger generations, interest in the brand is spreading from person to person through social media and the “Enquiry”

video. Overseas, the speed of information diffusion is even faster than in Japan. One of the characteristics of Goldwin 0 is sales growth in overseas markets, where we have lagged behind until now. Global sales expansion is an urgent task for an original brand, and strengthening our ability to communicate overseas has become extremely important.

In our brand strategy targeting the global market, we are increasingly emphasizing the Japanese sensibility. The essence of Japanese beauty, which is simple yet sophisticated and creates a sense of gracefulness, corresponds to the Goldwin brand's core, which has always combined simple and minimalistic design with advanced functionality. At the same time, the ancient Japanese spirit of sustainability and respect for nature has also been passed down through the generations at GOLDWIN.

The importance of conveying this type of brand worldview and enhancing customer experience-based value remains unchanged not only for product design but also for the creation of retail spaces of directly managed stores. Opened in 2021 as the starting point of our foray into the Asian market, the Goldwin Beijing store integrates traditional materials and a modern design to realize a retail space

Photograph: Yuming Song (Beijing Ruijing Photo)
Store design: New Material Research Laboratory



Based on the theme of portraying harmony with nature, the Goldwin Beijing store's beautiful retail space was created in collaboration with New Material Research Laboratory.

that gives a sense of Japanese culture and harmony with nature.

Taking on the global market presents us with many challenges, including the availability of human resources, organizational development, and distribution strategies. As we make the necessary investments, we believe that the key will lie in preparing highly detailed plans and then executing them in one stroke. To achieve our long-term vision PLAY EARTH 2030, we must accomplish a huge array of tasks. Nonetheless, the GOLDWIN Business Department's mission—creating an original brand that embodies the Company's aspirations and thereby communicates them to the world—remains unchanged. With our sights set on realizing a circular society, we will heighten the profile of the recently launched unique Goldwin 0 project and continue to powerfully communicate our vision of the future of apparel to the world.



Profile

Takuya Kinami

General Manager of GOLDWIN Business Department
Goldwin Brand Business Headquarters



Business and Sales Strategies



We will deliver our unique value to a wide range of markets while continuing to enhance the individuality of our brands.

Hikari Mori
Director and Senior Managing Officer
General Manager of Business Headquarters

Achieving Solid Growth through the Synergies of Our Prominent Brands

The COVID-19 pandemic showed us that people will continue to pursue activities even when there are restrictions, that such lifestyle changes will inspire people to find ways to work out at home, and that sports and outdoor activities have become an important element of people's lifestyles. Amid this environment, we were able to clearly demonstrate, as reflected in our financial results, the ability to deliver value to a wide range of users of our products by leveraging our brand portfolio, which we have carefully cultivated over the years.

At GOLDWIN, we develop our business based on a diverse brand portfolio that includes not only our original Goldwin brand but also THE NORTH FACE, CANTERBURY, SPEEDO, and other owned

and licensed brands. In addition to creating synergies by having brands in different categories complement each other, we are working to showcase the individuality of our brands. The concept of "Core & More" embodies our approach to enhancing this individuality. "Core" refers to our performance category developed for athletes and heavy users of our products who want the right balance of functionality and stylishness. Each brand has its own purpose and type of user as is the case with THE NORTH FACE and alpine climbing. Our approach entails firmly responding to such core needs and instilling an awareness of the specific features of our brands and using this approach as a springboard to achieve "more" by expanding into the lifestyle and other categories and broadening our product offerings.

Based on our "Core & More" strategy, our basic business strategy is to enhance brand value and user value by presenting the worldview of each brand directly to customers, mainly through our directly managed stores, self-managed sales outlets, such as shops inside department stores, and e-commerce sales, centered on

direct-to-consumer sales, as well as by sharing this approach with our wholesale partners.

Extending THE NORTH FACE Success Model and Diversifying Our Sales Channels

THE NORTH FACE brand has successfully expanded its market while differentiating itself from competitors in the performance category, where it first made its mark, and then in the lifestyle and fashion categories, through a brand strategy that pursues advanced specialization centered on our directly managed stores and wholesale partners. Under our current medium-term management plan, we are working to extend this success model to other brands.

With respect to our original Goldwin brand, we aim to solidify its position as a premium brand by demonstrating our commitment to connecting people to others and people to the natural environment across the globe through the three concepts of "circulation," "borderless," and "co-creation," centered on Goldwin 0. Meanwhile, in terms of HELLY HANSEN,

we are seeking to differentiate it from other brands by strengthening its image in its core area of sailing in an effort to enhance brand recognition in the market for marine clothing and thereby establish a distinctive presence. In April 2022, CANTERBURY carried out an absorption-type merger of former-subsidiary CANTERBURY of New Zealand Japan Inc., establishing a framework to strengthen product development and marketing capabilities. In 2023, the year of the Rugby World Cup in France, we demonstrated GOLDWIN's commitment to improving the global environment by using recycled materials in the jerseys worn by the Japanese national team. In August 2023, we renovated the CANTERBURY flagship store in Tokyo's Aoyama district and THE NORTH FACE+ store in Grand Front Osaka into stores where customers can experience the worldview of the stores' brands on an even greater level.

From the standpoint of GOLDWIN's business, these directly managed stores, which showcase the advanced specialization of their respective brands and allow customers to experience the brands through their worldview, are a

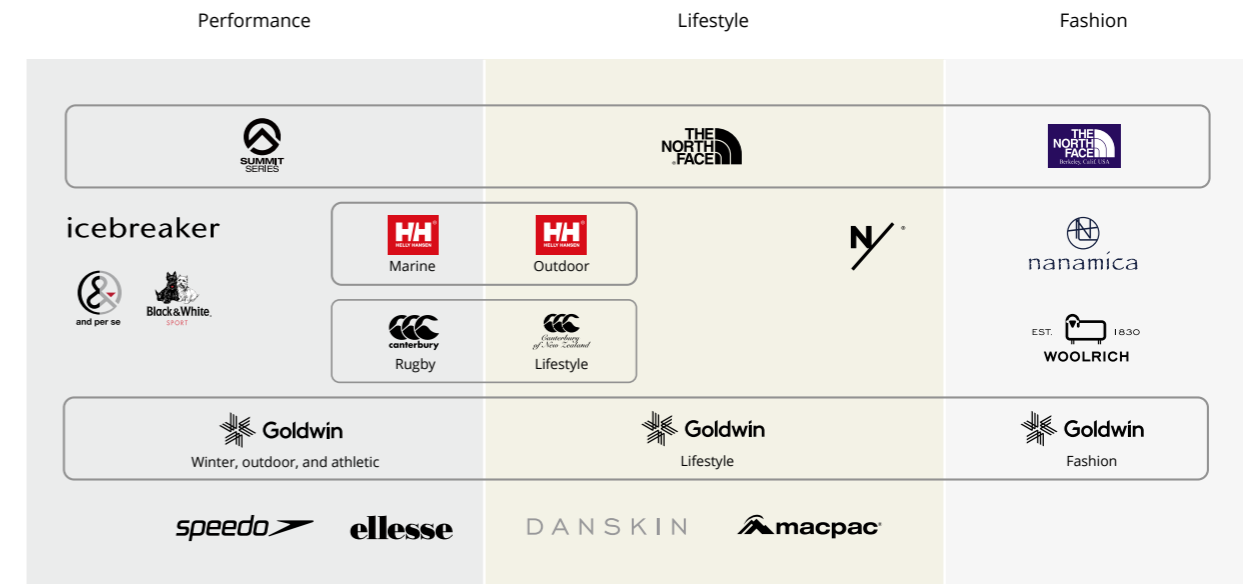
highly important sales channel for increasing user engagement and enhancing brand value. To expand the number of locations where customers can experience these brands, we are strengthening our partnerships with retail businesses to enable the worldview of each brand to be displayed not only at our directly managed stores but also at shops inside department stores. Although the creation of sales environments involves a lot of work, such efforts benefit both GOLDWIN and its retail business partners, helping raise the sales of both parties while expanding the sales channels of the Company and enabling it to acquire information on a wider range of customer groups.

We also plan to renew our e-commerce sites in fiscal 2023. Because approximately half of our e-commerce site users have already decided on a product based on how they look on the staff wearing these products at our directly managed stores as well as the quality of their customer service, we will take steps to ensure that customers can search for products and browse our e-commerce sites more easily and offer lines of products that are only available for purchase through our official

e-commerce sites in order to differentiate them from those of our competitors. We will also provide a specialized brand experience that is unique to GOLDWIN through our official e-commerce sites by drawing on our know-how cultivated in directly managed stores. To this end, we will continue to develop an e-commerce site that grows our fan base by providing a range of useful information to users of our products, including information about mountains and nature as well as know-how on camping and the outdoors.

Strengthening the Business Foundation That Underpins Our Strategies

The Company is also steadily proceeding with efforts to strengthen its business foundation, with sights set on increasing the value of its various brands over the medium to long term. In order to continue to reinforce our strengths in materials, functionality, and design, we established a new cross-disciplinary development division in fiscal 2022. We will now be required to get directly involved from the material development process, which means it will



take more time to release products to market. However, the ability to conduct our own research allows us to expand our knowledge of materials, and by becoming a specialized organization, we will gain more opportunities to engage with new co-creation partners, such as Spiber Inc., with which we are developing uses for Brewed Protein™, and to acquire technical information, thereby enhancing our competitiveness. The Company is working actively to recruit researchers, such as those who have majored in textiles at graduate schools, and enhance its internal knowledge and organization to speed up the process from research to commercialization.

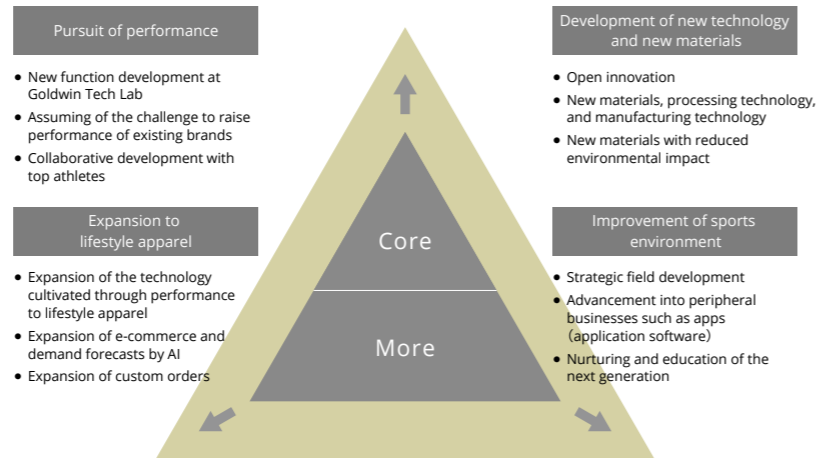
Measures are also being taken to strengthen our production system. In the past two years, we have enhanced the efficiency of our supply chain by arranging and concentrating suppliers and establishing strong ties with individual suppliers, rather than weak ties with many suppliers. Through our pursuit of the in-store digestion-based product supply business model, we have acquired the knowledge to precisely identify what products will sell, when they will sell, and how many of them will sell. In the apparel industry, customarily orders are placed based on exhibitions that are held twice a year. However, with THE NORTH FACE bags, for example, we are continuously placing orders as they regularly sell throughout the year. By doing so, we are able to adjust the supply-demand balance and eliminate off and peak seasons at factories, thereby stabilizing operations and resulting in cost benefits for both the Company and its suppliers.

Developing New Markets Based on the “Core & More” Concept

As a part of its “Core & More” concept, the Company is developing new markets for its B-to-B (business-to-business) business. As the needs for outdoor wear resemble those for workwear, our brands are worn by many people on the job, such as is the

“Core & More”

Pursue the performance that is our “Core” and leverage it in the lifestyle market to be “More”



case with THE NORTH FACE, which is worn by ski patrollers and mountain guides, and HELLY HANSEN, which is worn by fishermen. While the main reason for choosing our products is the trust that our customers have in their functionality, we are extremely delighted whenever they tell us that they feel even more motivated when wearing our products, demonstrating their high level of trust in our brands. Although our brands are already being used by several companies and organizations, we will work to significantly accelerate the expansion of our customer base going forward.

Our original brand NEUTRALWORKS is an area of our business where we see exceptional potential. Since many of this brand's products are intended for casual wear, are quick drying, and offer high odor-eliminating effects, they are being used as uniforms by more and more people in customer service who work in close proximity to others, such as at cafes. Although we are promoting the brand as a separate initiative called the N/ UNIFORM PROJECT, we intend to establish a single sales and marketing initiative by develop-

ing an e-commerce site that combines other brands, expanding the product lineup, and actively broadening the scope of proposals. Since this initiative will involve developing sales channels unlike those of the past, we will undertake careful inventory management.

Underscoring the Importance of Skin Sensation and Sharing Our Vision

The Company has engaged in various initiatives throughout its supply chain, but in order to develop a unique and highly competitive brand, I believe our employees and their input with regard to the sensation of our products on their skin will play a key role in this effort across a wide range of situations. Compared with regular competitive sports, outdoor sports involve many situations where people put their lives at risk. For example, when people go mountain climbing during winter, it is essential that their hoods do not come off in strong winds and that zippers can be pulled while wearing gloves. Also, the clothes worn need to be lightweight but warm, as well as

highly resistant to rain, while being highly breathable. With the growing popularity of sportswear, it has become necessary to combine high levels of functionality and stylishness. In order to realize such detailed and sophisticated quality aspects of our products, it is of paramount importance that each of our employees loves sports and uses our products. By having our employees take note of any sense of discomfort they experience while using our products and reflecting that in our product development as well as to improve the quality of our customer service, we are able to enhance our brand expertise and earn the trust of our customers. While visualizing the sensation of products on our employees' skin is a difficult task, as with general skills and know-how, it is key to refining the brand and improving the details of our products.

Also, when taking into consideration the sensation of products used by people who engage in outdoor sports on skin, it is particularly important to promote to them activities that pay due consideration to the environment, which has come to be valued

as a matter of course. I have been climbing mountains since I was in junior high school and have been working for an outdoor brand because of my love for the outdoors. However, I am very concerned about the continuously deteriorating state of the global environment. As the environmental responses of companies become the focus of attention, the fact of the matter is that GOLDWIN is also placing a burden on the environment through its activities as a manufacturer. We are working to eliminate waste as much as possible and to transition to the use of environmentally friendly materials with an eye to achieving the sustainability of both our business and the environment, as declared in PLAY EARTH 2030.

In addition to our product-related initiatives, we have joined forces with Nanto City in Toyama Prefecture for the opening of PLAY EARTH PARK NATURING FOREST in 2026, as a part of our GOLDWIN PLAY EARTH PARK Business Concept project in the service business. The underlying concept of this project is that nature does not belong to anyone and is a communal space shared by all. Through such an

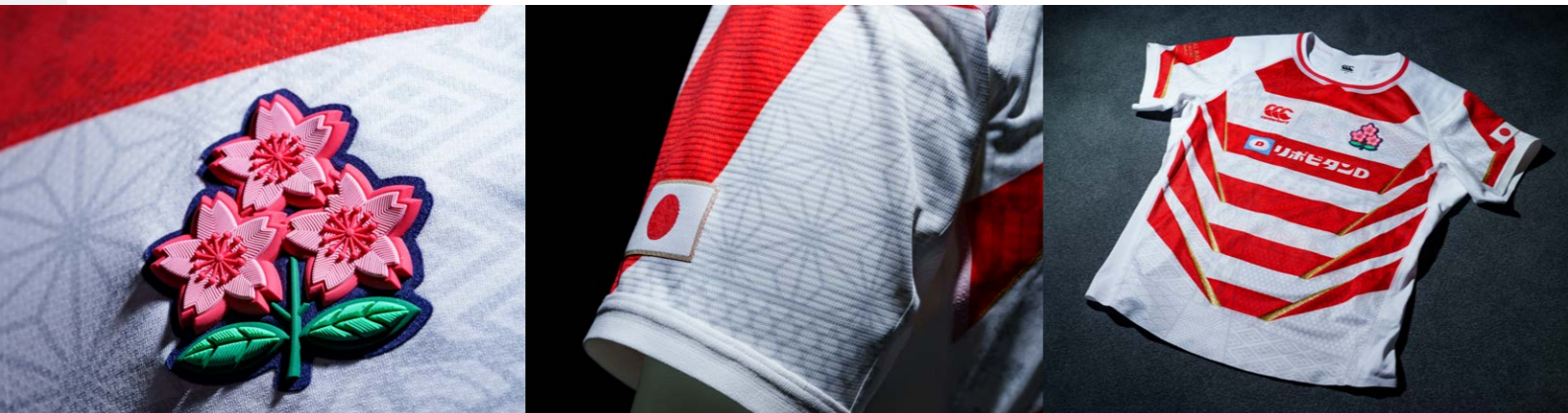
initiative, we aim to widely promote a world in which people can experience the true enjoyment and wonders of nature, intuitively feel the joy of sports, and connect with each other beyond words. In so doing, we hope to engage with more people, from children to adults, and encourage them to stand united with us in our commitment to realizing the coexistence of nature and human activities.

While environmental responses can be extremely challenging to carry out, we will draw on our connections with people who are familiar with both the beauty and the severity of nature as a source of our strength, boldly take on difficult challenges, and persevere with our endeavors by encouraging each other.

Remaining a Company That Takes a “SPORTS FIRST” Approach

In 2022, I took a month off from work to go to Alaska and climb Denali, the highest mountain peak in North America (see photo on the left). After all, the enjoyment of sports is the source of all value and motivation at GOLDWIN, and by not drawing a line between play and work we inspire good ideas. When we come up with good ideas, we achieve results and begin to enjoy work. When our time at work becomes fulfilling, our play does as well, leading to improvements in our overall quality of life. At GOLDWIN, we are committed to creating an environment that values the importance of both work and play by eliminating the boundary between the two. I believe taking childcare and other types of leave to enrich one's life will provide significant benefits to the Company. I want our employees to enjoy both work and play to the fullest without drawing any boundaries and to see the value in working for GOLDWIN. I also believe this itself will lead to the Company's improved brand value and greater engagement with users and society.





Enhancing Brand Value by Popularizing Rugby

— Ambitious New Initiatives for CANTERBURY

Originally from New Zealand, the CANTERBURY rugby brand has been a part of the history of rugby throughout many eras. We developed the Japanese national team's rugby jersey for the international rugby tournament hosted by France in 2023, the seventh time we have developed the team's jersey for this tournament.

Masayuki Ishizuka, director of the Canterbury Department, shares his thoughts on the rugby jersey development project and the target profile for the CANTERBURY brand going forward.

History and Pride as a Rugby Brand That Has Supported Many of the World's Most Powerful Teams

As a result of an absorption-type merger in April 2022, CANTERBURY of New Zealand Japan Inc., which was a consolidated subsidiary of GOLDWIN, has made a new start as the Company's Canterbury Department. Although it has a long history stretching back about 120 years, the CANTERBURY brand has been attracting new fans in recent years thanks to the resounding success of the 2019 international rugby tournament in Japan. Given this trend, the brand is widely expected to see robust growth. In addition, the recent reorganization will enable us to take maximum advantage of Group resources to grow the business even further and establish CANTERBURY as the core brand of our sports category.

The main mission of the Canterbury

Department is to focus efforts on supporting and popularizing rugby as an appealing sport. The history of the CANTERBURY brand and its creators—who have been single-mindedly making rugby jerseys since the brand's establishment and supplying them to many of the world's most powerful teams—is both the identity of the brand and its greatest strength. We are proud to be associated with this traditional and coveted brand in the world of rugby. Also, we believe that further enhancing the value of rugby will directly lead to the enhancement of the CANTERBURY brand's value.

Unifying the Country as "One Team" Again by Developing a Jersey for the Japanese National Team

For the 2023 international rugby tournament in France, the CANTERBURY brand business was again asked to develop a jersey for the Japanese national team.

Following on from the 2019 international rugby tournament in Japan, this marked the seventh time we had taken on the challenge of developing the team jersey for this tournament.

In developing the jersey, we were set the task of enhancing the performance of the players and contributing to the team's victory. With "Made to Be Tough" as the key concept, we sought to create a new jersey that would be durable enough to withstand intense play and that would support the indomitable fighting spirit of the players.

Sustainability was another focus of the development project. As environmentally conscious product creation has become a priority for the entire GOLDWIN Group, project members had to ensure that this stance was also reflected in the development of the new jersey. In particular, the apparel industry's large volumes of waste are a structural problem that we must address in earnest.

The initiative that we formulated entailed collecting used sportswear from rugby fans and then utilizing chemical recycling to convert it into a raw material for the manufacture of players' jerseys. At the 2019 tournament held in Japan, the home team advanced to the top eight for the first time, and the whole nation supported the team enthusiastically. With the country having overcome the subsequent COVID-19 pandemic, we wanted to create a jersey for the 2023 tournament that would allow all of Japan to come together once again to take on the competition as "One Team."

Through collections at CANTERBURY stores nationwide and at rugby matches, 1,266 items of used sportswear were ultimately collected. Some of the items were uniforms that fans themselves may have once worn for sports club activities, leading us to the conclusion that they were giving up items of sentimental value in support of the Japanese national team.

For this reason, we were determined to ensure that every single one of the 1,266 sportswear items collected was used for the jerseys that the players wore during the tournament. As the creation of jerseys with extremely high levels of strength through the use of chemical recycling in combination with such a wide variety of raw materials was very challenging, we had to make a technological breakthrough. After a three-year process of trial and error conducted in collaboration with partner companies, we finally realized a material that satisfied our requirements.

As a result, we created a jersey that was even more breathable, quick drying, and lightweight than the previous tournament's jersey, which had been hailed as "the best ever" by the 2019 Japanese national team. Even in terms of durability—which conflicts with these attributes—the jerseys exceeded our standards for sportswear by 3.0 times for forwards and 2.6 times for backs.

Upon receiving jerseys that embodied good wishes from numerous fans, many of the players were moved to remark that the jerseys gave them courage as well as the feeling that the fans were fighting

alongside them. We are convinced that the jerseys contributed to the solidarity of the players, fans, and all other stakeholders and supported the Japanese national team's valiant performance in the 2023 tournament.

Increasing the Number of Rugby Fans and Strengthening Points of Contact

Even though our major project for the international rugby tournament has been completed, we are continuing to pursue ambitious initiatives under the CANTERBURY brand. Durability—an extremely important feature of the Japanese national team's new jersey—is part of the CANTERBURY brand's DNA and must continuously be enhanced in the future. CANTERBURY products are durable and tear-resistant, with any slight damage only adding to their character. Consequently, the products can be used for a long time. For apparel, such high levels of durability are the most important aspect of sustainability.

As a manufacturer, we would like customers to view CANTERBURY rugby jerseys as more than fashionable garments and to use them in a variety of activities that call for durability. We want them to be worn not only for sports and training but also for work. To this end, functions that provide comfort are a prerequisite. The CANTERBURY brand will continue pursuing offerings that simultaneously realize properties in direct opposition to the products'

durability, such as lightness and comfort.

At the same time, increasing the number of people who are familiar with rugby is our unwavering mission. In particular, we will focus on cultivating interest in rugby among children, who will lead the next generation. Rugby has always had a strong educational element. It is a sport that allows each individual to utilize their physique and special skills to play an active role in a particular position. Our hope is that many children experience the joy of forming teams made up of diverse individuals and building mutual trust through the game of rugby.

In March 2023, we launched the Canterbury Rugby Little Playfield program for preschool children in collaboration with the Japan Rugby Football Union. The program is designed to introduce kindergarten and nursery school children to the fun of playing rugby and to cultivate interest in the sport among parents, preschool teachers, and local communities.

In the future, we hope to see more people playing with rugby balls in local parks and other open spaces. As more people become more familiar with rugby and the rugby community expands, the points of contact with the CANTERBURY brand will naturally increase and strengthen. We will continue steady efforts to expand the ranks of many different types of rugby fans—including those who play, those who watch, and those who support the game—thereby advancing the CANTERBURY brand business and elevating GOLDWIN's corporate value.



Profile

Masayuki Ishizuka

Chief Director of Japanese Rugby Jersey Development
Director, Canterbury Department



In-store Digestion-based Product Supply Business Model— Frontline Operations

We are constantly improving our in-store digestion-based product supply business model, which is one of our advantages. Under the business model, frontline operations are designed to communicate brand value to the maximum extent possible while accurately identifying the needs of customers at points of contact with them. Four employees, who are engaged in these operations, talk about the aspects of their work on which they place particular emphasis.

With confidence and pride in each product made by GOLDWIN, we offer customers products that best suit their needs.

At THE NORTH FACE+ Sapporo Factory store, I am engaged in sales-related work, which includes recommending products to customers, arranging in-store displays, and ordering products. In all of these activities, my goal is to make as many people as possible familiar with the brands we carry and encourage them to actually use our products in outdoor activities.

If customers want to use a product that was originally developed for mountain climbing for other activities such as fishing or camping, we make recommendation to them after considering advantages and disadvantages in terms of functionality.

Usually, I make a point of considering products from various perspectives so that I can make optimal recommendations to best meet customer needs. Also, when arranging in-store displays, I try to create sales areas that showcase the products in realistic settings. I am particularly focused on creating sales areas that inspire customers to actually use the products by encouraging customers to view the displays and imagine themselves using the products in outdoor activities. My job is very rewarding when customers I have served come all the way to the store on their way home from an activity and

happily share with me their impressions of products or show me photographs in which they are using the products in outdoor activities.

Our advantage lies in the fact that we are able to communicate directly to customers the philosophy underpinning brands as well as the background of product development from a manufacturer's point of view. In fact, many store personnel enthusiastically participate in a wide range of sports and outdoor activities, giving them confidence and pride in each product made by GOLDWIN and enabling them to recommend products that match customer

needs. Moreover, I believe interactions with such personnel add to the appeal of our stores and the wide range of products and brands carried by them.

My immediate goal is to engage with many different customers in our stores and to acquire feedback on their needs and preferences in relation to our products. In the longer term, I would like to become involved in the manufacturing side of operations by utilizing my experience in outdoor activities to develop and promote GOLDWIN products.



Profile

Tomihiko Katsurada
THE NORTH FACE+ Sapporo Factory

Profile

Kanami Yamashita
Manager of Hokkaido Area Sales Group
Retail Business Department
Sales Headquarters



I focus on communication that accurately conveys the essence and value of brands to customers and builds relationships of trust.

I mainly manage the operations of directly managed stores in Hokkaido. We have many different store formats, and I perform a wide range of tasks, including control of store operations, management of sales policies, figure-based management, and personnel development that is aimed at realizing the target profiles of directly managed stores.

Since my time working as a store sales assistant, I have always emphasized building relationships of trust not only with customers but also with coworkers. I try to avoid pretense and engage with people in a natural, unassuming manner. In communicating with store personnel, when views that differ from my own are expressed, I accept them, consider them, and strive to accept them as offering new

knowledge or insight into a particular set of values. I adopted this approach of putting myself in the other person's shoes and trying to think from an overall viewpoint when I was a sales assistant, and it has not changed greatly since then. I still use the approach in my current management duties.

As well as manufacturing and selling products, GOLDWIN is also developing businesses that offer opportunities for encounters and occasions. The appeal of the Company lies in its philosophy, which values creating unique stores that differ from one another, giving due consideration to the environmental issues at hand while imagining the future, and taking on challenges that the Company is uniquely qualified to accomplish. Further, GOLDWIN views

stores as places for effectively conveying the essence and value of brands to customers and for building brands through communication with customers. For this reason, I consciously try to build relationships of trust by interacting with people naturally and unassumingly.

My goal is to see and experience firsthand the celebration of the Company's centennial. Depending on one's frame of mind, there are either still 28 years left until the centennial or only 28 years left until then. In the meantime, I want to acquire knowledge, skills, and flexibility that will allow me to fulfill whichever roles are required of me and thereby contribute to GOLDWIN's continued growth.

In-store Digestion-based Product Supply Business Model—Frontline Operations

Serving as a link between the Company and stores, I ensure that stores reflect GOLDWIN's policies as much as possible while remaining unique.

My job is to increase the involvement of frontline personnel in the management of store operations. While the provision of figure-based support and strategic support for the management of operations is a key part of my job, I also see the creation of an environment in which personnel can grow as an important part of my role. This aspect of my work includes focusing on the well-being of personnel, developing human resources, and creating good workplace environments.

There are as many types of demand and roles (concepts) as there are stores. Given the particular importance of product mixes, I focus on not only analyzing data but also ensuring that we pay attention to feedback from store

personnel, understand the local character of towns, and offer products and services that accurately cater to the needs of and enrich the lives of local residents. In addition, I place particular emphasis on engaging with customers through cleanup activities and other local events because such activities help instill our brand message and garner further trust.

Since communication with the stores is an essential part of the job, my basic approach is to be in stores as much as possible. I sometimes visit stores to get a feel for the attitude and customer service skills of personnel and to learn about customer purchasing trends. I also serve as a link between the Company and the stores. Therefore, I am committed to

ensuring that the management of store operations aligns with the tasks and goals of the Company and that stores reflect corporate policies as much as possible while remaining unique.

I feel that GOLDWIN is attractive because it constantly takes on challenges with a view to the future and provides an environment where a diverse range of employees can work based on their enthusiasm for sports. The same is true of our stores, which provide an inspiring environment in which personnel can come up with ideas and take on ambitious initiatives in relation to both work and sports. Since becoming an area manager, I have gained a greater appreciation of the fact that the most familiar brand ambassadors

for many sales personnel are their store managers. Consequently, the development of leaders has a very beneficial effect on fostering all personnel's growth and development. In an era when relating to people is becoming more challenging, other important aspects of my job will include engaging with and getting to know people, further cultivating my own unique strengths, developing future leaders, and continuing to pursue the differentiated appeal of GOLDWIN and its brands.

Profile

Hiromi Kuriyama
Area Manager of
Kyushu–Okinawa Area Sales Group
Retail Business Department
Sales Headquarters



Profile

Shinobu Fujii
Store Manager of
PLAY EARTH KIDS Yebisu Garden Place



Under the in-store digestion-based product supply business model, we are taking on ambitious new initiatives aimed at offering a variety of encounter-based experiences that reflect customer needs.

PLAY EARTH KIDS is a project-focused brand and editorial store themed on play, nature, and children. The store sells a wide range of products, from apparel to toys, that encourage play and stimulate the senses so that children can experience the richness and fun of the world through play. At the same time, we operate an “encounter-based” business, which holds regular events and workshops aimed at giving children opportunities to experience things they would not normally encounter.

GOLDWIN has a wide variety of store formats, including concept stores, which enables customers to choose the store best suited to their needs. Customers know that each distinctive store has personnel who will be able to cater to

particular needs—one of the advantages of GOLDWIN's in-store digestion-based product supply business model. I feel that the Ebisu store's use of THE NORTH FACE, NEUTRALWORKS, and PLAY EARTH KIDS brands as the basis for offering a variety of encounter-based experiences that are tailored to customer needs is a new iteration of the in-store digestion-based product supply business model.

I manage the PLAY EARTH KIDS Yebisu Garden Place store. As today's parents tend to have less time to spend with their children, I actually focus most on providing parents with time to do so.

Until 2022, the freedom to play was taken away by the COVID-19 pandemic because it was accompanied by a range of

unprecedented restrictions, such as limitations on how long and where children could play outside. As a result, I feel that a gap gradually opened up between parents and children. I hope that together, through PLAY EARTH KIDS, we can gradually regain the lost time. Another initiative aimed at addressing this issue is the GOLDWIN PLAY EARTH PARK Business Concept project, scheduled to open in 2026. Through the activities of our store in Ebisu, I aim to enable as many children as possible to enjoy outdoor activities and to motivate as many customers as possible to visit PLAY EARTH PARK NATURING FOREST.

Financial and Non-financial Strategies



We will integrate financial and capital strategies and ESG management to achieve steady near-term results and long-term corporate value enhancement.

Michio Shirasaki

Director and Senior Managing Officer
General Manager of General Administration
Headquarters

Review of the Medium-Term Management Plan to Date and Plan Revisions

We formulated our current medium-term management plan, which covers fiscal 2021 through fiscal 2025, when the outlook was uncertain due to the COVID-19 pandemic. Therefore, rather than assuming an optimistic market recovery scenario, the plan calls for the achievement of targets through rigorous improvement of the in-store digestion-based product supply business model. Further, our core financial strategy is to realize ROE of at least 18.0% during the plan's term by balancing the expansion of sales, improvement in sales efficiency, and the optimization of capital structure.

In the plan's first year, fiscal 2021, the COVID-19 pandemic halted our progress. However, in the plan's second year, fiscal 2022, we posted record highs for net sales, operating profit, and every profit line item

presented below operating profit in the Company's consolidated financial statements. Net sales surpassed ¥100.0 billion for the first time since our founding. Also, for ordinary profit and profit attributable to owners of parent, we achieved final-year targets three fiscal years ahead of schedule.

The main reason for the aforementioned results was the strong performance of our brand lineup centered on THE NORTH FACE, which continued to enjoy undiminished customer support despite an uncertain external environment. I believe this support is the fruit of brand investment that we have consistently implemented over many years. Our success was also attributable to the steady capturing of demand from the third quarter onward, which stemmed from such upside factors as a recovery in the number of visitors to Japan and the lifting of restrictions on outdoor events. In addition, contributions to ordinary profit and profit attributable to owners of parent came from the favorable performance of equity-method affiliate Youngone Outdoor Corporation in South Korea.

By business segment, the Performance, Lifestyle, and Fashion businesses all posted higher revenue for the second

consecutive fiscal year. In fiscal 2022, the Performance business increased net sales 14.2% year on year. This robust growth is extremely significant for GOLDWIN's "Core & More" strategy of pursuing the performance that is the Company's "Core" while leveraging it in the lifestyle market to be "More." The Performance business differentiates its product lineups from general apparel by combining outstanding capabilities in relation to materials, production technology, and the development of high-performance products. Sales growth in the performance segment indicates rising customer loyalty to our brands, which will benefit other products. In fact, in fiscal 2022 an increase in sales of THE NORTH FACE apparel led to higher sales of such products as backpacks and shoes. Moreover, the Performance business is positioned at the peak of the "Core & More" strategy. Past business results have shown that, allowing for a certain time lag, the higher this peak, the greater the positive effects on the Lifestyle and Fashion businesses. For this reason, we are optimistic about the progress of these businesses.

Under the medium-term management plan, we are extending our success model

by utilizing expertise acquired in such businesses as THE NORTH FACE directly managed stores. Through these efforts—which are focused on strengthening original brands, particularly the Goldwin brand—we are expanding the customer bases of our stores in Japan and overseas. Among such efforts, the Goldwin 0 project, announced in March 2022, has been well received by the market. Accordingly, we will move forward with marketing initiatives in Japan and overseas to ensure that we exploit the opportunity presented by the Goldwin 0 collection's popularity. We have also been able to achieve sophisticated utilization of our diversified sales channels. Revenue grew in all of our sales channels, partly as a result of taking advantage of a tailwind created by demand from visitors to Japan.

In fiscal 2023, we aim to outperform all existing records for net sales and for each profit line item by absorbing up-front investments through increased revenues. Factoring in continued recovery in demand from visitors to Japan and other consumption trends expected in an era of living with the COVID-19 pandemic, we have upwardly revised our targets for the final fiscal year of the medium-term management plan.

Over the past two years, we have achieved solid results both qualitatively and quantitatively. On the other hand, during the same period the pace and scale of our investments have fallen short of

initial plans. We aim to steadily allocate cash to investments that target medium-term growth. To this end, we must rigorously promote high-level ROE management.

Promotion of High-level ROE Management

We were able to maintain a high level of ROE—at 29.3%—in fiscal 2022.

In contrast to general apparel products, which are often replaced every season and revalued at fiscal year-ends, the high percentage of mainstay products in our sports apparel lineup reduces discount sales and year-end write-downs. By utilizing these attributes, we achieve differentiation through operations that require less inventory than general apparel operations but generate higher sales. Consequently, we conduct operations without using debt and within the scope of our own funds, enabling us to realize a high level of ROE. In accordance with the medium-term management plan, we are further strengthening high-level ROE management through a two-pronged approach aimed at optimizing our sales structure and focusing on inventory flow.

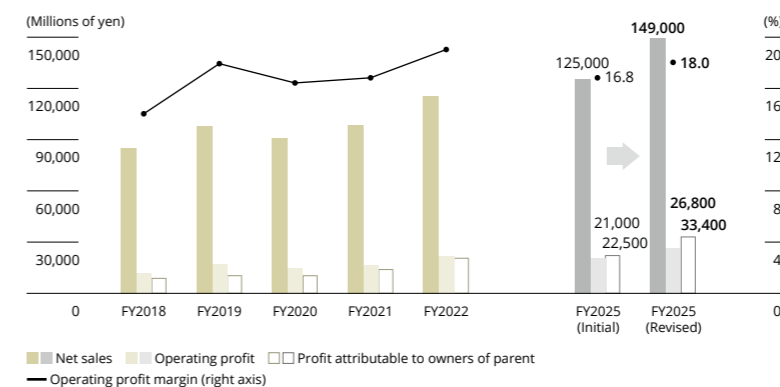
One of our key performance indicators (KPIs) is the self-managed sales ratio, which we aim to keep at around 60%. In other words, our goal is for wholesale operations to generate the remaining 40% of revenue. While directly managed stores

and self-managed sales outlets, such as shop-in-shops, are at the core of this strategy, collaboration with wholesale partners who have established sales infrastructure is an important option in regions where directly managed stores would not be profitable. In our experience, a 6:4 ratio of retail to wholesale revenue is an optimal balance that allows us to cover the entire market while controlling risk and maintaining high profitability. In fiscal 2022, the self-managed sales ratio was 58%, which is below our target level. This lower level reflected an increase in wholesale sales to multi-brand boutiques and department stores due to a pickup in demand from visitors to Japan. As evidenced by the COVID-19 pandemic, our sales channel strategy of sharing brand value between directly managed stores and wholesale partners and mutually enhancing each other's brand value curbs volatility in Companywide net sales when the market environment changes.

In fiscal 2022, we opened five new directly managed stores and closed 13. However, this reduction is in line with our strategy of raising the efficiency of each store by introducing larger stores with more floor space and by relocating to sales floors and locations that offer better retail conditions. We have received numerous inquiries about shop-in-shop development, and we intend to actively respond to them. In wholesale operations, we will expand franchise agreements with leading retailers.

Efforts to raise net sales from e-commerce (EC) are a key component of initiatives aimed at optimizing our sales structure. We are targeting an EC sales ratio KPI of 30%. Although the EC sales ratio declined due to the recovery of demand from visitors to Japan, the fact that EC saw double-digit growth in net sales year on year even as the number of customers visiting directly managed stores grew is a positive. Approximately 50% of EC customers make purchases in ways that use our EC services and directly managed stores in combination. Going forward, we will heighten the

Revised Medium-term Management Plan



sophistication of online-merge-offline tools so that our EC services provide a comparable customer experience to that of brick-and-mortar stores. We believe this initiative will create synergistic benefits and thereby improve our profit margin. Under the medium-term management plan, the key to our sales strategy is to improve our performance in relation to all KPIs of the aforementioned sales channels in a well-balanced manner.

A focus on inventory flow is at the core of the in-store digestion-based product supply business model. To avoid the pitfall of individual optimization whereby each in-house department only pursues its own KPIs, rigorous improvement of operations has been set out as a common goal for the entire Company. Under the supervision of the Order Flow Meeting, which includes members of the senior management team, we promote inventory flow in the entire operational process by setting a total volume limit for orders, managing inventory flow on a weekly basis, and moving products between stores to improve consumption rates during certain periods. In these ways, we correct seasonal disparities while keeping inventory at a consistently low level. Although difficult to see from outside the Company, these operational capabilities for ensuring that products sell out serve to improve the inventory turnover ratio, which

also contributes to our high level of ROE.

We have been able to control inventory and keep it within target levels despite revenue growth that surpassed expectations. For example, in fiscal 2022 the inventory balance was ¥14.6 billion, while the inventory turnover ratio was 1.53 months. Also, the sales loss rate remained stable at 1.5% for the fiscal year and achieved the target of 2.0% set in the medium-term management plan. Both the return rate and the discount rate remained stable at the low levels of 1.2% and 0.3%, respectively. Thus, we met our targets with respect to all KPIs aimed at promoting high-level ROE management. From the viewpoint of shareholders, ROE is a KPI for evaluating corporate profitability. As KPIs are also important for the early detection of business risks, we will continue to rigorously manage ROE. At the same time, we must pursue not only efficiency but also long-term growth and improved competitiveness. By achieving a high level of ROE, we will obtain cash on hand, which we will use in a balanced manner for the provision of further shareholder returns and for reinvestment that is based on a long-term perspective.

Cash Allocation

At the time of the medium-term

management plan's formulation, we estimated operating cash flows of between ¥70.0 billion and ¥80.0 billion over the five-year period. However, now that the external environment has become clearer in the COVID-19 era, we expect operating cash flows to surpass our initial estimate. In addition, investments in growth fields, which were delayed, are becoming more concrete. Therefore, we are reviewing cash allocation based on a revised quantitative plan and reassessing our policy on shareholder returns. While the basic framework will remain largely unchanged, we expect to increase the scale of each investment.

The investment goals established by the medium-term management plan are research and development of new products, efforts to reduce environmental impacts, investment for business infrastructure development, development of a next-generation sports sector, and portfolio restructuring. In fiscal 2022, we actively invested based on these goals. The renewal of core systems and the expansion of logistics bases will enable us to maintain and improve operational precision even as sales grow further. Such renewal and expansion efforts will also prepare us for full-scale overseas expansion in the future. A new core system is scheduled to begin operating in fiscal 2024. Plans also call for revamping our EC website in fiscal 2023.

Based on a longer-term perspective, we established PLAY EARTH PARK Inc. in April 2023. We have established this company with the aim of advancing the PLAY EARTH PARK NATURING FOREST project, scheduled to open in 2026. By providing an area where people can come into contact with nature and have an authentic sports experience, our aim, as I mentioned earlier, is to expand the Performance business in a manner that produces sustained positive effects in our other businesses. Although we do not necessarily expect short-term returns from this initiative, we will certainly see returns in the long term in the form of an expanded outdoor market. In addition, beginning from fiscal 2023 we are placing emphasis on investments aimed at heightening the profile of our original Goldwin brand in the global market. At the same time, with our sights set on portfolio restructuring, we intend to explore the potential of new business fields through a corporate venture capital fund, GOLDWIN PLAY EARTH FUND. Start-up Spiber Inc. took eight years from discovery to commercialization in its development of new fabrics that are not derived from fossil fuels. Based on a similar lead time of approximately 10 years, we have earmarked ¥3.0 billion for discovering the seeds of innovations related to new materials, coexistence with nature, and regional environmental conservation.

Our basic policy for returning profits to shareholders is to strengthen our financial position and management base while continuing to pay stable dividends. In fiscal 2022, we paid an interim dividend of ¥25.00 per share and a year-end dividend of ¥85.00 per share, giving an annual dividend of ¥110.00 per share and marking 12 consecutive fiscal years of dividend increases. The dividend payout ratio was 23.6%, below the dividend payout ratio of 30.0% or more targeted in the medium-term management plan. This low level was attributable to the recording of profits that significantly exceeded our forecast at the beginning of fiscal 2022. However, while searching for investees that promise sustained growth, we will remain mindful of heightening the total return ratio through flexible acquisition of treasury stock in addition to the payment of dividends.

Advancement of ESG Management

We belong to the apparel industry, which is said to have a significant negative impact on society and the environment. The cost of environmentally friendly materials such as Brewed Protein™ remains high, making cost management challenging. However, we must use our creativity to overcome such challenges, thereby earning the continued support of customers for our brands, reducing environmental risks that could

affect our finances, and enabling sustained enhancement of our corporate value.

Symbolizing stock markets' rising expectations, price book-value ratios (PBRs) are increasing across the entire sports apparel industry in Japan. Our PBR was more than seven times as of the end of March 2023. If we assume that corporate value is the sum of value up to a PBR of one time, in other words, net assets, and value that is added by the market above a PBR of one time, the heightening of corporate value clearly must entail integrated strengthening of financial capital and non-financial capital, including such intangible assets as brands, operational capabilities, human capital, and relationships with business partners. Our belief in the inseparability of financial management and ESG management is the reason why I am in charge of both.

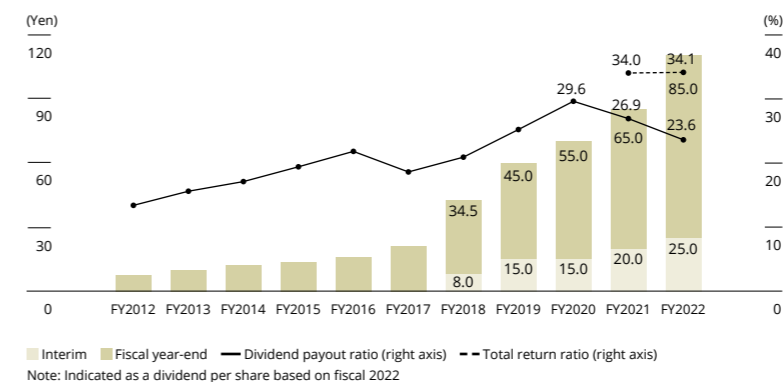
GOLDWIN conducts top-down ESG management. Progress toward the non-financial targets set forth in our long-term vision PLAY EARTH 2030 is monitored by the ESG Management Committee, which is chaired by the president. With regard to climate change countermeasures and fashion loss reduction, we are promoting initiatives throughout the supply chain by sharing targets and timelines with suppliers with whom we have been collaborating for many years. To strengthen supply chain management, we have established a task force, which has begun promoting sustainability in the supply chain through such measures as the visualization of environmental impact. As for human resources, we recognize that further enabling the active participation of women in management is an issue we must address. Accordingly, we will accelerate our efforts in this regard through the Human Capital Management Task Force, launched in April 2023. For more details on our initiatives, please see pages 58 to 67 of this integrated report.

Going forward, I will fulfill my responsibilities by continuing to seek sustained enhancement of corporate value through integrated management of financial and non-financial strategies.

Promotion of High-level ROE Management

		Improvement drivers	KPIs	Status of progress	Policies
Expansion of sales	1	Improvement in self-managed sales ratio	Self-managed sales ratio	58%	Target a self-managed sales ratio of 60% in the final year of the medium-term management plan
	2	Improvement in EC sales ratio	EC sales ratio	12.9%	Target an EC sales ratio of 30% in the final year of the medium-term management plan
Improvement in sales efficiency	3	Inventory balance control	Control of Inventory balance	¥14.6 billion	Control order volume and ensure liquid inventory on a seasonal basis
	4	Decrease in sales loss rate	Sales loss rate	1.5%	Aim to maintain the 2% level for the full year during the medium-term management plan
	5	Cost control	SG&A expenses to sales ratio	33.1%	Maintain the 30% level while continuing to invest in growth
Optimization of capital structure	6	Control of interest-bearing debt	D/E ratio	0.03	Aim to maintain 0.3 times or less

Changes in shareholder returns and dividend payout ratio



Note: Indicated as a dividend per share based on fiscal 2022

ESG DIALOGUE

Enhancing Our ESG Management

At GOLDWIN, we are working to achieve sustainable business and promoting ESG management to help solve a range of environmental and social issues through our business activities as well as to accomplish our long-term vision PLAY EARTH 2030. Three officers in charge of putting these efforts into practice gathered to discuss the status of initiatives, current challenges, and future direction, with particular attention to the themes that the Company is focusing on: the environment, supply chain management, human capital, and an inclusive society.

Kenichi Hosono (left)
Human Resources Manager
General Administration Headquarters

Tetsuya Nakadachi (center)
Quality Assurance Manager
Sourcing Headquarters

Tomokazu Ikegami (right)
ESG Management Department Manager
General Administration Headquarters



01 Setting non-financial targets and promoting Companywide ESG management

— *To begin with, please tell us about GOLDWIN's ESG management promotion framework.*

Ikegami: At GOLDWIN, we promote sustainability and ESG management through the ESG Management Committee, which is chaired by the president. To deepen our awareness of the negative impact the apparel industry has on the environment, we have set non-financial numerical targets in our long-term vision PLAY EARTH 2030. This committee has its administrative office in the ESG Management Department and the General Affairs Department, with participation by officers from the Business Headquarters, the Goldwin Brand Business Headquarters, the Research and Development Headquarters, the Sales Headquarters, the Sourcing Headquarters, the Corporate Planning Headquarters, and the General Administration Headquarters as well as presidents from each Group company. **Hosono:** The committee convenes four times a year, and I think one of the Company's strengths is that, in addition to presenters and executives, everyone in general manager positions and above participates online. Following committee meetings, department managers share what was discussed within their departments to encourage understanding among other employees.

— *To what extent has ESG management been integrated into the Company?*

Hosono: I feel environmental awareness is gradually increasing across departments, probably as a result of our efforts to be more environmentally friendly through steps such as banning the use of plastic bottles at all of our offices since 2020. That said, I think what is most important is the firm commitment the president has shown to improving the global environment, and his message is clear and strong.

Ikegami: Because initiatives have been accelerated under a strong top-down approach, there may still be a difference in awareness between frontline employees on the one hand and department managers and above on the other, who have more opportunities to engage with the mindset at the top. We need to further strengthen awareness within the Company so that all employees can make choices in their work that are mindful of the environment and sustainability. **Nakadachi:** Another challenge I think we have is that while the Company as a whole has led the industry in progressing environmental initiatives, it is still lacking in many areas in terms of implementing social and governance initiatives. Naturally, all three are crucial, but the only non-financial numerical targets we have set relate to the environment.

Ikegami: That's exactly right. In the future, it will be essential to set concrete social and governance targets. In 2023, I had the opportunity to hold ESG study sessions at our regional facilities. When I spoke to employees directly, they responded well, and it was an opportunity to encourage them to think about sustainability as it applied to their own work. As the department in charge of ESG management, we are currently planning a caravan campaign to hold such study sessions in all locations.

02 Contributing to a sustainable global environment based on three key environmental issues

— *Please explain the strategies behind the three environmental goals and the Company's progress toward achieving them.*

Ikegami: The three environmental issues set forth in our long-term vision are "promotion of green design," "realization of a carbon-free society," and "realization of a circular society." In taking on the first issue, "promotion of green design," we have focused on improving environmental sustainability, providing users with products that can be used safely and reliably over the long term,

and shifting to materials with reduced environmental impact. In fiscal 2022, 57.9% of our products Groupwide used materials with reduced environmental impact.

Nakadachi: The focus was previously on outdoor brands such as THE NORTH FACE, but in recent years our athletic brands and business subsidiaries have also accelerated the shift to materials with reduced environmental impact. The adoption of Brewed Protein™ is also progressing steadily, with the start-up of mass production.

Ikegami: Our target for fiscal 2030 is to use materials with reduced environmental impact in more than 90% of our products, and of that 90% we aim for products using Brewed Protein™ to account for 10%. The entire Group will focus even more on expanding the use of these materials with reduced environmental impact, in which our business is directly active. In addressing the second environmental issue, "realization of a carbon-free society," we are working to reduce CO₂ emissions at our domestic business sites in response to the urgent issue of global warming. In fiscal 2022, we continued to switch over to new power sources for air-conditioning equipment, and we achieved 97% renewable energy usage.

Hosono: It is an unignorable fact that the apparel industry has the second highest CO₂ emissions of all industries. We are promoting the introduction of green energy at our approximately 160 directly managed stores, and we are considering requesting non-fossil certificate-based green energy usage at stores that cannot convert their own electricity, such as tenant stores at shopping centers.

Ikegami: Our efforts to tackle the third issue, "realization of a circular society," are aimed at using recyclable raw materials, creating a system for the reuse of well-used apparel that is no longer needed, and achieving zero fashion loss by eliminating waste. Based on GOLDWIN's in-store digestion-based product supply business model, we have implemented rigorous inventory management to reduce the sales loss rate and expanded the reuse of leftover fabric.* In fiscal 2022, we achieved a 51.1% reduction in the volume of product and material waste compared with fiscal 2020.

* Fabric that is in excess or leftover during the apparel manufacturing process

Enhancing Our ESG Management

Nakadachi: We have also commenced measures to avoid as much as possible the disposal of leftover fabric and to donate fabric to fashion vocational schools. In the design of products in the future, I believe it is essential to factor in the ease of recycling. **Ikegami:** However, rolling out these products inevitably comes at a cost. We recognize that it is extremely important to encourage the market to choose environmentally friendly products and to promote a shift in user awareness.



03
Addressing issues related to the environment and human rights throughout the supply chain

— *Going forward, the Company aims to achieve carbon neutrality and zero waste throughout its supply chain. Please also tell us about the current status of and challenges in supply chain management.*

Ikegami: The achievement of our environmental targets requires the implementation of initiatives throughout the supply chain. Approximately 90% of GOLDWIN's CO₂ emissions are Scope 3 (indirect emissions from sources other than the Company). To promote initiatives that involve the supply chain, in fiscal 2022 we established a supply chain management (SCM) task force as a Companywide organization in which divisions collaborate to tackle common issues. **Nakadachi:** Regarding the supply chain, the Quality Assurance Department has

spearheaded our efforts to confirm the status of corporate social responsibility (CSR) promotion at our suppliers. The recently established SCM task force has been updating its CSR content over the course of about a year, incorporating assessments of suppliers' environmental measures and human rights risks based on our existing CSR-based procurement framework. Ultimately, we completed a review of the Code of Conduct for GOLDWIN Suppliers, revised document-based audit items, and identified important suppliers.

Ikegami: The updated program will come into actual effect in fiscal 2023. While we are making such progress, it is by no means easy to gain the understanding and cooperation of suppliers, each of which has their own unique circumstances. Furthermore, in supply chain management, not only the environment but also human rights have become an extremely important focus.

Nakadachi: I agree. The GOLDWIN Group has relationships with approximately 150 sewing factories in Japan, and about half of them employ non-Japanese technical interns. To get a grasp of actual conditions, we have been conducting a survey for the past two years and have maintained dialogue with each factory. As a practical matter, efforts to protect the environment and human rights often place a financial burden on suppliers, and such issues cannot be resolved merely by unilateral demands from GOLDWIN.

Hosono: It's safe to say, that is really the most challenging point. Our only option is to have patient discussions, cooperate when and where we can, and steadily seek the understanding of our suppliers. As the awareness of CSR procurement increases worldwide, I believe that this greater awareness can indirectly help suppliers safeguard their own competitiveness.

04
Aiming for more strategic human capital management

— *How do you feel about GOLDWIN's workplace culture?*

Hosono: Currently, more than 70% of our

employees are mid-career hires, and I think we have an accommodating atmosphere that makes it easy for people who come from outside the Company to fit in. It may be at least partly due to our president's constant emphasis on the importance of eliminating boundaries between work and play, but I feel that a great many of our employees are enthusiastic about their hobbies or athletic activities as well as their work.

Ikegami: In addition to appreciating our employees' passion for their work, I think this is a company that is also keenly aware of the need to care for people and value them. The brands GOLDWIN markets are endorsed by a wide range of people, from teenagers to people in their 80s, and unless we accept and reflect diverse opinions, we will not be able to meet user expectations. Such an environment will likely encourage people to speak their minds regardless of their position.

— *How do you perceive human capital management and how do you engage in it?*

Hosono: Human resources are our most important capital, and the maximization of our human capital is the mission of the Human Resources Department. As we move forward with overseas expansion and other initiatives such as the GOLDWIN PLAY EARTH PARK Business Concept project to achieve our long-term vision, it is vital that we clarify what the Company is lacking and then strategically acquire human resources and place them in the appropriate positions so as to reinforce the areas where they are needed. We are sharing information with regard to which departments need what kinds of human resources and have commenced collaborative efforts.

Ikegami: The Companywide SCM task force is already in place. Using the establishment of this task force as a precedent, in September 2023 we formed a task force for human capital management, and accordingly we have been promoting discussions across departments. Beginning with discussions among members of teams from Human Resources Department, Corporate Planning

Department, General Affairs Department, and ESG Management Department, we plan to incorporate opinions from a wider range of departments in the future.

Hosono: Regarding our human resource system, we transitioned to one based on clearly defined jobs in fiscal 2022, thereby creating a structure to reward highly skilled and high-achieving employees regardless of their age or employment history. As this is a completely new human resource system for the Company, it will take time to explain the system to our employees and to get them to embrace it, but we hope to deepen the understanding of our employees by listening to their individual opinions. In October 2023, we conducted our first large-scale employee engagement survey. Based on the feedback we received through this survey, we will identify issues and develop specific measures.

Nakadachi: Under the new human resource system, supervisors who make evaluations will be required to monitor their subordinates more closely than ever before. We have introduced new rules, such as conducting quarterly, one-on-one interviews with employees rather than the semi-annual interviews we have done up till now, and as a result the workplace environment is becoming more focused on internal communication.

Hosono: There are many other issues related to human resources that we must address, but I personally believe that human resource development and the promotion of diversity are especially high priorities for the Company. In particular, the active participation of women in the workforce has become an urgent task, and while



the government's goal is to have women make up at least 30% of management positions by 2030, our current ratio is only 6.2%, which leaves us a lot of catching up to do. In my view, it is not just a matter of simply increasing the number of employees; rather, we must comprehensively review our human resource system and make it easier for a diverse range of employees to perform their work.

05
Working toward an inclusive society that fosters mutual understanding and support for diverse groups of people

— *How is GOLDWIN working to realize an inclusive society?*

Ikegami: GOLDWIN has accumulated a wide range of technology and experience over many years as a sportswear manufacturer, and its main goal is to help make the world a better place through sports. As part of that endeavor, we have been particularly active in supporting para-sports. We will continue to encourage participants, audiences, and supporters of sports so that everyone, regardless of physical ability, has the opportunity to enjoy sports. Our ultimate goal, through these efforts, is to help create an inclusive society where everyone can lead healthy lives.

Hosono: One of our efforts was to sign an official partner agreement with the Japanese Para-Sports Association in 2015 and support the Paralympic Games in Tokyo in 2021. We lent our support to athletes behind the scenes by signing contracts with various sports organizations and providing them with sportswear from the brand lines that we design and produce. **Ikegami:** Meanwhile, we continue to hold activities aimed at raising the awareness of the fun of para-sports among elementary and junior high school children and deepening their understanding of an inclusive society. Paralympic swimmer Takayuki Suzuki belongs to my division, and he is a leader in these activities.

Nakadachi: Previously, Mr. Suzuki participated in product development and



marketed SPEEDO brand bags designed to be easy to use by people who use wheelchairs, which were well received by users. Going forward, it might be interesting to create more products with universal design to appeal to a wider range of people, rather than merely providing sportswear for para-athletes. I feel there are a lot of such opportunities worth considering.

Hosono: In terms of what the Human Resources Department can do to contribute to an inclusive society, recruiting is where we should focus our efforts. Although there are still many issues to be addressed as things stand, it is essential for the future to create workplace environments, including our head office and stores, and systems that are accepting of people with disabilities so that they can make the most of their abilities.

Nakadachi: The term "inclusive society" has a broad meaning, but it comes down to an environment in which not only people with disabilities but also all the diverse people who live in the same space can be considerate of each other and live equally. Given the wide-ranging nature of the issue, that is no easy task, but we would like to expand activities that leverage GOLDWIN's unique characteristics to tackle the task.

Ikegami: Since sports is GOLDWIN's calling, I think that our "SPORTS FIRST" point of origin is vital for promoting sustainability of all kinds. To achieve our mission "to realize a fulfilling and healthy lifestyle through sports," we aim to intensify our ESG management through initiatives unique to GOLDWIN while deepening collaboration both inside and outside the Company.

The Environment

Objective The apparel industry is associated with causing a substantial burden on the environment, and building systems for society to coexist with nature is an urgent industry issue. Furthermore, activities in the sports and outdoor fields, which are the core of our business, cannot be disengaged from environmental problems. GOLDWIN aims to realize a sustainable global environment and social structure through business activities that reduce environmental impact by using minimal amounts of resources and energy.


Action plan As part of our long-term vision PLAY EARTH 2030, we have set “promotion of green design,” “realization of a carbon-free society,” and “realization of a circular society” as key environmental issues to improve the global environment, and we have adopted medium- and long-term targets accordingly and are taking concrete measures to reduce our environmental impact.

In fiscal 2022, we made substantial progress in addressing each of these issues while strengthening internal systems and taking measures with our suppliers to achieve our medium- and long-term targets.

	FY2022 (result)	FY2023 (plan)	FY2025 (target)	FY2030 (target)	FY2050 (target)
Promoting initiatives with suppliers and consumers along with our own activities					
Promotion of green design ⇒ Shift to materials with reduced environmental impact	57.9% <small>(Initial plan: 30%)</small>	60.0% <small>(Initial plan: 35%)</small>	Percentage of products using materials with reduced environmental impact 60% or more	Percentage of products using materials with reduced environmental impact 90% or more	Percentage of products using materials with reduced environmental impact 100% or more
Realization of a carbon-free society ⇒ Carbon neutrality	CO ₂ emissions 172 t-CO₂ <small>(86.7% reduction compared with FY2020)</small>	CO ₂ emissions 160 t-CO₂ <small>(87.6% reduction compared with FY2020)</small>	Carbon neutrality at all domestic offices	Carbon neutrality at all offices and directly managed stores	Carbon neutrality across the supply chain
Realization of a circular society ⇒ Zero fashion loss	Volume of product and material waste 14.2 t <small>(51.1% reduction compared with FY2020)</small>	Volume of product and material waste 11.6 t <small>(60.0% reduction compared with FY2020)</small>	Product and material disposal 80% or more <small>(compared with FY2020)</small>	Product and material disposal Zero	Disposal including supply chain Zero

Issues to be addressed We will continue to focus on three key environmental issues. Our goal for 2050 is not only to reduce the environmental impact of our business activities but also to transform the entire supply chain into a sustainable social structure with a low environmental impact. To that end, we will continue to implement our own activities as well as collaborate with suppliers and promote initiatives through industry collaboration.

For more information on the GOLDWIN Group's environmental activities, please visit the GOLDWIN website.
<https://corp.goldwin.co.jp/eng/sustainability/environment>



GREEN BATON Sustainable Label: Our First Resale Business to Recycle Children's Clothes

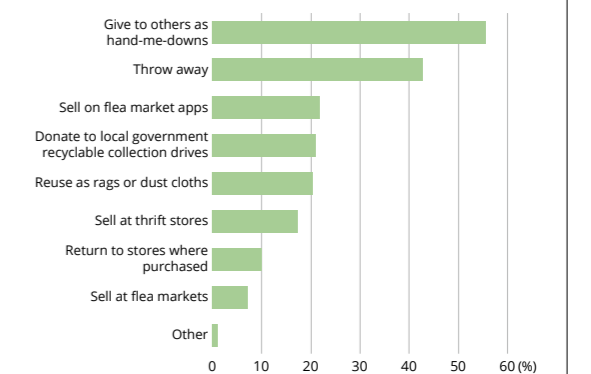
In July 2022, we launched a resale business—under the sustainable label GREEN BATON—aimed at reducing apparel waste and achieving zero fashion loss. At 53 directly managed stores throughout Japan, we buy back children's items of our Goldwin, THE NORTH FACE, and HELLY HANSEN brands, giving customers member points, which can be used at the stores.

Children generally tend to outgrow their clothing about every two years. We conducted a survey of approximately 1,200 men and women in their 20s to 50s to find out what people do with outgrown children's clothes. The most common responses were “Give to others as hand-me-downs,” followed by “Throw away.”

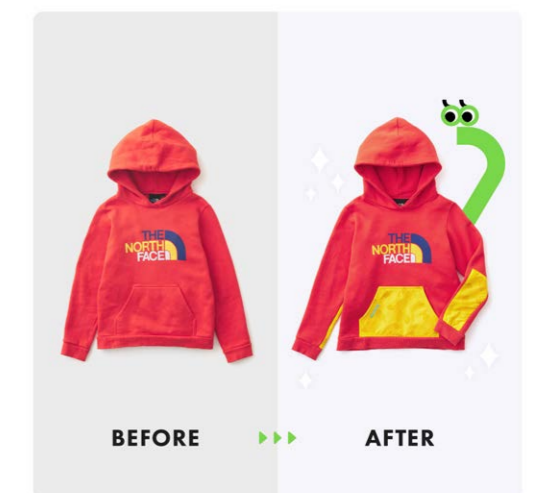
In light of these survey results, we commenced a resale business to reduce the amount of discarded clothing that ends up as waste and to add new value to it for resale. The project aims to extend the lifespan of products, build deep and long-lasting connections with customers, and help achieve zero fashion loss, which is part of our efforts to realize a circular society.

With the catchphrase “From hand to hand. Let's connect for the future,” GREEN BATON is an initiative to take products purchased from our customers and recycle them for sale as new products under the GREEN BATON label. We do this in three main ways. Some items are custom repaired, using patch fabric or embroidered patches. Other items undergo upcycling, by which reusable parts are collected for reuse as new products, while others are recycled for use as raw materials. The resale products are decorated with baton-inspired green handles and names, making them one-of-a-kind merchandise with new added value.

What do people do with outgrown children's clothing items?



Note: Based on GOLDWIN's own survey (roughly 1,200 responses)




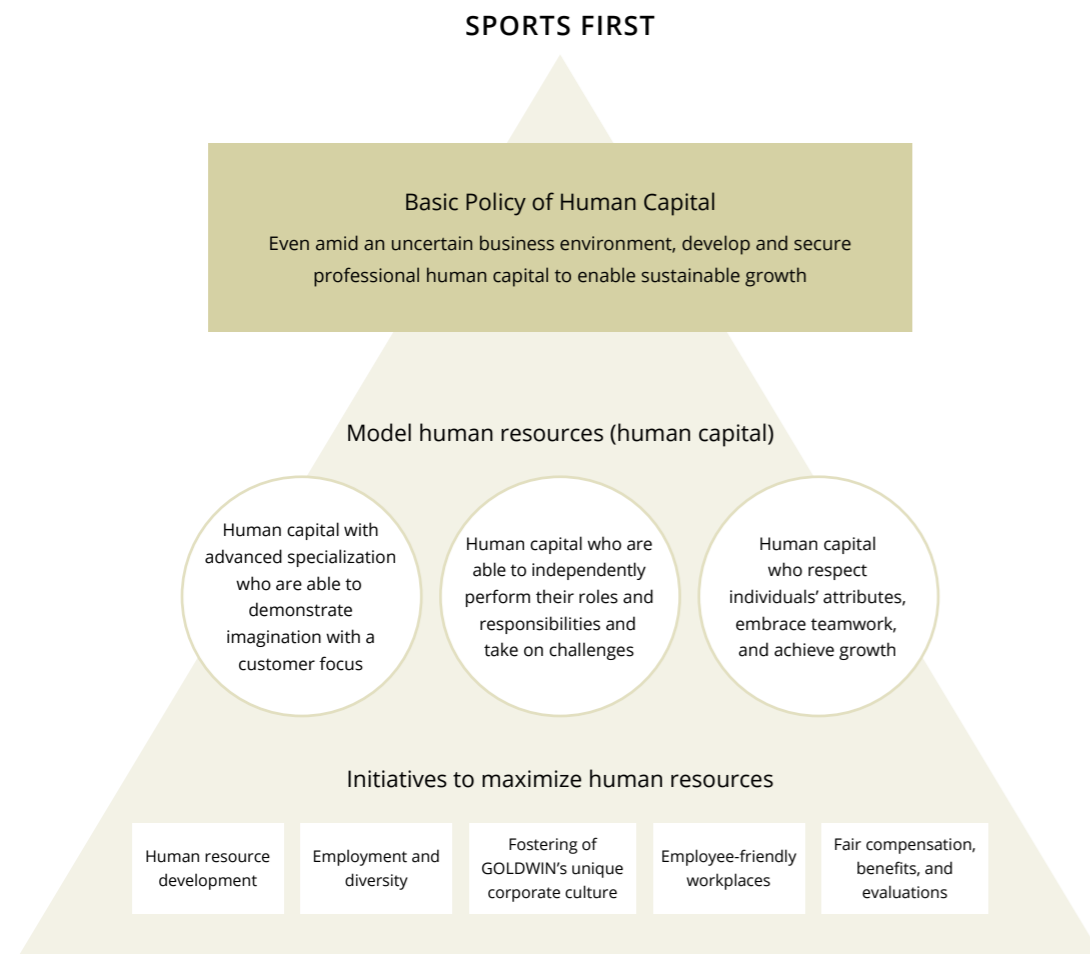
Maximizing Human Capital

Objective All employees who work at GOLDWIN believe in the tagline “SPORTS FIRST”—we love sports, believe in the power of sports, and share the desire to deliver the appeal of sports to as many people as possible. Our corporate value is achieved through our employees realizing “SPORTS FIRST,” and that is why aiming to maximize human capital is one of our highest-priority management issues.

Action plan Even amid drastic social change and a challenging management environment, our Basic Policy of Human Capital aimed at achieving sustainable growth sets forth that, even when business conditions are uncertain, we will develop and secure professional human capital to allow us to achieve sustainable growth. Furthermore, to maximize human capital, we have organized our efforts into five initiatives—“fostering of GOLDWIN’s unique corporate culture,” “employment and diversity,” “employee-friendly workplaces,” “human resource development,” and “fair compensation, benefits, and evaluations”—and the Human Resources Department takes the lead in implementing these initiatives.

Issues to be addressed GOLDWIN will continue to implement various measures in accordance with its Basic Policy of Human Capital. With the implementation of our new human resource system that we launched in fiscal 2022, we will continue to focus on ensuring a smooth transition to the system and promoting understanding among employees. Aiming to improve productivity through the new system, we will undertake overall system reform as well as conduct employee satisfaction surveys to revitalize our organization. We also aim to maximize human capital by developing global human resources and promoting diversity based on our management policy.

For more information on the GOLDWIN Group’s maximization of human capital, please visit the GOLDWIN website.
<https://corp.goldwin.co.jp/eng/sustainability/employee>

TOPIC Woman’s Chat Meeting

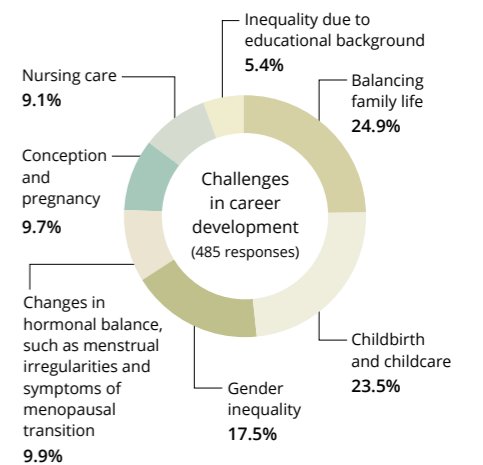
GOLDWIN’s “SPORTS FIRST” philosophy is achieved when our employees’ passion and love of sports are connected to our products and services. Women’s ideas and values are also key to this, and we are focusing in particular on women’s advancement in the workplace as part of our push to create a company atmosphere and conditions that allow all employees to fully unleash their potential. To promote the active participation of women, we recognize the issue of gender disparity in aspirations for higher-level positions. In addition, to raise the ratio of women in management positions, we have set a high-priority goal of actively promoting women to leadership, area manager, and store manager positions, which are candidate roles for upper management. Furthermore, to create an employee-friendly work environment, we are promoting flexible work-styles that allow employees to return to work full-time after taking childcare leave.

To increase the number of women in management positions, since 2021 we have been holding a workshop called Women’s Chat Meeting to understand current issues and address them in the future. At our first workshop, 20 female GOLDWIN managers participated online. First, the Human Resources Department explained the background and philosophy behind promoting women’s empowerment and shared the results of a survey that had been completed by workshop participants in advance. We then conducted team discussions to focus on the two themes of “How it feels to be a manager” and “What I think is necessary to make GOLDWIN a company that is more friendly to female managers,” and the participants actively exchanged opinions.

At the fiscal 2022 workshop, we welcomed GOLDWIN external directors Yuko Moriguchi and Rie Akiyama to discuss women’s lifestyles and offer their thoughts on work, balancing work and childcare, and the significance of women working in society. We also shared the results of a survey conducted in advance and asked for the two executives’ opinions on job satisfaction, issues in career development, worries and concerns, and other such topics. On the day of the event, 207 people participated, including online participants, and many male employees were among those. We will continue to hold training and seminars for female employees to support them in their career development.



Woman’s Chat Meeting



Supply Chain Management

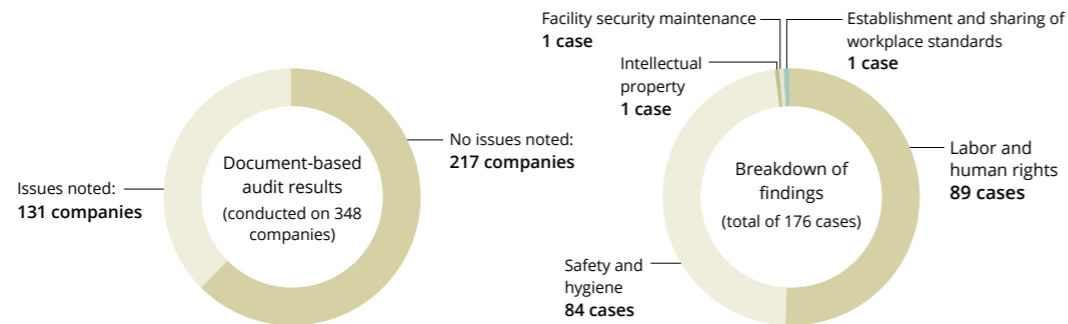
Objective As the supply chain expands around the world, striving to realize a sustainable society throughout it, beyond the scope of a company's own group, is an important social responsibility. At the GOLDWIN Group, we conduct sustainable and responsible procurement activities that take into account the environment, society, and human rights, with high ethical standards based on the principle of a mutually prosperous coexistence with our suppliers.

Action plan We maintain continuous communications with our domestic and overseas suppliers and ask for their understanding and cooperation in the implementation of our policies.

When commencing business with new suppliers, we confirm that they meet our standards, including the GOLDWIN Group Supplier Code of Conduct and the GOLDWIN Restricted Substances Management Regulations. In addition, to build healthy relationships within the supply chain, improve product quality, and strengthen initiatives for human rights, the environment, and safety, we require suppliers to cooperate with a combination of document-based and on-site audits as well as to make continuous improvements. Furthermore, we broadly share our principles for promoting sustainability through business activities with our suppliers and focus on communication with suppliers through such means as supplier summits and business partner briefings to build a cooperative framework based on mutual trust.



Activity-based interaction with suppliers (supplier summits)



Issues to be addressed The Group will continue to deepen cooperation with its suppliers and fulfill its social responsibilities throughout the supply chain.

In fiscal 2023, we will work to disseminate our newly formulated CSR-based procurement policy both internally and externally and promote responsible procurement activities. Also, in line with revisions to the GOLDWIN Group Supplier Code of Conduct and the review of document-based audit items, we will provide detailed explanations to our suppliers, gain their understanding and cooperation, and work to build a highly transparent supply chain.

For more information on the GOLDWIN Group's supply chain management, please visit the GOLDWIN website.
<https://corp.goldwin.co.jp/eng/sustainability/scm>

An Inclusive Society through Sports

Objective At the GOLDWIN Group, we aim to realize a world in which people's differences are accepted, including attributes of gender, nationality, social status, and physical ability or disability, and in which everyone can lead their life as they see fit and is respected as a member of their community. Based on the engineering capabilities and experience we have built up as a sports apparel manufacturer, we are making contributions through sports, aiming to have these principles of an inclusive society become widely understood.

Action plan Since April 2015, we have been an official partner of the Japanese Para-Sports Association, and we continue to support the creation of an environment where all people can participate in and enjoy sports. We also have signed direct contracts with various para-sports leagues and provide Japanese national teams with sportswear from the brand lines designed and produced by GOLDWIN.

In fiscal 2022, the Japanese national teams of the leagues for which we provide uniforms competed extremely well. The uniforms we supply are designed based on requests from athletes obtained through repeated interviews and fitting tests, and in this way we offer behind-the-scenes support for athletes.



Support for the Japanese national wheelchair rugby team



Japanese national para-swimming team member Takayuki Suzuki (GOLDWIN employee)



Provision of uniforms for the Japanese national boccia team (Hinotama Japan)



JAPAN Para-Ski Federation: Support for the Japanese national teams (Alpine skiing, Nordic skiing, and snowboarding)



Issues to be addressed We will continue to work toward realizing an inclusive society by contributing through sports. With "SPORTS FIRST" as our tagline, we prioritize sports, love sports, play sports, and believe in the power of sports, and we work to enrich people's lives and develop a healthy society by supporting sports and contributing to local communities.

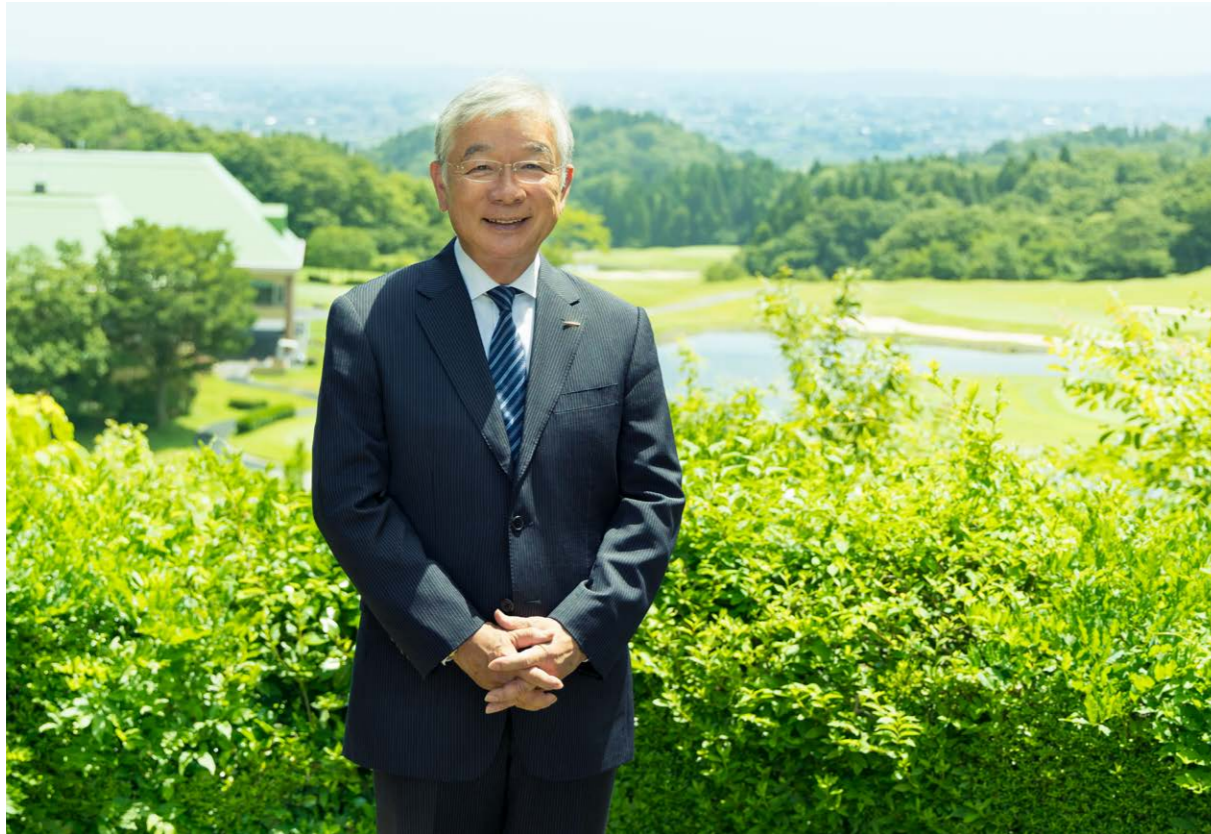
For more information on the GOLDWIN Group's efforts to realize an inclusive society through sports, please visit the GOLDWIN website.
<https://corp.goldwin.co.jp/eng/sustainability/inclusivesociety>

A large, leafy tree in a grassy field with two wooden chairs in the foreground. The tree is the central focus, with its thick trunk and dense canopy of green leaves. The chairs are positioned in the lower right foreground, facing away from the viewer towards the tree. The background is filled with more trees and foliage, creating a lush, natural setting.

GOVERNANCE

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Message from the Chairman



We believe that passing down our founding spirit to the next generation of management and employees is essential to strengthening governance, and we will remain committed to sustainably increasing our corporate value.

Akio Nishida
Chairman and Representative Director

Our Founder Who Pushed Forward with the Driving Spirit of “If I Don’t Do It, Who Will?”

GOLDWIN's predecessor, Tsuzawa Knit Fabric Manufacturer, was founded in the town of Tsuzawa in the district of Nishi-Tonami (present-day Oyabe City), a rich grain-producing region in Toyama Prefecture that is nurtured by the Oyabe River, which flows through the prefecture. From my childhood, I witnessed firsthand our founder Tosaku Nishida pursue his ideal of “bringing people greater fulfillment through sports.” In the midst of Japan's recovery from World War II, he sensed the potential of sports to encourage people and to spread as a culture. Guided by his intuition, he transformed the Company from a textile manufacturer to a specialized sportswear manufacturer. Having a long-held belief in the potential of sports at the time of the 1964 Tokyo Olympic Games, he proceeded to establish multiple brands for the Japanese market,

concluding licensing agreements with high-end overseas brands in order to contend with leading competitors. By addressing the increasingly diverse needs of customers, he promoted the Company's brands and expanded GOLDWIN's business domain from the traditional sports apparel market to the sports and lifestyle apparel market. As outdoor activities, in particular, became a part of many people's daily lives, he played a leading role in promoting outdoor activities to men and women of all ages. In my eyes, our founder had the drive of a locomotive engine as he overcame numerous difficulties while sharing a sense of responsibility with his employees through his constant saying of the words “If I don't do it, who will?”

Shifting to a Business Model Based on In-store Digestion-based Product Supply

I succeeded our founder in 2000, taking over as president at a time when we had just recorded a loss from liquidating diversified businesses and the Company was on the brink of collapse due to sluggish demand that had dragged on through the 1990s. We were forced to restructure our workforce, and I remember walking slowly to the office each day with heavy steps, which reflected my true state of mind at the time. However, knowing that I could not give up, I pulled myself together and reminded myself that it was my duty to keep the Company going. To begin with, I set about strengthening our brand power, financial base, and product development capabilities and declared our principle of “strong, fast and transparent management,” which incorporates our determination to respond quickly to market and customer needs and conduct highly transparent management. The main reason behind our management crisis was the fact that we had been following short-lived trends, such as the ski boom of the 1990s, and had devoted our time and effort to homogeneous competition with rival companies. When the ski boom ended, what remained as a result was a considerable amount of excess inventory, and I saw a number of companies leave the market as a consequence. At the time, we had focused on only our competitors and not our

customers. To address these issues, we proceeded to transition from our previous wholesale business model to a business model based on actual demand, under which we sought to accurately identify consumer needs, ensure thorough management of order flow, and strictly manage procurement volumes through the activities of self-managed businesses, such as directly managed stores. Although my decision to overturn business practices caused some backlash both internally and externally, the fact that our founder did not question the changes I had made was one of the few pleasant memories I have of that time. After repeated trial and error and patiently requesting employees to change their mindset and behavior, we established the in-store digestion-based product supply business model over a period of about 10 years and began to see tangible results in terms of the sales loss rate and inventory reduction. The Company resumed dividend payments thereafter in 2011. We received words of encouragement from our shareholders, financial institutions, and business partners alike even when the rewards to shareholders were Company products instead of dividends. I still get emotional whenever I recall the words of congratulations we received from shareholders upon the resumption of dividend payments. In order to meet the expectations of the people who have supported us over the years, we continue to refine our in-store digestion-based product supply business model. As a result, our employees have come to take it upon themselves to improve the sales loss rate, which has become the foundation of our competitiveness, lowering it to the 1% level from our initial 20%. Unless we act with a sense of urgency, I believe all we have achieved over the past 20 years could be for nothing if we are content with the status quo. With this sense of urgency, I will continue to develop a business model that is tailored to meeting the needs of the market.

Striving for Sustainability That Is Unique to GOLDWIN

Ise-Jingu Shrine in Ise City, Mie Prefecture, is surrounded by the sacred Jingu Forest, which has

remained unchanged for more than 2,000 years. Whereas trees and people do not live forever, the Ise Shrine is eternal, rebuilt with trees from its own sacred forest once every 20 years. The Ise Shrine has coexisted with nature, respecting its cycle of life and sustainable ways. My belief is to respect not only the spirituality of Ise Shrine but also the values that have been passed on from our predecessors. The idea of sustainability, which has become a major part of companies and society in today's world, has been instilled in Japanese culture.

Around the world, there is a growing need to change from conventional capitalism, which pursues short-term profits, to stakeholder capitalism, in which a business is managed by balancing the interests of various stakeholders over the long term. This, however, is an approach that many Japanese companies, including GOLDWIN, have practiced inherently in their management. The fact that Japan has some of the oldest companies still operating today compared with other countries is a testament to that. We are not responding formally to global trends and external demands, such as the SDGs or ESG management, with quantitative targets, nor are we adopting completely new management methods. We have incorporated into our long-term vision PLAY EARTH 2030 the sustainable management practices and corporate philosophy we have pursued to date to promote ESG management, and we are proceeding with efforts to achieve the sustainability of both our business and the global environment.

As the chairman of the Board of Directors, I am focused on strengthening corporate governance. There are various external demands on governance as well. Because the majority of these demands are based on efficiency-focused management methods, even if we were to respond formally to all of them, that would not necessarily result in better management of Japanese businesses. Our basic approach is to adopt these management methods in a way that suits the Company, only when left to its judgment and it has been determined that such management methods will contribute to long-term improvements in corporate value. As for our external directors comprising experienced athletes and businessmen, we have received extensive insight into global corporate

management and corporate law directly impacting our business. We truly appreciate their valuable advice and criticism in helping formulate our current medium-term management plan. Our external directors have provided appropriate advice, monitoring, and supervision based on their understanding of the Company's business activities, which has been fostered through visits to our factories and investee companies.

In order to strengthen corporate governance, we must, above all else, ensure that our corporate philosophy and founding spirit are firmly passed down to future generations and that the Company's goals align with the ambitions of each employee. I firmly believe that is the foundation of GOLDWIN's unique sustainability.

Evolving and Preserving Our Founding Spirit

Kuni Asataka, who assumed the role of *daiguji* (chief priest) of Ise-jingu Shrine in July 2022, said at the time of his inauguration, "Traditions can be passed down for many years only by flexibly adapting to the needs of each generation, not by repeatedly taking the same course of action." This thinking, I believe, is something that applies to corporate management as well.

The words of our founder "If I don't do it, who will?" convey the importance of constantly maintaining a sense of urgency and ambitiously pursuing new domains that go beyond conventional frameworks. When it came to manufacturing, Tosaku Nishida always said "Everyone pays attention to what is right before their eyes. What sets a manufacturer apart is giving painstaking attention to what is not readily visible." This commitment to functionality in our product development, which begins with the materials used, is what has allowed GOLDWIN to differentiate itself to this day. This ongoing commitment to passing down our founding spirit has allowed us to thoroughly strengthen our existing businesses, which includes making continuous refinements to our in-store digestion-based product supply business model. Meanwhile, our founding spirit has also been the driving force of the Company's more than 70-year history, having flexibly ventured

externally to collaborate with companies that have completely different corporate cultures, such as in the development of Brewed Protein™, a structural protein material developed together with biotechnology start-up Spiber Inc.

In fiscal 2022, our consolidated net sales surpassed the ¥100.0 billion mark for the first time since our founding. On the back of our strong financial position and industry-leading profitability, our share price at the end of the fiscal year under review increased to more than ¥12,000, which is in marked contrast to our lowest share price of ¥63 recorded in 1999, since the Company listed on the Tokyo Stock Exchange. The larger a company becomes, the more it needs to straighten up in the eyes of society and the more socially responsible it must become. Also, as a result of restraining the employment of new graduates in the 2000s, and subsequently increasing mid-career hires who now account for more than 70% of our total hirings, an increasing number of employees are unaware of the difficult times we have faced in the past. Therefore, rather than being genuinely excited about the fact that our net sales exceeded ¥100.0 billion, I feel a strong sense of crisis about the situation.

Having fulfilled my role in distancing the Company from its label as "Nishida Tosaku's store" and transforming it into a resilient corporate group that has a great deal of autonomy, I passed on the management baton to President Watanabe in 2020. President Takao Watanabe is a person who truly embodies GOLDWIN's corporate culture; he points us in the right direction when it comes to resolving global environmental issues and other matters and constantly embraces new challenges through the involvement of our employees and business partners. I will continue to do my utmost to ensure that GOLDWIN's founding spirit and corporate culture are passed down to future generations in a way that is suited to the times, so that the Company will continue to achieve sustainable growth over the next 100 years and beyond.

Looking to the Future by Acknowledging the Contributions of Our Predecessors

Near our Toyama Head Office stands the

Remembrance Monument erected by the founder, Tosaku Nishida. The monument honors our predecessors who overcame many hardships and dedicated themselves to ensuring Goldwin's future growth. Following the founder's sentiments, we hold a memorial service in front of the monument attended by all members of senior management each year after the General Meeting of Shareholders. We take this opportunity to recount the business results to our predecessors in the same way as we do to our shareholders. We also offer a moment of silence to remember and acknowledge their past contributions to GOLDWIN, and ask for their guidance in navigating the future.

Carrying on the passion and relentless efforts of its founder and his desire to contribute to society through sports, GOLDWIN will steadily pursue its long-term vision. In this endeavor, we would appreciate the continued understanding and support of all of our stakeholders.

Akio Nishida

Chairman and Representative Director



A yearly visit to Ise-jingu Shrine with employees who have reached the ages of *yakudoshi* (unlucky year)

Messages from External Directors

GOLDWIN's four external directors shared with us their thoughts regarding the role of external directors, their evaluations of overall management and governance, and their expectations for the Company in order to achieve ongoing growth.

Yuko Moriguchi
External Director

I first became involved with GOLDWIN in the late 1980s when I was approached about providing advice regarding the production of ellese golf wear. Since I also hail from Toyama Prefecture, I think the Company and I have strong ties.

The motion of a golf swing may seem graceful at first glance, but when it comes to competitive golf, good performance cannot be achieved unless the golf wear is made from the right materials and has the functionality to accommodate even the most subtle movements during a swing. In addition, since golf can be played year-round, golf wear needs to be suitable for different temperatures, adaptable to changes in weather conditions, and both comfortable and fashionable. Back then, and I remember those days as if they were yesterday, I would get myself psyched up for a tournament by wearing innovative designs and Italian tricolor patterns. I feel that comfortable sportswear lends itself to safety and peace of mind and even boosts an athlete's motivation and purpose in life.

It is now 2023, so it has been eight years since I first became

an external director at GOLDWIN. Putting aside external and internal factors such as supply and demand dynamics, consumer psychology, sustainability for the next generation, workstyle reform, childcare leave for male employees, and the percentage of female employees in leadership and management positions, I am keenly aware of how difficult it is to run a company. Although I cannot offer expert business management advice, I try to put the lessons I have learned through golf to use as best I can. In addition, the varied experience I gained while enjoying golf and working with people in the business community has been a great asset.

GOLDWIN's improved business performance in recent years has been remarkable. The Company handles multiple brands, and it is impressive to see its endeavors to improve quality while taking advantage of its unique features and characteristics as well as its flexible mindset toward product development. That said, I clearly remember the General Meeting of Shareholders that followed when I was appointed.

Exclamations from shareholders were a mix of both support and concern for the Company: "Peach and chestnut trees take three years to bear fruit, and persimmon trees take eight. So we know it will take time for GOLDWIN's efforts to bear fruit, but when will we start to see results?" As someone who has played professional sports and lived life with the view that the outcome is everything, I took those words to be harsh but, nevertheless, filled with anticipation. In carrying out my duties, I admonish myself to never lose sight of the basics.



Rie Akiyama
External Director

This is my fifth year as an external director at GOLDWIN. For more than 20 years, I have worked as an attorney, primarily in the field of corporate law, so I pay particular attention to compliance and risk management. Lawyers, given their perspective, tend to focus on risk, but in recent years there has been a need to encourage appropriate risk-taking in corporate governance. Therefore, I make an effort to maintain a sense of balance by focusing not only on risk reduction but also on appropriate risk-taking.

I also believe that one of the roles of external directors is to supervise the Company's business execution from a shareholder perspective, so I make every effort to ensure that the business operating reports and agenda items for discussion at Board of Directors' meetings are reasonable and rational from the perspective of shareholders.

In my opinion, GOLDWIN's Board of Directors is able to enjoy an atmosphere in which directors and auditors are freely able to express their opinions. However, due to the large number of reports and agenda items to be discussed at Board of Directors' meetings, I sometimes feel there is not enough time for thorough discussion during the meetings. For this reason, in 2022, we decided to hold off-site meetings to allow more time for directors and auditors to discuss medium- to longer-term management issues. Although these meetings have proven to be highly meaningful because we are able to have frank discussions in a different environment than usual, I still feel as though we do not have sufficient time. Nonetheless, we are making progress in improving the way the Board of Directors operates.

The apparel industry is considered to have a really high environmental impact, and reducing the environmental footprint is an important issue for GOLDWIN as well. The Company is



working actively to reduce greenhouse gases and waste, to promote recycling and repair, and to encourage its customers to participate in such activities. Furthermore, it recently launched an initiative called PLAY EARTH PARK NATURING FOREST, which aims to provide the kind of unique activities that help children gain an appreciation for the earth through play and sports and to foster a spirit of future environmental protection. I believe that both GOLDWIN's management and employees carry out their work with a strong awareness of sustainability and the need for a circular society. I hope that initiatives such as these will be supported by GOLDWIN's customers and become a driving force for realizing a sustainable, circular society.

Ichiro Yoshimoto

External Director

Fiscal 2023 will mark the third year since I was appointed as an external director. During this time, GOLDWIN has rapidly developed its business and, at the same time, has taken steps to improve its corporate governance.

In fiscal 2022, GOLDWIN's net sales topped ¥100 billion for the first time, and the Company achieved its highest levels at each profit line item since its founding. Further, it has upwardly revised the targets for the final year of the five-year medium-term management plan and strengthened its financial structure. The Company also continues to improve its corporate governance, including by enhancing its business management organization and internal control systems, responding to the needs of society, and solidifying its foundation for future growth.

Thus, the past two years have marked smooth progress; however, considering GOLDWIN's potential and social mission, this is only the first step toward the next era. This is a consciousness shared by all Board members, and we have begun open discussions in a variety of ways, including off-site

meetings, regarding our business vision for future growth and GOLDWIN's future raison d'être.

The Company's mission "to realize a fulfilling and healthy lifestyle through sports" is unwavering, but amid anticipated changes in the business environment, GOLDWIN must remain true to this mission and continuously improve its corporate value while responding to the needs of society. To that end, management must also remain aware of the need for ongoing self-reinvention. The first thing to do is to promptly articulate the Company's vision for the near future, share it with all employees, and have the courage to proceed with the necessary investments and innovations.

On the other hand, it is equally important for the Board of Directors to effectively delegate authority to the business execution side while maintaining its supervisory functions and to create an environment in which management can make bold decisions more quickly. This is also the main purpose for Japan's Corporate Governance Code and an essential point for companies as they expand their size and scope of activities in

a sound manner. In that sense, companies must also respect ideas that originate close to the market in order to respond to rapid changes in the market environment.

Over the past two years, GOLDWIN has focused on improving its governance structure and such efforts have produced results. In light of this, the next step is to further improve the quality of its operations. Corporate management constantly faces ongoing challenges, but to achieve the goal of maximizing shareholder value, we must rise to those challenges. I hope to continue to flexibly take on new challenges while adhering to the framework of corporate governance.



Dai Tamesue

External Director

When I reflect on the role of apparel, I think it can be summed up as offering "thought" and "function." Apparel allows us to express our thoughts and feelings and helps show our standing in society, in addition to protecting us from cold and heat, shielding us from danger, and enabling comfortable activity. For its part, athletic wear has evolved with a focus on functionality. I think what makes GOLDWIN interesting is that it pursues the idea of protecting and coexisting with a sustainable global environment while maintaining its identity in competitive sports, where functionality is the top priority.

On the other hand, the apparel industry also exerts a heavy impact on the environment. And doing business for the betterment of the earth is not easy. Supply chains are complex, and it is impossible to satisfy customers if all costs are reflected in product pricing. Since there is no magical solution to this problem, in my view the only thing to do is to keep coming up with new ideas. But, no matter how wonderful your ideas may be, they are meaningless if they fail to deliver real change.

GOLDWIN champions the tagline "SPORTS FIRST," but the fact is that around the world the definition of sports is not that clear. In Europe, chess is considered a mental sport, and in some countries it is recognized by athletic associations. So what are sports? How did sports come about? Why do people play sports? As a former athlete, I have always pondered such questions. If you look only at the surface, the distinctions eventually blur. The thing about sports is, if we only look at them superficially, the changing times can cause us to lose sight of their original essence. Former tennis courts are often turned into futsal courts. Long-distance running, which used to be a form of punishment, has now become a major sport taken up by more than 2 million athletes. Trends in sports







may come and go, but I believe that people's underlying motivation to play sports remains unchanged.

It is my belief that humans have a natural ability to find joy in playing to their capabilities within their environment. People, after all, are inherently playful and enjoy interacting with their environment. Sports require both the body and the environment and cannot be played unless we have both.

When we focus too intently on the task at hand, we can easily lose sight of the overriding objective. As someone with an external perspective and an athletic background, I make a point of asking what may appear to be mundane questions. I believe that basic functional governance means constantly remaining aware of who we are, delivering value to society, and flexibly adapting the organization accordingly.

List of Auditors and Corporate Officers (As of June 28, 2023)

Auditors				
Name and position	Osamu Sato Full-time Corporate Auditor	Akiyuki Shiobara External Auditor	Hidenao Yoichi External Auditor	Tsutomu Morita External Auditor
Primary profile / Reason for appointment as external auditor	April 1987 Joined GOLDWIN April 2006 Sales, Sales Department of Active Division (Tokyo) April 2011 Corporate Planning Group, Corporate Strategy and Planning Office, General Planning Division April 2015 Corporate Planning Group, Corporate Strategy and Planning Office, General Planning Division April 2019 Deputy Manager of Corporate Strategy and Planning Office, Corporate Planning and Strategy Division, General Planning Administration Division April 2022 General Manager of Accounting Department, Management Division April 2023 Auditor June 2023 Audit & Supervisory Board Member of the Company (current)	April 1977 Joined Mitsui & Co., Ltd. June 2005 Manager of Chubu Chemicals Department April 2006 Manager of Industrial Materials Business Department April 2008 Internal Audit Inspector June 2013 Full-time Corporate Auditor of Mitsui Bussan Inter-Fashion Ltd. October 2016 Full-time Corporate Auditor of Mitsui Bussan I-Fashion Ltd. June 2017 External Auditor of the Company (current)	April 1977 Joined Marubeni Corporation April 1999 President and Representative Director of Marubeni Textile Asia Pacific Ltd. (Hong Kong) April 2003 Manager of Textile Business Department at Marubeni Corporation April 2006 Executive Assistant of Textile Section April 2008 Corporate Officer and Osaka Branch Manager April 2010 Corporate Officer, Vice President of Chinese Company, President of Shanghai Company April 2012 President of Marubeni Intex Co., Ltd. June 2018 External Auditor of the Company (current)	April 1977 Joined The Hokuriku Bank, Ltd. June 2010 Corporate Officer and Manager of First Loans Department January 2012 Managing Officer June 2013 Director of Hokuhoku Financial Group, Inc. June 2013 Director and Managing Officer of The Hokuriku Bank, Ltd. June 2016 President and Representative Director of Hokuhoku Services Co., Ltd. June 2019 External Auditor of the Company (current)
Number of shares held	5,600 shares	—	—	—
Attendance record at Board of Directors' meetings (FY2022)	—	16 times / 17 times	17 times / 17 times	17 times / 17 times
Affiliated committee	Nomination/Compensation Committee Governance Committee ESG Management Committee	Mr. Shiobara attended 16 of the 17 Board of Directors' meetings and 17 of the 18 Audit & Supervisory Board meetings held in fiscal 2022, asking pertinent questions and expressing opinions based on his extensive experience and insight gained largely in related industries as a member of major trading companies.	Mr. Yoichi attended 17 of the 17 Board of Directors' meetings and 18 of the 18 Audit & Supervisory Board meetings held in fiscal 2022, asking pertinent questions and expressing opinions based on his extensive experience and insight gained largely in related industries as a member of major trading companies.	Mr. Morita attended 17 of the 17 Board of Directors' meetings and 18 of the 18 Audit & Supervisory Board meetings held in fiscal 2022, asking pertinent questions and expressing opinions based on his extensive experience and deep insight as a manager in the banking sector.

Corporate Officers				
Takao Watanabe President and Corporate Officer	Eiichiro Homma Executive Vice President	Michio Shirasaki Senior Managing Officer (General Manager of Management Division)	Hikari Mori Senior Managing Officer (Director of Business Headquarters)	
Takero Kaneda Senior Corporate Officer (Director of Corporate and Planning Headquarters)	Gen Arai Senior Corporate Officer (Director of Research and Development Headquarters)	Tamotsu Oi Senior Corporate Officer (Director of Sourcing Headquarters)	Shinji Kawada Corporate Officer (Director of Goldwin Brand Business Headquarters)	Yutaka Imai Corporate Officer (Director of Sales Headquarters)

Corporate Governance

Basic Concept

Under the tagline "SPORTS FIRST," GOLDWIN's mission is to realize a fulfilling and healthy lifestyle through sports.

We recognize that it is essential for our business activities to fulfill our social responsibilities as a company, which include compliance with laws and regulations, the establishment of internal control systems, the improvement of customer service, emphasis on the environment, thorough management of occupational safety and health, protection of human rights, and contributions to society. It is also essential that we are trusted by all stakeholders, that we seek to expand our profitability and strengthen and improve our management structure, and that we maintain the long-term and stable return of profits to our shareholders. Based on this underlying thinking, we strive to enhance our management fairness and transparency and execute precise and prompt decision-making and efficient business administration to strengthen and upgrade our corporate governance. We thoroughly instill these ideas in all of our officers and employees through our guiding business principle of "strong, fast, and transparent management."

Strong management

We will strengthen our financial position by bolstering our selection and concentration efforts while proactively investing for the medium to long term to increase our corporate value.

Fast management

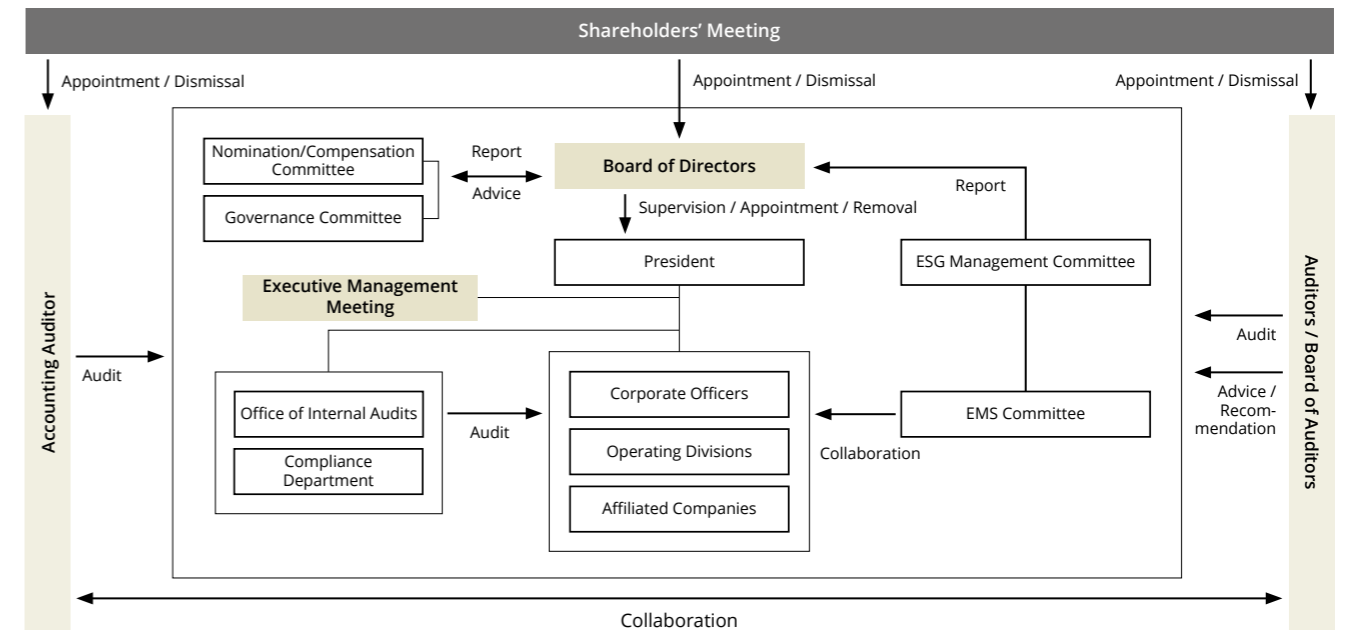
We will be agile in responding to changes in customer needs by optimizing product development, procurement, and marketing to promote an in-store digestion-based product supply business.

Transparent management

We will focus our attention on the balance between work and home life while operating the Company in an environmentally friendly way and remaining steadfast in offering transparent information.

Corporate Governance Framework

Note: The Company's institutional design is a Company with Audit and Supervisory Board organizational structure. (As of June 28, 2023)



External directors:
4 out of 10 directors

External auditors:
3 out of 4 auditors

Female directors:
2 out of 10 directors

Overview of Every Body

Institutions	Structure	Activities
Board of Directors	Chairperson: Chairman and representative director 10 directors and four auditors	<ul style="list-style-type: none"> Deliberating important matters, auditing management, and discussing management policy
Nomination/Compensation Committee	Chairperson: External director Three internal directors and four external directors	<ul style="list-style-type: none"> Defining the roles, authority, and other responsibilities of officers (directors and auditors) and corporate officers and their appointment and dismissal Verifying the incentive scheme for officers Examining succession measures for officers
Governance Committee	Chairperson: External director Three internal directors, two external directors, and one full-time corporate auditor	<ul style="list-style-type: none"> Enhancing the effectiveness of Corporate Governance Code requirements Examining countermeasures for major governance risks
Executive Management Meeting	Chairperson: President and representative director Four directors, five corporate officers, and one full-time corporate auditor	<ul style="list-style-type: none"> Making decisions on business operations and execution of operations
Board of Auditors	Chairperson: Full-time corporate auditor One full-time corporate auditor and three external auditors	<ul style="list-style-type: none"> Receiving reports of material auditing matters and engaging in consultations and decision-making
ESG Management Committee	Chairperson: President and representative director Leaders from each division, including at subsidiaries	<ul style="list-style-type: none"> Reviewing the status of key issues pertaining to the implementation of ESG management as mentioned in the medium-term management plan

Appointment of Directors, Auditors, and Corporate Officers

In designating director and auditor candidates, their careers, insight, character, and other attributes are extensively reviewed by the Board of Directors, and the suitability of their appointment is decided by the Board of Directors based on the content of deliberations by the Nomination/Compensation Committee, which is an advisory body to the Board of Directors. In the event of a violation of the law or articles of association by a director or a reason deemed to make the rightful execution of other duties infeasible, the Board of Directors deliberates and decides on their dismissal or other punishment. Corporate officers are appointed by a decision of the Board of Directors as persons who contribute to increasing corporate value in the medium to long term. The conditions for dismissal of corporate officers are stipulated in the Corporate Officer Guidelines. Corporate officers who meet these conditions are dismissed by the Board of Directors.

Nomination/Compensation Committee

GOLDWIN has selected the Company with Audit and Supervisory Board organizational structure as its institutional design. The Company's Board of Directors is currently composed of 10 members, four of whom are independent external directors.

By establishing the Nomination/Compensation Committee, we have ensured a system for obtaining appropriate involvement and advice from independent external directors.

Purpose of Establishing the Nomination/Compensation Committee

In order to strengthen the independence, objectivity, and accountability of the Board of Directors' functions related to matters such as director nominations and compensation and to further strengthen corporate governance, we have established the Nomination/Compensation Committee as a voluntary advisory body to the Board of Directors.

Authority and Role of the Nomination/Compensation Committee

The Nomination/Compensation Committee will deliberate on the following matters in response to inquiries from the Board of Directors and decide on draft proposals.

- ① Matters related to the nomination of director candidates
- ② Matters related to the dismissal of directors
- ③ Matters related to director compensation
- ④ Matters related to basic policies and standards with regard to ① to ③ above
- ⑤ Matters related to director succession planning (including training)
- ⑥ In addition to the above, matters referred by the Board of Directors to the Nomination/Compensation Committee for consultation

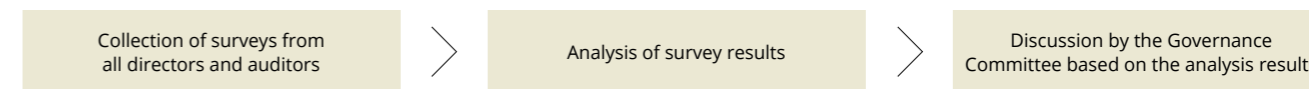
Composition of the Nomination/Compensation Committee

The Nomination/Compensation Committee shall consist of three or more members, the majority of whom will be independent external directors. The Nomination/Compensation Committee in fiscal 2022 comprised seven members, four of whom were independent external directors.

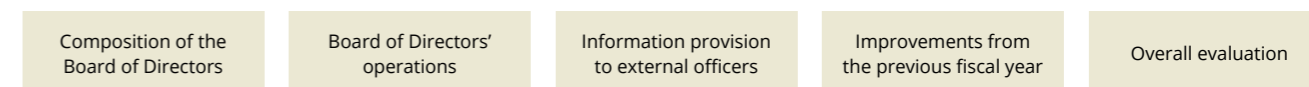
Evaluating the Efficacy of the Board of Directors

We evaluate the efficacy of the Board of Directors annually. In fiscal 2022, the efficacy of the Board of Directors was evaluated in accordance with the following process. Guidance in survey analysis was obtained from an external organization to increase the transparency of the evaluation. We conducted the fiscal 2022 survey in December 2022 and the Governance Committee held discussions in January 2023. As a result, we confirmed that while there is still some room for improvement, the efficacy of the Board of Directors is generally realized.

Evaluation Process



Main Evaluation Items



Executive Compensation

The officer incentive scheme at GOLDWIN is designed to be a fair compensation system corresponding to each officer's role and responsibilities, with the basic policy of promoting our sustainable growth and improving our medium- to long-term corporate value. The compensation system and criteria are revised from an objective perspective considering economic conditions, our performance, and criteria at other companies. The designation and dismissal of director candidates are decided by the Board of Directors after deliberation by the Nomination/Compensation Committee, which comprises a majority of external officers. Specifically, compensation for internal directors consists of basic compensation, performance-related compensation, and non-monetary compensation. The ratio of each type of compensation is decided by the Board of Directors after deliberation by the Nomination/Compensation Committee. The guideline for the compensation ratios is basic compensation: performance-related compensation (monetary compensation): performance-related compensation (non-monetary compensation) = 70:15:15. Only basic compensation is paid to external directors responsible for auditing functions, taking into account their duties. The amount of individual compensation is decided by the Board of Directors after deliberation by the Nomination/Compensation Committee, within the scope of the limits on compensation as decided at the Shareholders' Meeting.

Content of Director Compensation

Types of compensation	Payment method (fixed / variable)	Content of compensation
Basic compensation	Cash (fixed)	At GOLDWIN, basic compensation for directors is a monthly fixed compensation and is paid evenly each month. Basic compensation is an amount corresponding to one's position and responsibilities.
Performance-based compensation	Cash (variable)	Performance-based compensation aims to heighten awareness of yearly performance improvements by paying internal directors a uniform amount for each month of the following year. The amount of performance-based compensation is decided based on Companywide performance each business year. The target performance indicators are revised as needed based on a review by the Corporate Strategy and Planning Office corresponding to changes in the business environment.
Stock-based compensation	Non-monetary (variable)	Non-monetary compensation aims to incentivize sustainable growth and improved corporate value in the medium to long term and to enhance value sharing with shareholders by granting restricted stock to internal directors. The number of shares granted is determined taking into account each director's position and responsibilities. Additionally, after consulting the Nomination/Compensation Committee, the Board of Directors also determines the duration and terms for providing specific compensation.

Fiscal 2022 Status (April 1, 2022 to March 31, 2023)

Officer classification	Total compensation (Millions of yen)	Total of each type of compensation (Millions of yen)				Number of relevant officers (officers)
		Fixed compensation	Performance-based compensation	Retirement allowance	Non-monetary compensation in the left columns	
Directors (excluding external directors)	330	276	54	—	51	6
Auditors (excluding external auditors)	18	18	—	—	—	1
External officers	66	66	—	—	—	8



For more information on the Company's corporate governance, please visit the GOLDWIN website.
<https://corp.goldwin.co.jp/eng/sustainability/governance>



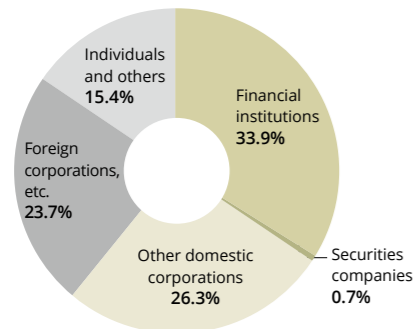
Corporate Information (As of March 31, 2023)

Corporate Data

Company name	GOLDWIN Inc.
Location	Tokyo head office address 2-20-6, Shoto, Shibuya-ku, Tokyo 150-8517, Japan
	Legal address 210, Kiyosawa, Oyabe-city, Toyama 932-0193, Japan
Establishment	December 1951
Capital stock	¥7,079 million
Employees	2,555 people (non-consolidated)
Stock listing	Tokyo Stock Exchange, Prime Market
Total number of authorized shares	184,000,000 shares
Total number of outstanding shares	47,448,172 shares
Number of shareholders	7,401 shareholders

Stock Information

Composition of Shareholders and Status of Main Shareholders

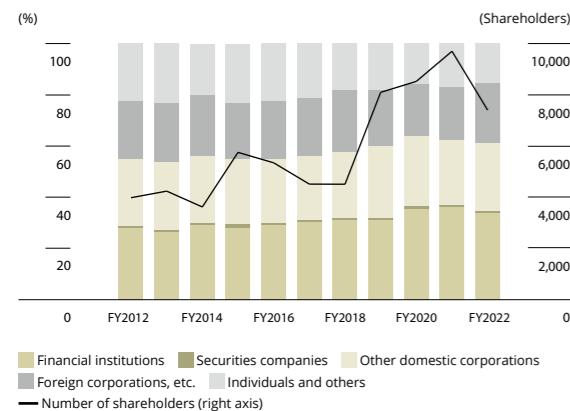


Note: Shares held in connection with trust business are included in the number of shares held by financial institutions.

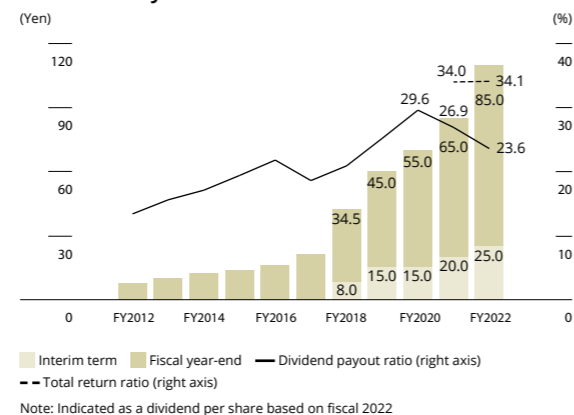
Shareholders	Number of shares held (thousand shares)	Shareholding percentage (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	4,879	10.49
Mitsui & Co., Ltd.	4,367	9.39
Korea Securities Depository-Samsung	3,377	7.26
Korea Securities Depository-Shinhan Investment	2,109	4.53
The Hokuriku Bank, Ltd.	1,980	4.26
The Hokkoku Bank, Ltd.	1,735	3.73
Nishida Corporation	1,724	3.71
GOLDWIN Nishida Tosaku Sports Promotion Memorial Foundation	1,692	3.64
Custody Bank of Japan, Ltd. (Trust Account E)	1,472	3.17
Custody Bank of Japan, Ltd. (Trust Account)	1,459	3.14

Note: The shareholding percentage is calculated after deducting treasury stock (933,407 shares). Our shares owned by Custody Bank of Japan, Ltd. (Trust account E) as trust assets in connection with J-ESOP are not included in said treasury stock.

Changes in Composition of Shareholders




Changes in Shareholder Returns and Dividend Payout Ratio



Editorial Policy


This report is produced for the purposes of gaining public trust and encouraging dialogue with shareholders, investors, and GOLDWIN's many other stakeholders. The content is designed to build understanding of the GOLDWIN Group's thinking and activities and covers key matters in view of their importance to short-, medium-, and long-term value creation and their degree of impact on stakeholders. Please see the GOLDWIN website for more detailed financial and non-financial information not contained in this report.



IR information
<https://corp.goldwin.co.jp/eng/ir>

- Five-year medium-term management plan
- Key points of latest financial results
- Earnings highlights
- Financial summaries / Quarterly results
- Securities report
- IR materials

Note: Detailed information on earnings results, stock information, and other IR information is also available.



Sustainability information
<https://corp.goldwin.co.jp/eng/sustainability>

- Approaches to sustainability
- Information disclosure based on environmental and TCFD recommendations
- Maximization of human capital / human resources and human resource strategy
- Supply chain management
- An inclusive society through sports
- Corporate governance

Note: Detailed information such as ESG information, data books, and other sustainability information is also available.

Reporting scope

The reporting scope is the activities of the GOLDWIN Group, primarily GOLDWIN Inc., and 15 subsidiaries and three affiliated companies (as of March 31, 2023); however, some content covers GOLDWIN Inc. on a non-consolidated basis.

Reporting period

Fiscal 2022 (April 1, 2022–March 31, 2023)

Note: Includes some information outside of the above period

Referenced guidelines

The International Integrated Reporting Framework of the International Integrated Reporting Council (IIRC)
 Guidance for Integrated Corporate Disclosure and Company-Investor Dialogues for Collaborative Value Creation 2.0 of the Ministry of Economy, Trade and Industry of Japan

Precautions regarding forward-looking statements

This report contains statements on the GOLDWIN Group's projections, targets, plans, strategies, and other matters related to the future. These statements are based on determinations made from available information at the time this report was published. Be aware that actual performance and other metrics may differ from these forward-looking statements due to a variety of factors.

Displayed unit

Listed monetary amounts have been rounded off to the nearest principal unit.