ENVIRONMENT

Basic Axes: Promotion of ESG (Environment)

Addressing and Responding to Climate Change and Natural Capital

Skylark Group's business is heavily dependent on the bounty of natural capital, including plants, animals, air, water, and soil, while also carrying the potential to negatively impact these resources. We recognize global environmental issues, including climate change, natural capital, and biodiversity, as top management priorities and disclose our responses in alignment with TCFD and TNFD recommendations through an integrated approach.

Approach to TCFD and TNFD

Skylark Group endorsed the TCFD recommendations in 2022 and began making compliant disclosures. In 2023, we began disclosures aligned with the TNFD recommendations framework, and in 2025 became the first restaurant industry company in Japan to publish a TNFD Report.

Web TNFD Report

Governance

Oversight Structure TCFD TNFD

Under the oversight of the Board of Directors, the Group Sustainability Committee (Chairperson: President and Chief Operating Officer) comprehensively deliberates and decides on risks and opportunities related to climate change and natural capital, and monitors the progress of goals including decarbonization and biodiversity conservation. We also link ESG indicators such as GHG reduction targets to executive compensation to ensure effectiveness.

Stakeholder Engagement TNFD

Our restaurant business is heavily dependent on raw material procurement. We recognize the importance of the human rights of local residents and our relationships with local communities.

- We formulate policies based on international standards such as the United Nations Guiding Principles on Business and Human Rights and ILO conventions. We also endorse the United Nations Global Compact and emphasize the securing of rights for local residents and indigenous peoples (FPIC).
- In addition to financial and quality factors, we evaluate suppliers from ESG perspectives, including labor environment, environmental conservation, and ethical compliance.
- We have established an internal reporting hotline available to suppliers as well, building a system to prevent human rights violations.

Risk Management TCFD TNFD

The Group Risk and Compliance Committee oversees risk management for the entire Group. Additionally, for medium- to long-term sustainability-related risks such as climate change and natural capital, the Group Sustainability Committee manages strategy, target setting, and the promotion of initiatives. Both committees identify business risks to be addressed, conduct annual reviews, and set emerging risks, integrating them into the company-wide risk management system.

Strategy

Identification of Risks and Opportunities

TCFD In our scenario analyses, we analyze two scenarios: the 1.5°C scenario in which impacts manifest as the transition to a low-carbon society takes place, and the 4°C scenario in which physical impacts associated with climate change manifest.

TNFD Based on the dependency and impact relationships in the identified priority areas, we qualitatively assess and identify risks and opportunities affecting business activities. In developing scenarios, we examine and analyze multiple scenarios recommended by TNFD.

Scenario 1 (1.5°C): A society moving towards "carbon neutrality" and "nature-positive" with minimal progression of natural destruction

Scenario 3 (4°C): A society with increasing impacts from physical risks due to progressing global warming and degradation of natural capital

	Risks/Opportunities (Excerpt)	Item		Timeframe	Impact Assessment	
					Scenario 1 (1.5°C)	Scenario 3 (4°C)
Physical risks	Increased procurement costs due to abnormal weather and natural disasters	Climate		Short- to medium-term	Medium	Large
	Rising electricity prices			Long-term	Medium	Large
	Rising raw material prices, increased electricity consumption, and decreased employee productivity due to rising temperatures			Long-term	Medium	Large
	Revenue decrease due to factory and logistics shutdowns caused by natural disasters	Nature		Short- to medium-term	Medium	Large
	Soaring prices of raw materials due to deterioration in growth caused by environmental degradation			Short- to medium-term	Medium	Large
Transition risks	Rising raw material costs and logistics costs due to carbon tax introduction	Climate		Long-term	Large	Medium
	Degradation of brand image due to delayed response to environmental issues	Climate	Nature	Short- to medium-term	Large	Medium
	Increase in manufacturing and logistics costs due to tightening of wastewater/waste laws and regulations	Nature		Long-term	Large	Medium
	Increased raw material procurement costs due to taxation or strengthened traceability			Short- to medium-term	Large	Medium
Opportunities	Increased net sales through product and service development to address changing consumer preferences	Climate	Nature	Short- to medium-term	Medium	Low
	Improvement in brand image through promotion of sustainability			Short- to medium-term	Medium	Low
	Enhancement of social trust and reputation through responses to disasters			Short- to medium-term	Medium	Low
	Increase in stock prices due to heightened awareness among stakeholders			Long-term	Medium	Low

Financial Impacts TCFD TNFD

The financial impacts (quantitative assessments) of principal risks on our business are as shown below. We review the content of countermeasures for risks and opportunities annually, update the status of our responses, and provide explanations of the resilience of our strategy. Financial impact amounts are calculated only for risks and opportunities that can be quantitatively assessed. Scenarios, assumed electricity prices, flood/storm surge frequency multipliers, and other details, are explained on our website.

Web TCFD Page Web TNFD Report

	Risks / Opportunities	Financial Impact		Countermeasures
Physical risks	Business suspension due to flooding	Scenario 3 (4°C)	-2.54 billion yen	Business Continuity Plan (BCP) response Strengthening of site resilience, diversification Development of regulations, including emergency response
		Scenario 1 (1.5°C)	-1.44 billion yen	
	Business suspension due to storm surge	Scenario 3 (4°C)	-0.42 billion yen	
		Scenario 1 (1.5°C)	-0.41 billion yen	
	Suspension of MDC operations due to drought	Scenario 3 (4°C)	-1.17 billion yen	
Transition risks	Introduction of carbon tax	Scenario 3 (4°C)	–	Energy and power saving: Reduction of energy usage Use of renewable energy
		Scenario 1 (1.5°C)	-4.31 billion yen	
	Changes in electricity prices	Scenario 3 (4°C)	0.54 billion yen	
		Scenario 1 (1.5°C)	-1.16 billion yen	
	Strengthening of traceability regulations	Scenario 1 (1.5°C)	-0.05 billion yen	
Opportunities	Reduction of food waste	Scenario 1 (1.5°C)	2.9 billion yen	Recycling of food waste Initiative in collaboration with customers: "Komamedori Project"

Indicators and Targets TCFD TNFD

The Company is working to expand the disclosure of indicators for materiality, including nature-related issues, through measures that include setting and disclosing quantitative KPIs. We also disclose some of the core global indicators recommended for disclosure by TNFD, such as GHG emissions, water discharge, and waste, on our corporate website. We will continue working to expand the disclosure of further indicators and will expand our disclosure of targets and progress toward them.

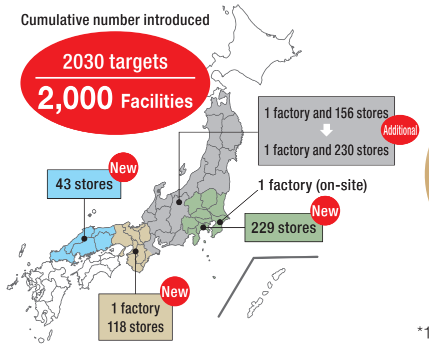
Web ESG Data

Decarbonization

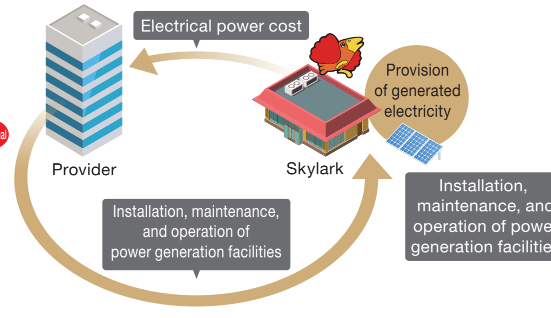
Introduction of Solar Power Generation

To reduce greenhouse gas emissions, we are promoting the introduction of solar power generation. In 2025, in addition to the Hokuriku, Tohoku, and Chubu areas (the gray areas in Figure 1), we expanded into the Kansai, Chugoku, and Kanto areas (the yellow, blue, and green areas in Figure 1). This is expected to reduce greenhouse gas emissions by 9,600 tons annually. With introduction at 1 factory and 468 stores, the cumulative total reached 627 facilities, achieving our 2025 target of 300 facilities. We will continue to advance introductions toward the 2030 target.

■ Figure 1: Solar power generation Areas where introduced

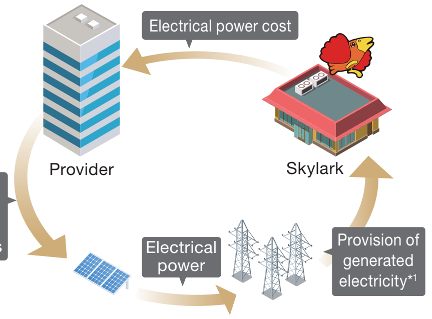


■ Figure 2: On-site PPAs*1



*1 On-site PPA: The placement of power generation facilities on a company's premises and purchase of the electricity by the company

■ Figure 3: Off-site PPAs*2



*2 Off-site PPAs: The purchase of electricity from facilities installed outside a company's premises.

Acquisition of third-party guarantees

We obtained third-party guarantees for our FY2025 data for GHG emissions (Scope 1, Scope 2, and Scope 3 Categories 1, 2, 3, and FLAG), energy consumption, water intake/discharge, and human capital-related figures.

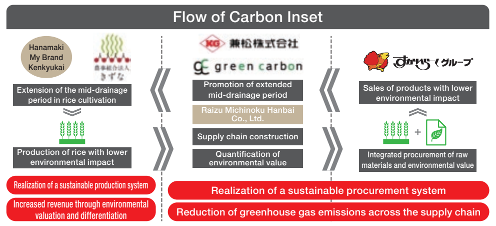
Verification body:
Japan Management Association Sustainability Center
(CDP-accredited verification partner for the climate change field)

■ Figure 4: FY2025 Verification Report

Carbon Inset

As one of our initiatives aligned with our Sustainability Policy, we procured domestically produced rice together with its environmental value from the fields of our suppliers Hanamaki My Brand Kenkyukai and the agricultural corporation Kizuna. Carbon inset is a method of reducing emissions within one's own supply chain, enabling a more direct environmental contribution than conventional offsetting. Through this initiative, we support regional agriculture, accelerate the decarbonization of raw materials, and continue our steps toward achieving carbon neutrality.

■ Figure 5: Flow of Carbon Inset



SBT Certification

We were the first Japanese restaurant company to obtain SBT FLAG* certification for our short-term targets, including FLAG emissions covering greenhouse gases generated from the production process and land use for agricultural and livestock raw materials.

Certified reduction targets (Target: 2030; baseline: 2018)

Scope 1 & 2	50.4% reduction
Scope 3	30.0% reduction
Scope 3 FLAG*	36.4% reduction

* Abbreviation for the forest, land, and agriculture sectors.
It requires that greenhouse gases attributable to this sector be separated, managed, and reduced.

Biodiversity

We were the first Japanese restaurant industry company to publish a TNFD Report based on the TNFD Final Recommendations v1.0 from the Taskforce on Nature-related Financial Disclosures (TNFD). Our report was posted as a case study on the TNFD website. In the report, we analyze our relationship with natural capital in accordance with the approach recommended by TNFD. Based on the insights gained, we will continue to appropriately address natural capital and disclose information. The content of the report is also available on our website.

Web TNFD Report

Food Loss Reduction

Since April 2024, we have continued the Komamedori Project* implemented at all Syabu-Yo all-you-can-eat shabu-shabu restaurants. In 2025, we established a Komamedori Challenge Month to encourage guest participation.
* An initiative encouraging guests to take small portions they can finish and enjoy without leaving leftovers, co-created with guests, aiming for food loss reduction.

In 2025, we also participated in the Zero Food Loss with Edo Spirit! Campaign promoted by the Tokyo Metropolitan Government.

Distributed a food loss reduction video on tabletop tablets from October 30 to the end of December 2025.

Web Food loss reduction initiatives here

Plastic Countermeasures

As a company with more than 3,000 stores nationwide, since 2018 we have been taking the lead in tackling the reduction of petroleum-based plastic products.

In 2021, we launched the Group Sustainability Committee and its subordinate bodies, the Packaging Materials and Consumables Subcommittee and the Consumables Reduction Subcommittee. To date, we have worked to reduce the size and thickness of plastic bags, garbage bags, and disposable containers and packaging materials for delivery and take-out, while also initiating charges for disposable cutlery and plastic bags.

● Donations to the Green Fund (January 2023 to end of March 2026)
Total cumulative donations: 7,226,670 yen

From a perspective of valuing limited resources, in January 2023 we began charging for disposable cutlery. We donate a portion of the associated revenue to the Green Fund of the National Land Afforestation Promotion Organization.

Web Click here for details of our plastic countermeasures

Preservation of Water Resources

All of our employees work together to conserve water with the aim of global environmental protection and cost reduction. Using the "Water Risk Atlas" of the WRI's Aqueduct, we conducted an investigation of our company's sites located in water risk areas where the amounts and quality of water resources are at risk. As of the end of 2025, no sites were located in watersheds at high or very high water risk. One facility in Japan and one overseas were located in high water stress watersheds. We are working to address these appropriately. We use high depth groundwater, rainwater for cooling outdoor facilities, and secondary water for cleaning at manufacturing sites to reduce effective water usage. To achieve both hygiene management and water conservation, we have set rules for hand-washing procedures and standards for the amount of water used in hand-washing areas, and are working to spread these rules through employee education. We are also actively installing water-saving equipment including water-saving frames, nozzles, toilets, and dishwashers.

About wastewater treatment

As we use considerable amounts of water for cooking and for cleaning dishes and utensils, we also attach importance to wastewater. About 90% of our wastewater is discharged to third parties for treatment, but we also perform primary and secondary wastewater treatment in-house in accordance with legal and regulatory standards. We further perform proper management of wastewater quality and temperature, inspecting these at least once a year.

Eco-First Pledge

The Eco-First system is a system by which companies report on advanced environmental conservation initiatives and receive certification from the relevant government minister. Skylark was certified as an Eco-First Company by the Ministry of the Environment for its decarbonization efforts as well as its Food Loss Reduction initiatives. Upon obtaining certification, we submitted the following commitments regarding our environmental activities to the Minister of the Environment.

Web Full text of the pledge
* Jpananese text only

Pledge overview

1. We will promote the introduction of renewable energy to achieve a 50.4% reduction in CO_2 emissions by 2030 and net-zero by 2050
2. We will reduce food loss and disposable petroleum-derived plastic usage by 50% by 2030
3. We will promote the introduction of certified ingredients and address TNFD disclosure

(Left) Hirotaka Ishihara, Minister of the Environment
(Right) Minoru Kanaya, Skylark Holdings

SOCIAL

Core Promotion of ESG (Social)

Contributing to Enriched Lifestyles and the Advancement of Society

Skylark Group practices sustainability management aimed at realizing our Purpose: "To contribute to enriching people's lives and to the advancement of society as a whole by creating the future of dining."
In corporate management, we engage in appropriate collaboration with our multi-stakeholders, based on the importance of co-creation of value with customers, business partners, employees, local communities, shareholders, investors, the global environment, and other stakeholders.

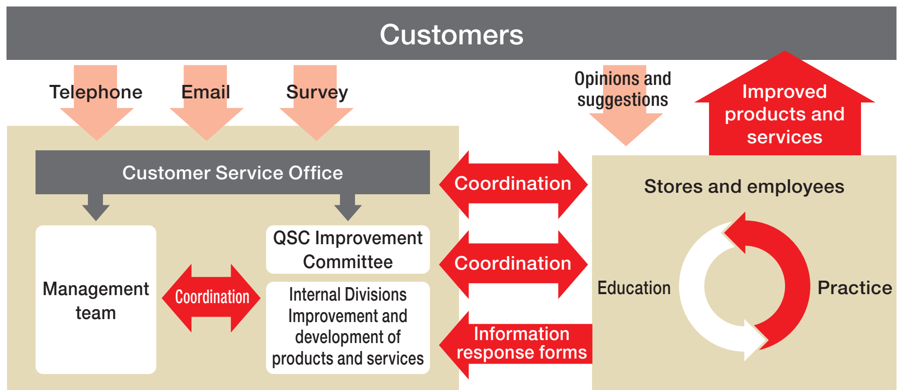
Relationships with Customers

Customer Orientation

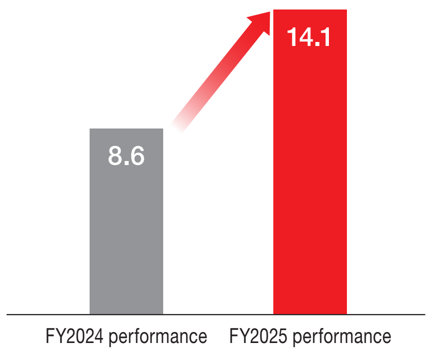
Strengthening store QSC* improvement

To meet the food service needs of all people, we are working to develop menus and improve services based on data analysis by time of day, customer attributes, store location, individual restaurant, and usage occasion, utilizing POS system sales performance data, smartphone app data, customer surveys, and other "big data." Since 2022, we have built a system by which customer feedback, requests, and opinions sent to the Customer Service Office are viewable daily by all management and all divisions as "Customers' Voices," which are used to review business operations and rapidly improve products and services. By strengthening these initiatives, the NPS score, representing customer satisfaction, has risen from 8.6 in FY2024 to 14.1 in FY2025. To raise the QSC of our stores, we hold Pleasant Service Study Sessions targeting employees and crew members. In 2025, 51,000 persons took part in these monthly sessions.

* QSC: Quality, Service, and Cleanliness.



■ Customer satisfaction (NPS score)



Digital Receipts

We introduced digital receipts in February 2025. By presenting Skylark points, at payment and selecting a digital receipt, guests receive an in-app digital receipt that can also be saved as a PDF. In addition to improving customer convenience, this initiative contributes to a CO_2 reduction of 115.2 tons.

Health & Nutrition

In response to growing health consciousness among customers in recent years, Skylark Group has developed menus that are nutritionally balanced and low in calories and fat, including vegetable-rich menus and low-carbohydrate menus. We also review product portion sizes as appropriate. In addition to offering a wide variety of menu options to meet the varied needs of customers based on factors such as age, physical constitution, and physical condition that day, we also provide several types of side dishes, a series of small-sized side dishes, toppings, sauces, and dressings that customers can combine to choose the volume and flavor of their meals. In doing so, we strive to provide appropriate information such as salt and calorie content, ingredient origin information, and up-to-date allergy information. To provide guests with personalized and appropriate nutritional suggestions, we will work on developing information provision through Digital Menu Books and expanding the nutritional components disclosed (protein, fat, carbohydrates).

■ Example of Gusto menu

Key Information

Beyond the information disclosed on our website and other locations, we also respond to individual inquiries so that as many customers as possible can enjoy meals with peace of mind.
We investigate and provide all information available to us, including ingredients and additives used, detailed nutritional components, and specific raw material quantities.

Food Safety and Security

▶ For details of our safety and security initiatives, see P13-14.

Relationships with Business Partners

Responsible Procurement

By establishing procurement management regulations and complying with laws and regulations to fulfill our social responsibilities through our business, we promote the purchase of safe, high-quality food materials and work to address social issues. In the selection of suppliers, we confirm not only financial reliability and quality stability but also the status of suppliers' employee management (assurance of occupational health and safety), consideration for human rights (child labor, forced labor, discrimination, freedom of association, collective bargaining, long working hours), consideration of the environment (energy, climate change, water resources, biodiversity, food loss, and resource use), and antisocial acts. Our selections prioritize suppliers that carry out their social responsibilities. We require that our suppliers' employees are provided with information on our environmental policies and require their understanding and cooperation regarding communication with our company, training, and more. Together with suppliers, we aim for the coexistence and co-prosperity of corporate activities, society, and the environment. Although we currently procure from 40 countries, we base decisions not on individual countries' laws, customs, and current conditions but rather on whether significant gaps exist in light of applicable Japanese law. We strive for responsible procurement by implementing a strict policy of not initiating transactions when any problem exists.

Web Responsible procurement

1 Selection of Suppliers

In the selection of new suppliers, we carry out due diligence prior to the start of transactions, as described below. We do so in accordance with our Detailed Rules for Sustainable Procurement Management and with the objective of managing risks involved with environmental issues and societal issues.

■ Due diligence process

2 Supplier Monitoring and Audits

Item	2025
Total number of suppliers	720
Number of primary suppliers	277
Number of key primary suppliers*1	30
Percentage of transaction value accounted for by key primary suppliers	63.1%
Number of important suppliers other than primary suppliers	0
Total number of key suppliers	30
Percentage of key suppliers subject to evaluation	87%
Percentage of key suppliers evaluated	7.2%
Number of suppliers evaluated	415
Percentage of suppliers evaluated	57.6%
Number of suppliers evaluated as having negative impacts	11
Number of suppliers for which transactions having significant negative impacts were ended	0
Number of suppliers who supported improvement plans/corrective measures	11
Percentage of major suppliers who supported improvement plans/ corrective measures	100%
Number of suppliers provided with support for sustainable procurement	2

*1 Number of key primary suppliers: The number of suppliers that have been identified as having on ESG or as presenting risks with a high relevance to our business

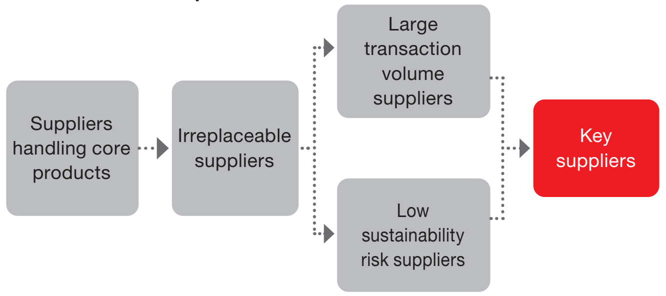
TOPICS In a first for the food service industry, in October 2023 we obtained certification for ISO 20400, the international standard for sustainable procurement.

Web Certification under the ISO 20400 international standard for sustainable procurement, a first for the food service industry

Education and Training for Our Buyers

- Twice-yearly joint training sessions to educate all buyers through new and updated knowledge in line with legal and regulatory changes and social conditions, and through guidance by our in-house quality control departments
- We also conduct on-site confirmations through "accompanied training" when our existing buyers' quality control personnel visit domestic and overseas suppliers.
- Upon buyer appointment, we implement "basic knowledge acquisition" training, including factory and hygiene center training, based on a prescribed curriculum.
- We conduct training for our buyers on environmental and social issues at least twice a year.

Identification process



Relationships with Employees

To ensure that diverse human resources can play active roles, Skylark Group establishes no differences in treatment or in human resource promotion on the basis of gender, nationality, race, religion, or presence or absence of disabilities. We have established an internal environment improvement policy and a human resource development policy and make efforts to enhance our human capital, thereby increasing our corporate value.

For details of our human capital management, see P23-32.

Relationships with Shareholders and Investors

The basic policy for our IR activities is fair and timely disclosure of information to our shareholders, investors, and other stakeholders. We have established an IR team to plan and carry out activities for dialogues with shareholders and investors. Following announcements of quarterly financial results, we conduct online financial results briefings for analysts and institutional investors, and communicate with the stock market through the words of our management team. In 2025, management and IR representatives conducted IR meetings with a total of 451 people. We are building mechanisms by which we consolidate the opinions of the stock market based on dialogues with shareholders and investors, regularly communicate feedback from shareholders and investors to top management in Board of Directors meetings, and incorporate opinions and feedback into our corporate management.

Information Disclosure Policy

In our IR information disclosure policy, we believe that we bear a responsibility to disclose information appropriately and promptly while complying with timely disclosure, doing so on a foundation of transparency, fairness, and continuity. In addition to disclosure of business results, financial information, and other matters based on laws and regulations, we actively disclose information on ESG-related issues and sustainability promotion-related initiatives through our web site, Integrated Report, and other channels.

Information Disclosure Structure

We have established internal Disclosure Control Regulations and Information Disclosure Detailed Rules to achieve fair, timely, and appropriate information disclosure.

1. We assign responsibility for information handling to the Managing Director of the Finance Division and for supervision of timely disclosure to the Finance Division.
2. We have set up a Disclosure Committee composed of internal stakeholders, with the President and COO as Chairperson.

General Meeting of Shareholders

Before the annual General Meeting of Shareholders, we issue convocation notices at an early date to ensure a period during which shareholders can fully consider proposals. We are also developing an environment that supports participation by shareholders through acceptance of questions in advance via the Internet, support for exercise of voting rights, live virtual viewing of meetings, and creation of a more convenient mobile website.

Relationships with Local Communities

Activities Grounded in Our Social Mission (Volunteer Activities and Fundraising)

● Oita large-scale fire Support: Soup kitchens at Gusto and Sukesan

To support the areas affected by the large-scale fire that occurred in Oita City in November 2025, we conducted emergency relief fundraising at approximately 2,300 stores nationwide. We carried out soup kitchen activities for those affected by the disaster, providing Gusto bento boxes and Sukesan Udon products, distributing a total of 581 meals from December 2 to 25.

Web Scenes from the Oita large-scale fire support activities
* Jpananese text only

● Fifth round of Children's Playground Support volunteer activity

Through Children's Playground Support funds collected from customers at our stores, we donated playground equipment to Okanoie Kodomo Home in Miyagi Prefecture. Together with the NPO Playground of Hope, we install playground equipment through in-house volunteers. The installation in 2024 was our fifth since 2021.

Web Video of playground equipment installation activity
* Jpananese text only

● Skylark x Little League Baseball Clinic Held

Former Major Leaguer instructs about 200 participants, including the general public

Since September 2015, Skylark Group has supported children's mental and physical growth through participation in the Japan Little League Baseball Association's sponsorship program. We broadcast the All-Japan Little League Baseball Championship Tournament on tabletop tablets at over 2,000 group stores nationwide, helping to build momentum for supporting healthy development.

In January 2026, we also held our first Skylark x Little League Baseball Clinic, inviting about 200 children and a former Major League player as an instructor. Participants learned the joy of baseball and the spirit of teamwork. We publicly recruited 30 participants in addition to Little Leaguers and received a tremendous response from about 1,000 applicants.

Web Scenes from the Baseball Clinic
* Jpananese text only

Stakeholder Engagement

Believing in the importance of mutual understanding with all stakeholders, Skylark Group strives for active dialogue through varied opportunities for communication. We sincerely address the feedback and requests we receive and work to create value through management grounded in an ESG perspective.

GOVERNANCE

Core Promotion of ESG (Governance)

Enhancement of Corporate Governance

We have established the Skylark Group Charter of Corporate Behavior, sharing it with all executives and employees in our efforts to act with a social conscience while observing laws, international rules, and the spirit of these. We also follow basic policies to ensure soundness, effectiveness, and transparency in our management, and carry out initiatives aimed at enhancing corporate governance.

Our Basic Approach to Corporate Governance

Under our corporate philosophy of "Creating Richness with Value to Society" and our corporate purpose of "Contributing to Life Enrichment and Advancement of Society by Creating the Future of Dining," Skylark Group operates approximately 3,100 stores, mainly table service restaurants, that welcome approximately 350 million customers annually. We do so with the aim of providing as many people as possible with great-tasting food at affordable prices, backed by good service in a comfortable store environment. We consider contributing to society and continuously improving corporate value through our food-related businesses as a top management priority. We aim to be a corporate group trusted not only by customers but also by shareholders, business partners, local communities, employees, and other stakeholders. To achieve these objectives, we have established the Skylark Group Charter of Corporate Behavior, sharing it with all executives and employees in our efforts to act with a social conscience while observing laws, international rules, and the spirit of these. We also carry out initiatives to ensure soundness, effectiveness, and transparency in our management, and work to enhance our corporate governance.

Basic Policy

1. We respect the rights of shareholders and ensure equality.
2. We consider the interests of shareholders and other stakeholders, and collaborate appropriately with them.
3. We properly disclose corporate information and ensure transparency.
4. We ensure the effectiveness of functions for supervising the execution of duties by the Board of Directors.
5. We engage in constructive dialogues with shareholders who hold investment policies aligned with the interests of our medium- to long-term shareholders.

July 2014	Appointed one independent outside director and two outside auditors
October 2014	Listed on the First Section of the Tokyo Stock Exchange
January 2016	Transitioned to a holding company structure
March 2016	Increased the number of independent outside directors from one to two, with outside directors making up the majority of directors
April 2016	Established the Independent Officer Liaison Committee, consisting of a majority (two out of three) members from each of the voluntary Remuneration Committee and Nominating Committee appointed as independent outside directors Established the Internal Helpline outside the company
May 2016	Formulated the Basic Corporate Governance Policy
March 2017	Increased the number of outside auditors with expertise in finance and accounting by one
March 2019	Increased the number of outside directors by one (female), and appointed three of eight directors and two of the three auditors as independent officers
May 2019	Built a system for reporting the content of whistleblowing directly to independent outside directors
October 2019	Began evaluations of the effectiveness of the Board of Directors
December 2020	Established the Group Sustainability Committee and enhanced our organizational structure for promoting sustainability
March 2021	Increased the number of independent outside auditors by one (female), creating an officer composition with multiple female officers and independent directors as a majority of all officers (six out of 10)
March 2022	Increased the number of independent outside auditors by one (female), making the ratio of women on the Board of Directors (directors and auditors) 30% (three women out of 10 directors)
March 2023	Strengthened functions for supervision of the Board of Directors and transitioned from a corporate structure with a board of corporate auditors to a corporate structure with an audit and supervisory committee to further enhance our corporate governance
October 2024	Established Audit and Supervisory Committee Office
March 2026	Resolved to implement a new executive structure, including the selection of a new President and Chief Operating Officer and an increase in outside officers, with the involvement of the Nomination Committee

Overview of Our Corporate Governance Structure

Board of Directors

Our Board of Directors consists of 13 directors, seven of whom are independent outside directors, in consideration of diversity and balanced knowledge, experience, and capabilities of the Board of Directors as a whole. We believe this is necessary for the sustainable growth of Skylark Group and the medium- to long-term enhancement of our corporate value. Serving as our Group's highest decision-making body for the management and execution of business, the Board of Directors generally meets at least once a month.

Senior Management Meeting

To promptly and flexibly carry out planning and execution of company-wide management policies and strategies, the company established the Senior Management Meeting, composed of the Chairman and CEO, President and COO, and executive officers. During meetings, important matters related to the entire Group are reported, examined, and discussed. Meetings are generally held every week. In addition, Group Committees (the Personnel and Systems Committee and the Policy and Investment Committee), composed of members determined in Senior Management Meetings, convene once a month to report on, examine, and discuss our personnel system, policies, and other important matters related to the Group overall.

■ FY2025 Senior Management Meetings: Held 49 times

Functions of Audit and Supervisory Committee audits and other audits

The Audit and Supervisory Committee, composed of five directors who are Audit and Supervisory Committee members (a majority four of which are independent outside directors), generally meets once a month to supervise and conduct checks on management and the execution of duties. Based on auditing policies, plans, and standards determined by the Audit and Supervisory Committee, members of the committee attend Board of Directors meetings and other important conferences. They further assess the state of the company by examining business conditions to audit whether management activities are being conducted in conformance with laws, internal regulations, and other rules. Audit and Supervisory Committee members also cooperate with the Internal Audit Group and the accounting auditor through regular discussions and other means to ensure an efficient and effective auditing system. The Internal Audit Group, our internal auditing organization, is positioned as a division under the direct control of the Chairman and CEO and of the President and COO to ensure its organizational independence. The Audit and Supervisory Committee is also positioned as a division that possesses supervision and command authority. Based on internal regulations and annual plans, it conducts operating audits of headquarters, factories, and stores to identify problems, suggest improvements, and provide corrective guidance. Accounting audits are conducted by Deloitte Touche Tohmatsu LLC, as determined at the General Meeting of Shareholders.

■ FY2025 results ➡ Audit and Supervisory Committee: Convened 15 times

Directors

Based on the recognition that the Board of Directors should be a venue for effective and strategic discussions for the sustainable growth of the Group and the enhancement of corporate value, we analyze and evaluate the effectiveness of the Board of Directors every year to further enhance its functions. Analysis in FY2025 concluded that the size of our Board of Directors and the skills of individual directors are appropriate.

Web Overview and results of evaluations conducted in 2025

Other Committees

Group Risk and Compliance Committee (convened 8 times in writing)

The committee meets as required. It discusses important matters regarding compliance and determines basic policy. Outside officers serve as advisors.

Group Compliance Committee (convened 3 times)

This committee engages in checks and reports regarding the state of compliance at subsidiaries, measures to prevent violations, and investigations and remedial actions in response to violations.

Group Sustainability Committee (convened 1 time in person, 7 times in writing)

The committee meets as required. This committee determines policies and measures related to sustainability and reports to the Board of Directors on activities to promote sustainability. Outside officers serve as advisors.

Nomination Committee (convened 6 times)

The Nomination Committee discusses matters related to proposals submitted to the Board of Directors regarding the appointment and dismissal of the company's directors and executive officers. Committee members consist of the Chairman and CEO serving as Chairperson, and other members appointed by resolution of the Board of Directors. The committee currently consists of three members, including the Chairman and CEO who serves as Chairperson and two independent outside directors who compose the majority of the committee.

Remuneration Committee (convened 5 times; 1 time in writing)

The Remuneration Committee discusses proposals submitted to the Board of Directors regarding compensation for the Group's directors and executive officers, and proposals submitted to the Audit and Supervisory Committee regarding compensation for its members. Committee members consist of the Chairman and CEO serving as Chairperson, and other members appointed by resolution of the Board of Directors. The committee currently consists of three members, including the Chairman and CEO who serves as Chairperson and two independent outside directors who compose the majority of the committee.

Independent Officer Liaison Committee

The company has established an Independent Officer Liaison Committee composed of outside directors to strengthen collaboration among outside directors through site visits and exchanges of opinions. It engages in activities as a venue for the provision of unfiltered information concerning the execution of duties, for use in discussions by the Board of Directors. To strengthen means of communication with outside directors, we have also introduced a system using cloud-based groupware for questionnaires, opinion exchanges, and schedule coordination.

Status of main activities of the Independent Officer Liaison Committee in 2025

Month and year convened	Description
July 2025	Visits and exchanges of opinions at Group company stores and MDCs (Merchandising Centers)
December 2025	Visits and exchanges of opinions at Group company catering sites
December 2025	Information exchange meeting with top management

Training Policy for Directors

The company appropriately provides the training and information required for directors to properly fulfill their roles and responsibilities. As a part of this effort, at least once a year we provide directors with lectures and training by experts in law, corporate governance, and other subjects. To date, this has included study groups on insider trading prevention, branding, risk management, crisis management, and ESG. In 2025, the theme was “Key points for officers’ management decisions and internal control system development.”

Status of Outside Directors

To strengthen functions for the supervision of our business execution, among our 13 directors we have appointed seven outside directors, a majority, with high-level management experience and knowledge and have submitted notification of these independent officers to the Tokyo Stock Exchange. Of these, two are included among the members of the Nomination Committee and the Remuneration Committee that serve as advisory committees to the Board of Directors, creating a structure for fair deliberations.

Policy on the Appointment of Executive Management and the Nomination of Candidates for Director

To keep up with the rapidly changing food service market, we nominate director candidates, from inside or outside the company, who possess diverse knowledge, experiences, and capabilities. With regard to candidates for internal director, after consideration of the balance of candidates’ knowledge and experience in family restaurant management, financial strategy, and marketing strategy, we nominate those who demonstrate leadership that can contribute to society through the food service business as well as continuously enhance our corporate value. With regard to candidates for outside director, we appoint those who possess extensive management experience in diverse companies and organizations, including in the food service industry. With regard to candidates for Audit and Supervisory Committee member, we appoint people who are able to leverage knowledge and experience involving corporate management, accounting, finance, law, and risk management to appropriately audit the execution of duties by directors. Under the above nomination policy, we also set a policy of actively promoting female candidates who possess the necessary skills to serve on the Board of Directors to the position of officer. Specifically, we have set a target of 30% for the ratio of women serving on the Board of Directors. The ratio in FY2026 is approximately 23%.

Officer Remuneration

Our policy for remuneration and other compensation for directors is designed to contribute to the continuous improvement of our operating results and corporate value and to the sharing of value with shareholders. The compensation for our directors (excluding outside directors and directors who are Audit and Supervisory Committee members) consists of base compensation, performance-linked compensation, and stock-based compensation. Performance-linked compensation comprises a fiscal year-end bonus based on consolidated business performance for the fiscal year, while stock-based compensation consists of restricted stock compensation with vesting conditions, including the achievement of stock price requirements at a certain point in time. In 2022, in addition to stock price requirements, the Company introduced a compensation system emphasizing ESG factors. This links executive compensation to the promotion of our sustainability management, incorporating evaluations by international ESG rating agencies such as CDP Climate Change, which emphasizes climate-related performance, and, from 2024, the achievement of an “Employee engagement target value,” “Customer satisfaction target value,” and “CO_2 emissions reduction target value” in addition to the above requirements. In 2026, the achievement of a “Percentage of women in managerial positions target value” was added as an ESG indicator.

We have also set stock ownership guidelines for the sharing of value among directors executing duties, executive officers, and shareholders, and for the enhancement of medium- to long-term corporate value. These guidelines stipulate that we will hold a set percentage of the company’s stock for position-specific base remuneration within five years from the assumption of office, and will strive to hold the shares during the period of office even after the set percentage is reached. From a perspective of ensuring independence, the remuneration of outside directors and directors who are Audit and Supervisory Committee members is not linked to business performance, and only base remuneration is paid.

The Board of Directors determines remuneration and other compensation for directors based on proposals from the Remuneration Committee, which is an advisory organization of the Board. Beginning in FY2022, the performance-linked remuneration of the year-end bonus and phantom stock have malus and clawback clauses which, in the event of a material accounting error, fraud, or violation, allow the Board of Directors, by resolution, to reduce or to require the return of such remuneration, in part or in full, following deliberations by the Remuneration Committee.

Policy concerning strategically held shares

Our company does not have a record of holding listed shares for strategic purposes and has no current plans to do so. When considering the holding of listed shares for strategic purposes in the future, we will first formulate policy on reducing strategic holdings of listed shares and implement said policy following appropriate consideration. In such cases, we properly disclose said policy, the results of consideration of specific holdings, and criteria for the exercise of voting rights involving strategically held listed shares.

Web Securities Report (Japanese only)
Web Main initiatives to strengthen corporate governance
Web Policy on the appointment of executive management and the nomination of candidates for directors and for director who are Audit and Supervisory Committee members
Web Support structure for outside directors
Web Training policy for directors and directors who are Audit and Supervisory Committee Members

Reasons for appointment and skill matrix of directors (as of April 1, 2026)

To build an effective governance structure aimed at sustainable growth, we appoint directors and auditors who possess extensive business experience and wide-ranging high-level expertise and knowledge. Information on the skills and the activity status of our directors and auditors is as follows.

Web Names and definitions of skills

	Name	Makoto Tani	Takuo Sato	Yoshiaki Kita	Akira Hirano	Hisashi Nakashima	Hirohiko Imura
	Title	Chairman and Chief Executive Officer	President and Chief Operating Officer	Executive Director and Chief Financial Officer	Director, Chief Marketing Officer and Chief Information Officer	Director	Outside Director, Independent Officer
	Reason for appointment	Having served as General Manager of the Sales Division, President and Representative Director of NILAX Inc., and as Representative Director and President of our company since 2008, Makoto Tani was appointed as a director based on his extensive business experience within the Group and his deep familiarity with consumer marketing in the dining-out market.	Having served in roles including Store Manager and General Manager of the Sales Division, Takuo Sato was appointed as a director based on his extensive practical knowledge in the family restaurant business and multifaceted organizational management capabilities based on experience as a full-time labor union officer. He has also accumulated international management experience as Chairman of the Taiwan business, and is expected to manage and execute overall business operations as COO.	Yoshiaki Kita was appointed as a director on the basis of his extensive financial business experience and his knowledge and achievements in corporate management as a consultant and financial advisor, in numerous cases involving large-scale M&A, corporate revitalization, finance, and financial institution projects.	Akira Hirano was appointed as a director on the basis of his experience and knowledge concerning approaches that capture consumer perspectives, as well as extensive experience from work as a certified public accountant and in consulting services.	As a representative director of Skylark Restaurants Co., Ltd., Hisashi Nakashima was appointed as a director on the basis of his management experience in overseeing the company’s approximately 2,600 stores and his knowledge of our business.	Hirohiko Imura was appointed as an outside director in the expectation that, based on his high-level insights and experience as a representative director at companies in other industries, he will provide advice and supervision of benefit to stakeholders.
Decision-making skills	Corporate Management	○	○	○		○	○
	Finances/ Accounting			○	○		
	International Business	○	○				○
	Marketing	○		○	○		
	Consumers	○	○		○	○	○
	IT/DX	○		○	○		○
Supervisory skills	Skylark Group Business Management	○	○		○	○	
	Economic/Social	○		○			○
	Legal						
	Risk Management	○	○	○	○	○	○
	Sustainability/ESG	○					○

	Name	Ayako Sano	Hideki Soeda	Makoto Suzuki	Tatsuya Aoyagi	Reiko Okuhara	Takako Okada	Iwao Hirano
	Title	Outside Director, Independent Officer	Outside Director, Independent Officer	Director, Standing Audit and Supervisory Committee member	Outside Director, Audit and Supervisory Committee member, Independent Officer	Outside Director, Audit and Supervisory Committee member, Independent Officer	Outside Director, Audit and Supervisory Committee member, Independent Officer	Outside Director, Audit and Supervisory Committee member, Independent Officer
	Reason for appointment	Ayako Sano was appointed as an outside director in the expectation that she will leverage her practical experience from working with a securities company, wide-ranging insights as an attorney, and experience with taxation to offer advice and supervision from an objective and long-term perspective.	Having experienced multi-divisional management at a major information-related company and led business expansion as a Representative Director, Hideki Soeda’s high level of insight as a manager is reflected in the company’s management. He was appointed as an outside director based on the determination that he will provide advice and oversight from an objective and long-term perspective.	Makoto Suzuki was appointed as a director who is an Audit and Supervisory Committee member in the expectation that, based on his store management experience and subsequent extensive experience with the company, including positions as General Manager, Manager of the President’s Office, and Manager of the Internal Audit Office, he will perform appropriate supervision of our management.	Tatsuya Aoyagi was appointed as an outside director who is an Audit and Supervisory Committee member in the expectation that, leveraging his extensive experience as a certified public accountant and tax accountant and his considerable knowledge of finance and accounting, he will provide supervision and advice on behalf of the company’s management overall from an independent and neutral position.	Reiko Okuhara was appointed as an outside director who is an Audit and Supervisory Committee member in the expectation that, leveraging her work experience at the Ministry of Finance and her wide-ranging insights as an attorney, she will contribute to the enhancement of corporate governance.	Takako Okada was appointed as an outside director who is an Audit and Supervisory Committee member in the expectation that, based on her extensive experience in advisory work centered on taxation matters for listed companies, she will provide supervision and advice from an independent and neutral position.	In addition to possessing high-level expertise as a certified public accountant, Iwao Hirano has extensive experience and knowledge gained through many years of practical experience and tenure in key positions at an audit firm. He was appointed as an outside director who is an Audit and Supervisory Committee member based on the expectation that he will provide deep insight into accounting and auditing as well as advice and oversight from an objective and expert perspective.
Decision-making skills	Corporate Management		○		○			
	Finances/ Accounting	○			○		○	○
	International Business							
	Marketing							
	Consumers			○		○		
	IT/DX		○					
Supervisory skills	Skylark Group Business Management			○				
	Economic/Social	○	○		○	○	○	○
	Legal	○				○		
	Risk Management	○	○	○	○	○	○	○
	Sustainability/ESG	○				○		

Directors & Officers (as of April 1, 2026)

Directors / Directors who are Audit and Supervisory Committee members

Makoto Tani

Chairman and CEO
Born December 25, 1951 (age 74)
Number of shares held: 50,000
Attendance at Board of Directors meetings: 13/13 times (100%)

April 1977	Joined Skylark Co., Ltd.
December 1987	Director and General Manager of Sales Division of NILAX Inc.
January 2000	President and Representative Director of NILAX Inc.
January 2007	President and Representative Director of NILAX Inc. and Executive Officer in charge of HD Business Strategy Group No. 1 of Skylark Co., Ltd.
October 2007	Managing Executive Officer and General Manager of Sales Division No. 2 of Skylark Co., Ltd.
August 2008	President and Representative Director of Skylark Co., Ltd.
September 2008	President and Representative Director and General Manager of Corporate Planning Division of Skylark Co., Ltd.
February 2011	President and Representative Director and General Manager of Product Division of Skylark Co., Ltd.
June 2012	President and Representative Director of Skylark Co., Ltd.
July 2014	President and Chief Executive Officer of Skylark Holdings Co., Ltd.
March 2018	Chairman, President and Chief Executive Officer of Skylark Holdings Co., Ltd.
March 2023	Chairman and Chief Executive Officer of Skylark Holdings Co., Ltd. (to present)

Takuo Sato Newly appointed

President and COO
Born March 10, 1971 (age 55)
Number of shares held: 7,000
Attendance at Board of Directors meetings: –

April 1993	Joined Skylark Co., Ltd.
April 2005	Full-time officer of the Skylark Labor Union
October 2017	Leader, Sales Policy Group, Skylark Restaurants Co., Ltd.
June 2018	Leader, Gusto Kanagawa/Shizuoka Field Operation Team, Skylark Restaurants Co., Ltd.
June 2019	Sales Division Manager, Gusto Keihin Sales Division, Skylark Restaurants Co., Ltd.
December 2020	General Manager, Gusto Central Japan Sales Division, Skylark Restaurants Co., Ltd.
May 2022	Chairman, TAIWAN SKYLARK INC.
February 2026	Director, TAIWAN SKYLARK INC. (to present)
March 2026	President and Chief Operating Officer of Skylark Holdings Co., Ltd. (to present)

Yoshiaki Kita

Executive Director and Chief Financial Officer
Born August 19, 1962 (age 63)
Number of shares held: 2,000
Attendance at Board of Directors meetings: 9/9 times (100%)

April 1986	Joined The Sanwa Bank, Limited (current MUFG Bank, Ltd.)
April 2001	Deputy General Manager, Corporate Planning Department, UFJ Holdings, Inc.
July 2003	Managing Director, Investment Banking Division, UBS Securities LLC
June 2007	Representative Director, Sharaku Partners Co., Ltd. (to present)
June 2020	Outside Director, Traders Holdings, Inc.
April 2022	Director and Senior Managing Executive Officer, Nissho Electronics Corporation (current Sojitz Tech Innovation Corporation)
April 2025	Executive Director, CFO and Managing Director of the Finance Division, Skylark Holdings Co., Ltd. (to present)
February 2026	Director, TAIWAN SKYLARK INC. (to present)

Akira Hirano

Director, Chief Marketing Officer and Chief Information Officer
Born May 11, 1970 (age 55)
Number of shares held: 2,000
Attendance at Board of Directors meetings: 10/10 times (100%)

April 1994	Joined Central Audit Corporation
July 1997	Joined Andersen Consulting (current Accenture Japan Ltd.)
January 2005	Manager, BPM Business Division, SAS Institute Japan
September 2009	Senior Director, Accounting and Finance Division, Quintiles Transnational Japan KK (current IQVIA Services Japan G.K.)
April 2015	Director, Finance Division, Skylark Holdings Co., Ltd.
May 2016	Director, Work Transformation Group, Finance Division, Skylark Holdings Co., Ltd.
January 2019	Executive Officer, Deputy Managing Director, IT Division, Skylark Holdings Co., Ltd.
December 2021	Director, TAIWAN SKYLARK INC.
September 2022	Managing Director of the Marketing Division, Skylark Holdings Co., Ltd.
September 2022	Director, Skylark Restaurants Co., Ltd. (to present)
September 2022	Director, NILAX Inc.
March 2024	Director, TAIWAN SKYLARK INC. (to present)
December 2024	Director, Sukesan Co., Ltd. (to present)
March 2025	Director, Managing Director of the Marketing Division, Skylark Holdings Co., Ltd.
January 2026	Director, Managing Director of the IT Division, Skylark Holdings Co., Ltd. (to present)

Hisashi Nakashima

Director
Born September 17, 1971 (age 54)
Number of shares held: 1,200
Attendance at Board of Directors meetings: 10/10 times (100%)

April 1995	Joined Bamiyan Co., Ltd.
December 2016	Director, Bamiyan Field Operations Supervising Group Director, Family Restaurant Division, Skylark Restaurants Co., Ltd.
January 2018	Executive Officer, Bamiyan Field Operations Supervising Group Director, Skylark Restaurants Co., Ltd.
April 2018	Executive Officer, Manager, Bamiyan Store Operations Division, Skylark Restaurants Co., Ltd.
December 2018	Executive Officer, Manager, Bamiyan Sales Division, Skylark Restaurants Co., Ltd.
May 2022	Executive Officer, Director of the Sales Policy and QSC Improvement Group, Skylark Restaurants Co., Ltd.
September 2022	Executive Officer and President of Skylark Restaurants Co., Ltd.
March 2025	Director of Skylark Holdings Co., Ltd. and President of Skylark Restaurants Co., Ltd. (to present)

Hirohiko Imura

Outside Director / Independent Officer
Born February 14, 1958 (age 68)
Number of shares held: 0
Attendance at Board of Directors meetings: 13/13 times (100%)

April 1981	Joined Sumitomo Corporation
April 2005	Head of SCOA Risk Management Group, Executive Officer and General Manager of Corporate Risk Management attached to the General Manager of the Americas, Sumitomo Corporation of Americas
April 2012	Executive Officer and General Manager of Corporate Risk Management, Sumitomo Corporation
December 2014	Outside Auditor, Kato Sangyo Co., Ltd.
April 2015	Managing Executive Officer, General Manager of Media and Lifestyle Business Group, Sumitomo Corporation
June 2015	Representative Director and Managing Executive Officer, Sumitomo Corporation
April 2017	Representative Director and Senior Managing Executive Officer, Sumitomo Corporation President, Jupiter Telecommunications Co., Ltd. (current JCOM Co., Ltd.)
July 2017	President and Representative Director, Jupiter Telecommunications Co., Ltd.
July 2020	Chairman and Representative Director, Jupiter Telecommunications Co., Ltd.
June 2022	Outside Auditor, DeNA Co., Ltd. (to present)
June 2023	Outside Auditor, TV TOKYO Holdings Corporation (to present)
March 2024	Outside Director, Skylark Holdings Co., Ltd. (to present)

Ayako Sano

Outside Director / Independent Officer
Born December 09, 1977 (age 48)
Number of shares held: 0
Attendance at Board of Directors meetings: 13/13 times (100%)

April 2001	Economic Research Division, Goldman Sachs (Japan) Ltd. (current Goldman Sachs Japan Co., Ltd.)
January 2009	Joined Tokyo Nishi Law Office (current TNLAW Law Office)
October 2018	Civil Conciliation Commissioner, Tokyo District Court
December 2018	Representative, Aya Law Office (to present)
March 2019	Outside Director, Skylark Holdings Co., Ltd. (to present)
March 2021	Outside Director (Audit and Supervisory Committee member), Metaps Inc. (to present) (current Metaps Holdings, Inc.)
March 2024	Outside Director, Sodick Co., Ltd. (to present)
May 2024	Outside Auditor, CLAS, Inc. (to present)
June 2024	Part-time auditor, Research Institute of Economy, Trade and Industry (to present)
July 2024	Outside Auditor, Ain Holdings, Inc. (to present)

Hideki Soeda Newly appointed

Outside Director / Independent Officer
Born November 22, 1960 (age 65)
Number of shares held: 0
Attendance at Board of Directors meetings: –

April 1984	Toppan Moore Co., Ltd. (current TOPPAN Edge Inc.)
April 2008	General Manager, 8th Sales Division, Sales Headquarters, TOPPAN Edge Inc.
April 2014	Executive Officer, TOPPAN Edge Inc.
June 2017	Director, TOPPAN Edge Inc.
June 2019	Senior Director, TOPPAN Edge Inc.
April 2022	President and Representative Director of NILAX Inc.
June 2023	Director, Toppan Printing Co., Ltd.
October 2023	Director, TOPPAN Holdings Inc., Director, TOPPAN Inc. Director, TOPPAN Digital Inc.
April 2025	Director, Corporate Advisor, TOPPAN Edge Inc.
June 2025	Corporate Advisor, TOPPAN Edge Inc. (to present)
March 2026	Outside Director, Skylark Holdings Co., Ltd. (to present)

Makoto Suzuki

Director, Standing Audit and Supervisory Committee member
Born February 11, 1957 (age 69)
Number of shares held: 2,000
Attendance at Board of Directors meetings: 13/13 times (100%)
Attendance at Audit and Supervisory Committee meetings: 15/15 times (100%)

April 1979	Joined Skylark Co., Ltd.
May 1994	General Manager of Kita-Kanto Sales Department No. 2, Skylark Co., Ltd.
January 1999	Manager of the President's Office, Skylark Co., Ltd.
April 2009	Manager of the President's Office and Manager of the Internal Audit Office, Skylark Co., Ltd.
July 2010	Manager of the President's Office, Skylark Holdings Co., Ltd.
March 2011	Standing Auditor, Skylark Holdings Co., Ltd. Auditor, FLO Japon Co., Ltd. (to present) Auditor, NILAX Inc. (to present) Auditor, Tomato and Associates Co., Ltd. (to present)
June 2012	Standing Auditor, Skylark Co., Ltd.
July 2014	Standing Auditor, Skylark Holdings Co., Ltd.
November 2014	Auditor, TAIWAN SKYLARK INC. (to present)
December 2015	Auditor, Skylark Split Preparation Co., Ltd. (trade name changed to Skylark Restaurants Co., Ltd. on January 1, 2016) (to present)
March 2023	Director and Standing Audit and Supervisory Committee member, Skylark Holdings Co., Ltd. (to present)
October 2024	Auditor, Sukesan Co., Ltd. (to present)

Tatsuya Aoyagi

Outside Director, Audit and Supervisory Committee member
Born August 08, 1971 (age 54)
Number of shares held: 0
Attendance at Board of Directors meetings: 13/13 times (100%)
Attendance at Audit and Supervisory Committee meetings: 15/15 times (100%)

October 1993	Joined Tohmatsu Auditing (current Deloitte Touche Tohmatsu LLC)
February 2007	Joined Masters Trust Accounting Incorporated (current Masters Trust Inc.)
July 2007	Representative Director, Heartworth Partners, Inc. (to present)
August 2007	Director, Share Generate Co., Ltd.
February 2010	Outside Auditor, Amlead Co, Ltd.
May 2010	Outside Auditor, BT Holdings Co., Ltd. (current Primagest, Inc.)
June 2010	Outside Auditor, Mixi, Inc. (current MIXI, Inc.)
June 2012	Outside Director, MIXI, Inc.
March 2017	Outside Auditor, Skylark Holdings Co., Ltd.
July 2021	Outside Director, Sanwa Seiko Corporation (to present)
March 2023	Outside Director and Audit and Supervisory Committee member, Skylark Holdings Co., Ltd. (to present)

Reiko Okuhara

Outside Director, Audit and Supervisory Committee member
Born May 17, 1962 (age 63)
Number of shares held: 0
Attendance at Board of Directors meetings: 13/13 times (100%)
Attendance at Audit and Supervisory Committee meetings: 15/15 times (100%)

April 1985	Joined the Ministry of Finance
April 2000	Joined Kohwa Sohgoh Law Offices
April 2004	Partner and Attorney, Kohwa Sohgoh Law Offices (to present)
April 2012	Member of Civil Conciliation Commissioner, Tokyo Summary Court (to present)
April 2018	Deputy Chair, Daiichi Tokyo Bar Association
April 2018	Standing Director, Japan Federation of Bar Associations
April 2019	Member of the Bidding Oversight Committee, Kanto Regional Development Bureau, Ministry of Land, Infrastructure, Transport and Tourism
June 2021	Director, Japan Law Foundation
March 2022	Outside Auditor, Skylark Holdings Co., Ltd.
March 2023	Outside Director of Axis Co., Ltd. (to present)
March 2023	Outside Director and Audit and Supervisory Committee member, Skylark Holdings Co., Ltd. (to present)

Takako Okada

Outside Director, Audit and Supervisory Committee member
Born September 11, 1965 (age 60)
Number of shares held: 0
Attendance at Board of Directors meetings: 10/10 times (100%)
Attendance at Audit and Supervisory Committee meetings: 11/11 times (100%)

October 1992	Joined Tohmatsu Auditing (current Deloitte Touche Tohmatsu LLC)
September 2004	Transferred to Tohmatsu Auditing (current Deloitte Tohmatsu Tax Co.)
October 2012	Partner, Tohmatsu Auditing
January 2019	Representative, Takako Okada Certified Public Accountant and Tax Accountant Office (to present)
June 2019	Outside Auditor, Ichikawa Co., Ltd. (to present)
March 2020	Outside Auditor, Kenedix, Inc.
March 2020	Outside Auditor, Kenedix Real Estate Fund Management, Inc.
June 2021	Outside Director and Audit and Supervisory Committee Member, Nippon Kanzai Co., Ltd.
January 2023	Outside Auditor, RUN.EDGE Limited (to present)
April 2023	Outside Director and Audit and Supervisory Committee Member, Nippon Kanzai Holdings Co., Ltd. (to present)
March 2025	Outside Director and Audit and Supervisory Committee Member, Skylark Holdings Co., Ltd. (to present)

Iwao Hirano Newly appointed

Outside Director, Audit and Supervisory Committee member
Born December 23, 1962 (age 63)
Number of shares held: 0
Attendance at Board of Directors meetings: –
Attendance at Audit and Supervisory Committee meetings: –

April 1987	Joined New Japan Securities Co., Ltd. (current Mizuho Securities Co., Ltd.)
October 1989	Joined Asahi Shinwa Audit Corporation (current KPMG AZSA LLC)
June 2001	Staff (Associate Partner), Asahi Shinwa Audit Corporation
June 2007	Representative Partner (Partner), Asahi Shinwa Audit Corporation the same firm
July 2013	Director, General Manager of the 6th Division, Tokyo Office, Asahi Shinwa Audit Corporation
November 2015	Senior Director, Asahi Shinwa Audit Corporation (term ended June 2017)
June 2024	Retired from Asahi Shinwa Audit
July 2024	Corporation Head of Hirano Certified Public Accountant Office (to present)
May 2025	Advisor, Nexus Holdings Co., Ltd. (to present)
December 2025	Outside Auditor, Kanamic Network Co., Ltd. (to present)
March 2026	Outside Director and Audit and Supervisory Committee Member, Skylark Holdings Co., Ltd. (to present)

Executive Officer

Shimon Kato

Executive Officer, Chief Logistics Officer and Chief Product Officer
Managing Director of the Production and Marketing Division

Ikuo Umeki

Executive Officer, Chief Real Estate Officer
Managing Director of the Store Development Division

Ichiro Takei

Executive Officer, Chief Health Officer and Chief Sustainability Officer
Managing Director of the Human Capital & General Affairs Division

Koji Okui

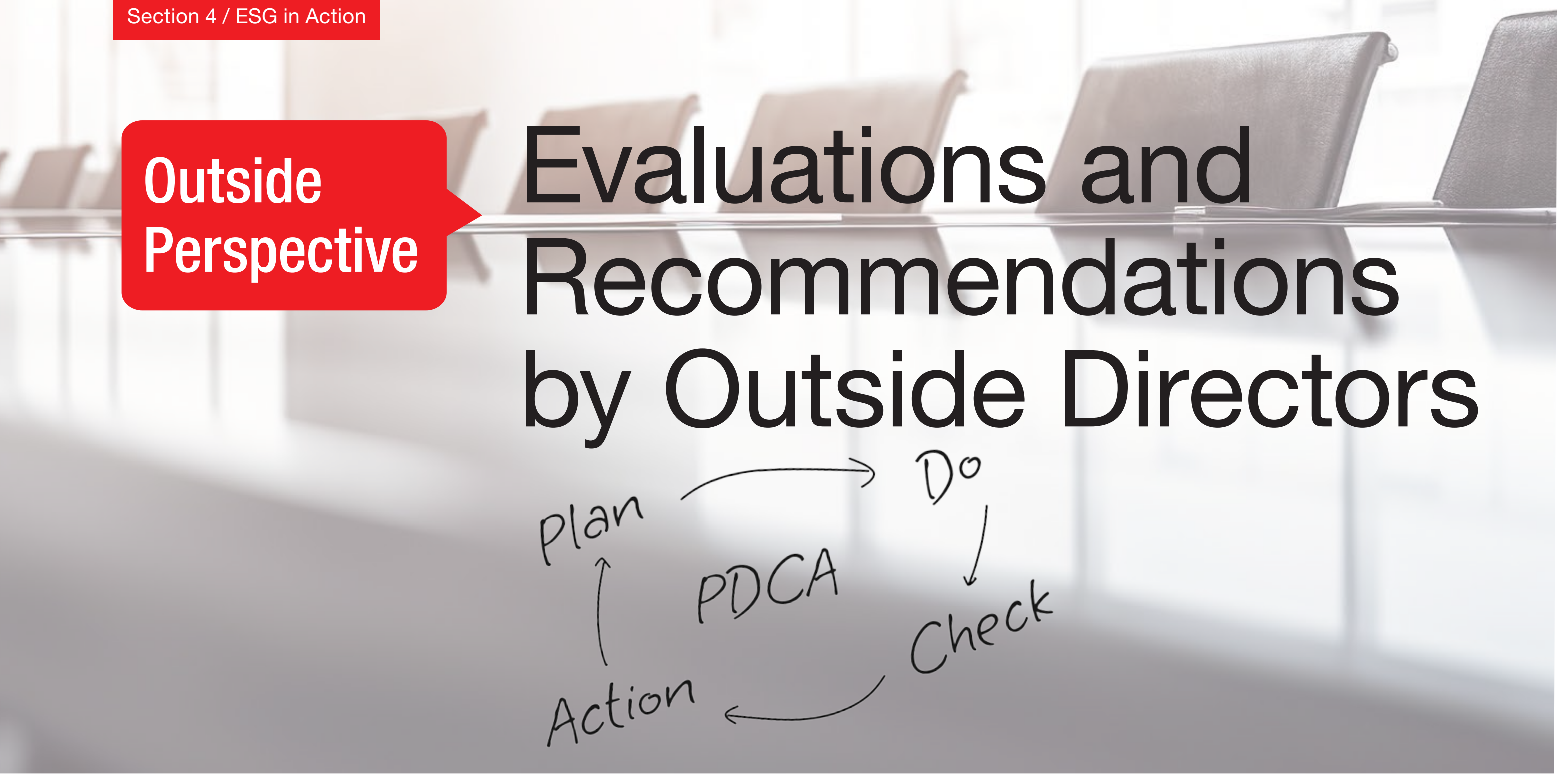
Executive Officer, Chief Procurement Officer
Managing Director of the Supply Chain Purchasing Division

Takuya Aizawa

Executive Officer
Deputy Managing Director of the Finance Division

Shigeru Machida

Executive Officer
Deputy Managing Director of the Finance Division



Outside Perspective

Evaluations and Recommendations by Outside Directors

Passing the Baton to the Future Through Reliable Mechanisms. The Transition to the New Structure is Proof of Evolving Governance.

With the aim of sustainably enhancing corporate value, Skylark Group positions the advancement of its corporate governance structure and verification of the effectiveness of the Board of Directors as key management issues.
In connection with the appointment of President Takuo Sato upon the end of President Minoru Kanaya's term (a top management change), we asked our independent outside directors to rigorously evaluate the transparency and fairness of the selection process and the effectiveness of the new structure that views people as an axis of management, and to provide recommendations, from their outside perspectives.

We asked the outside directors about the following three items.

Q 1	Are the process for replacing top management and the validity of the current top management structure appropriate?
Q 2	How effective is the leadership transition support structure, and what form should oversight take?
Q 3	In the new structure, how are accelerated talent development and enhanced corporate value linked?

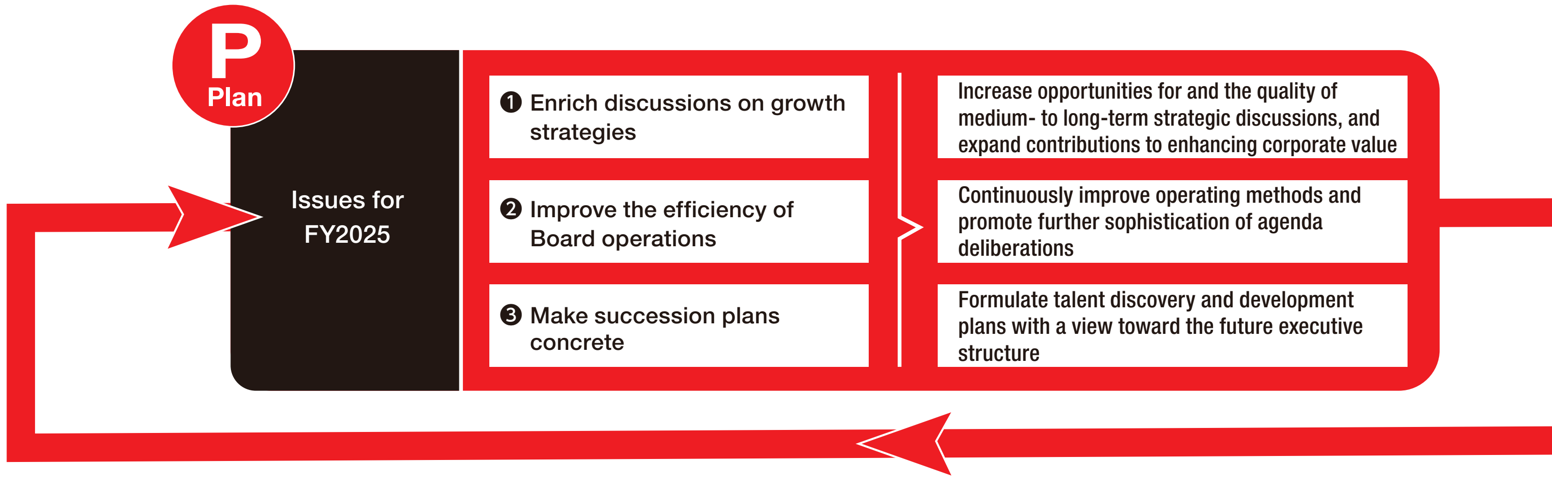
Hirohiko Imura
Outside Director
(Lead Independent Outside Director)

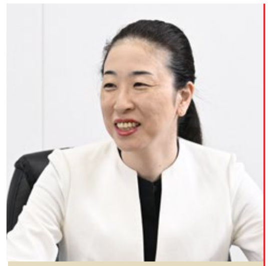
Hirohiko Imura has served as Representative Director at a major general trading company and a cable TV/internet service provider, and has experience and insight as a business executive. He has held his current position since 2024.

Q1: ANSWER
The recent president transition was submitted to the Board of Directors after a long period of work by the Nomination Committee, which included narrowing down candidates, reviewing objective interview information by a third-party organization, and conducting individual interviews. It reflects not only the intentions of executive leadership but also the results of extensive discussions from multiple angles by the Nomination Committee, led mainly by outside directors. I believe the process was extremely fair and well-balanced. As generational shifts among customers and diversification of values accelerate, the team-up of Chairman Tani and President Sato is the optimal lineup for building new pillars while carrying forward company's strengths.

Q2: ANSWER
At the core of the company's management strategies—a shift to store-centered management, expanding brand portfolio through M&A, and expanding earnings through overseas growth—is the indispensable need for on-the-ground capabilities and responsiveness to diversity. In addition to President Sato's extensive experience in domestic store operations, I highly value the on-the-ground capabilities he demonstrated by managing diversity as the top executive of the Taiwan subsidiary and connecting it to steady growth in performance.
The new structure is an agile lineup designed to quickly translate strategy into action at the front lines, and I look forward to positive chemistry between the Chairman and the President. As an outside director, in addition to discussions and monitoring at Board meetings, I will continue point-in-time observation through proactive visits to stores and MD Centers to ensure these themes are taking root.

Q3: ANSWER
The company's ultimate goal is to continue providing universal value—"delicious food and an enjoyable time"—to all customers. To achieve this goal, the company will keep exploring optimal organizational design and talent development and placement in response to changes in the environment, which I am confident will lead to enhanced corporate value over the medium to long term without being swayed by short-term performance fluctuations.





Ayako Sano
Outside Director

Ayako Sano has practical experience gained through work as an attorney and at a securities company. She has held her current position since 2019.

Q1: ANSWER
I recognize that the market was surprised by the appointment of President Sato, who had no prior experience as a director at a core company of the Group, and that some have voiced concerns about "shadow rule." However, through President Sato's interview in the Nomination Committee and hearings by Chairman Tani, I felt that President Sato has the strong resolve needed to meet expectations for sustainable growth over the next 10 to 20 years. Moreover, as president of the Taiwan subsidiary, where language and business customs differ, he navigated the COVID-19 period, launched new brands, and expanded stores. This is more difficult than leading a domestic organization where the framework is already in place. I assess him as having the qualities and solid track record befitting the top position at the company. I expect President Sato to leverage his young age in his middle 50s to promote new business format development and M&A while also fostering the next generation. As an outside director, I will keep a close watch from an independent perspective to ward against the kind of "shadow rule" that some fear.

Q2: ANSWER
I recognize that the current structure is the relay takeover zone, the overlapping run where the baton is passed. This is a special period for the purpose of smooth management succession. I hope the Chairman will support President Sato's endeavors. I also intend to closely watch whether the Chairman is too involved in the details of business execution.

Q3: ANSWER
With top management rejuvenated by nearly a full generation, the company now has an environment that facilitates tackling medium- to long-term value creation with a 10- to 20-year horizon. The current Board of Directors is a well-balanced blend of directors from other industries with expertise in finance and IT, and homegrown directors who are thoroughly familiar with store operations. The presence of President Sato, who built his career from a beginning as store staff, is a source of hope for all employees. I hope he will listen to real voices from stores and create a future for a Skylark that remains loved by all.

Tatsuya Aoyagi
Outside Director and Audit and Supervisory Committee Member

Tatsuya Aoyagi possesses experience and insight as an accountant and tax accountant, as well as experience as an auditor of the company. He has held his current position since 2023.

Q1: ANSWER

The recent president transition is a clear step in passing the baton to the next generation. In 2025, the Group achieved record-high profit and, after the post-COVID recovery phase, entered a new growth phase. I recognize this as the right timing to move forward with a transition to the generation that will drive future growth.
The current leadership transition period is merely a run-up toward independence for the new leadership, and only when it is completed will the generational shift come to fruition. I expect President Sato and the rest of the next-generation management team to quickly absorb the Chairman's knowledge and then proactively carve out the group's future.

Q2: ANSWER

President Sato started his career as a part-timer and has served as the overall person responsible for Gusto and as the top executive of the Taiwan subsidiary, so he is well-versed in both stores and division operations. To lead a massive chain with more than 3,000 stores, it is desirable to have both a high-level management perspective and a frontline perspective that grasps the details. President Sato has the appropriate experience.
I also expect that his management capabilities—never settling for the status quo, and setting and achieving goals for himself and the organization that can be achieved through effort—will become the driving force that fundamentally strengthens the company's management foundation.

Q3: ANSWER

The generational transition currently underway is a major turning point for the company. However, its management philosophy of Creating Richness with Value to Society is a universal and unchanging principle for continuing to earn customers' support. Therefore, while looking forward to what new forms the next generation will create, I will continue to provide oversight as an outside director.

Takako Okada
Outside Director and Audit and Supervisory Committee Member

Takako Okada has expertise as a certified public accountant and tax accountant, and has served as a corporate auditor at multiple companies.
She has held her current position since 2025.

Q1: ANSWER

As I am not a member of the Nomination Committee, I did not participate directly in the selection process itself. However, I had no objections to the content that was submitted to the Board after rigorous deliberations by the Committee, and I approved it.
As the company accelerates its overseas expansion, I have high expectations for the appointment of President Sato, who achieved solid results at the Taiwan subsidiary, and for the rejuvenation of top management.

Q2: ANSWER

As President Sato is assuming his position without prior experience as a director at Skylark Holdings, I consider the structure of support by Chairman Tani, who has led the company for many years, to be an appropriate transitional measure. In addition, I expect that a new executive structure centered on President Sato will quickly come together and transition to an independent operating structure. As an outside director, I will calmly and objectively oversee the shifts in this rapidly changing business environment.

Q3: ANSWER

To achieve sustainable growth through the continuous and timely appointment of excellent management, I believe the company must build a talent development system that enables next-generation leaders to receive systematic education and gain diverse experience, and to establish mechanisms to periodically update that system while linking it with future management strategies. As an outside director, I will closely watch that process.

D Do — Key Initiatives for FY2025

1. Qualitative and quantitative expansion of strategic discussions
   Delegate a portion of business execution authority to directors by revising the list of Board agenda items
   Secure time for deliberations on M&A, overseas strategy, financial strategy, and more
2. Improve agenda efficiency
   Reduce routine/reporting items and use written reports
   Share past materials and minutes for the Board and key meetings via cloud-based groupware
3. Launch the succession plan and diversify the Board
   Conduct assessments of key management members by utilizing external consultants
   Invite independent outside directors with extensive management experience

C Check — Summary of Evaluation Results
Conducted for the period ending January 2026

Implementation structure
- Under the leadership of the Board of Directors and the Nomination Committee, a questionnaire was distributed to all 12 directors and was analyzed.

Evaluation results
- Discussions on management issues are consistently conducted in a flat and highly engaged manner.
- The Board is composed of members with diverse backgrounds, at an appropriate scale.

Assessment concluded that the effectiveness of our Board of Directors is generally ensured

A Action — Policy Aimed at the Fiscal Year Ending December 2026

1 Oversight of the leadership transition support structure	Strictly assess the materialization and progress of the growth strategy under the new structure.
2 Creation of a pipeline of next-generation leaders	Rather than making the president's succession the goal, systematize development and selection plans for executive officer-level and director-level talent (see "Overview of the Executive Development Program" on the next page).
3 Enhancement of governance with an eye toward overseas expansion	Enhance support structures for overseas affiliates and build a governance oversight framework that supports overseas expansion.

Reiko Okuhara
Outside Director and Audit and Supervisory Committee Member

Reiko Okuhara has experience and insight from work at the Ministry of Finance and as an attorney, and serves concurrently as an outside director of another company.
She has served as an auditor of the company since 2022 and has held her current position since 2023.

Q1: ANSWER

This issue has been resolved through rigorous deliberations by the Nomination Committee, in which independent outside directors constitute a majority. The objectivity and transparency of the process are sufficiently ensured.
In the food service industry, where the rough seas of rising costs continue, further growth will require not only expanding the company's brands domestically but also looking ahead to overseas expansion. I expect Chairman Tani, who knows the core of the company inside and out, to continue his duties as CEO, and for incoming President Sato, in his 50s, to take up the management baton. I regard President Sato as the right person to lead future growth, as he combines extensive on-the-ground experience in Japan, a strong sense of solidarity with employees through full-time union service, and proven international management performance at the Taiwan subsidiary.

Q2: ANSWER

By ensuring that President Sato fully absorbs the Chairman's forward-looking know-how and fuses it with management from a new perspective, the Group's agility will increase significantly. As an outside director, I will energize communication among officers through the Board of Directors and the Audit & Supervisory Committee, and maintain a sound system of checks and balances. In addition, I will provide agile advice on reports to the Group Risk and Compliance Committee from the perspectives of compliance and risk management.

Q3: ANSWER

In the restaurant business, part of the service industry, developing people is the greatest driver of growth. With a young president who understands employees' minds keeping a close eye on front-line operations and leading the organization, talent development on both the front line and the management side will accelerate, which should also lead to the development of next-generation leaders. I expect this to translate directly into the enhancement of medium- to long-term corporate value.

Overview of the Executive Development Program

Selection of and Development Training for Next-Generation Senior Management

Through systematic education in chain store management, we are developing talent who can become next-generation leadership candidates.

Improvement of store operations efficiency:
Methods for improving productivity by simplifying and specializing tasks

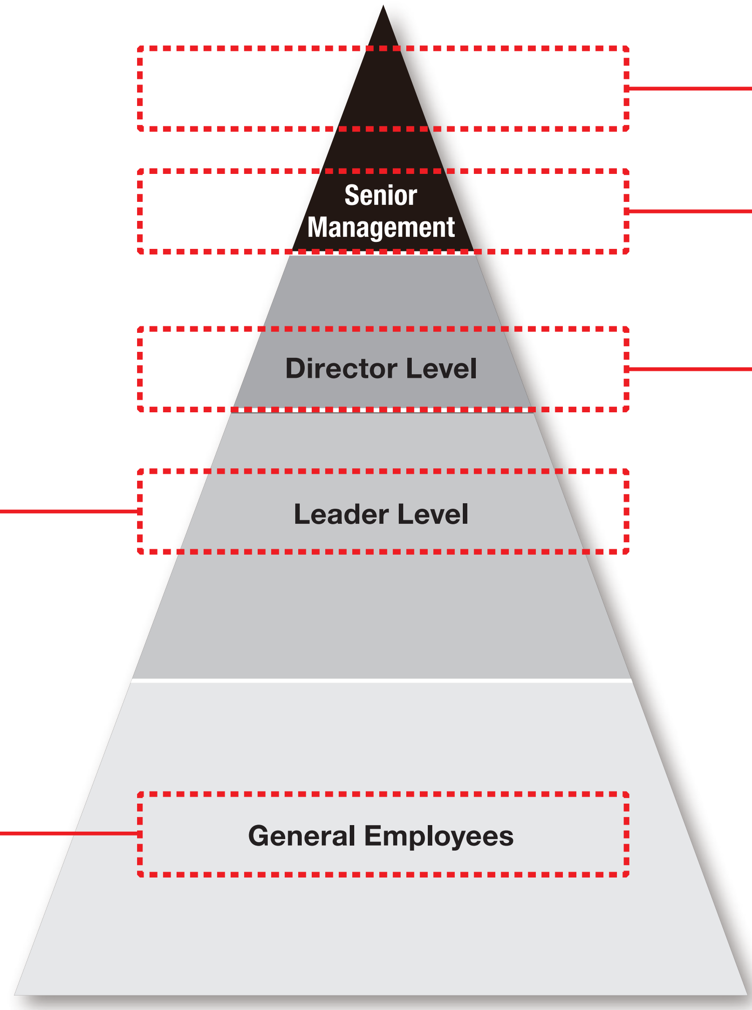
Numerical management and analysis:
Numerical management techniques to reliably generate profits

Standardization of operations:
Management methods that support multi-store expansion

Selection of Top-Performing Employees (100 people in their 30s to 40s)

After selection based on achievements and multifaceted evaluations, we use interviews to assess thinking ability and willingness to grow.

(Acquisition of qualifications; participation in external seminars, internal training, and transfer-related education)



Development through practical work

Development within the Board of Directors
Separately from matters for resolution and reporting, in Board of Directors meetings we provide opportunities for executive officers to make presentations under "Other reports on business execution, etc."

Interaction with independent outside directors
We hold an Independent Officers Liaison Meeting about three times a year. Twice a year, executive officers and presidents of affiliated companies explain initiatives to independent outside directors during visits to stores, factories, etc. Once a year, we hold a social gathering to provide outside directors with an opportunity to get to know the character of executive candidates who will lead the next generation.

Development of directors at affiliated companies
We appoint members of senior management as presidents of affiliated companies to build management experience. For executive officers and director-level personnel, we provide opportunities to gain Board experience through appointments as part-time directors of affiliated companies.

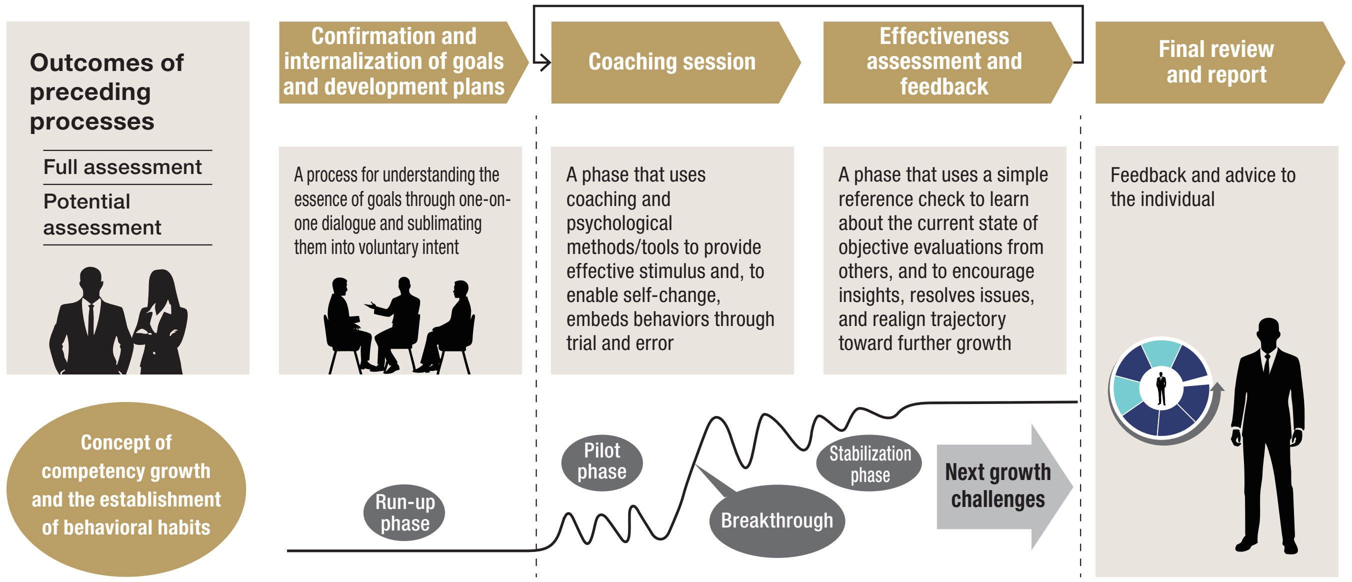
Officer study sessions
As an opportunity to acquire the knowledge required of directors, every year we hold officer study sessions with invited external lecturers, targeting all directors (including outside directors) and personnel at the Division director level and higher.

Past topics for officer study sessions

FY	Theme
2016	Branding
2017	Crisis management
2018	Crisis management
2019	ESG
2020	External sales risks

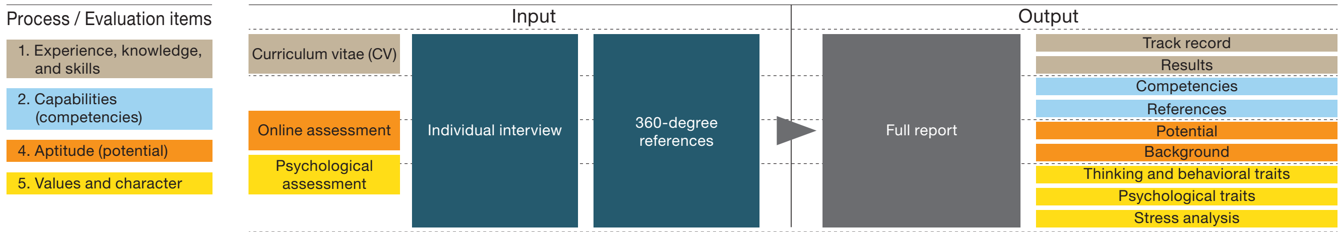
FY	Theme
2021	ESG
2022	Unconscious bias
2023	What institutional investors expect from companies
2024	Founder mentality
2025	Responsibilities and roles of directors

1 Leadership Development ▶ Coaching for top management



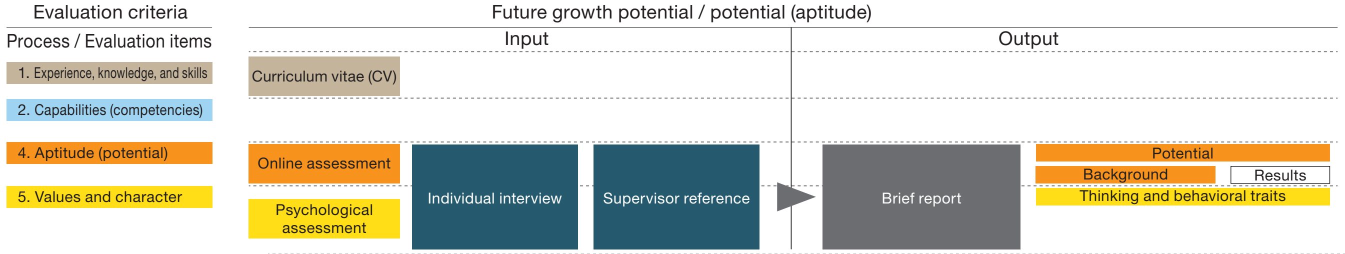
2 Full Assessment ▶ Selection and training for the next generation of top management

	Full Assessment
Purpose	Appointment and development of management (directors, CXOs, and officers)
Target	Executive management
Time horizon	Short term: Personnel transfers and officer appointments over the next 1–2 years
Evaluation criteria	Current competencies (capabilities)



3 Potential Assessment ▶ Selected from next-generation leadership candidates

	Potential Assessment
Purpose	Identification of high-potential talent and development targets
Target	Director level
Time horizon	Medium to long term: Select and develop future executive candidates
Evaluation criteria	Future growth potential / potential (aptitude)



We aim to strengthen organizational capability by identifying high-potential talent early and connecting them to appropriate rotations.		
	A Early identification of future executive candidates	We identify latent talent with the potential to become future management
	B Acceleration of the development of high-potential talent	We accelerate the growth of high-potential talent through interviews and individualized feedback conducted in conjunction with online surveys
	C Re-examination of internal evaluations and determination of optimal talent placement	By comparing changes in potential by position and by comparing trends between our company and other companies, we re-examine our internal talent evaluation, including hiring criteria, and determine optimal talent placement