

July 10, 2025

(For translation purposes only)

Raccoon Holdings, Inc.
1-14-14 Nihonbashi-Kakigaracho, Chuo-ku Tokyo
President: Isao Ogata, Representative Director
(Code: 3031, Tokyo Stock Exchange Prime Market)
Contact: Satoshi Konno
Executive Vice President of Finance and Director
(Tel: +81-3-5652-1711)

Notice Regarding Partial Revision of the “Basic Policy for Establishing Internal Control System”

Raccoon Holdings, Inc. (“Raccoon”) announces that, at the Board of Directors meeting held on July 10, 2025, it resolved to partially revise the “Basic Policy for Establishing Internal Control System,” as described below. (Changes are indicated with underlining.)

1. System for ensuring the compliance of the execution of duties by the Company’s Directors and employees with laws, regulations, and the Articles of Incorporation

The Company establishes the corporate code of conduct and the standard of conduct providing more specific standards for conduct, and by repeatedly communicating this spirit to Directors and employees with the President & Representative Director taking the lead, ensures that they thoroughly understand that compliance with laws and regulations is the prerequisite of all corporate activities.

The Company establishes the compliance manual and builds a system under which understanding of laws, regulations, the Articles of Incorporation, corporate ethics, and other specific matters to be complied with is deepened and laws, regulations, and the Articles of Incorporation are complied with.

The President & Representative Director is the compliance officer and the person in charge of legal operations is the compliance secretariat. The compliance secretariat establishes the compliance manual and conducts training for deepening knowledge on compliance.

The Company understands the status of business operations through internal auditing and also, confirms that lawful and appropriate business operations are conducted based on laws, regulations, the Articles of Incorporation, and various internal rules.

The Company establishes a system where the Company’s Directors or employees promptly report and consult when they find actions suspected of non-compliance with laws and regulations. In this case, persons who report or consult shall not be subject to disadvantageous treatment.

The Company resolutely stands against anti-social forces that threaten the order and safety of a civil society and rejects and eliminates all relationships with such forces. In addition, the Company takes organized measures in cooperation with the police, attorneys, and other external specialized bodies.

2. System for the storage and management of information related to the Company’s Directors execution of duties

The Company has a system where information related to the Directors’ execution of duties is recorded in documents (paper or electronic media) and appropriately stored and managed in accordance with laws, regulations, the Articles of Incorporation, and internal rules and policy such as the document management rules.

3. Rules related to management of risk of losses of the Company and other system

Regarding the Company's risk management system, the Company establishes the risk management committee chaired by the Director in charge of risk management, based on the "risk management rules," to improve and promote risk management. The status of risk management deliberations is reported to the management meeting as appropriate.

An analysis of management risks and consideration of measures thereof are conducted at the management meeting chaired by the President & Representative Director and attended by Directors (excluding Directors serving as Audit and Supervisory Committee members). In the event of an emergency, we establish the countermeasure headquarters led by the President & Representative Director to quickly respond to such events and minimize damages.

4. System for ensuring the efficient execution of duties by the Company's Directors

Ordinary meetings of the Board of Directors are held once a month and extraordinary meetings of the Board of Directors are held when needed as necessary to share information and communicate, decide on important business execution, and supervise the state of each Director's execution of business.

The management meetings attended by Directors (excluding Directors serving as Audit and Supervisory Committee members) are held as necessary to conduct prior deliberations on the matters for resolution by the Board of Directors and deliberate important matters on management below the Board of Directors.

Authority and responsibilities related to the execution of duties are specified by internal rules such as the duties division rules and the job authority rules and reviewed as needed.

5. System for ensuring the appropriateness of business of the corporate group consisting of the Company and its subsidiaries

- (1) System for reporting to the Company on matters related to the execution of duties by the subsidiaries' Directors

The Company's Directors concurrently serve as Director or Auditor of the subsidiaries and attend meetings of the subsidiaries' Board of Directors to receive reports on important business matters, etc.

- (2) Rules related to management of risk of losses of the subsidiaries and other system

If concern about risk management is found at the subsidiaries, Directors or Auditors of such subsidiaries report to the management meeting. If further investigation or action is required from a risk management perspective, the matter is referred to the risk management committee, which reports to the management meeting as appropriate.

- (3) System for ensuring the efficient execution of duties by the subsidiaries' Directors

Regarding business operations of the subsidiaries, the Business Administration Headquarters, as a division in charge, manages the subsidiaries based on the "affiliates management rules." In addition, important matters on management are deliberated at meetings of the Company's Board of Directors, while respecting the independence of the subsidiaries.

- (4) System for ensuring the compliance of the execution of duties by the subsidiaries' Directors, etc. and employees with laws, regulations, and the Articles of Incorporation

The President & Representative Director of the subsidiaries is the compliance officer and the Company's person in charge of legal operations is the compliance secretariat. The compliance secretariat establishes the compliance manual and builds a system under which understanding of laws, regulations, the Articles of Incorporation, corporate ethics, and other specific matters to be complied with is deepened and laws, regulations, and the Articles of Incorporation are complied with.

The Company's person in charge of internal audit conducts internal audits of the subsidiaries' management status and business operations in cooperation with the subsidiaries' auditors and management departments.

6. Matters regarding employees who should assist with the duties of the Audit and Supervisory Committee

The person in charge of internal audit or employees of the Business Administration Headquarters assist the Audit and Supervisory Committee as needed.

7. Matters regarding independence of employees in the preceding paragraph from Directors (excluding Directors serving as Audit and Supervisory Committee members) and ensuring the effectiveness of instructions of the Audit and Supervisory Committee

If requested to assist the Audit and Supervisory Committee from the Audit and Supervisory Committee, employees who assist the Audit and Supervisory Committee are not subject to instructions and orders from Directors (excluding Directors serving as Audit and Supervisory Committee members) and their superiors regarding such request. In addition, the consent of the Audit and Supervisory Committee is required for the appointment and transfer of such employees.

8. System for reporting to the Audit and Supervisory Committee by Directors and employees of the Company and the subsidiaries and other system regarding reporting to the Audit and Supervisory Committee

The Audit and Supervisory Committee members attend meetings of the Board of Directors and also internal important meetings as necessary, receiving reports about the status of business execution from the President & Representative Director and Directors in charge of business execution.

The Audit and Supervisory Committee members may inspect important approval documents and related materials and as needed, request reports from the Company's and subsidiaries' President & Representative Director and Directors in charge of business execution.

If the Company's and subsidiaries' Directors and employees become aware of material violations against laws, regulations, or the Articles of Incorporation and illegal conducts as well as any fact that could cause material damage to the Company, they report to the Audit and Supervisory Committee without delay. Other than this case, the Audit and Supervisory Committee may request reports from the Company's and subsidiaries' Directors and employees whenever as necessary.

9. System for ensuring that persons reporting to the Audit and Supervisory Committee are not subject to disadvantageous treatment due to such reporting

The Company guarantees that the Company's and subsidiaries' Directors and employees who make reports in the preceding paragraph will not be subject to disadvantageous treatment due to such reporting and protects such whistleblowers.

10. Other system for ensuring effective audit of the Audit and Supervisory Committee

The Audit and Supervisory Committee members attend meetings of the Board of Directors and also internal important meetings as necessary, receiving reports about the status of business execution from the President & Representative Director and Directors in charge of business execution.

The Audit and Supervisory Committee works and cooperates with the person in charge of internal audit and requests inspections as necessary. In addition, it regularly exchanges opinions with the Accounting Auditor.

When the Audit and Supervisory Committee members request advance payment or reimbursement of expenses incurred for their execution of duties, the Company pays such expenses in a timely and appropriate manner, based on the request from the Audit and Supervisory Committee members.

11. System for ensuring reliability of financial reporting

In order to appropriately respond to the internal control evaluation system related to financial reporting based on the Financial Instruments and Exchange Act, the Company, under instructions of the President & Representative Director, builds an internal control system and continuously evaluates and corrects the system so that it appropriately functions.