



May 17, 2023

Dear All,

**Notice Concerning Determination of the Amounts of Remuneration, etc., for Directors
Who Are and Are Not Audit and Supervisory Committee Members**

At the Board Meeting held today, ZOZO, Inc. (hereinafter, referred to as the "Company") resolved to transition to a company with an Audit and Supervisory Committee, subject to approval at the 25th Ordinary General Meeting of Shareholders scheduled on June 28, 2023 (hereinafter, referred to as the "Shareholders Meeting"), and submit a proposal for the partial amendment to the Articles of Incorporation to the Shareholders Meeting (hereinafter, referred to as the "Proposed Amendments") (Please refer to the Company's "Notice Concerning the Transition to a Company with an Audit and Supervisory Committee and Partial Amendment to the Articles of Incorporation" dated today). Accordingly, the Company hereby announces that it has resolved to submit a proposal for the determination of the amount of remuneration, etc. for Directors who are not Audit and Supervisory Committee members and Directors who are Audit and Supervisory Committee members to the Shareholders Meeting.

1. Determination of the amount of remuneration, etc., for Directors who are not Audit and Supervisory Committee members

At the 19th Ordinary General Meeting of Shareholders held on June 27, 2017, it was approved that the remuneration, etc., for Directors at an annual amount not exceeding 800 million yen (of which the portion for Outside Directors shall not exceed 50 million yen per year, not including the employee's salary for Directors who also serve as employees). If the Proposed Amendments, which are scheduled to be separately proposed at the Shareholders Meeting, are approved and passed as originally proposed, the Company will transition to a company with an Audit and Supervisory Committee, and the current provisions regarding the amount of remuneration for Directors will be abolished. After the transition to a company with an Audit and Supervisory Committee, the amount of remuneration, etc. for Directors (excluding Directors who are Audit and Supervisory Committee members) shall be no more than 800 million yen per year (of which the portion for Outside Directors shall not exceed 50 million yen, not including the employee's salary for Directors who also serve as employees). Also, the Company plans to ask for shareholders' approval that the specific amount, timing, etc. of payment to each Director shall be determined by a resolution of the Board of Directors. The current number of Directors is 8 (including 3 Outside Directors), but if the Proposed Amendments and the proposal to appoint Directors who are not Audit and Supervisory Committee members, which are scheduled to be separately proposed at the Shareholders Meeting, are approved as originally proposed, the number of Directors who are not Audit and Supervisory Committee members will be 8 (including 3 Outside Directors).

(2) Determination of the amount of remuneration, etc., for Directors who are Audit and Supervisory Committee members

If the Proposed Amendments, which are scheduled to be separately proposed at the Shareholders Meeting, are approved as originally proposed, the Company will transition to a company with an Audit and Supervisory Committee, and therefore, the Company plans to ask for shareholders' approval to set the annual amount of remuneration, etc. for Directors who are Audit and Supervisory Committee members at no more than 70 million yen after the transition to a company with an Audit and Supervisory Committee. The amount of such remuneration, etc. is based on comprehensive consideration of the responsibilities of Directors who are Audit and Supervisory Committee members, the current number of officers and future trends, and the amount of remuneration for Audit and Supervisory Board members approved at the Company's 9th Ordinary General Meeting of Shareholders held on June 28, 2007.

Currently, there are 3 Audit and Supervisory Board members, but if the Proposed Amendments and the proposal to appoint Directors who are Audit and Supervisory Committee members, which are scheduled to be separately proposed at the Shareholders Meeting, are approved and passed as originally proposed, the number of Directors who are Audit and Supervisory Committee members will be 3.

DISCLAIMER: This document is summary translation of Japanese version. All readers are recommended to refer the original Japanese version for complete information. In the event of any discrepancy, errors and/or omissions, the Japanese version shall prevail.