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(Translation)

To Whom It May Concern

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<u>Acquisition of CCS (Content Claim Standard) Brand Certification</u> under the Organic Content Standard (OCS), an International Standard for Organic Fibers

TSI Holdings Co., Ltd. (the "Company") hereby announces that its subsidiary, TSI Inc., has obtained certification under the Organic Content Standard (OCS), established by Textile Exchange, a U.S.-based non-profit, non-governmental membership organization. This represents the first instance in which a major Japanese apparel company (*1) has received product certification under the OCS.



TSI Inc. Certified by KE'KEN / KN0052

1. Background and Purpose of Certification Acquisition

According to data from the United Nations Conference on Trade and Development (UNCTAD), the fashion industry is widely considered the second most polluting industry in the world, following the oil industry (*2). Cotton, a key raw material used in apparel products, has raised environmental concerns during its cultivation process, including deforestation, soil contamination, water pollution, water scarcity, and damage to ecosystems.

The Company has established its purpose: "We create empathy and social value across the world through the power of fashion entertainment." In line with this purpose, it has actively promoted initiatives to scientifically reduce the environmental impact and climate change risks associated with the production of its products. As part of these efforts, focusing on the use of organic cotton has been particularly emphasized.

However, the adoption of certified organic materials has been limited due to the numerous certification standards and the complexity involved in obtaining certification throughout the entire supply chain, from raw materials to finished products and ultimately to retail.

In response to these challenges, the Company's subsidiary, TSI Co., Ltd., has taken measures to promote the use of environmentally conscious textile materials. As part of this initiative, it has received CCS Brand Certification under the Organic Content Standard (OCS), a globally recognized certification for products made with organic materials, established by the international NGO Textile Exchange (*3). The certification was awarded following an audit conducted by KE'KEN Textile Testing & Certification Center, a general incorporated foundation based in Japan.

NOTES:

*1: Refers to apparel companies with annual sales of ¥100 billion or more.

*2: Source: <u>United Nations Information Centre website</u> — from the article "UN launches drive to highlight environmental cost of staying fashionable"

*3: Textile Exchange is a U.S.-based, non-profit, non-governmental membership organization that establishes international standards to build a more sustainable textile industry. Its certification standards are based on the Content Claim Standard (CCS) and include schemes such as RCS, RWS, GRS, OCS, and RDS, all of which focus on material certification.

2. Product Development

Currently, NANO universe, a flagship brand of TSI Inc., is developing its first certified product—a sustainably produced shirt designed to be worn and cherished for years to come. The shirt utilizes materials sourced for reduced environmental impact and boasts an authentic, gender-neutral design that offers versatile styling options while maintaining a simple, timeless look. This OCS-certified product is anticipated to become a staple item representing the brand.

The Company and its group companies will continue to create social value for the people, environments, and customers involved in every stage of product development, guided by its corporate purpose.

Expected Launch: Spring 2026 Sales Price: To be determined



About KE'KEN Textile Testing & Certification Center

KE'KEN Textile Testing & Certification Center, a general incorporated foundation, is an independent thirdparty testing and certification body. It conducts a wide range of tests tailored to the specific applications of textile products and related materials.

Website: https://www.jwif.org/english/