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(Securities Code: 8194)

May 2, 2025

To our shareholders:

Takaharu Iwasaki, Representative Director & President

LIFE CORPORATION

2-2-22, Nishimiyahara, Yodogawa-ku, Osaka

Notice of the 70th General Meeting of Shareholders

We are pleased to announce the 70th Annual General Meeting of Shareholders of LIFE CORPORATION (the “Company”) to be held as indicated below.

When convening this general meeting of shareholders, the Company takes measures for providing the matters described below that constitutes the content of Reference Documents for the General Meeting of Shareholders, etc. (matters for which measures for providing information in electronic format) in electronic format, and posts this on each of the following websites. Please access either of those websites using the internet to review the information.

The Company’s website

<http://www.lifecorp.jp/company/ir/procedure.html> (in Japanese)

TSE website (Listed Company Search)

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

Access the TSE website shown above and search by entering “LIFE CORPORATION” in the “Issue name (company name)” or the Company’s securities code “8194” in the “Code” and search, select “Basic information” followed by “Documents for public inspection/PR information” and review the information from the “Notice of General Shareholders Meeting/Information Materials for a General Shareholder Meeting” under “Filed information available for public inspection.”

Website available to find the information other than those indicated above

<https://d.sokai.jp/8194/teiji/> (in Japanese)

If you will not be attending the meeting in person, you may exercise your voting rights via the internet or in writing (postal mail). Please review the Reference Documents for the General Meeting of Shareholders, follow the subsequent “Guide to Exercising Voting Rights” (in Japanese only), and exercise your voting rights by 6:00 p.m. on Wednesday, May 21, 2025 (JST).

1. Date and Time: Thursday, May 22, 2025, at 10:00 a.m. (JST)

2. Venue: Large conference room, 1st floor of the Osaka Headquarters of the Company
2-2-22, Nishimiyahara, Yodogawa-ku, Osaka

3. Purpose of the Meeting

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 70th fiscal year (from March 1, 2024 to February 28, 2025), and the audit results of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Committee
2. The Non-consolidated Financial Statements for the 70th fiscal year (from March 1, 2024 to February 28, 2025)

Matters to be resolved:

Proposal No. 1 Appropriation of Surplus

Proposal No. 2 Election of Seven (7) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

Proposal No. 3 Election of One (1) Director Who Is an Audit and Supervisory Committee Member

4. Decisions on convening the meeting

In the event that the voting rights have been exercised in writing (postal mail) and where no vote for or against a proposal has been indicated on the voting form, the vote shall be treated as for the proposal.

- When you attend the meeting, please present the voting form to reception.
- Shareholders who requested the delivery of paper-based documents will also be sent paper-based documents that describe the matters for which measures for providing information in electronic format will be taken, but such paper-based documents shall exclude the following matters pursuant to the provisions of laws and regulations and Article 15, paragraph (2) of the Articles of Incorporation.
 - (i) “Matters Related to Establishing System for Ensuring the Propriety of Business Activities” in the Business Report
 - (ii) “Notes to the Consolidated Financial Statements” in the Consolidated Financial Statements
 - (iii) “Notes to the Non-consolidated Financial Statements” in the Non-consolidated Financial StatementsAccordingly, the Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements attached to such paper-based documents constitute a part of the documents that were audited by the Accounting Auditor and the Audit and Supervisory Committee in preparing their respective audit reports.
- If revisions to the matters for which measures for providing information in electronic format are to be taken arise, a notice of the revisions and the details of the matters before and after the revisions will be posted on each website.

Reference Documents for the General Meeting of Shareholders

Proposal No. 1 Appropriation of Surplus

The Company regards the return of profit to its shareholders as one of the management policies of utmost importance and maintains a basic policy to continuously carry out stable payment of dividends. The Company has given comprehensive consideration to matters including the above basic policy and future business development. Therefore, the Company proposes the payment of the year-end dividend for the 70th fiscal year as set forth below.

Year-end dividends

(1) Type of dividend property

To be paid in cash.

(2) Allotment of dividend property and their aggregate amount

The Company proposes to pay a dividend of ¥60 per common share of the Company. In this event, the total dividends will be ¥2,600,387,940.

Accordingly, including the interim dividend (¥50 per share), the annual dividend will be ¥110 per share.

(3) Effective date of dividends of surplus

The effective date of dividends will be May 23, 2025.

(Reference) Trends in dividends per share, dividend payout ratio and dividend on equity ratio (DOE)

	66th Fiscal Year ended February 2021	67th Fiscal Year ended February 2022	68th Fiscal Year ended February 2023	69th Fiscal Year ended February 2024	70th Fiscal Year ended February 2025
Interim dividend (¥)	25.00	30.00	35.00	40.00	50.00
Year-end dividend (¥)	25.00	40.00 (Includes commemorative dividend of ¥10)	35.00	50.00	60.00
Consolidated dividend payout ratio (%)	13.1	21.6	24.6	24.9	28.2
Dividend on equity ratio (DOE) (%)	2.6	3.2	2.8	3.3	3.6

Proposal No. 2 Election of Seven (7) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

At the conclusion of this meeting, the terms of office of all seven (7) Directors (excluding Directors who are Audit and Supervisory Committee Members; the same applies hereinafter for this proposal) will expire.

Therefore, the Company proposes to elect seven (7) Directors.

With regard to this proposal, the Audit and Supervisory Committee of the Company has determined that each candidate is qualified to be a Director.

The candidates for Directors are as follows:

Candidate No.	Name	Gender	Current position in the Company	Attendance at Board of Directors meetings in FY2024
1	<div>Re-election</div> Takaharu Iwasaki	Male	Representative Director & President	16/16 (100%)
2	<div>Re-election</div> Tomehisa Morishita	Male	Director & Senior Managing Executive Officer	16/16 (100%)
3	<div>Re-election</div> Takashi Sumino	Male	Director & Senior Managing Executive Officer	14/16 (87.5%)
4	<div>New election</div> Harunobu Okada	Male	Managing Executive Officer	—
5	<div>Re-election</div> <div>Independent</div> <div>Outside</div> Hiroko Kono	Female	Director	16/16 (100%)
6	<div>Re-election</div> <div>Independent</div> <div>Outside</div> Takashi Katayama	Male	Director	16/16 (100%)
7	<div>Re-election</div> <div>Independent</div> <div>Outside</div> Akihiro Tada	Male	Director	13/13 (100%)

Note: For Director Akihiro Tada, attendance at Board of Directors meetings indicates his attendance after he assumed office as a Director on May 23, 2024.

Candidate No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	<p>Takaharu Iwasaki (March 27, 1966)</p> <p>Re-election</p> <p>Period as Director: 26 years (as of conclusion of this General Meeting of Shareholders)</p>	<p>Apr. 1989 Joined Mitsubishi Corporation</p> <p>Feb. 1994 Princes Limited</p> <p>May 1999 Director, Assistant to Division COO of Sales General Division of the Company</p> <p>Oct. 2001 Senior Managing Director, Division COO of Tokyo Region Business Division</p> <p>Mar. 2006 Representative Director, President & Chief Operating Officer, and Group CEO of Business Group Headquarters</p> <p>June 2014 Representative Director, President & Chief Operating Officer, Group CEO of Business Group Headquarters, and Group CEO of Development Group Headquarters</p> <p>Jan. 2017 Representative Director, President & Chief Operating Officer, and Group CEO of Business Group Headquarters</p> <p>Jan. 2018 Representative Director, President & Chief Operating Officer, and Group CEO of Business Group Headquarters</p> <p>May 2019 Representative Director & President, and Group CEO of Business Group Headquarters</p> <p>Oct. 2023 Representative Director & President, and Group CEO of Development Group Headquarters (current position)</p> <p>(Significant concurrent positions outside the Company)</p> <p>Director of Nihon Ryutsu Sangyo Co., Ltd.</p> <p>Representative Director and Chairman of LIFE FINANCIAL SERVICE</p> <p>Chairman of Japan Supermarkets Association</p> <p>(Reason for nomination as Director)</p> <p>Takaharu Iwasaki, in addition to gaining experience at a general trading company, has amassed knowledge in the distribution industry and the Company's overall management through serving as the President of the Company for 19 years since 2006. Therefore, the Company has nominated him as a candidate for Director.</p>	<p>56,140 shares (of which, the number of shares to be granted under the performance-linked share remuneration plan: 28,292 shares)</p>

Candidate No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
2	<p>Tomehisa Morishita (December 9, 1959)</p> <p>Re-election</p> <p>Period as Director: 11 years (as of conclusion of this General Meeting of Shareholders)</p>	<p>Apr. 1982 Joined the Company</p> <p>Sept. 2001 General Manager of Osaka Region Apparel Department</p> <p>Feb. 2007 General Manager of Information System Department</p> <p>Mar. 2009 Executive Officer, Division COO of Corporate Strategy and Planning Division, and General Manager of Corporate Strategy and Planning Department</p> <p>Nov. 2009 Executive Officer, Division COO of Osaka Region Apparel and Lifestyle Products Division, General Manager of Osaka Region Apparel Department, and General Manager of Osaka Region Lifestyle Products Department</p> <p>Feb. 2014 Executive Officer, Deputy Division COO of Osaka Region Sales Division, and Division COO of Osaka Region Apparel and Lifestyle Products Division</p> <p>May 2014 Director, Deputy Division COO of Osaka Region Sales Division, and Division COO of Osaka Region Apparel and Lifestyle Products Division</p> <p>June 2015 Director, Division COO of Corporate Strategy and Planning Division, and Division COO of New Business Development Division</p> <p>June 2016 Managing Director, Division COO of Corporate Strategy and Planning Division, and in charge of New Businesses</p> <p>Jan. 2017 Managing Director, Group CEO of Administration and Management Headquarters</p> <p>Jan. 2018 Managing Director, Group CEO of Corporate Functions Group Headquarters</p> <p>May 2019 Director & Managing Executive Officer, Group CEO of Corporate Functions Group Headquarters</p> <p>Feb. 2020 Director & Managing Executive Officer, Group CEO of Corporate Functions Group Headquarters, and Division COO of Information Strategy Division</p> <p>Apr. 2020 Director & Senior Managing Executive Officer, Group CEO of Corporate Functions Group Headquarters, and Division COO of Information Strategy Division</p> <p>Mar. 2025 Director & Senior Managing Executive Officer, Group CEO of Infrastructure Group Headquarters (current position)</p> <p>(Reason for nomination as Director) Tomehisa Morishita has successfully served as head in various divisions including sales, systems and corporate strategy and planning in the Company. He has abundant operation knowledge as well as insight on the distribution industry and the Company's overall management. Therefore, the Company has nominated him as a candidate for Director.</p>	<p>17,682 shares (of which, the number of shares to be granted under the performance-linked share remuneration plan: 12,328 shares)</p>

Candidate No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
3	<p>Takashi Sumino (January 25, 1956)</p> <p>Re-election</p> <p>Period as Director: 13 years (as of conclusion of this General Meeting of Shareholders)</p>	<p>Mar. 1980 Joined the Company</p> <p>Jan. 2001 General Manager of Osaka Region Sales Promotion Department</p> <p>Mar. 2004 General Manager of Osaka Region Logistics Department</p> <p>Mar. 2006 General Manager of Osaka Region Operational Reforms Promotion Office</p> <p>Mar. 2008 Executive Officer, General Manager of Osaka Region Operational Reforms Promotion Office</p> <p>Mar. 2009 Executive Officer, General Manager of Logistics Planning of Sales Management Division</p> <p>Feb. 2010 Executive Officer, Division COO of Osaka Region Store Support Division</p> <p>May 2012 Director, Division COO of Osaka Region Chain Store Division, and Division COO of Osaka Region Store Support Division</p> <p>June 2015 Managing Director, Division COO of Osaka Region Sales Division</p> <p>Jan. 2017 Managing Director, Division COO of Corporate Strategy and Planning Division, and in charge of New Businesses</p> <p>Jan. 2018 Managing Director, Group CEO of Infrastructure Group Headquarters, and Division COO of Information Strategy Division</p> <p>May 2019 Director & Managing Executive Officer, Group CEO of Infrastructure Group Headquarters, and Division COO of Information Strategy Division</p> <p>Feb. 2021 Director & Managing Executive Officer, Group CEO of Infrastructure Group Headquarters, and Division COO of E-Commerce Operation Division</p> <p>Jan. 2022 Director & Managing Executive Officer, Group CEO of Infrastructure Group Headquarters</p> <p>Mar. 2025 Director & Senior Managing Executive Officer, Group CEO of Corporate Functions Group Headquarters (current position)</p> <p>(Reason for nomination as Director) Takashi Sumino has successfully served as head in various divisions including sales, food process center and logistics in the Company. He has abundant operation knowledge as well as insight on the distribution industry and the Company's overall management. Therefore, the Company has nominated him as a candidate for Director.</p>	<p>20,820 shares (of which, the number of shares to be granted under the performance-linked share remuneration plan: 9,188 shares)</p>

Candidate No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
4	<p>Harunobu Okada (June 11, 1968)</p> <p>New election</p> <p>Period as Director: 0 years (as of conclusion of this General Meeting of Shareholders)</p>	<p>Apr. 1992 Joined Mitsubishi Corporation</p> <p>Dec. 2006 Mitsubishi Corporation Finance PLC, London UK, concurrently Mitsubishi Corporation UK, London UK</p> <p>June 2011 Team Leader, Planning and Investment Management Team, Chemicals Group Administration Department, Mitsubishi Corporation</p> <p>June 2014 Deputy Managing Director, Senior Executive Vice President & CFO, Mitsubishi Australia Ltd, concurrently Managing Director and CEO, MC Finance Australia Pty Ltd, Melbourne Australia</p> <p>Dec. 2017 Director & CFO, Mitsubishi Development Pty Ltd, Brisbane Australia</p> <p>Apr. 2020 Global Head, General Manager, Structured Finance, M&A Advisory, Mitsubishi Corporation</p> <p>Mar. 2023 Global Head, General Manager, Structured Finance, M&A Advisory, concurrently Team Leader, M&A Advisory Team, Mitsubishi Corporation</p> <p>Apr. 2024 Joined the Company</p> <p>May 2024 Executive Officer, Division COO of Corporate Finance and Accounting Division</p> <p>Mar. 2025 Managing Executive Officer, Deputy Group CEO of Corporate Functions Group Headquarters, and Division COO of Corporate Finance and Accounting Division (current position)</p> <p>(Reason for nomination as Director) Harunobu Okada has amassed significant insight on finance and accounting, including extensive experience and knowledge of corporate finance and capital markets, through his long-standing experience in the finance division of a general trading company. Therefore, the Company has nominated him as a candidate for Director.</p>		<p>0 shares</p> <p>(of which, the number of shares to be granted under the performance-linked share remuneration plan: 0 shares)</p>

Candidate No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
5	<p>Hiroko Kono (May 8, 1965)</p> <p>Re-election Independent Outside</p> <p>Period as outside Director: 4 years (as of conclusion of this General Meeting of Shareholders)</p>	<p>Apr. 1989 Joined Mitsubishi Corporation</p> <p>July 1992 Joined Tokyo Office, Capital International Research, Inc.</p> <p>Jan. 2001 Los Angeles Headquarters, The Capital Group Companies, Inc.</p> <p>Feb. 2003 Washington, D.C. Office, Capital International Research, Inc.</p> <p>July 2008 Tokyo Office, Capital International, Inc.</p> <p>July 2011 Council and Director of International School of Asia, Karuizawa Establishment Preparation Foundation</p> <p>Nov. 2013 Director and Head of Operations of International School of Asia, Karuizawa</p> <p>Mar. 2016 Head of Operations of UWC ISAK Japan</p> <p>Nov. 2018 Executive Coach of COACH A Co., Ltd.</p> <p>May 2021 Outside Director of the Company (current position)</p> <p>Mar. 2022 Officer, Executive Coach of COACH A Co., Ltd.</p> <p>Aug. 2022 Outside Director (Audit and Supervisory Committee Member) of SATUDORA HOLDINGS CO., LTD. (current position)</p> <p>June 2023 Outside Director (Audit and Supervisory Committee Member) of PayPay Corporation (current position)</p> <p>July 2023 Senior Executive Coach of COACH A Co., Ltd. (current position)</p> <p>(Significant concurrent positions outside the Company) Outside Director (Audit and Supervisory Committee Member) of PayPay Corporation</p> <p>(Reasons for nomination as outside Director and outline of expected role) The Company has nominated Hiroko Kono as a candidate for outside Director because her work experience at investment companies and performance and insight concerning school operation and human resource development nurtured in a human resource development company are highly regarded and the Company expects that she will continue to fulfill her role as outside Director of the Company as she can contribute to the enhancement of corporate value by appropriately giving advice for the Company's management and providing supervision.</p>	0 shares

Candidate No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
6	<p>Takashi Katayama (October 27, 1953)</p> <p>Re-election Independent Outside</p> <p>Period as outside Director: 3 years (as of conclusion of this General Meeting of Shareholders)</p>	<p>Apr. 1976 Assistant at College of Science and Technology, Nihon University</p> <p>Apr. 1977 Joined Teraoka Seiko Co., Ltd.</p> <p>Apr. 1989 Director of Digi Europe Ltd. (UK)</p> <p>Apr. 1994 Managing Director</p> <p>Mar. 1996 Managing Director of Teraoka Weigh-System Ltd. (Singapore)</p> <p>Mar. 2001 Director and General Manager of Global Business Development Department of Teraoka Seiko Co., Ltd.</p> <p>Jan. 2004 Director and General Manager of Food Industry System Department</p> <p>Mar. 2013 Senior Director</p> <p>Jan. 2015 President and CEO</p> <p>Mar. 2018 Advisor</p> <p>Mar. 2019 Representative of RTK-Design (current position)</p> <p>May 2022 Outside Director of the Company (current position)</p> <p>(Reasons for nomination as outside Director and outline of expected role) The Company has nominated Takashi Katayama as a candidate for outside Director because he left a record of remarkable accomplishments as a corporate manager of Teraoka Seiko Co., Ltd. and other companies and possesses high level of knowledge related to logistics environment systems and overseas logistics. Therefore, the Company expects that he will continue to fulfill his role as outside Director of the Company as he can contribute to the enhancement of corporate value by appropriately giving advice for the Company's management and providing supervision.</p>	400 shares

Candidate No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
7	<p>Akihiro Tada (February 8, 1963)</p> <p>Re-election Independent Outside</p> <p>Period as outside Director: 1 year (as of conclusion of this General Meeting of Shareholders)</p>	<p>Apr. 1986 Joined the Ministry of International Trade and Industry (currently Ministry of Economy, Trade and Industry)</p> <p>June 2004 Executive Director, Japan External Trade Organization, New York</p> <p>July 2007 Director of Environmental Policy Division, Industrial Science and Technology Policy and Environment Bureau, Ministry of Economy, Trade and Industry</p> <p>Aug. 2008 Executive Assistant to the Minister of Economy, Trade and Industry</p> <p>Sept. 2009 Director of Finance Division, Small and Medium Enterprise Agency</p> <p>July 2011 Senior Director of Economic and Industrial Policy Division, Economic and Industrial Policy Bureau, Ministry of Economy, Trade and Industry</p> <p>July 2012 Director of General Affairs Division, Minister's Secretariat</p> <p>July 2014 Director-General of Electricity and Gas Industry Department, Agency for Natural Resources and Energy</p> <p>June 2016 Deputy Commissioner, Agency for Natural Resources and Energy</p> <p>July 2017 Director-General of Manufacturing Industries Bureau, Ministry of Economy, Trade and Industry</p> <p>July 2018 Director-General for Economic and Fiscal Management, Cabinet Office</p> <p>Aug. 2020 Deputy Vice-Minister of the Ministry of Economy, Trade and Industry</p> <p>July 2021 Vice-Minister of Economy, Trade and Industry</p> <p>July 2023 Retired from office</p> <p>July 2023 Special Advisor to the Ministry of Economy, Trade and Industry, Special Advisor for Expo 2025 Osaka, Kansai, Japan (current position)</p> <p>Dec. 2023 Advisor of Nippon Life Insurance Company (current position)</p> <p>Dec. 2023 Advisor of Sumitomo Mitsui Trust Bank, Limited (current position)</p> <p>Apr. 2024 Special Guest Professor of Faculty of Policy Management, Keio University (current position)</p> <p>May 2024 Outside Director of the Company (current position)</p>	0 shares

Candidate No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
		<p>(Reasons for nomination as outside Director and outline of expected role)</p> <p>The Company has nominated Akihiro Tada as a candidate for outside Director because he has successively served in important positions in the government, such as Director General for Economic and Fiscal Management at the Cabinet Office, Director General for the Ministry of Economy, Trade and Industry, and Vice-Minister of Economy, Trade and Industry at the same ministry, and his abundant experience and specialist insight, including his deep involvement in measures for the corporate governance code, are highly regarded and the Company expects that he will continue to fulfill his role as outside Director of the Company as he can contribute to the enhancement of corporate value by appropriately giving advice for the Company's management and providing supervision.</p>	

- Notes:
1. Takaharu Iwasaki, a candidate for Director, is concurrently serving as Director of Nihon Ryutsu Sangyo Co., Ltd. The Company and Nihon Ryutsu Sangyo Co., Ltd. have a business relationship, which includes the purchase of products.
 2. There is no special interest between any other candidates for Director and the Company.
 3. Hiroko Kono, Takashi Katayama, and Akihiro Tada are candidates for outside Director.
 4. The Company has submitted notification to the Tokyo Stock Exchange that Hiroko Kono, Takashi Katayama, and Akihiro Tada, candidates for outside Director, have been appointed as an independent officer.
 5. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has currently entered into an agreement with Hiroko Kono, Takashi Katayama, and Akihiro Tada to limit their liability for damages under Article 423, paragraph (1) of the Companies Act. Pursuant to this agreement, the defined maximum amount of liability for damages is the minimum liability amount provided for under Article 425, paragraph (1) of the Companies Act. If their election is approved, the Company plans to renew the limited liability agreement with them.
 6. The Company has entered into a directors and officers liability insurance policy, as defined in Article 430-3, paragraph (1) of the Companies Act, with an insurance company to provide coverage under said insurance policy for damages that may arise from the assumption of liability incurred in the course of the execution of duties by the insured, including Directors of the Company, or claims pertaining to the pursuit of such liability. If candidates are elected and assume the office as Directors, they will be added to the insured of said insurance policy. The Company plans to renew this insurance policy with the same contents at the next renewal.
 7. The Company conducted a 2-for-1 share split of its ordinary shares with an effective date of March 1, 2025. Number of the Company's shares owned refers to the number of shares owned after said share split.

Proposal No. 3 Election of One (1) Director Who Is an Audit and Supervisory Committee Member

The Company proposes to elect one (1) Director who is an Audit and Supervisory Committee Member, increasing the number of Directors who are Audit and Supervisory Committee Members by one (1) to strengthen and enhance the audit system.

The consent of the Audit and Supervisory Committee has been obtained for this proposal.

The candidate for Director who is an Audit and Supervisory Committee Member is as follows:

Name	Gender	Current position in the Company	Attendance at Board of Directors meetings in FY2024	Attendance at Audit and Supervisory Committee meetings in FY2024
<div>New election</div> <div>Independent</div> <div>Outside</div> Yoshie Shinoki	Female	—	—	—

Name (Date of birth)	Career summary, positions and responsibilities in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
<p>Yoshie Shinoki (March 8, 1976)</p> <p>New election Independent Outside</p> <p>Period as outside Director: 0 years (as of conclusion of this General Meeting of Shareholders)</p>	<p>Apr. 1999 Joined Suita City Hall</p> <p>Oct. 2003 Joined Shin Nihon & Co. (currently Ernst & Young ShinNihon LLC)</p> <p>Apr. 2007 Registered as a certified public accountant</p> <p>Jan. 2017 Joined Hasegawa Trust Group Co., Ltd.</p> <p>June 2017 Outside Director (Audit Committee Member) of Makuake, Inc.</p> <p>July 2020 Outside Audit & Supervisory Board Member of HRBrain, Inc.</p> <p>Sept. 2020 Outside Audit & Supervisory Board Member of Basis Corporation</p> <p>May 2021 Outside Audit & Supervisory Board Member of Linough Inc. (current position)</p> <p>Dec. 2022 Outside Director (Audit and Supervisory Committee Member) of EmberPoint Co., Ltd. (current position)</p> <p>Sept. 2023 Advisor of TAKARA D & IR Research Institute Ltd. (current position)</p> <p>June 2024 External Audit & Supervisory Board Member of TOMOKU CO., LTD. (current position)</p> <p>(Reason for nomination as outside Director who is an Audit and Supervisory Committee Member and outline of expected role) The Company has nominated Yoshie Shinoki as a candidate for outside Director because she has specialized knowledge and deep insight in finance and accounting as a certified public accountant, as well as deep insight into sustainability and experience as an outside director of a private company. The Company expects that she will adequately fulfill her role in auditing and supervising overall business execution as an outside Director who is an Audit and Supervisory Committee Member.</p>	0 shares

- Notes:
1. There is no special interest between Yoshie Shinoki, a candidate for Director, and the Company.
 2. Yoshie Shinoki is a candidate for outside Director.
 3. Since Yoshie Shinoki, a candidate for Director, meets the requirements for independent officer pursuant to the rules of the Tokyo Stock Exchange, the Company plans to notify her to the said exchange as an independent officer if she is elected.
 4. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, if the election of Yoshie Shinoki, a candidate for Director, is approved, the Company plans to enter into an agreement with her to limit her liability for damages under Article 423, paragraph (1) of the Companies Act. Pursuant to this agreement, the defined maximum amount of liability for damages is the minimum liability amount provided for under Article 425, paragraph (1) of the Companies Act.
 5. The Company has entered into a directors and officers liability insurance policy, as defined in Article 430-3, paragraph (1) of the Companies Act, with an insurance company to provide coverage under said insurance policy for damages that may arise from the assumption of liability incurred in the course of the execution of duties by the insured, including Directors who are Audit and Supervisory Committee Members of the Company, or claims pertaining to the pursuit of such liability. If Yoshie Shinoki, a candidate for Director, is elected and assumes the office as Director who is an Audit and Supervisory Committee Member, she will be added to the insured of said insurance policy. The Company plans to renew this insurance policy with the same contents at the next renewal.
 6. The name in the family register of Yoshie Shinoki, a candidate for Director, is Yoshie Fujita.

Reference: Skill matrix of each Director, etc. following the conclusion of this General Meeting of Shareholders

The Company has restructured the main areas of knowledge and insight required of Directors, etc. under the new structure following the conclusion of this General Meeting of Shareholders to cover fields considered important in light of its management strategies, and has marked the roles and fields expected of each Director, etc. with a ●.

Name	Position and responsibilities in the Company	Business management Organizational operation	Governance Compliance	Sustainability	Human resource development	Finance and accounting	Digital	Business strategy Branding	Production and procurement Logistics	Store opening strategy Store development
Takaharu Iwasaki	Representative Director & President, Group CEO of Development Group Headquarters	●	●		●			●		●
Tomehisa Morishita	Director & Senior Managing Executive Officer, Group CEO of Infrastructure Group Headquarters			●			●		●	
Takashi Sumino	Director & Senior Managing Executive Officer, Group CEO of Corporate Functions Group Headquarters		●	●	●					
Harunobu Okada	Director & Managing Executive Officer, Deputy Group CEO of Corporate Functions Group Headquarters		●			●				
Hiroko Kono	Outside Director	●			●	●				
Takashi Katayama	Outside Director	●					●			
Akihiro Tada	Outside Director	●	●		●					
Shigeyuki Mito	Outside Director (Audit and Supervisory Committee Member)	●	●							
Kaoru Sueyoshi	Director (Full-Time Audit and Supervisory Committee Member)					●				
Koichi Narita	Outside Director (Audit and Supervisory Committee Member)	●	●				●			
Naoko Miyatake	Outside Director (Audit and Supervisory Committee Member)	●			●					
Yoshie Shinoki	Outside Director (Audit and Supervisory Committee Member)			●		●				
Shinichiro Arai	Senior Managing Executive Officer, Group CEO of Business Group Headquarters							●	●	

Note: Includes a Group CEO Officer who is not a Director

Reference: Nomination Policy

After consultation at the Board of Directors, the Company nominates Director candidates who fulfill the following requirements. The mutual evaluation of officers conducted by the Nomination & Remuneration Advisory Committee and the evaluation of effectiveness of the Board of Directors confirm whether or not current Directors fulfill the following requirements and whether they will be nominated again.

Also, the Company maintains a policy for selecting candidates from both inside and outside the Company who are suitable as Directors.

[Requirements of all Directors]

1. Possess the ability to make decisions in pursuit of the corporate philosophy, “through reliable management with noble aspirations, contribute towards the realization of a sustainable and flourishing society.”
2. Possess an excellent personality, strong virtue, a sense of fairness, a rich knowledge and wealth of experience.
3. Understand social responsibility and missions, possess the ability to perform fair and accurate business management and supervision based on the corporate philosophy and code of conduct.
4. Possess adaptability to boldly address changes in the external environment, as well as objective decision making ability, insight, and foresight.
5. Does not possess an interest that could impact execution of duties.

[Requirements of inside Directors (excluding Directors who are Audit and Supervisory Committee Members)]

1. Possess rich knowledge, experience and accomplishments related to the business of the Group.
2. Ability to execute business and manage organizations under a cross-company perspective, not just in the field of one’s own experience.

[Requirements of outside Directors (excluding Directors who are Audit and Supervisory Committee Members)]

1. Ability to advise and supervise from a different perspective from internal Directors based on a wealth of experience in corporate management and specialized fields.
2. Concurrent positions must be within a reasonable range.

[Requirements of Directors who are Audit and Supervisory Committee Members]

1. Ability to contribute to improving the soundness and transparency of management by auditing the business execution of Directors from a fair and objective standpoint.
2. Possess a wealth of knowledge and experience in corporate management, business operations, legal affairs, finance/accounting, auditing, etc.
3. If a Director who is an Audit and Supervisory Committee Member is an outside Director, his/her concurrent positions must be within a reasonable range.

Reference: Criteria for Determining Independence of Outside Officers of the Company

Outside officers who do not correspond to any of the following are designated as independent officers.

- 1 A person who is currently or has been within the past ten years an executive director, executive officer, manager, or employee (hereinafter “Business Executor”) of the Company or its subsidiaries.
- 2 A shareholder who directly or indirectly holds 10% or more of the voting rights of the Company.
- 3 A party in which the Company or its subsidiaries directly or indirectly hold 10% or more of the voting rights.
- 4 A party whose major business partner is the Company or its subsidiaries (a party for whom total sales to the Company or its subsidiaries in the most recent fiscal year comprise 2% or more of the party’s net sales for that fiscal year).
- 5 A party who is a major business partner of the Company or its subsidiaries (a party to whom total annual sales of the Company or its subsidiaries in the most recent fiscal year comprise 2% or more of consolidated net sales of the Company for that fiscal year, or a party who has provided financing for 2% or more of consolidated total assets of the Company at the end of the most recent fiscal year).
- 6 A party receiving over ¥10 million annually in donations or monetary aid from the Company or its subsidiaries.
- 7 A Business Executor or full-time corporate auditor, etc. of a company in which a Business Executor or full-time Corporate Auditor, etc. of the Company or its subsidiaries is also serving concurrently as a Director or Corporate Auditor.
- 8 A CPA, or partner, manager, or employee of a CPA office or auditing corporation that is the accounting auditor of the Company or its subsidiaries.
- 9 A consultant, accounting professional, or legal expert receiving ¥10 million or more annually in monetary or other assets (outside of officer remuneration) from the Company or its subsidiaries (if the party receiving the assets is a corporation or organization, a party to whom the total amount paid by the Company or its subsidiaries in the most recent fiscal year is 2% or more of the party’s consolidated net sales for that fiscal year).
- 10 For items 2 to 6, a Business Executor of the party’s parent company or consolidated subsidiary in the case where the party is a corporation.
- 11 A person to whom any of items 2 to 10 have applied within the past three years.
- 12 A relative within the second degree of kinship of a person described in items 1 to 11.
In the case where a relative within the second degree of kinship is the subject of this item, a Business Executor refers to a Director (excluding outside Directors), Executive Officer, or General Manager.
- 13 A person who does not fall under the above items, but whose independence is questionable due to a risk of enduring and substantial conflict of interest with general shareholders.

Reference: Corporate Governance Basic Policy

Under the corporate philosophy, “through reliable management with noble aspirations, contribute towards the realization of a sustainable and flourishing society,” the Group ensures compliance and achieves sustainable company growth to enhance the Group’s contribution to society as a supermarket group trusted by all stakeholders.

In order to achieve this, the Group established a Corporate Governance Basic Policy to realize transparent, fair, swift, and bold decision-making, and continuously strive to fulfill corporate governance based on this policy.

The Group also established the Internal Controls System Management Committee, Risk Management Committee, Nomination & Remuneration Advisory Committee, and Sustainability Promotion Committee as organizations to enhance corporate governance. Each committee engages in vibrant discussion, deliberates measures, and makes decisions to fulfill their purpose. These details are deliberated in the Board of Directors meetings.

The Internal Controls System Management Committee deliberates proper execution of internal controls and reports the results of these discussions and makes proposals to the Board of Directors. The Risk Management Committee deliberates risks related to the business execution of the Group, then reports the results of these discussions and makes proposals to the Board of Directors. The Nomination & Remuneration Advisory Committee advises the Board of Directors on matters related to the nomination of Directors and Executive Officers as well as remuneration. The Sustainability Promotion Committee deliberates the proper promotion of sustainability and reports the results of these discussions and makes proposals to the Board of Directors.

(Attached Documents)

Business Report

(March 1, 2024, to February 28, 2025)

I. Status of the corporate group

1. Environmental and social initiatives

We are working to solve environmental issues under one of the main themes of the 7th Medium-Term Plan, which is “contributing towards the realization of a sustainable and flourishing society.”

(1) Installation of new bio-gas power generation facility

The Company installed a new bio-gas power generation facility that generates renewable energy from food residues at the Kurihashi Food Process Center, and started operations at the end of February 2025.

Bio-gas power generation involves fermenting organic matter such as food residues and using the resulting gas as fuel to generate electricity. This bio-gas power generation facility is expected to generate approximately 700,000 kWh of electricity per year, equivalent to the annual amount of electricity needed for approximately 160 ordinary households, and to reduce food residues by approximately 5,000 tons. As the Company had already started full-scale operation of a similar bio-gas power generation facility in the Osaka region in March 2022, combined the two facilities will reduce food residues by a total of 10,000 tons and generate 1.4 million kWh of renewable energy.

The Company will continue to actively work to reduce food waste and CO2 emissions in order to decrease its environmental impact with the aim of realizing a sustainable society.

(2) Implementation of a food donation demonstration experiment

In cooperation with Nessu Inc. (hereinafter “Nessu”) and the Sustainable Food Chain Association (hereinafter the “SFA”), the Company conducted a demonstration experiment involving the donation of vegetables, fruits, and daily foods that are still edible but cannot be sold for about two months from October 2024, which is designated as Food Loss and Waste Reduction Month in Japan.

<Objectives of the demonstration experiment>

By establishing a system to donate food to children’s cafeterias and single-parent households, and facilitating the donation of agricultural produce and daily foods, the Company aimed to both drastically reduce food waste and donate more food to people in need.

<Details of the demonstration experiment>

At the Ogiohashi Ekimae Store, items that can be donated are sorted out of products that would normally be thrown away, and stored in a handover refrigerator. Eligible organizations and individuals can then select products from a matching website and pay for them using points (given free of charge). After that, they are able to take home the items selected from the store’s handover refrigerator.

<Outcome of the demonstration experiment>

During the two-month demonstration experiment period, approximately 159 kg of agricultural produce and 100 kg of daily foods were donated, totaling approximately 259 kg (1,268 items).

In the participant questionnaire, the Company received comments such as “Constantly having a large supply of vegetables in my refrigerator’s crisper drawer at home enabled me to increase the amount of vegetables in my usual dishes, which gave me peace of mind,” and “I had been buying fewer vegetables due to how expensive they are, but I was able to feed my children a balanced diet.”

Going forward, based on the know-how gained from the demonstration experiment, the Company will work with Nessu and the SFA to create a sustainable system, such as expanding the range of eligible items.

- (3) Initiatives to reduce food waste that contribute towards the realization of a sustainable and flourishing society received the “Director-General of the Minister’s Secretariat, Ministry of Agriculture, Forestry and Fisheries Award”

At the “12th Food Industry *Mottainai* Grand Prize” in 2024 (sponsored by the Organization for Improvement of Food-distribution System; supported by the Ministry of Agriculture, Forestry and Fisheries), the Company received the “Director-General of the Minister’s Secretariat, Ministry of Agriculture, Forestry and Fisheries Award” for its initiatives to reduce food waste that contribute to the realization of a sustainable and prosperous society.

Encouraged by the receipt of this award, the Company will continue to reduce the social burden caused by its business activities with the aim of contributing towards the realization of a sustainable and flourishing society.

Details of initiatives to reduce food waste that contribute towards the realization of a sustainable and flourishing society	
(i)	Donation of products to local children’s cafeterias
(ii)	Holding on-demand classes and in-store events on food and the environment for elementary school students
(iii)	Bio-gas power generation business at the Tempozan bio-gas power generation facility, which uses food residues from the Company’s food process centers

2. Creating a rewarding work environment in which diverse talent can play an active role

With the aim of becoming a “company that utilizes diverse human resources” by ensuring diversity in terms of gender, nationality, age, and other factors and providing an environment in which each employee can demonstrate their abilities and knowledge, we have established the Diversity Promotion Office as an organization to promote initiatives on this front.

(1) Promoting women’s active participation

- In order to promote the advancement of women, we are working to expand the number of departments and duties assigned to female employees, and to promote women who work reduced hours due to childcare to managerial positions. We also increased the number of store managers in order to create a system in which female employees can continue to work as managers while raising children or providing nursing care.

- Appointment of female managers

	Fiscal 2024 results (composition ratio)	Year-on-year difference (change from the previous fiscal year)
Number of female managers (including those who responsible for the management of working hours)	221 (11.6%)	+27 (+1.0%)
Female Store Managers, Section Managers, and above	37 (5.8%)	±0 (-0.1%)
Number of female managers working reduced hours	25	+7

(2) Promoting employment of persons with disabilities

- We promote the creation of a corporate culture in which people can support each other and play active roles regardless of whether they have disabilities or not.

As of the end of fiscal 2024, 895 employees with disabilities (3.6% of total employees) worked for the Company.

(3) Promoting opportunities for mid-career hires

- We employ diverse human resources with specialist skills, regardless of age and gender, such as staff in sales divisions for stores, staff for product development at food process centers or store building design, certified public accountants, and tax accountants. As of the end of fiscal 2024, 31.2% of mid-career hires (595 employees) played active roles in managerial positions.

3. Financial and capital strategy

(1) Action to implement management that is conscious of cost of capital and stock price

- Based on our understanding of the cost of capital, the Company formulates a management plan to realize our Corporate Philosophy and Vision, and discloses an overview of the plan. Investment plans and specific measures based on the management plan are reviewed annually regarding their progress and revised appropriately based on changes in the external environment and other factors.
- We recognize that our current weighted average cost of capital (WACC) is approximately 5%, and are monitoring the profitability of capital and profit levels to ensure that we have achieved a ROIC of 6%, which exceeds WACC. (Fiscal 2024 results (consolidated): ROIC 8.7%)
- In response to receiving a notification that a shareholder intended to sell its strategic shareholdings, the Company conducted a large-scale share repurchase equivalent to 8% of its outstanding shares in November 2024. In doing so, it aimed to improve capital efficiency in terms of earnings per share (EPS) and return on equity (ROE) and return profits to shareholders.

(2) Shareholder return policy

- We believe that it is possible to further improve shareholder returns without undermining our financial foundation in order to achieve “what we want to be in fiscal 2030,” which we set forth when formulating the 7th Medium-Term Plan.
- While adhering to the previous basic policy of “maintaining stable payment of dividends,” the Company has established a new shareholder return policy in April 2023, based on its belief in placing greater emphasis on the return of profit to its shareholders in conjunction with medium- to long-term growth of the Company. Under the new shareholder return policy, “while maintaining a basic policy of paying dividends and targeting a dividend payout ratio of 30%, the Company will also remain mindful of continuing to pay stable dividends with a dividend on equity ratio (DOE) of 3% as a guide.”

(3) Expanding the investor base

- With February 28, 2025 as the record date, the Company conducted a 2-for-1 share split of its ordinary shares. By lowering the amount per investment unit, the Company aims to create an environment more conducive to investment by investors, improve the liquidity of its shares, and expand its investor base. In addition, in January 2025, the Company introduced a shareholder benefit program in order to enhance the attractiveness of investing in its shares and to encourage more shareholders to hold them over the medium to long term. Through this program, the Company aims to provide its shareholders with the opportunity to experience shopping at our stores, deepen their understanding of its business, and become even bigger fans of the Company.

4. Business activities and results

Operating revenue	Change from the previous fiscal year	Operating profit	Change from the previous fiscal year
¥850,496 million	+5.0%	¥25,270 million	+4.8%
Ordinary profit	Change from the previous fiscal year	Profit attributable to owners of parent	Change from the previous fiscal year
¥26,205 million	+5.0%	¥17,948 million	+6.0%

During the current fiscal year, the Japanese economy followed a track of generally mild recovery. On the other hand, the outlook remains uncertain due to heightened geopolitical risks and uncertainties in the global situation and economy.

In the food supermarket industry, which is the Group's area of business, the environment surrounding corporate operations is unpredictable due to intensifying competition across industries and business categories and ongoing rising costs on a variety of fronts such as personnel expenses, despite the partial effect of the boost in revenue mainly due to an improved income environment and increased product prices.

In this economic environment, the Group is striving to create stores, develop products, and enhance services to meet customer needs based on customer feedback, surveys, and purchasing data. In addition, to realize our Corporate Philosophy, Vision, and the "True to LIFE Declaration," with a view to looking toward what we want to be in fiscal 2030, the entire Group is continuing in the current fiscal year to work on the 7th Medium-Term Plan, which started in fiscal 2023.

In addition, even in a business environment in which costs are increasing due to labor shortages, caused by a shrinking population, and rising prices for goods and services, all employees are working on their own to implement "Kaizen" activities centered on improving productivity and optimizing costs in order to promote management strategies toward what we want to be in fiscal 2030. At the same time, employees of representative stores that have engaged in excellent Kaizen activities give presentations on their activities at "Smile Workshops" held to share the information with all stores for the horizontal adoption of success stories, and so on. Accordingly, the initiatives of Kaizen activities are steadily becoming instilled and spreading within the Company and they have become our strength.

As specific initiatives to promote management strategies based on the 7th Medium-Term Plan to break away from homogeneous competition steadily, we established the BIO-RAL Business Division in March 2024, refined the development capabilities for BIO-RAL products and expanded the product lineup in line with the concept of organic, local, healthy, and sustainable, opened two new BIO-RAL stores, enhanced BIO-RAL sections in existing stores, and implemented other measures. Additionally, we are advancing initiatives to reduce workloads and carry out operational streamlining, such as by expanding the scope of the automated ordering service using AI-driven demand forecasting, which was first introduced for the daily delivery food section in February 2021, to orders for Fresh Produce Departments, and having the system in operation. In addition, in October 2024, we newly introduced "d payment," "au PAY" and "Rakuten Pay" at all stores in response to the expansion of smartphone payment services for which we have received many requests from customers, leading to improved convenience for customers.

As part of our efforts to contribute toward the realization of a sustainable and flourishing society, we have increased our donations to children's cafeterias in Tokyo, expanding to seven wards. In the Osaka Region, we began donating in Kobe City in June 2024, bringing the total to four prefectures (Osaka, Hyogo, Kyoto and Nara) in which we have opened stores, and donating products to children's cafeterias in Yodogawa Ward, Osaka City in September and Abeno Ward, Osaka City in December. In addition, the Company received the Grand Prize in the business activity category of the 2023 Osaka Environmental Award, the Food Loss Reduction Promotion Award Judging Committee's Special Prize of the 2024 Food Loss Reduction Promotion Award presented by the Ministry of the Environment and the Consumer Affairs Agency. We also received the Director-General of the Minister's Secretariat, Ministry of Agriculture, Forestry and Fisheries Award of The 12th Food Industry Mottainai Award 2024. We received these accolades for our three initiatives for food loss reduction: donating products to local children's cafeterias; offering "on-demand classes" and store events for

elementary school students on food and the environment; and the bio-gas power generation business at the Tempozan biogas power generation facility, which uses food residues from our own food processing centers. Furthermore, a bio-gas power generation facility has started operation at the Kurihashi Food Process Center in the Tokyo Region from the end of February 2025, and it is expected to generate approximately 700,000 kWh of electricity and reduce food waste by approximately 5,000 tons per year, equivalent to the amount generated by the Tempozan biogas power generation facility. In addition, in March 2023, four supermarket (SM) companies launched the Tokyo Region SM Logistics Study Group with a set of aims focused on the establishment of sustainable food logistics. The number of companies participating in these initiatives increased, and from October 2023, a system was established under which the SM Logistics Study Group undertook responsible for improving the efficiency of the entire supply chain. In December 2024, we launched the Kansai SM Logistics Study Group together with three SM companies in the Kansai region.

We opened following new stores: Ikebukuro Sanchome Store (Tokyo) and BIO-RAL Minoh Q's MALL Store (Osaka) and BIO-RAL Kunitachi Ekimae Store (Tokyo) in March 2024, SOCoLA Tokorozawa Store (Saitama) in April, Meguro Yakumo Store (Tokyo) in May, Matsugasaki Store (Kyoto) in June, Kichijoji Ekimae Store (Tokyo) in July, Ashiya Kurekawa-cho Store (Hyogo) in August, Saikaya Fujisawa Store (Kanagawa) in October, Higashitenma Store (Osaka) in November, and Hirakataohashi Store (Osaka) in January 2025. Also, we have closed two stores. As for existing stores, we undertook renovations at Takaida Store, Nishikujo Store, Senkawa Ekimae Store, Kobe Ekimae Store, Minamitsumori Store and Saitamashintoshin Store to enhance the product lineups, such as BIO-RAL brand products, frozen foods, handmade bread and ready-prepared foods.

The Group's operating revenue totaled ¥850,496 million (up 5.0% year on year) as a result of the expansion of new stores and online supermarkets, the strengthening of private brand products such as "BIO-RAL," and implementing product initiatives that sought to enhance freshness and taste of our products.

On the other hand, as for selling, general and administrative expenses, the Group saw increases in various property expenses such as rent expenses from opening new stores, and personnel expenses from investment in employees, improvement of compensation, etc. However, as a result of promoting cost optimization and productivity improvements through Kaizen activities, operating profit was ¥25,270 million (up 4.8% year on year), ordinary profit was ¥26,205 million (up 5.0% year on year), and profit attributable to owners of parent was ¥17,948 million (up 6.0% year on year).

Results by segment are as follows:

Retail Business

Operating revenue was ¥850,204 million (up 5.0% year on year), with net sales of ¥818,892 million (up 5.0% year on year), and segment profit of ¥25,821 million (up 5.1% year on year).

Net sales by department were ¥359,796 million (up 6.0% year on year) for fresh produce, ¥366,914 million (up 4.9% year on year) for general food, ¥69,337 million (up 2.5% year on year) for lifestyle products, and ¥22,843 million (down 1.3% year on year) for apparel.

	Fresh produce	General food	Lifestyle products	Apparel	Total
68th Fiscal Year (2022/3 - 2023/2)	323,247 (43.8)	327,577 (44.3)	64,667 (8.8)	23,001 (3.1)	738,494 (100.0)
69th Fiscal Year (2023/3 - 2024/2)	339,572 (43.5)	349,672 (44.8)	67,630 (8.7)	23,153 (3.0)	780,028 (100.0)
70th Fiscal Year (2024/3 - 2025/2)	359,796 (43.9)	366,914 (44.8)	69,337 (8.5)	22,843 (2.8)	818,892 (100.0)

Other Business

Operating revenue from LIFE FINANCIAL SERVICE was ¥2,857 million (up 3.9% year on year), with segment profit of ¥384 million (up 0.3% year on year).

New store information for March 2024 to February 2025

March 2024	Ikebukuro Sanchome Store (Tokyo)	March 2024	BIO-RAL Minoh Q's MALL Store (Osaka)
March 2024	BIO-RAL Kunitachi Ekimae Store (Tokyo)	April 2024	SoCoLA Tokorozawa Store (Saitama)
May 2024	Meguro Yakumo Store (Tokyo)	June 2024	Matsugasaki Store (Kyoto)
July 2024	Kichijoji Ekimae Store (Tokyo)	August 2024	Ashiya Kurekawa-cho Store (Hyogo)
October 2024	Saikaya Fujisawa Store (Kanagawa)	November 2024	Higashitenma Store (Osaka)
January 2025	Hirakataohashi Store (Osaka)		

5. Trends in assets and operating results

(1) Trends in assets and operating results of the corporate group

Category \ Period	67th Fiscal Year ended February 2022	68th Fiscal Year ended February 2023	69th Fiscal Year ended February 2024	70th Fiscal Year (fiscal year under review) ended February 2025
Operating revenue (Millions of yen)	768,335	765,426	809,709	850,496
Ordinary profit (Millions of yen)	23,695	20,015	24,948	26,205
Profit attributable to owners of parent (Millions of yen)	15,208	13,327	16,938	17,948
Earnings per share (Yen)	162.25	142.17	180.47	195.11
Total assets (Millions of yen)	270,229	280,810	287,146	306,027
Net assets (Millions of yen)	110,299	122,002	136,855	138,435
Net assets per share (Yen)	1,176.72	1,299.89	1,458.04	1,600.06

- Notes:
1. Earnings per share is calculated based on the average number of shares outstanding during each fiscal year, and the amount of net assets per share is calculated based on the total number of shares outstanding at the end of each fiscal year. Treasury shares are excluded from the average number of shares outstanding during each fiscal year and from the total number of shares outstanding at the end of each fiscal year.
 2. Amounts less than one million yen are rounded down, except for amounts of earnings per share and net assets per share.
 3. The Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020), etc. from the beginning of the 68th fiscal year, and each figure from the 68th fiscal year onward is the figure after applying the accounting standard, etc.
 4. The Company conducted a 2-for-1 share split of its ordinary shares effective March 1, 2025. Accordingly, earnings per share and net assets per share have been calculated on the assumption that the share split was conducted at the beginning of the 67th fiscal year.

(2) Trends in assets and operating results of the reporting company

Category \ Period	67th Fiscal Year ended February 2022	68th Fiscal Year ended February 2023	69th Fiscal Year ended February 2024	70th Fiscal Year (fiscal year under review) ended February 2025
Operating revenue (Millions of yen)	767,379	765,240	809,472	850,204
Ordinary profit (Millions of yen)	23,556	19,683	24,565	25,821
Profit (Millions of yen)	15,066	12,977	16,706	17,685
Earnings per share (Yen)	160.73	138.44	177.99	192.25
Total assets (Millions of yen)	275,299	283,477	289,603	307,710
Net assets (Millions of yen)	110,634	120,563	134,043	135,517
Net assets per share (Yen)	1,180.30	1,284.55	1,428.09	1,566.34

- Notes:
1. Earnings per share is calculated based on the average number of shares outstanding during each fiscal year, and the amount of net assets per share is calculated based on the total number of shares outstanding at the end of each fiscal year. Treasury shares are excluded from the average number of shares outstanding during each fiscal year and from the total number of shares outstanding at the end of each fiscal year.
 2. Amounts less than one million yen are rounded down, except for amounts of earnings per share and net assets per share.

3. The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020), etc. from the beginning of the 68th fiscal year, and each figure from the 68th fiscal year onward is the figure after applying the accounting standard, etc.
4. The Company conducted a 2-for-1 share split of its ordinary shares effective March 1, 2025. Accordingly, earnings per share and net assets per share have been calculated on the assumption that the share split was conducted at the beginning of the 67th fiscal year.

6. Issues to be addressed

In terms of the future outlook for the Japanese economy, we expect the economy to follow a track of recovery driven by expanded inbound demand, economic measures by the government, and expanded personal consumption through continuous wage increases. Overseas, however, while economies showed underlying strength, frequent natural disasters, fiscal, monetary, and trade policies in Europe and the United States, economic trends in China, and geopolitical risks, etc. continue to affect the Japanese economy, and the situation remains less optimistic.

In the retail industry, increasing financial assets and rising wages, etc. are supporting consumption. However, we are seeing more drastic moves in the industry, including inflation and soaring personnel expenses due to increasingly serious labor shortages, as well as drugstores expanding their food offerings, growth in discount-style retailing, an expansion beyond traditional operations into the fresh food segment, including by major online retailers, and an expansion of M&As.

In this challenging environment, to become the stores most trusted by customers in local communities, and to achieve even greater success, we are advancing our 7th Medium-Term Plan starting in fiscal 2023 to realize our Corporate Philosophy, Vision and the “True to LIFE Declaration,” with a focus on our vision for the fiscal year ending February 28, 2030. In order to realize what we want to be in fiscal 2030, we will take prompt and effective measures in response to changes in the business environment.

In the 7th Medium-Term Plan, the three main themes that we address are as follows.

- Investment in people – We aim to increase motivation through employee growth and satisfaction, which will advance the 7th Medium-Term Plan and lead to company growth.
- Breaking away from homogeneous competition – We aim to provide customers with a comfortable shopping experience by expanding our internet business while refining our unique products and services in order to realize seamless and convenient shopping.
- Contributing towards the realization of a sustainable and flourishing society – As a “lifeline for the community” – we aim to implement initiatives necessary for a sustainable and flourishing society (reduction of environmental impacts, contribution to the local community, etc.).

In promoting the three themes, all employees personally engage in “kaizen” activities under the slogan of “Linking the Circle of Kaizen” in order to promote efficiency and secure funds for investment to realize the 7th Medium-Term Plan, even in the current situation of labor shortages.

Through the abovementioned measures, we aim to improve our corporate value and achieve sustained growth, as a business entity that is trusted by customers, society and employees.

The economy is following a track of recovery and wages are expected to rise, but the impact of continuous inflation on consumption, etc. makes it extremely difficult to forecast results trends. Even though the outlook remains unclear, however, for the third year of the 7th Medium-Term Plan (fiscal 2025), the Group forecasts operating revenue of ¥885.0 billion (up 4.1% year on year), operating profit of ¥25.7 billion (up 1.7% year on year), ordinary profit of ¥26.5 billion (up 1.1% year on year), and profit attributable to owners of parent of ¥18.0 billion (up 0.3% year on year). Although we may revise our business outlook in response to changes in the social and economic environment, we steadily implement all measures to “realize our Corporate Philosophy, Vision, and the True to LIFE Declaration,” which are the goals of the 7th Medium-Term Plan.

7. Capital expenditures

Major capital expenditures during the fiscal year under review are as follows:

(1) Stores opened during the fiscal year under review

Osaka Region:	BIO-RAL Minoh Q's MALL Store, Matsugasaki Store, Ashiya Kurekawa-cho Store, Higashitenma Store, Hirakataohashi Store
Tokyo Region:	Ikebukuro Sanchome Store, BIO-RAL Kunitachi Ekimae Store, SoCoLa Tokorozawa Store, Meguro Yakumo Store, Kichijoji Ekimae Store, Saikaya Fujisawa Store

(2) Stores that underwent large-scale renovation during the fiscal year under review

Osaka Region:	Takaida Store, Nishikujo Store, Kobe Ekimae Store, Minamitsumori Store
Tokyo Region:	Senkawa Ekimae Store, Saitamashintoshin Store

Financing for the abovementioned facilities was primarily allocated from the Group's own funds.

8. Financing

Not applicable.

9. Significant parent company and subsidiaries

(1) Parent company

Not applicable.

(2) Significant subsidiaries

Company name	Share capital	Ownership	Principal lines of business
LIFE FINANCIAL SERVICE	¥499 million	100.0%	Credit card and e-money business

10. Principal lines of business (as of February 28, 2025)

The Group is mainly engaged in the retail business, handling fresh produce, general food, sundries and other lifestyle products, apparel, and the credit card and e-money business. The Group also conducts incidental operations, including the leasing of stores.

11. Major business locations (as of February 28, 2025)

LIFE: 314 stores			
170 stores in the Osaka Region		144 stores in the Tokyo Region	
Osaka	128 stores	Tokyo	99 stores
Kyoto	19 stores	Kanagawa	32 stores
Hyogo	20 stores	Saitama	8 stores
Nara	3 stores	Chiba	5 stores

(1) Logistics centers and other locations of the Company

- | | |
|-------------|--|
| 1) Osaka | Nanko Food Process Center
Sakai Food Process Center
Suminoe Logistics Center
Shintempoan Low Temperature Logistics Center
Tempoan Food Process Center
Osaka Hirabayashi Comprehensive Logistics Center
Osaka Hirabayashi Food Process Center |
| 2) Tokyo | Higashigotanda Satellite Delicatessen Center
Sakurashinmachi Satellite Delicatessen Center |
| 3) Saitama | Kurihashi Food Process Center
Yoshikawa Ekimae Bakery Center |
| 4) Chiba | Kazo Food Process Center
Matsudo Comprehensive Logistics Center
Funabashi Food Process Center |
| 5) Kanagawa | Kawasaki Comprehensive Logistics Center |

(2) Head offices and headquarters of subsidiaries

LIFE FINANCIAL SERVICE
Head Office and Headquarters (Shinagawa-ku, Tokyo)

12. Employees (as of February 28, 2025)

(1) Employees of the corporate group

Number of employees	Increase/decrease from the previous fiscal year-end
7,391	+87

Note: In addition to the above, the average number of part-timers employed during the period was 25,265 (converted on an eight-hour workday basis).

(2) Employees of the reporting company

Number of employees	Increase/decrease from the previous fiscal year-end	Average age	Average years of service
7,385	+86	41.0 years old	15.5 years

Note: In addition to the above, the average number of part-timers employed during the period was 25,265 (converted on an eight-hour workday basis).

13. Major creditor banks and balance of borrowings (as of February 28, 2025)

(Millions of yen)

Creditor banks	Balance of borrowings
Sumitomo Mitsui Trust Bank, Limited	26,379
The Norinchukin Bank	21,042
MUFG Bank, Ltd.	2,349
Sumitomo Mitsui Banking Corporation	1,965
Mizuho Bank, Ltd.	1,821
Resona Bank, Limited	1,752
The Bank of Yokohama, Ltd.	819
Development Bank of Japan Inc.	802

Note: Amounts less than one million yen are rounded down.

14. Other important matters relating to the current status of the corporate group

Based on the resolution of the 69th Annual General Meeting of Shareholders held on May 23, 2024, the Company transitioned to a Company with an Audit and Supervisory Committee on the same day.

II. Shares of the Company (as of February 28, 2025)

1. Total number of authorized shares 120,000,000 shares

Note: As a result of the 2-for-1 share split implemented on March 1, 2025, the total number of authorized shares increased by 120,000,000 shares to 240,000,000 shares.

2. Total number of issued shares 49,450,800 shares (including 6,111,001 treasury shares)

Note: As a result of the 2-for-1 share split implemented on March 1, 2025, the total number of issued shares increased by 49,450,800 shares to 98,901,600 shares.

3. Number of shareholders 12,886

4. Major shareholders

Name	Number of shares held (shares)	Shareholding ratio (%)
Mitsubishi Corporation	10,562,500	24.4
Seishin Kosan Corporation	5,382,000	12.4
LIFE Sport Foundation	3,229,200	7.5
The Master Trust Bank of Japan, Ltd. (Trust Account)	3,033,000	7.0
LIFE Mutual Prosperity Association	2,339,212	5.4
Custody Bank of Japan, Ltd. (Trust Account)	1,084,200	2.5
SUMITOMO LIFE INSURANCE COMPANY	737,000	1.7
Hisako Shimizu	701,400	1.6
Mitsubishi Shokuhin Co., Ltd.	505,380	1.2
STATE STREET BANK AND TRUST COMPANY 505223	458,048	1.1

Note: The shareholding ratio is calculated after deducting treasury shares (6,111,001 shares).

The treasury shares do not include 80,500 shares of the Company held by Custody Bank of Japan, Ltd. as trust assets for the "Trust for Delivering Shares to Directors."

5. Other important matters related to shares

Purchase of treasury shares

At the Board of Directors meeting held on October 7, 2024, the Company resolved to purchase treasury shares of up to 4,030,900 ordinary shares for a total purchase cost of up to ¥12,975,467,100, with the purchase period spanning October 8, 2024 to January 31, 2025. With regard to the specific method of purchasing treasury shares, the Company resolved to conduct a tender offer. By the end of the share buyback program on November 6, 2024, the Company had purchased 3,671,776 treasury shares for a total of ¥11,819,446,944.

III. Share acquisition rights, etc. of the Company

Not applicable.

IV. Company Officers

1. Directors (as of February 28, 2025)

Position	Name	Responsibilities of the Company and significant concurrent positions outside the Company
Representative Director & President	Takaharu Iwasaki	Group CEO of Development Group Headquarters Member of the Nomination & Remuneration Advisory Committee Director of Nihon Ryutsu Sangyo Co., Ltd. Representative Director and Chairman of LIFE FINANCIAL SERVICE Chairman of Japan Supermarkets Association
Director & Senior Managing Executive Officer	Tomehisa Morishita	Group CEO of Corporate Functions Group Headquarters and Division COO of Information Strategy Division
Director & Managing Executive Officer	Takashi Sumino	Group CEO of Infrastructure Group Headquarters
Director & Executive Officer	Jun Adachi	General Manager of Corporate Strategy and Planning Department
Director	Hiroko Kono	Outside Director (Audit and Supervisory Committee Member) of PayPay Corporation
Director	Takashi Katayama	
Director	Akihiro Tada	
Director (Audit and Supervisory Committee Member)	Shigeyuki Mito	Partner and attorney at law of TMI Associates Member of the Nomination & Remuneration Advisory Committee
Director (Full-Time Audit and Supervisory Committee Member)	Kaoru Sueyoshi	
Director (Audit and Supervisory Committee Member)	Koichi Narita	Chairperson of the Nomination & Remuneration Advisory Committee
Director (Audit and Supervisory Committee Member)	Naoko Miyatake	

Notes: 1. Based on the resolution of the 69th Annual General Meeting of Shareholders held on May 23, 2024, the Company transitioned to a Company with an Audit and Supervisory Committee on the same day. Accordingly, Corporate Auditors Kaoru Sueyoshi, Mitsuo Maki, Naoko Miyatake, and Koji Shiono retired upon the expiry of their terms of office. Among which, Kaoru Sueyoshi and Naoko Miyatake assumed the position of Directors who are Audit and Supervisory Committee Members.

Furthermore, Directors Nobuyuki Kawai, Koichi Narita, and Haruhiko Yahagi retired upon the expiry of their terms of office on May 23, 2024, based on the resolution of the 69th Annual General Meeting of Shareholders held on the same day. Among which, Koichi Narita assumed the position of Director who is an Audit and Supervisory Committee Member.

2. Directors Hiroko Kono, Takashi Katayama, and Akihiro Tada, as well as Directors (Audit and Supervisory Committee Members) Shigeyuki Mito, Koichi Narita, and Naoko Miyatake, are outside Directors. The Company has submitted notification to the Tokyo Stock Exchange that they have been appointed as independent officers.
3. With the aim of enhancing information collection, Kaoru Sueyoshi has been appointed as full-time Audit and Supervisory Committee Member in order to strengthen audit and supervisory functions by increasing the effectiveness of audits through sufficient cooperation with the Internal Audit Office, etc.
4. The Company has entered into a directors and officers liability insurance policy, as defined in Article 430-3, paragraph (1) of the Companies Act, with an insurance company. The scope of those insured by this policy is Directors (including Directors who are Audit and Supervisory Committee Members) of the Company, as well as Directors and Corporate Auditors of the Company's subsidiaries. The insured do not pay insurance premiums.

This insurance policy provides coverage for damages that may arise from the assumption of liability incurred in the course of the execution of duties by the insured or claims pertaining to the pursuit of such liability. The Company plans to renew the insurance policy with the same contents at the next renewal.

2. Changes to Directors and Corporate Auditors during the fiscal year under review

(1) New appointment

At the 69th Annual General Meeting of Shareholders held on May 23, 2024, Jun Adachi and Akihiro Tada were newly elected as Directors and Shigeyuki Mito was newly elected as Director (Audit and Supervisory Committee Member), with each assuming their respective positions thereafter.

(2) Retirement

Directors Nobuyuki Kawai and Haruhiko Yahagi, as well as Corporate Auditors Mitsuo Maki and Koji Shiono, retired upon the expiry of their terms of office at the conclusion of the 69th Annual General Meeting of Shareholders held on May 23, 2024.

(3) Changes in positions of Directors (including Directors who are Audit and Supervisory Committee Members) during the fiscal year under review

Name	New position	Former position	Date of change
Koichi Narita	Director (Audit and Supervisory Committee Member)	Director	May 23, 2024
Kaoru Sueyoshi	Director (Full-Time Audit and Supervisory Committee Member)	Full-Time Corporate Auditor	May 23, 2024
Naoko Miyatake	Director (Audit and Supervisory Committee Member)	Corporate Auditor	May 23, 2024

(4) Changes in positions and responsibilities of Directors after the end of the fiscal year under review

Name	New position	New responsibilities	Former position	Former responsibilities	Date of change
Tomehisa Morishita	Director & Senior Managing Executive Officer	Group CEO of Infrastructure Group Headquarters	Director & Senior Managing Executive Officer	Group CEO of Corporate Functions Group Headquarters and Division COO of Information Strategy Division	March 1, 2025
Takashi Sumino	Director & Senior Managing Executive Officer	Group CEO of Corporate Functions Group Headquarters	Director & Senior Managing Executive Officer	Group CEO of Infrastructure Group Headquarters	March 1, 2025
Jun Adachi	Director & Executive Officer	Special Assignment from the President	Director & Executive Officer	General Manager of Corporate Strategy and Planning Department	April 1, 2025

3. Total amount of remuneration for Directors and Corporate Auditors, etc.

Category	Total amount of remuneration (Millions of yen)	Total amount of remuneration by type (Millions of yen)			Number of recipients
		Fixed remuneration	Performance-linked remuneration, etc.	Non-monetary remuneration, etc.	
Director (excluding Audit and Supervisory Committee Member) (of which outside Directors)	208 (31)	195 (31)	12 (-)	- (-)	10 (5)
Director (Audit and Supervisory Committee Member) (of which outside Directors)	30 (21)	30 (21)	- (-)	- (-)	4 (3)
Corporate Auditor (of which outside Corporate Auditors)	8 (5)	8 (5)	- (-)	- (-)	4 (3)
Total (of which outside officers)	248 (57)	235 (57)	12 (-)	- (-)	18 (11)

- Notes:
1. The abovementioned figures for Directors (excluding Audit and Supervisory Committee Members) include three Directors (including two outside Directors) who retired at the conclusion of the 69th Annual General Meeting of Shareholders held on May 23, 2024. Among which, one outside Director was appointed as Director (Audit and Supervisory Committee Member) after retiring from his position as Director at the conclusion of said General Meeting of Shareholders. As such, with regards to amount of remuneration and number of recipients, they are included in the figures for Directors (excluding Audit and Supervisory Committee Members) for the period in which he served as Director, and in figures for Directors (Audit and Supervisory Committee Members) for the period in which he served as Director (Audit and Supervisory Committee Member).
 2. The abovementioned figures for Corporate Auditors include four Corporate Auditors (including three outside Corporate Auditors) who retired at the conclusion of the 69th Annual General Meeting of Shareholders held on May 23, 2024. Among which, two Corporate Auditors (of which, one outside Corporate Auditor) were appointed as Directors (Audit and Supervisory Committee Members) after retiring from their position as Corporate Auditors at the conclusion of said General Meeting of Shareholders. As such, with regards to amount of remuneration and number of recipients, they are included in the figures for Corporate Auditors for the period in which they served as Corporate Auditors, and in figures for Directors (Audit and Supervisory Committee Members) for the period in which they served as Directors (Audit and Supervisory Committee Members).
 3. Total amount of remuneration for Directors (excluding Audit and Supervisory Committee Members) does not include the portion of employee salaries for Directors who concurrently serve as employees
 4. The details of the performance indicators selected as the basis for calculating the amount of performance-linked remuneration, etc., the reasons for selecting said performance indicators, the method for calculating the amount of performance-linked remuneration, etc., and the performance results related to the performance indicators are as described in "4. Policies for determining remuneration for Directors and other officers, (1) Remuneration for Directors."
 5. Matters concerning resolutions of the General Meeting of Shareholders regarding the remuneration for Directors and Corporate Auditors prior to the transition to a Company with an Audit and Supervisory Committee

At the 52nd Annual General Meeting of Shareholders held on May 24, 2007, prior to the transition to a Company with an Audit and Supervisory Committee, it was resolved that remuneration for Directors shall be no more than ¥35,000 thousand per month (this does not include the portion of employee salaries for Directors who concurrently serve as employees). The number of Directors at the conclusion of this General Meeting of Shareholders was 14.

In addition, separate from the above monetary remuneration, at the 64th Annual General Meeting of Shareholders held on May 23, 2019, it was resolved that the upper limit of money contributed by the Company to the board benefit trust for performance-linked share remuneration shall be ¥200,000 thousand in total for the five fiscal years from the fiscal year ended February 29, 2020 to the fiscal year ended February 29, 2024 (the term of which may be extended), and that the total number of points to be granted as share remuneration shall be no more than 20,000 points (where one point equates to one share in the Company) for each fiscal year (outside Directors and non-residents of Japan shall not be eligible for share remuneration). The number of eligible Directors at the conclusion of this General Meeting of Shareholders was seven.

At the 64th Annual General Meeting of Shareholders held on May 23, 2019, it was resolved that the remuneration for Corporate Auditors shall be no more than ¥6,000 thousand per month. The number of Corporate Auditors at the conclusion of this General Meeting of Shareholders was four.

6. Matters concerning resolutions of the General Meeting of Shareholders regarding the remuneration for Directors after the transition to a Company with an Audit and Supervisory Committee

At the 69th Annual General Meeting of Shareholders held on May 23, 2024, it was resolved that remuneration for Directors after the transition to a Company with an Audit and Supervisory Committee shall be no more than ¥420,000 thousand per year (this does not include the portion of employee salaries for Directors who concurrently serve as employees). The number of Directors (excluding Audit and Supervisory Committee Members) at the conclusion of this General Meeting of Shareholders was seven (of which, three outside Directors).

In addition, separate from the above monetary remuneration, at the 69th Annual General Meeting of Shareholders held on May 23, 2024, it was resolved that the upper limit of money contributed by the Company to the board benefit trust for performance-linked share remuneration shall be ¥120,000 thousand in total for the three fiscal years from the fiscal year ended February 28, 2025 to the fiscal year ending February 28, 2027 (the term of which may be extended), and that the total number of points to be granted as share remuneration shall be no more than 20,000 points (where one point equates to one share in the Company) for each fiscal year (Directors who are Audit and Supervisory Committee Members, outside Directors and non-residents of Japan shall not be eligible for share remuneration). The number of eligible Directors (excluding Audit and Supervisory Committee Members) at the conclusion of this General Meeting of Shareholders was four.

At the 69th Annual General Meeting of Shareholders held on May 23, 2024, it was resolved that the remuneration for Directors (Audit and Supervisory Committee Members) shall be no more than ¥72,000 thousand per year. The number of Directors (Audit and Supervisory Committee Members) at the conclusion of this General Meeting of Shareholders was four.

4. Policies for determining remuneration for Directors and other officers

(1) Remuneration for Directors

At the Board of Directors meeting held on May 23, 2024, the Company passed a resolution on the decision-making policy related to remuneration of individual Directors.

(After the transition to a company with an Audit and Supervisory Committee)

Policies for determining remuneration for individual Directors

[Basic policy]

The basic policy for remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members) is to appropriately reflect the Company's performance and individual contribution in remuneration for each component described below in order for them to help the Company grow and develop, while considering industry levels and levels of similar sized companies with reference to survey results from external organizations.

In addition, the Company has adopted performance-linked remuneration for the purpose of increasing the Directors' motivation to contribute to improving medium-to-long-term performance and increasing corporate value.

Remuneration for outside Directors and Directors who are Audit and Supervisory Committee Members is comprised solely of "A. Role-based remuneration" in light of their role and independence.

[Components of Director remuneration]

- | | | |
|--|---|--|
| A. Role-based remuneration | : | Remuneration paid for duties and responsibilities as Director, outside Director, or Representative Director (fixed remuneration) |
| B. Remuneration for business execution | : | Remuneration paid for performing duties and responsibilities as well as for the results of business executed (set annually within the remuneration range table according to the state of business execution of each Director) |
| C. Performance-linked remuneration | : | Shares are granted according to the achievement of performance-linked indicator targets (the Board of Directors determines the indicator levels each fiscal year). There are three performance-linked indicators: consolidated ordinary profit, the ES (employee satisfaction) index, and ROIC (return on invested capital). |

[Process of determining remuneration]

Remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members) is determined within the limits of the total remuneration resolved by the General Meeting of Shareholders.

In order to enhance the transparency and fairness of remuneration for the management team, the Company has established a voluntary Nomination & Remuneration Advisory Committee, a majority of whose members are outside Directors, as an advisory body to the Board of Directors. Remuneration levels and mix are deliberated by the Nomination & Remuneration Advisory Committee, and are determined after consultation of the results with the Board of Directors. Furthermore, regarding the remuneration of individual Directors for the fiscal year under review, the Board of Directors has confirmed that the method for determining the content of remuneration and the determined content of remuneration are consistent with the decision-making policy, and the report from the Nomination & Remuneration Advisory Committee is respected, and it is judged that the content is in line with the policy.

Remuneration for Directors who are Audit and Supervisory Committee Members is determined through discussion among Directors who are Audit and Supervisory Committee Members based on the reports of the

Nomination & Remuneration Advisory Committee, and set within the remuneration limits resolved by the General Meeting of Shareholders.

Remuneration levels and mix, performance-linked indicators, and the management of performance-linked remuneration will be reviewed periodically based on the reports of the Nomination & Remuneration Advisory Committee.

[Performance-linked remuneration (non-monetary remuneration, etc.)]

This is a performance-linked share remuneration plan (the “Plan”), established in accordance with the details of a resolution at the General Meeting of Shareholders, under which the Company grants points pursuant to the Director Performance-Linked Share Distribution Regulations set by the Board of Directors and delivers shares based on the total number of points accumulated at retirement.

Target figures for consolidated ordinary profit, which is the Company’s management target, ES (employee satisfaction) index, and ROIC (return on invested capital) are used as indicators for remuneration, and each Director is granted points, which are converted into shares, determined for each position according to the achievement of the targets for each fiscal year as follows.

- Points to be granted are calculated based on the following formula (rounded down to the nearest integer).

Points to be granted = position-based base points^{(*)1} x performance-linked coefficient^{(*)2}

(*)1) Position-based base points

Position	Position-based base points
Director & Chairman	3,161
Director & Vice Chairman	3,161
Director & President	5,420
Director & Executive Vice-President	2,935
Director & Senior Managing Executive Officer	2,664
Director & Managing Executive Officer	1,987
Director & Senior Executive Officer	1,535
Director & Executive Officer	1,400

(*)2) The performance-linked coefficient is the sum of the coefficients for which the calculation methods are specified in the table below multiplied by their evaluation weights set respectively.

(*)3) Targets are determined by the Board of Directors each fiscal year after consulting with the Nomination & Remuneration Advisory Committee.

[Consolidated ordinary profit-linked coefficient] Evaluation weight: 50%

The coefficient is set, as below, between 0.0 and 1.5, based on the achievement of the target for ordinary profit^{(*)3} for the corresponding evaluation period.

Achievement level of the target for consolidated ordinary profit	Performance-linked coefficient
120% and higher	1.5
100% and higher, less than 120%	2.5 x achievement level - 1.5
90% and higher, less than 100%	6.0 x achievement level - 5.0
Less than 90%	0.0

[ES (employee satisfaction) index-linked coefficient]

Evaluation weight: 25%

The coefficient is set as below, based on the achievement of the target for ES evaluation^(*) for the corresponding evaluation period.

ES evaluation (employee satisfaction survey) results	Performance-linked coefficient
If the target has been reached	1.0
If the target has not been reached	0.0

[ROIC (return on invested capital)-linked coefficient]

Evaluation weight: 25%

The coefficient is set as below, based on the achievement of the target for ROIC (return on invested capital)^(*) for the corresponding evaluation period.

Actual ROIC is calculated using the following formula based on the consolidated financial statements and other data pertaining to the applicable evaluation period.

Actual ROIC = operating profit after tax / (average of interest-bearing liabilities at the beginning and end of the fiscal year + average of shareholders' equity at the beginning and end of the fiscal year)

Achievement level of the target for ROIC	Performance-linked coefficient
If the target has been reached	1.0
If the target has not been reached	0.0

The Plan aims to increase Directors' motivation to contribute to improving medium- to long-term performance and increasing the Company's corporate value by better clarifying the link between the Company's share value and Directors' remuneration in addition to granting shares based on performance for each fiscal year, having these Directors benefit from the advantages of rising share prices while at the same time assuming the risks of falling share prices, and sharing the benefits and risks of share price fluctuations with shareholders. The Company selected three indicators as target indicators based on this premise because they were determined to be appropriate indicators for strengthening management base and improving the ordinary state of management of the Company, and because achieving this business target will maintain a strong motivation toward performance.

Furthermore, the target consolidated ordinary profit for the fiscal year under review is a profit of ¥28.4 billion, and the remuneration will not be provided unless the consolidated ordinary profit reaches at least 90% of the target. The actual results for the fiscal year under review were a profit of ¥26,205 million, which is 92.3% of the target. As the payment requirement has been met, performance-linked remuneration corresponding to the points granted in accordance with the target level achieved has been recorded as an expense in accordance with the Director Performance-Linked Share Distribution Regulations. While the ES index target is the highest to date, remuneration will not be provided unless the ES index target has been reached. The actual ES index for the fiscal year under review has not reached the target. As the payment requirement has not been met, no performance-linked remuneration corresponding to the points granted in accordance with the target level achieved has been recorded as an expense in accordance with the Director Performance-Linked Share Distribution Regulations. While the ROIC target is 7.0%, remuneration will not be provided unless the target has been reached. The actual ROIC for the fiscal year under review was 8.7%. As the payment requirement has been met, performance-linked remuneration corresponding to the points granted in accordance with the target level achieved has been recorded as an expense in accordance with the Director Performance-Linked Share Distribution Regulations.

[Limits of remuneration for Directors]

The limits of the Directors' remuneration (which does not include the amount equivalent to the portion of employee salaries for Directors who concurrently serve as employees) based on the resolution by the General Meeting of Shareholders are as follows.

Directors (excluding Directors who are Audit and Supervisory Committee Members)

No more than ¥420 million per year
(pursuant to the resolution at the 69th Annual
General Meeting of Shareholders held on May 23,
2024)

Directors who are Audit and Supervisory Committee Members

No more than ¥72 million per year
(pursuant to the resolution at the 69th Annual
General Meeting of Shareholders held on May 23,
2024)

Separate from the limits above, a resolution on the Plan was passed at the 69th Annual General Meeting of Shareholders held on May 23, 2024, whereby the target period of the trust established for the Plan shall be three fiscal years from the fiscal year ended February 28, 2025, to the fiscal year ending February 28, 2027 (the target period may be extended). The maximum amount of contributions was set at ¥120 million.

Directors (excluding Directors who are Audit and Supervisory Committee Members) eligible for payment under the Plan are Directors excluding outside Directors.

(Prior to the transition to a company with an Audit and Supervisory Committee)

In order to ensure transparency and fairness of remuneration for Directors, the Company has established a voluntary Nomination & Remuneration Advisory Committee, a majority of whose members are outside officers, as an advisory body to the Board of Directors. Members of the Nomination & Remuneration Advisory Committee include the Representative Director, independent outside Directors, and independent outside Corporate Auditors. The reason for including independent outside Corporate Auditors in the Nomination & Remuneration Advisory Committee is to make more appropriate decisions about the nomination and remuneration of Directors by receiving opinions on nomination and remuneration of Directors from members of the Board of Corporate Auditors.

The basic policy for remuneration of Directors is to appropriately reflect the Company's performance and individual contribution in remuneration for each component described below, considering industry levels and levels of similar sized companies with reference to survey results from external institutions.

In addition, the Company has adopted performance-linked remuneration for the purpose of increasing the Directors' motivation to contribute to improving medium-to-long-term performance and increasing corporate value.

Remuneration for outside Directors is comprised solely of "A. Role-based remuneration" in light of their role and independence.

[Components of Director remuneration]

- | | | |
|--|---|--|
| A. Role-based remuneration | : | Remuneration paid for duties and responsibilities as Director, outside Director, or Representative Director (fixed remuneration) |
| B. Remuneration for business execution | : | Remuneration paid for performing duties and responsibilities as well as for the results of business executed (individually determined commensurate with the state of business execution and other factors of each Director, based on a range of remuneration set according to duties and responsibilities) |
| C. Performance-linked remuneration | : | Based on target figures for consolidated ordinary profit, which is the Company's management target, each Director is granted points, which are converted into shares, determined for each position according to the achievement of the targets for each fiscal year. The Company's shares are then delivered based on the number of points. (The Board of Directors determines the target figures each fiscal year, and achieving the targeted ordinary profit is required.) |

[Process of determining remuneration]

For the fiscal year under review, in accordance with the above basic policy and the remuneration limits resolved by the General Meeting of Shareholders, the Nomination & Remuneration Advisory Committee deliberated on and evaluated the amounts of Director remuneration, and at the Board of Directors meeting held on May 25, 2023, the Company passed a resolution on the decision based on the reports of the Nomination & Remuneration Advisory Committee. Furthermore, regarding the remuneration of individual Directors for the fiscal year under review, the Board of Directors has confirmed that the method for determining the content of remuneration and the determined content of remuneration are consistent with the decision-making policy, and the report from the Nomination & Remuneration Advisory Committee is respected, and it is judged that the content is in line with the policy.

Remuneration for Corporate Auditors is determined by discussion among Corporate Auditors within the limits of the total remuneration determined by the General Meeting of Shareholders, with the results of such determination reported to the Board of Directors.

Remuneration for Directors and other officers is set within the remuneration limits resolved by the General Meeting of Shareholders.

[Performance-linked remuneration (non-monetary remuneration, etc.)]

This is a performance-linked share remuneration plan (the “Plan”), established in accordance with the details of a resolution at the General Meeting of Shareholders, under which the Company grants points pursuant to the Director Performance-Linked Share Distribution Regulations set by the Board of Directors and delivers shares based on the total number of points accumulated at retirement.

A target figure for consolidated ordinary profit, which is the Company’s management target, is used as an indicator for remuneration, and each Director is granted points, which are converted into shares, determined for each position according to the achievement of the targets for each fiscal year as follows.

- Points to be granted are calculated based on the following formula (rounded down to the nearest integer).
Points to be granted = position-based base points^(*1) x performance-linked coefficient^(*2)

(*1) Position-based base points

Position	Position-based base points
Director & Chairman	1,716
Director & President	2,439
Director & Senior Managing Executive Officer	1,084
Director & Managing Executive Officer	767
Director & Senior Executive Officer	496

(*2) The performance-linked coefficient is set, as below, between 0.0 and 1.5, based on the achievement of the target for ordinary profit^(*3) for the corresponding evaluation period.

Achievement level of the target for ordinary profit	Performance-linked coefficient
120% and higher	1.5
100% and higher, less than 120%	2.5 x achievement level - 1.5
90% and higher, less than 100%	6.0 x achievement level - 5.0
Less than 90%	0.0

(*3) The target for ordinary profit is determined by the Board of Directors each fiscal year.

The Plan aims to increase Directors' motivation to contribute to improving medium- to long-term performance and increasing the Company's corporate value by better clarifying the link between the Company's share value and Directors' remuneration in addition to granting shares based on performance for each fiscal year, having these Directors benefit from the advantages of rising share prices while at the same time assuming the risks of falling share prices, and sharing the benefits and risks of share price fluctuations with shareholders. The Company selected consolidated ordinary profit as a target indicator based on this premise because it was determined to be an appropriate indicator for improving the ordinary state of management of the Company, and because achieving this business target will maintain a strong motivation toward performance.

[Limits of remuneration for Directors and other officers]

The limits of the Directors and other officers' remuneration (which does not include the amount equivalent to the portion of employee salaries for Directors who concurrently serve as employees) based on the resolution by the General Meeting of Shareholders are as follows.

Directors:	No more than ¥35 million per month (pursuant to the resolution at the 52nd Annual General Meeting of Shareholders held on May 24, 2007)
Corporate Auditors:	No more than ¥6 million per month (pursuant to the resolution at the 64th Annual General Meeting of Shareholders held on May 23, 2019)

Separate from the limits above, a resolution on the Plan was passed at the 64th Annual General Meeting of Shareholders held on May 23, 2019, whereby the target period of the trust established for the Plan shall be five fiscal years from the fiscal year ended February 29, 2020, to the fiscal year ended February 29, 2024. The maximum amount of contributions was set at ¥200 million.

5. Outside Directors

- (1) Significant concurrent positions held at other organizations and relationship between the Company and such other organizations

Category	Name	Significant concurrent positions outside the Company	Relationship between the Company and the organizations where concurrent positions are held
Outside Director	Hiroko Kono	Outside Director (Audit and Supervisory Committee Member) of PayPay Corporation	Business relationship in relation to merchant agreements

- (2) Major activities during the fiscal year under review

Category	Name	Attendance at Board of Directors meetings	Attendance at Board of Corporate Auditors meetings	Attendance at Audit and Supervisory Committee meetings	Comments made and outline of duties performed in relation to the roles expected of outside Directors
Outside Director	Hiroko Kono	16/16	—	—	She actively offered opinions in the Board of Directors meetings mainly based on her deep knowledge of human resource development and from a perspective of an investor, and fulfilled appropriate roles in ensuring appropriate and proper decision-making.
	Takashi Katayama	16/16	—	—	He actively offered opinions in the Board of Directors meetings mainly based on his rich experience of a corporate executive and high level of knowledge related to logistics environment systems and overseas logistics, and fulfilled appropriate roles in ensuring appropriate and proper decision-making.
	Akihiro Tada	13/13	—	—	He actively offered opinions in the Board of Directors meetings mainly based on his abundant experience and specialist insight gained through the important positions he held in the government and his deep involvement in measures for the corporate governance code, and fulfilled appropriate roles in ensuring appropriate and proper decision-making.

Category	Name	Attendance at Board of Directors meetings	Attendance at Board of Corporate Auditors meetings	Attendance at Audit and Supervisory Committee meetings	Comments made and outline of duties performed in relation to the roles expected of outside Directors
Outside Director (Audit and Supervisory Committee Member)	Shigeyuki Mito	13/13	—	9/9	He actively offered opinions in the Board of Directors meetings mainly based on his expertise and from a perspective of an attorney at law, and fulfilled appropriate roles in ensuring appropriate and proper decision-making. In the Audit and Supervisory Committee meetings, he made necessary comments regarding the Company's compliance system and internal audits as appropriate. He also serves as a member of the Nomination & Remuneration Advisory Committee.
	Koichi Narita	16/16	—	9/9	He actively offered opinions in the Board of Directors meetings mainly based on his expertise and from a perspective of a corporate executive with rich experience, and fulfilled appropriate roles in ensuring appropriate and proper decision-making. In the Audit and Supervisory Committee meetings, he made necessary comments regarding the Company's compliance system and internal audits as appropriate. He also serves as the chairperson of the Nomination & Remuneration Advisory Committee.
	Naoko Miyatake	16/16	3/3	9/9	She actively offered opinions in the Board of Directors meetings mainly based on her expertise and from a perspective of a corporate executive, and fulfilled appropriate roles in ensuring appropriate and proper decision-making. In the Board of Corporate Auditors meetings and Audit and Supervisory Committee meetings, she made necessary comments regarding the Company's compliance system and internal audits as appropriate.

Note: As outside Director Akihiro Tada and outside Director (Audit and Supervisory Committee Member) Shigeyuki Mito were newly elected at the 69th Annual General Meeting of Shareholders held on May 23, 2024, their attendance at the Board of Directors meetings differs from other outside Directors and outside Directors (Audit and Supervisory Committee Members).

(3) Matters pertaining to limited liability agreements

The Company has entered into an agreement with Directors Hiroko Kono, Takashi Katayama, and Akihiro Tada, as well as Directors (Audit and Supervisory Committee Members) Shigeyuki Mito, Koichi Narita, and Naoko Miyatake, to limit their liability for damages stipulated in Article 423, paragraph (1) of the Companies Act. Pursuant to this agreement, the defined maximum amount of

liability for damages is the minimum liability amount provided for under Article 425, paragraph (1) of the Companies Act.

V. Accounting Auditor

1. Name KPMG AZSA LLC

2. Amount of remuneration

	Amount of remuneration (Millions of yen)
Amount of remuneration for the Accounting Auditor for the fiscal year under review	42
Total amount of money and other economic benefits payable by the Company and its subsidiaries	42

- Notes:
1. In the audit agreement between the Company and the Accounting Auditor, no clear distinction is made between the amounts of remuneration for audits pursuant to the Companies Act and audits pursuant to the Financial Instruments and Exchange Act, and in practical terms such distinction cannot be made. Accordingly, the amount of remuneration stated for the fiscal year under review is the total of those amounts.
 2. The Audit and Supervisory Committee received explanations from the Accounting Auditor on the auditing time required for the accounting audit plan for the fiscal year under review, verified and assessed the performance for the previous fiscal year, and scrutinized the efficiency of the audit services, the reasonableness of the Accounting Auditor's execution of the audit, and the assumptions used to calculate the quotation that forms the basis for the remuneration. As a result, it has given its approval to the remuneration for the Accounting Auditor.
 3. Other than the amount of remuneration for the Accounting Auditor presented above, the Company paid ¥1 million as additional remuneration pertaining to the previous fiscal year.

3. Policy on decisions of dismissal or non-reappointment of the Accounting Auditor

If the Audit and Supervisory Committee of the Company determines that the Accounting Auditor falls under any of the items in Article 340, paragraph (1) of the Companies Act, the Company shall dismiss the Accounting Auditor based on the unanimous consent of the Audit and Supervisory Committee Members. If, based on a comprehensive judgment on the state of the execution of duties by the Accounting Auditor, the Audit and Supervisory Committee determines that the properness and reliability of the audit cannot be ensured, the Audit and Supervisory Committee shall determine the content of a proposal pertaining to the dismissal or non-reappointment of the Accounting Auditor to be submitted to the General Meeting of Shareholders.