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August 21, 2025

Company name:	GREE Holdings, Inc.
Name of representative:	Yoshikazu Tanaka; Founder, Chairman and CEO (Securities code: 3632; Tokyo Stock Exchange Prime Market)
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Notice Regarding Revision of the Executive Compensation System

At the meeting of the Board of Directors held on August 21, 2025, GREE Holdings, Inc. (the “Company”) resolved to revise the compensation system for the Company’s Directors (excluding Outside Directors, Directors who serve as Audit and Supervisory Committee Members, and non-residents in Japan; same applies hereinafter), as outlined below.

This revision is conditional upon obtaining shareholder approval for the proposal regarding stock compensation at the 21st Annual General Meeting of Shareholders scheduled to be held on September 29, 2025.

- **Executive Compensation System Policy**

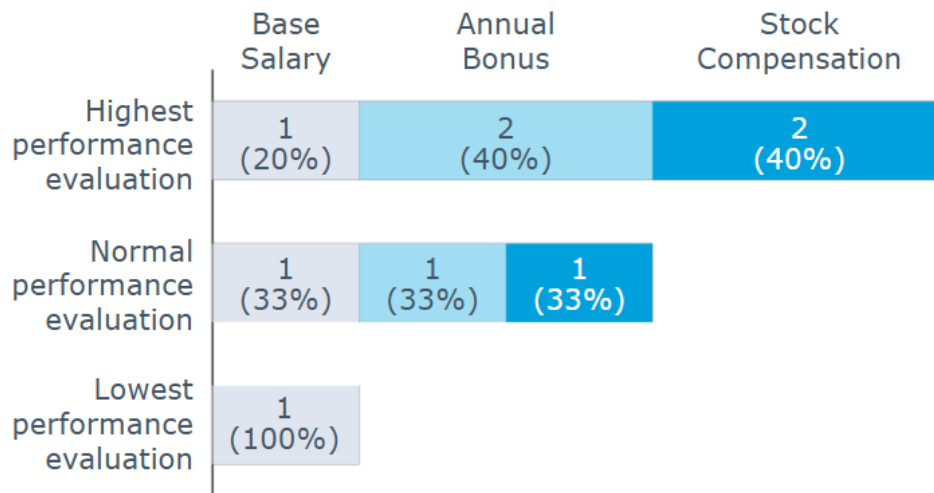
- Set a fair and competitive level of compensation, taking into account the external talent market, internal equity, and management conditions.
- Adopt a highly performance-linked compensation structure to motivate performance improvement.
- Implement a stock compensation system strongly linked to shareholder value to align interests with shareholders.
- Select performance indicators based on the management strategy, with challenging yet achievable target setting.
- Ensure objectivity and transparency in the compensation system and its decision-making process.

- **Compensation Level**

- Based on objective compensation data from external professional institutions, comparisons are made with both the overall market and peer companies competing for business and talent. Internal equity and management conditions are comprehensively considered to ensure fairness and competitiveness.

- **Compensation Structure**

- To strengthen linkage with performance and alignment with shareholders, the ratio of Base Salary : Annual Bonus : Stock Compensation (details provided below) is approximately 1:1:1 at standard performance evaluation, regardless of position.
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● **Details of the Compensation System**

- The Company has introduced three types of compensation in order to achieve different objectives. Base Salary is designed to encourage steady execution of duties according to responsibility. Annual Bonus is intended to motivate the achievement of annual targets. Stock Compensation is aimed at promoting medium- to long-term enhancement of corporate value and aligning the interests of directors with those of shareholders.

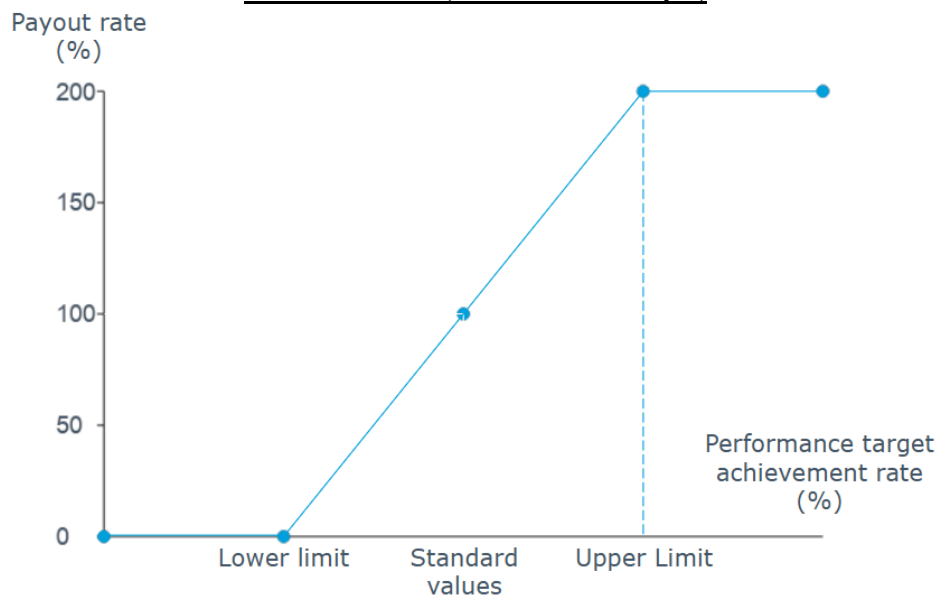
Type of Compensation		Purpose	Performance Indicators	Performance Evaluation Period	Details
Base Salary	Fixed	<ul style="list-style-type: none"> Encourage steady execution of duties according to responsibilities 	—	—	<ul style="list-style-type: none"> Amount determined based on a pay table reflecting responsibilities, paid monthly
Annual Bonus	Variable	<ul style="list-style-type: none"> Motivate achievement of annual targets 	<ul style="list-style-type: none"> Consolidated sales Consolidated operating profit Business segment sales Business segment operating profit 	<ul style="list-style-type: none"> 1 year 	<ul style="list-style-type: none"> Based on calculation methods discussed by the Compensation Committee and resolved by the Board, payout rate varies from 0% to 200% according to annual performance
			<ul style="list-style-type: none"> Individual performance 		<ul style="list-style-type: none"> The Compensation Committee evaluates individual performance (except for CEO, whose evaluation is conducted by the Compensation Committee; for others, evaluated by the CEO and confirmed by the Committee), payout rate varies from 0% to 200%
Stock Compensation		<ul style="list-style-type: none"> Motivate medium- to long-term corporate value enhancement Align interests with shareholders 	<ul style="list-style-type: none"> Relative TSR Operating profit CAGR 	<ul style="list-style-type: none"> 3 years 	<ul style="list-style-type: none"> Points granted annually (number calculated by dividing the standard stock compensation amount by share price). Based on calculation methods discussed by the Compensation Committee and resolved by the Board, number of points varies from 0% to 200% according to performance after three years. Upon confirmation, points are converted into shares upon retirement. Under the shareholding guidelines, sale is restricted until holdings exceed a value equivalent to 300% of base salary (600% for CEO).

- **Variable Compensation: Annual Bonus and Stock Compensation (Details)**

- Annual Bonus

- ✧ Cash incentive linked to performance, paid based on overall company performance, business performance, and individual performance for each fiscal year.
- ✧ A target amount is set according to responsibilities, and the payout rate varies from 0% to 200% based on the calculation formula using consolidated revenue, consolidated operating profit, business revenue, business operating profit, and individual performance evaluation, with weighting ratios applied. Payment is made at a certain time after the Annual General Meeting of Shareholders for the relevant fiscal year.
- ✧ Individual evaluations are conducted by the Compensation Committee for the CEO, and by the CEO for others, with the Committee confirming the results before finalizing evaluations.
- ✧ Incentive curves are designed for each evaluation indicator so that the payout rate is 100% at standard performance, 200% at maximum performance, and 0% at minimum performance.

Incentive Curve (Illustrative Example)



The Board of Directors deliberates and decides upon standard values, lower limits, and upper limits.

➤ **Stock Compensation**

- ✧ Stock compensation granted based on company performance over three consecutive fiscal years, designed to motivate medium- to long-term corporate value enhancement and align interests with shareholders.
- ✧ For each fiscal year during tenure, on a predetermined date (“Point Grant Date”), standard points (calculated by dividing the standard performance-linked stock compensation amount by the share price on a specified date) are granted. After the performance evaluation period (three consecutive fiscal years starting with the fiscal year including the Point Grant Date), the right to receive company shares from a trust established for this system (“the Trust”) is obtained.
- ✧ The number of standard points granted in the initial fiscal year is adjusted between 0% and 200% based on the Company’s TSR growth rate relative to TOPIX growth rate and the CAGR of consolidated operating profit, according to weighting ratios. (These adjusted points are referred to as “Confirmed Points.”)
- ✧ Upon retirement, shares corresponding to the number of Confirmed Points are delivered from the Trust.
- ✧ Shares delivered cannot, in principle, be sold for one year after resignation as a Director.
- ✧ The number of standard points is determined based on the business scale within the HD structure and the role level. The same applies to Directors concurrently serving as employees.
- ✧ Incentive curves are designed for each evaluation indicator so that the payout rate is 100% at standard performance, 200% at maximum performance, and 0% at minimum performance (same as Annual Bonus).
- ✧ Under the shareholding guidelines, sale is restricted until holdings exceed a value equivalent to 300% of base salary (600% for CEO).

Standard Points Table

		Corporate Classification (Profit Contribution in HD Management)					
		A	B	C	D	E	F
Role Responsibility (CEO at the top)	1	10.0	6.0	5.0	4.0	3.0	2.0
	2	6.0	4.2	3.5	2.8	2.1	1.4
	3	4.0	3.0	2.5	2.0	1.5	1.0
	4	3.0	2.4	2.0	1.6	1.2	0.8
	5	2.0	1.8	1.5	1.2	0.9	0.6

Note: The horizontal axis (A–F) indicates business scale classifications, while the vertical axis (1–5) indicates role responsibility levels.

Rolling Method for Granting and Confirming Standard Points

	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
FY2025 Grant		Performance Evaluation Period (3 years)				
FY2026 Grant			Performance Evaluation Period (3 years)			
FY2027 Grant				Performance Evaluation Period (3 years)		

■ : Grant of Standard Points ■ : Confirmation of Points

● **Compensation Governance**

- The Company’s policy for determining the amount and calculation method of Directors’ compensation is decided after deliberation by the Compensation Committee, which is composed of a majority of Outside Directors, and subsequent discussion at the Board of Directors.
- The Compensation Committee consists of four Outside Directors and one Inside Director, with the chairperson being an Outside Director.