

The corporate governance of Take and Give Needs Co., Ltd. (the "Company") is described below.

1. Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information

1. Basic Views

The Group has formulated a long-term business plan with the basic policy of maintaining stable profits in the wedding business and using the hotel business as a growth driver to create an untapped market for boutique hotels, in line with the Group's purpose of existence, "to bring innovation to the hospitality industry and to make Japan dynamic". We have formulated a long-term management plan - EVO L2030 - based on the basic policy of creating an untapped boutique hotel market while maintaining stable profits in the wedding business. To realize this plan, we regard thorough corporate governance as one of the most important issues in conducting fair and transparent management and contributing to all stakeholders, including shareholders, and society through sound profits generated from our business activities

Corporate Philosophy

Our Purpose:	Spark Innovation in the Hospitality Industry
Our Mission:	With a playful spirit and kindness, We enrich people's hearts and lives.
Our Vision:	Become a leading company in Japan's hospitality industry!
Our Core Values:	Creativity / Challenge /Kindness

[Reasons for not implementing each principle of the Corporate Governance Code]

[Supplemental Principle 4.10.1 Use of Voluntary Mechanisms for Nomination and Remuneration of Directors, etc.]

In nominating candidates for the Company's Board of Directors, the criteria for nomination are as described in Principle 3-1 (iv). Although the Company's Board of Directors does not have a majority of independent outside directors, the Company has established an Advisory Committee that is able to express opinions from an independent and objective standpoint when making resolutions on these matters. The Advisory Committee consists of seven members, five of whom are independent outside directors and outside Audit & Supervisory Board Members, and the Company believes that it receives appropriate involvement and advice that ensures fairness and independence.

[Disclosure Based on the Principles of the Corporate Governance Code]

[Principle 1.4: Stocks held for strategic purposes]

In principle, the Company does not hold so-called policy-holding stocks that are invested for purposes other than pure investment.

However, only in cases where synergistic effects can be expected in our business development in the future through business alliances, information sharing, etc. with the investee company, the Board of Directors will carefully examine the purpose and economic rationality of the investment and make a decision.

[Principle 1.7 Related Party Transactions]

The Company requires directors to report to the Board of Directors material facts regarding competing transactions and transactions between the Company and its directors. The Board of Directors then passes resolutions on related-party transactions after excluding the relevant director from the quorum for such resolutions as a person with a special interest in the transaction.

[Principle 2.4.1 Ensuring Diversity in the Promotion to Core Human Resources]

The Company is strengthening an environment in which diverse employees can play an active role, regardless of their nationality, educational background, or age.

Due to the nature of our business, the success of our female employees is essential to our growth. As a result of our efforts

to recognize diverse work styles according to each individual's lifestyle and to evaluate employees regardless of gender, the ratio of female managers was 31.0% as of March 31, 2025. The Company intends to increase this ratio further in the future. To promote diversity in human resources, we have implemented LGBTQ+ training to foster understanding of sexual minorities and revised internal rules to enable same-sex partners to access the same childcare and nursing care leave systems as opposite-sex married couples. Additionally, the Company has promoted initiatives to achieve gender equality and the employment of people with disabilities, which have a high retention rate. Furthermore, the Company promotes initiatives that realize gender equality and the employment of people with disabilities, which has a high retention rate. The Company will continue strengthening our efforts to reform our systems and corporate culture. By incorporating diverse values and ideas, the Company aims to create an organization that generates new value.

[Principle 2.6 Roles of Corporate Pension Funds as Asset Owners]

The Company has not introduced a corporate pension plan. Therefore, this matter poses no risk to our financial situation. If we were to consider introducing such a plan in the future, we would consider assigning personnel with sufficient skills in managing such a plan.

[Principle 3.1 Full Disclosure]

The Company recognizes that information disclosure is one of the most important management issues and that it is essential to disclose appropriate information to gain understanding from our stakeholders.

Therefore, in addition to appropriate disclosure in accordance with laws and regulations, we strive to disclose information deemed important to our shareholders and other stakeholders, including non-financial information, on our website.

i. Management philosophy, management strategy, management plan, etc.

The Company discloses its purpose, management strategies, management plans, etc. on its website and in its financial results presentation materials. <https://www.tgn.co.jp/ir/management/>

ii. Basic Approach and Basic Policy on Corporate Governance

The basic policy of corporate governance is disclosed on the Company's website, in this report, and in the Annual Securities Report.

iii. Policies and procedures for determining compensation for senior management and directors

Please refer to "II.1. [Director Remuneration] Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods" in this report.

iv. Policies and Procedures for Nominating Candidates for Directors and Audit & Supervisory Board Members

In nominating candidates for the Board of Directors, the Company selects individuals who can contribute to the development of not only the Company but also the industry, have an accurate grasp of issues in the divisions under their control and the ability to appropriately respond to solve problems, have a high level of insight into compliance and corporate ethics, and can be expected to contribute to the Company's sustainable growth and medium- to long-term enhancement of corporate value. The Chairman and Representative Director and the President and Representative Director nominate candidates for the Board of Directors based on the opinions of the Advisory Committee, which consists mainly of independent Outside Directors and external Outside Audit & Supervisory Board Members.

The Audit & Supervisory Board selects candidates for Outside Audit & Supervisory Board Members based on the criteria of candidates who contribute to the sound management of the Company and the maintenance and improvement of its social credibility and who can conduct audits neutrally and objectively, and the Audit & Supervisory Board makes the final decision on the candidates after review and consent by the Board of Directors.

v. Explanation of the election, dismissal and nomination of directors and auditors

The reasons for the election of candidates for Directors and Audit & Supervisory Board Members are disclosed in the Notice of the Annual General Meeting of Shareholders.

<https://www.tgn.co.jp/ir/library/meeting/>

[Supplemental Principle 3.1.3 Approach to Sustainability and Initiatives]

The Group, the Company and its subsidiaries, has long been committed to incorporating sustainability activities into its business activities to address a variety of social issues. In July 2022, the Company established the Sustainability Promotion Office to further strengthen our efforts in this area. The Sustainability Promotion Office sets important sustainability issues that are more relevant to our business activities, strengthens efforts across group companies, and manages the progress of the entire group by setting targets from a medium- to long-term perspective.

Information regarding TCFD and human capital initiatives, targets, etc., is also included in the latest annual securities report. <https://www.tgn.co.jp/ir/library/securities/>

Investments in human capital and intellectual property.

Since its inception, the "human resources" have been the most important management capital and the source of the Group's competitiveness. Therefore, we believe it is essential to invest in human resources in line with our management strategy,

and we have established various systems to support employees' skill development, such as a cafeteria-based self-development support system, a side job system, and an outside employment system. We will continue to strengthen our human capital by creating an environment and systems that proactively provide opportunities for those with a desire to grow, regardless of their company history, age, department, position, etc. At the same time, we invest in intellectual property by registering our logo and brand names as trademarks to protect their value.

Climate-related risks in the TCFD recommendations

The "Risk Management Committee" and the "Sustainability Promotion Office" work together to deliberate and scrutinize measures on sustainability issues, including climate-related issues.

The Sustainability Promotion Office prepares sustainability-related plans, promotes initiatives on important issues, and monitors progress in order to contribute to the realization of a sustainable society through the business activities of the entire group. Discussions held by the Sustainability Promotion Office are shared with the Risk Management Committee, which identifies and discusses potential sustainability risks in business activities and promotes countermeasures. Discussions at the Risk Management Committee are also reported to the Executive Committee and the Board of Directors as appropriate, and are reflected in the formulation of management plans and company-wide policies.

In addition, we have conducted a "scenario analysis" to understand how climate-related risks and opportunities may affect our business activities. The analysis was conducted assuming the business structure as of 2030 in accordance with our long-term management policy, "EVOL 2030. In addition, based on interviews with our relevant departments and discussions in working groups led by the Sustainability Promotion Office, we have qualitatively examined climate-related risks and opportunities, listing the risks and opportunities and their impact on our company if they were to occur.

As a result, although we did not anticipate any items that would have a tremendous impact on our business, we determined that the physical risks associated with climate change could have a significant impact on our business. We also identified as opportunity items the development of services and products that incorporate sustainability elements, which we have been working on for some time now, and which will lead to increased sales in the future due to changes in consumer behavior associated with the transition to a decarbonized society.

We organize our responses based on the risks and opportunities we have identified and apply them to our business operations.

Details of the Group's sustainability initiatives and information on human and intellectual capital are disclosed on our website.

<https://www.tgn.co.jp/sustainability/>

[Supplemental Principle 4.1.1 Scope of Delegation to Management]

The Company has established matters to be determined and resolved by the Board of Directors in the Board of Directors Regulations. Furthermore, the Decision-Making Authority Regulations and the Approval Regulation clearly define the authority of the Board of Directors, the Executive Management Committee, the Representative Director, the Executive Directors, Division Heads, and Department Heads. In order to make quick decisions regarding business execution, the decision-making bodies and decision-makers deliberate and make decisions based on these regulations.

[Supplementary Principle 4-8: Effective Use of Independent Outside Directors]

The Board of Directors has appointed three of its eight directors as independent outside directors to strengthen its supervisory and advisory functions.

These independent outside directors are highly experienced and knowledgeable in a wide range of fields, including management, law, finance, sustainability, and human resources development and labor relations, and play an important role in the decision-making process of the Board of Directors.

Each independent outside director actively contributes their expertise to address the management challenges faced by the company, providing insights and recommendations, and participating in the decision-making process.

As a result, the supervisory and advisory functions of the Board of Directors have been further strengthened, contributing to the enhancement of management integrity and transparency.

[Principle 4-9: Criteria for Independence of Independent Outside Directors and Qualifications]

Please refer to the section "II.2. Matters Relating to Functions of Business Execution, Audit and Supervision, Nomination, and Remuneration Decisions (Overview of Current Corporate Governance System)" in this report.

[Supplemental Principle 4.11.1 Composition of Board of Directors]

The Company's approach to balancing the knowledge, experience, abilities, and diversity of the Board of Directors is consistent with its approach to nominating candidates for the Board, as described in 3-1(iv). Additionally, two female directors (one internal and one outside) were reappointed at the 27th Annual General Meeting of Shareholders in June 2025. The company believes these directors are qualified to promote the Group's management and growth strategies while ensuring diversity on the Board. Consequently, women comprise 25% of the Board of Directors (8 directors, 2 of whom are female).

Furthermore, we have identified ten items of knowledge, experience, and abilities that the board should possess to function

effectively and have disclosed a skills matrix. This information is included on the last page of this report. It is the company's policy to continue appointing candidates to the board after considering the appropriate composition of the board.

[Supplemental Principle 4.11.2 Status of Directors / Audit & Supervisory Board Members with Concurrent Posts]

Although some of our outside directors and outside audit & supervisory board members concurrently serve as officers of other companies, we believe that they are able to devote the time and effort required to properly fulfill their roles and responsibilities to the duties of directors and audit & supervisory board members.

The status of concurrent positions of the Company's outside directors and outside Audit & Supervisory Board Members at other companies is disclosed in "2.1. [Directors] Outside Director's Relationship with the Company (2)" and "2.1. [The Audit & Supervisory Board Members] Relationship with the Company (2)" of this report, as well as the Notice of the Annual General Meeting of Shareholders, Annual Securities Report.

[Supplemental Principle 4.11.3 Analyzing and Evaluating the Effectiveness of the Board of Directors as a Whole]

In accordance with its Corporate Governance Policy, the Company conducts an evaluation of the effectiveness of its Board of Directors in the form of a questionnaire administered by all directors.

[evaluation item].

- (1) Composition of the Board of Directors
- (2) Operation of the Board of Directors
- (iii) Board Meeting Agenda
- (4) Structure to support the Board of Directors

Based on the written responses and other information, we judged that the Board of Directors as a whole is functioning appropriately and is generally effective. On the other hand, we share the view that there are some areas that could be further improved, such as the content of the agenda and reporting materials, in order to ensure higher effectiveness. The Company will continue to regularly review the functions of the Board of Directors as a whole and, based on the results, take appropriate measures to improve problem areas and strengthen its strengths.

[Supplemental Principle 4.14.2 Training Policy for Directors and Audit & Supervisory Board Members]

The Company provides training opportunities for Directors and Audit & Supervisory Board Members through external seminars and lecturers at least once a year. These opportunities are designed to improve the knowledge and skills (including compliance) necessary for their positions and duties. Furthermore, the Company encourages its directors and auditors to acquire the knowledge necessary to fulfill their roles, as well as to improve their professional skills. The Company covers the costs of such training in accordance with internal regulations.

[Principle 5.1 Policy for Constructive Dialogue with Shareholders]

1. Directors in charge of dialog with shareholders

The Company has appointed a director to oversee IR and has designated the Corporate Planning Department as the IR department. The representative directors is responsible for disclosing the quarterly financial results to shareholders and investors. The video recording of this disclosure is subsequently posted on the Company's website. In addition, directors, including outside directors, meet with shareholders upon request.

2. Collaboration with the relevant departments

To ensure the effectiveness of IR activities, the Company has established a system for timely disclosure and works closely with each department to disclose important information in a timely and appropriate manner. In addition to disclosing information through TDnet and EDINET, the Company collaborates with the Public Relations Office to disseminate information more broadly through its website and press releases. The Company collects information from representatives and each department regarding materials to be used in IR activities, such as financial results briefings. The Company confirms the content of the explanations with each other to ensure that the materials are easy to understand and useful for shareholders and investors.

3. The enhancement of dialogue methods other than individual meetings

As part of our commitment to providing shareholders and investors with accurate and timely information, we distribute on-demand explanatory materials for quarterly financial results and post explanatory videos on our website. The Company also provide essential information in English to overseas institutional investors in a prompt manner. In addition to individual meetings, we conduct small-scale meetings and facility tours led by board members to enhance our IR activities.

4. Feedback on shareholders' and investors' opinions and requests.

The Company's IR department is responsible for collecting and compiling shareholder and investor feedback. This feedback is then turned into reports that are regularly presented to the board of directors and management, offering valuable insights and suggestions for improvement.

2. Capital Structure

Foreign Shareholding Ratio

From 20% to less than 30%

[Status of Major Shareholders]

Name / Company Name	Number of Shares Owned	Percentage (%)
Yoshitaka Nojiri	2,460,950	16.86
The Master Trust Bank of Japan, Ltd.	1,546,000	10.59
TSUNAGU INVESTMENTS PTE. LTD	1,091,527	7.47
Tokyo Wells Corporation	1,035,970	7.09
The Custody Bank of Japan, Ltd.	618,000	4.23
Unimat Life Corporation	548,200	3.75
Wells Trading Co.	440,000	3.01
BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC)	377,797	2.58
NOMURA SINGAPOREN LIMITED CUSTOMER SEGREGATED A/C FJ-1309	305,000	2.08
RE FUND 107-CLIENT AC	300,000	2.05

Controlling Shareholder (except for Parent Company)

Parent Company

N/A

Supplementary Explanation

The above "Major Shareholders" are as of March 31, 2025.

The above percentages are calculated based on the number of shares obtained by deducting treasury stock (25,217 shares) from the total number of shares issued.

The shareholders listed above are the major shareholders of common stock

3. Corporate Attributes

Listed Stock Market and Market Section	Tokyo Stock Exchange Prime Market
Fiscal Year-End	March
Type of Business	service industry
Number of Employees (consolidated) as of the End of the Previous Fiscal Year	More than 1,000
Sales (consolidated) as of the End of the Previous Fiscal Year	10 billion yen or more but less than 100 billion yen
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	Less than 10 companies

4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder

—

5. Other Special Circumstances which may have Material Impact on Corporate Governance

—

// Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management

1. Organizational Composition and Operation

Organization Form	Company with Audit & Supervisory Board
-------------------	--

[Directors]

Maximum Number of Directors Stipulated in Articles of Incorporation	10
Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board	President
Number of Directors	8
Appointment of Outside Directors	Appointed
Number of Outside Directors	3
Number of Independent Outside Directors	3

Outside Directors' Relationship with the Company (1)

Name	Attribute	Relationship with the Company*												
		a	b	c	d	e	f	g	h	i	j	k	l	m
Susumu Akiyama	Coming from another company													
Kimiaki Sasaki	Lawyer													
Maki Muraki	Coming from another company													

* Categories for "Relationship with the Company"

* "○" when the Director presently falls or has recently fallen under the category; "△" when the Director fell under the category in the past

* "●" when a close relative of the Director presently falls or has recently fallen under the category; "▲" when a close relative of the Director fell under the category in the past

- Executive of the Company or its subsidiaries
- Non-executive Director or executive of a parent company of the Company
- Executive of a fellow subsidiary company of the Company
- A party whose major client or supplier is the Company or an executive thereof
- Major client or supplier of the listed company or an executive thereof
- Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as a Director
- Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a legal entity)
- Executive of a client or supplier company of the Company (which does not correspond to any of d, e, or f) (the Director himself/herself only)
- Executive of a company, between which and the Company Outside Directors are mutually appointed (the Director himself/herself only)
- Executive of a company or organization that receives a donation from the Company (the Director himself/herself only)
- Others

Name	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons of Appointment
Susumu Akiyama	○	(Significant concurrent positions outside the Company) Representative Director, Principle Consulting Group Inc. Auditor, Shibaura Institute of Technology	<p>He has been appointed based on his abundant experience and high-level insight as a corporate manager from a fair and objective standpoint, and his appropriate opinions are deemed beneficial to the Company's management.</p> <p>In addition, the Company has determined that none of the items listed as those that may cause a conflict of interest with general shareholders applies to the Company and that there is no risk of a conflict of interest with general shareholders, and has designated the Company as an independent director/auditor.</p> <p>The following is a summary of the results of the survey.</p>
Kimiaki Sasaki	○	(Significant concurrent positions outside the Company) Lawyer, Sakurada-dori Sogo Law Office Director, Japan Association for College Accreditation	<p>He has a wealth of experience and insight as an attorney, and has been appointed based on his track record of providing appropriate guidance and advice from a fair and objective perspective, which we believe will be beneficial to the Company's management.</p> <p>In addition, the Company has determined that none of the items listed as those that may cause a conflict of interest with general shareholders applies to the Company and that there is no risk of a conflict of interest with general shareholders, and has designated the Company as an independent director/auditor.</p> <p>The following is a summary of the results of the survey.</p>
Maki Muraki	○	(Significant concurrent positions outside the Company) Founder and Director, NPO Nijjiro Diversity Part-time Lecturer, Kwansei Gakuin University	<p>He has extensive experience and broad insight at several companies, including listed companies, and we believe that he will add new perspectives and knowledge, including "diversity and inclusion," to our company's management, and have elected him.</p> <p>In addition, the Company has determined that none of the items listed as those that may cause a conflict of interest with general shareholders applies to the Company and that there is no risk of a conflict of interest with general shareholders, and has designated the Company as an independent director/auditor.</p> <p>The following is a summary of the results of the survey.</p>

Voluntary Establishment of Committee(s) Corresponding to Nomination Committee or Compensation Committee

Established

Committee's Name, Composition, and Attributes of Chairperson

	Committee Name	All committee members (Name)	(full-time) committee member (Name)	in-house director (Name)	Outside Director (Name)	outside expert (Name)	Other (Name)	Chairperson (Chairperson)
Any committee equivalent to a nominating committee	Advisory committee	7	0	0	3	0	4	Other
A voluntary committee equivalent to the Compensation Committee	Advisory committee	7	0	0	3	0	4	Other

Supplementary Explanation

The Company has established an Advisory Committee, which is able to express its opinions to the Representative Directors from an independent and objective standpoint when determining director compensation and nominating director candidates. In principle, the Advisory Committee meets twice a year to nominate candidates for directors and to determine the remuneration of directors, and may hold extraordinary meetings as necessary at the request of the representative directors or at the request of the Advisory Committee members. The composition of the Advisory Committee, agenda procedures, and other matters necessary for the operation of the Advisory Committee shall be determined by the Board of Directors.

[Audit & Supervisory Board Member]

Establishment of Audit & Supervisory Board	Established
Maximum Number of Audit & Supervisory Board Member s Stipulated in Articles of Incorporation	5
Number of Audit & Supervisory Board Members	4

Cooperation among Cooperation among Audit & Supervisory Board Members, Accounting Auditors, and Internal Audit Departments, Accounting Auditors, and Internal Audit Departments

The Audit & Supervisory Board Members meet regularly with the accounting auditors to maintain cooperation and exchange and share information in an effort to conduct effective audits. In addition, the Company endeavors to conduct effective audits in cooperation with the Internal Audit Office in investigating the performance and financial condition of the Company and in performing other investigative duties.

Appointment of Outside Corporate Audit & Supervisory Board Members	Appointed
Number of Outside Audit & Supervisory Board Members	2
Number of Independent Outside Audit & Supervisory Board Members	2

Outside Audit & Supervisory Board Members' Relationship with the Company (1)

Name	Attribute	Relationship with the Company*												
		a	b	c	d	e	f	g	h	i	j	k	l	m
Mitsuhiro Fukuda	Certified Public Accountant													
Akimitsu Takai	Lawyer													

* Categories for "Relationship with the Company"

* "○" when the Audit & Supervisory Board Member presently falls or has recently fallen under the category; "△" when the Audit & Supervisory Board Member fell under the category in the past

* "●" when a close relative of the Audit & Supervisory Board Member presently falls or has recently fallen under the category;

"▲" when a close relative of the Audit & Supervisory Board Member fell under the category in the past

- a. Executive of the Company or its subsidiary
- b. Non-executive Director or accounting advisor of the Company or its subsidiaries
- c. Non-executive Director or executive of a parent company of the Company
- d. Audit & Supervisory Board Member of a parent company of the Company
- e. Executive of a fellow subsidiary company of the Company
- f. A party whose major client or supplier is the Company or an executive thereof
- g. Major client or supplier of the Company or an executive thereof
- h. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as an Audit & Supervisory Board Member
- i. Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a legal entity)
- j. Executive of a client or supplier company of the Company (which does not correspond to any of f, g, or h) (the Audit & Supervisory Board Member himself/herself only)
- k. Executive of a company, between which and the Company Audit & Supervisory Board Member are mutually appointed (the Audit & Supervisory Board Member himself/herself only)
- l. Executive of a company or organization that receives a donation from the Company (the Audit & Supervisory Board Member himself/herself only)
- m. Others

Outside Audit & Supervisory Board Members' Relationship with the Company (2)

Name	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons of Appointment
Mitsuhjiro Fukuda	○	(Significant concurrent position outside the Company) Representative Partner, FUKADA-ANZAI TAX & Co.	Although he has never been involved in corporate management other than as an outside director or outside statutory auditor, he has been appointed as an outside statutory auditor of the Company in order to reflect his high level of expertise cultivated as a certified public accountant in the Company's audits. The Company has appointed him as an outside Audit & Supervisory Board Member.
Akimitsu Takai	○	(Significant concurrent position outside the Company) Representative, Takai & Partners Law Offices External Audit & Supervisory Board Member, NEW ART HOLDINGS Co., Ltd. Outside Director, Kojima Co., Ltd. (Audit and Supervisory Committee Member) Outside Director, NODA CORPORATION Supervisory Director, Daiwa Securities Living Investment Corporation	He has never been involved in corporate management other than as an outside director or outside Audit & Supervisory Board Member. However, he has been appointed as an outside Audit & Supervisory Board Member in order to reflect his high level of expertise cultivated as an attorney-at-law in the Company's audits. The Company has elected to serve as a Audit & Supervisory Board Member.

[Independent Directors/Audit & Supervisory Board Members]

Number of Independent Directors/Audit & Supervisory Board Members	3
---	---

Matters Relating to Independent Directors/Audit & Supervisory Board Members

The Company considers outside directors and outside Audit & Supervisory Board Members who do not fall under any of the following items to be independent directors and Audit & Supervisory Board Members who are not likely to have a conflict of interest with general shareholders.

1. A person who is a major business partner of the Company or a person who executes the business of the Company.
2. Our major business partner or its executive person.
3. Consultants, accounting experts, or legal experts who receive a large amount of money or other assets from the Company other than remuneration for their services as directors or Audit & Supervisory Board Members.
4. Those who have recently fallen under any of the categories from 1. to 3.
5. A close relative of any of the following persons listed in (1) through (4) below (excluding immaterial persons).
 - (1) Those listed in 1. through 4
 - (2) Executive officers of the Company's subsidiaries
 - (3) Directors who are not executive officers of the Company's subsidiaries
 - (4) A person who has recently fallen under (2), (3) or an executive person of the Company

(Notes)

- 1: "Executive officers" means executive directors, executive officers and other employees, etc.
- 2: "Close relative" means a relative within the second degree of kinship

[Incentives]

Status of Implementation of Measures to Provide Incentives to Directors	Other
---	-------

Supplementary Explanation

The Company rewards the performance of such directors by increasing or decreasing their executive compensation based on performance evaluations.

The Chairman and Representative Director, President and Representative Director will prepare a remuneration proposal for directors, taking into consideration the company's business performance, management details, economic conditions, etc., and the individual contribution of each director, and will consult with an advisory committee consisting mainly of independent outside directors and outside audit & supervisory board members. Based on these opinions, the final decision will be made by the Chairman and Representative Director and President and Representative Director.

In addition, the Board of Directors, at its meeting held on May 24, 2019, reviewed the executive compensation system and resolved to introduce post-delivery stock compensation (RSU), which was approved at the 21st Annual General Meeting of Shareholders held on June 26, 2019. The purpose is to provide an incentive to manage the company from the shareholders' perspective and to link the directors' own remuneration to the medium- and long-term performance and stock price.

This plan is designed to provide for the establishment of a system for the management of the Company's Board of Directors (excluding Outside Directors, hereinafter referred to as "Eligible Directors"). The plan provides that the Company's directors (excluding outside directors; hereinafter referred to as "Eligible Directors") shall be provided with the following. The plan provides for the Company's directors (excluding outside directors, hereinafter referred to as "Subject Directors") to receive a number of shares of common stock of the Company to be determined in advance for a period determined by the Board of Directors of the Company (each such period is hereinafter referred to as a "Service Period").

Additionally, at the Board of Directors meeting held on May 24, 2019, the Company revised its executive compensation system and resolved to introduce a deferred stock compensation plan (RSU), which was approved at the 21st Annual General Meeting of Shareholders held on June 26, 2019. The purpose of this plan is to provide incentives for management to act in the interests of shareholders by linking the compensation of directors to the Company's medium- to long-term performance and stock price.

This program provides for the delivery of a predetermined number of shares of common stock of the Company to each of the directors of the Company (excluding outside directors; hereinafter referred to as "Eligible Directors") after the expiration of a period determined by the board of directors (hereinafter referred to as the "Service Period"). The condition for such delivery is that the Eligible Director holds the position of director of the Company or any other position determined by the board of directors during the Service Period.

Recipients of Stock Options

Supplementary Explanation

[Director Remuneration]

Disclosure of Individual Directors' Remuneration

Disclosure of selected items only

Supplementary Explanation

The total compensation for directors and auditors for the 27th fiscal year (ending March 2025) is disclosed in the securities report and business report in accordance with the provisions of the Companies Act.

The total amount of compensation for directors is 194 million yen, of which 11 million yen is paid to outside directors.

The breakdown is as follows:

< Compensation for Directors >

Total compensation: 194 million yen (of which 11 million yen is paid to outside directors)

Basic compensation: 188 million yen (of which 11 million yen is paid to outside directors)

Non-monetary remuneration, etc.: 6 million yen

Number of directors subject to remuneration: 7 (including 3 outside directors)

- The maximum amount of compensation for directors is 500 million yen per year, as approved at the 2nd Regular Shareholders' Meeting held on June 26, 2000 (excluding salaries for directors who also serve as employees). As of the conclusion of the Annual General Meeting of Shareholders, there were four directors.

- Non-monetary compensation for directors (excluding outside directors) is based on the stock compensation system for directors (excluding outside directors) resolved at the 21st Annual General Meeting of Shareholders held on June 26, 2019, and is the amount equivalent to the stock compensation expensed in the current fiscal year for the directors subject to the system.

Under this system, the total number of shares of the Company to be delivered is 30,000 shares per year of service for all eligible directors, and the Company will issue shares or dispose of treasury shares by paying cash compensation claims to the eligible directors in accordance with the resolution of the Board of Directors, and the method for calculating the amount of cash compensation claims to be granted to each eligible director is "maximum number of shares to be granted × fair market value of the Company's common shares," which has been approved.

As of the conclusion of the regular shareholders' meeting, the number of directors is four.

- In determining the individual compensation and other benefits for directors, the Advisory Committee conducts a comprehensive review of the draft proposal, including its consistency with the compensation policy, and we generally respect the Advisory Committee's recommendations and ensure that the decisions align with the compensation policy.

Additionally, for individuals whose total compensation and other benefits exceed 100 million yen, we disclose such information individually in the annual securities report in accordance with applicable laws and regulations.

Policy on Determining Remuneration Amounts and Calculation Methods

Established

Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods

The Company has a policy regarding the amount of remuneration, etc. for directors and Audit & Supervisory Board Members and the method of calculation thereof, which is as follows

(Remuneration for Directors)

a. Basic policy

The Company's basic policy is to design the remuneration of directors to function fully as an incentive to sustainably increase corporate value and to be linked to shareholder returns, and to be at an appropriate level according to the responsibilities of each position.

b. Details of Directors' Remuneration

The remuneration system for directors consists of a fixed remuneration portion and a portion linked to performance evaluations, and is tailored to the responsibilities of each position. The amount of annual remuneration is determined based on the evaluation

of each director's performance according to the status of achievement of performance targets, and consists of a portion paid as monthly remuneration and a portion granted as post-delivery stock-based remuneration (RSU).

Remuneration for outside directors, who are independent of the execution of business operations, does not include a performance evaluation and consists only of a fixed remuneration portion.

c. Method of determining compensation

In order to enhance management transparency, decisions are made through the following procedures.

Based on the responsibilities of each director and the status of execution of business objectives, the Chairman of the Board of Directors and the President and Representative Director prepare a compensation plan for each year and submit it to the Advisory Committee, whose members consist mainly of independent outside directors and outside auditors.

Based on the opinions of the Advisory Committee, a final decision will be made by the Chairman of the Board of Directors and the President and CEO.

Advisory Board Members

Outside Director: Susumu Akiyama

Outside Director: Komei Sasaki

Outside Director: Maki Muraki

Audit & Supervisory Board Member: Shuichi Kitano

Audit & Supervisory Board Member: Takehiko Hirata

Outside Audit & Supervisory Board Member: Mitsuhiro Fukuda

Outside Audit & Supervisory Board Member: Akimitsu Takai

(Remuneration for Audit & Supervisory Board Members)

a. Basic Policy

The Company's basic policy is to pay each Audit & Supervisory Board Member an appropriate level of compensation for the performance of his/her duties.

b. Method of determining compensation

Remuneration for Audit & Supervisory Board Members is determined through discussions among the Audit & Supervisory Board Members, taking into consideration whether they are full-time or part-time Audit & Supervisory Board Members and the status of auditing duties assigned to them.

c. Details of Remuneration for Audit & Supervisory Board Members

The remuneration for Audit & Supervisory Board Members is fixed remuneration only, which is paid monthly, in order to emphasize the importance of strengthening their independence from management.

[Supporting System for Outside Directors and/or Outside Audit & Supervisory Board Members]

Support for outside directors is provided by the General Affairs Department, while support for outside audit & supervisory board members is provided by both the General Affairs Department and the full-time audit & supervisory board members, ensuring a system that facilitates smooth communication of information.

The Board of Directors materials are distributed in advance by the General Affairs Department to ensure that outside directors and outside auditors have sufficient time to review them. Additionally, as needed, we collaborate with relevant departments to provide prior explanations.

Furthermore, information regarding auditor audits, accounting audits, and internal audits is shared with outside auditors by the full-time audit & supervisory board members.

2. Matters on Functions of Business Execution, Auditing, Oversight, Nomination and Remuneration Decisions (Overview of Current Corporate Governance System)

(Matters pertaining to functions such as business execution, auditing and supervision)

The Company's Board of Directors meets at least once a month (regularly and as needed), and all important matters are decided by the Board of Directors in accordance with the Company's regulations. Four directors, including the representative director, execute business operations, which are supervised and audited by outside directors and Audit & Supervisory Board Members. Directors are selected for the qualifications necessary to achieve the business plan and for their extensive corporate management experience and high level of expertise and wealth of experience, with emphasis on the balance and diversity of the Board of Directors as a whole. The Company's Board of Directors consists of seven members, of which three, or more than one-third, are outside directors who have no special interest in the Company.

Audit & Supervisory Board Members conduct audits of the execution of duties by directors and important decision-making from an objective standpoint, and ensure that Audit & Supervisory Board Members have opportunities to attend and express their opinions at Board of Directors meetings. Company-wide operational audits are conducted in cooperation with the Internal Audit Office, and accounting audits are conducted in cooperation with the Internal Audit Office and the audit corporation. In addition, in accordance with laws and regulations, the Company is subject to audits under the Financial Instruments and Exchange Law and the Companies Act by an auditing firm, and when necessary, the opinions of attorneys, certified public accountants, certified tax accountants, and other experts are also sought.

(Matters pertaining to functions of nomination, etc.)

In nominating candidates for the Board of Directors, the Chairman of the Board, Representative Director and President nominate candidates based on their ability to contribute to the development of not only the Company but also the industry, their accurate grasp of issues in the divisions under their control and their ability to take appropriate action to resolve them, their high level of insight into compliance and corporate ethics, and other comprehensive criteria, as well as the opinions of the Advisory Committee, which consists mainly of independent outside directors and outside Audit & Supervisory Board Members. Based on the opinions of the Advisory Committee, which consists mainly of independent outside directors and outside Audit & Supervisory Board Members, the Chairman of the Board and the President nominate candidates for the Board of Directors.

The candidates for Audit & Supervisory Board Member are selected based on their ability to conduct audits neutrally and objectively, and who will contribute to the sound management of the Company and the maintenance and improvement of the Company's social credibility.

(Matters pertaining to the function of compensation, etc.)

Remuneration for directors is proposed by the Chairman, Representative Director and President, and discussed with the Advisory Committee, whose members consist mainly of independent outside directors and outside Audit & Supervisory Board Members. Remuneration for Audit & Supervisory Board Members is determined through discussions by the Audit & Supervisory Board.

3. Reasons for Adoption of Current Corporate Governance System

Important management decisions are deliberated and decided through active discussions at meetings of the Board of Directors, which are attended by all directors in principle. We have selected the current system because we believe that the system for management monitoring from an objective standpoint by Audit & Supervisory Board Members, including outside directors and outside Audit & Supervisory Board Members, is functioning sufficiently, and that management transparency can be ensured through efforts by Audit & Supervisory Board Members and the internal audit division to strengthen cooperation with the accounting auditor.

III. Implementation of Measures for Shareholders and Other Stakeholders

1. Measures to Vitalize the General Shareholder Meetings and Smooth Exercise of Voting Rights

	supplementary explanation
Early dispatch of notices of convocation of general meetings of shareholders	For the 27th Annual General Meeting of Shareholders to be held on June 25, 2025, the Company disclosed the information to the Tokyo Stock Exchange and posted it on the Company's web page eight days prior to the date of dispatch of the notice of convocation.
Set up shareholder meetings to avoid concentration days	The Company holds the Ordinary General Meeting of Shareholders on days when there is a large concentration of shareholders so that as many shareholders as possible can attend the meeting.
Exercise of voting rights by electromagnetic means	Allows voting rights to be exercised via the Internet, including via smartphones.
Participation in electronic voting platforms and other efforts to improve the environment for institutional investors to exercise their voting rights	The Company participate in the electronic voting platform for institutional investors operated by ICJ, Inc.
Provision of the notice of convocation (summary) in English	The convocation notice in English is posted on the Company's website and on the "Electronic Voting Platform.
Other	Every year, at the Ordinary General Meeting of Shareholders, we strive to promote understanding of management performance and business conditions by presenting business reports using video images. In addition to the Internet, we have introduced a system for exercising voting rights via smartphone.

2. IR Activities

	supplementary explanation	Explanation by the representative himself/herself
Prepare and publish disclosure policy	This information is available on our website. (https://www.tgn.co.jp/ir/basicpolicy/)	
Regular information meetings for individual investors	For individual investors, we strive to disseminate information fairly and promptly by posting videos on our website every quarter explaining details of our business performance and medium- to long-term management policies. We have also set up a page for "individual investors" on our website to enhance the information.	Yes
Regular briefings for analysts and institutional investors	Each quarter, the President and Representative Director distributes on-demand videos explaining business results, management strategies, etc. The distributed videos are posted on the Company's website to ensure fair and prompt distribution of information. In addition to video distribution, we are also strengthening individual meetings with analysts and institutional investors. Furthermore, we regularly hold events such as small meetings and facility tours to provide opportunities to deepen understanding of our management policies and business.	Yes
Holding regular briefings for overseas investors	As a general rule, the Company conducts an overseas roadshow (visit to overseas institutional investors) once a year and holds individual meetings with analysts and institutional investors. In addition, we actively provide opportunities for dialogue, such as by participating in conferences sponsored by securities firms.	Yes
Posting of IR materials on website	On the website, along with the disclosure of quarterly financial results, all materials announced outside the Company, such as financial results presentation materials, financial results presentation videos, long-term management plans, timely disclosure materials, annual securities reports and quarterly reports, are in principle posted. In addition, with regard to the brief report and long-term management plan, we disclose materials in English with the same quality and timing as in Japanese for overseas investors.	
Establish a department (person in charge) for IR	Regarding actual dialogue (interviews) with shareholders, the Corporate Planning Department is designated as the department in charge of IR and is staffed by IR personnel. In addition, depending on the requests of shareholders and investors, the Chairman of the Board and the President and Representative Director are available for interviews.	

3. Measures to Ensure Due Respect for Stakeholders

	supplementary explanation
Respect for the position of stakeholders is stipulated in internal rules and regulations	<p>The Group recognizes that in order to achieve sustainable growth and create medium- to long-term corporate value, it is essential to understand the expectations and requests of shareholders and other stakeholders through constructive dialogue and to build relationships with them.</p> <p>We have also defined our purpose (raison d'être) as "to bring innovation to the hospitality industry and make Japan dynamic", and are conducting our business activities accordingly.</p> <p>In an effort to respect the rights and position of stakeholders and sound business ethics, the Board of Directors and management have established a code of conduct that is rooted in the corporate philosophy and is shared by management and all employees as a common set of fundamental values.</p> <p>In addition, by confirming the unification of the will of all officers and employees at regular general meetings of employees, we strive to foster a corporate culture and climate that respects the ethics of our business activities.</p>
Implementation of environmental preservation activities, CSR activities, etc	<p>Our business is built on the support of our various stakeholders. In order to coexist with society and become a truly valuable company, we are strengthening our sustainability activities to realize a sustainable society and increase our corporate value over the long term by working together with our stakeholders to achieve co-existence and co-prosperity.</p> <p>In July 2022, we established a department in charge of promoting sustainability-related initiatives, which is responsible for formulating activity policies, disseminating them throughout the T&G Group, and communicating with stakeholders through regular disclosure and reporting.</p> <p>Sustainability Activities reports are posted on the Company's website. https://www.tgn.co.jp/sustainability/</p>
Establishment of policies, etc. related to the provision of information to stakeholders	<p>A Disclosure Policy has been developed and is posted on the Company's website. https://www.tgn.co.jp/ir/basicpolicy/</p>

IV. Matters Related to the Internal Control System

1. Basic Views on Internal Control System and the Progress of System Development

The Company has established the "Basic Policy for Establishment of Internal Control System" as its policy for establishing a system to ensure that the execution of duties by directors complies with laws and regulations and the Articles of Incorporation, as well as other systems to ensure the appropriateness of operations. The contents of this basic policy are as follows.

- 1) System for the storage and management of information related to the execution of duties by directors
Information and documents related to the execution of duties by Directors shall be properly stored and managed (including disposal) in accordance with the Company's internal rules and related management manuals. The Company shall verify the status of operation, review each regulation, etc., as necessary.
- 2) Regulations and other systems for managing risk of loss
 - (1) In addition to the Internal Audit Office, a Risk Management Committee chaired by the President and Representative Director has been established as a department that reports directly to the President and Representative Director to develop risk management regulations, check their operation status, and ensure that all employees (including directors, Audit & Supervisory Board Members, employees, and temporary employees, etc.) are in compliance. The same shall apply hereinafter). The committee shall also plan and execute training programs for all employees (including directors, auditors, employees, and temporary employees, etc.).
 - (2) The Internal Audit Office shall periodically review the items to be audited and the methods to be used, confirm that there are no omissions in the items to be audited, and revise the auditing methods if necessary.
 - (3) In the event that an audit by the Internal Audit Office discovers business conduct that poses a risk of loss based on a violation of laws, regulations, the Articles of Incorporation, or other reasons, a system shall be established to immediately notify the Risk Management Committee and the department in charge of the details of the discovered risk and the degree of loss it poses.
 - (4) To facilitate the activities of the Internal Audit Office, each department shall be required to maintain individual rules, guidelines, manuals, etc. related to the Risk Management Regulations, and all employees shall be informed of the significance of the existence of the Internal Audit Office and instructed to immediately report to the Risk Management Committee and the Internal Audit Office when they discover any risk of loss. In the event that a risk of loss is detected, the employees are instructed to immediately report it to the Risk Management Committee and Internal Audit Office.
- 3) System to ensure the efficient execution of duties by directors
 - (1) Directors shall periodically inspect the progress of management performance against the annual plan formulated in accordance with the management philosophy through performance reports.
 - (2) In the execution of duties by directors, all matters stipulated in the Regulations of the Board of Directors and all matters falling under the criteria for submission to the Board of Directors shall be submitted to the Board of Directors for deliberation. (3) In the day-to-day execution of duties, authority shall be delegated in accordance with the Rules on Administrative Authority and the Rules on Segregation of Duties, etc., and the responsible persons at each level shall execute their duties in accordance with the prescribed decision-making procedures.
- 4) System to ensure that the execution of duties by directors and employees complies with laws and regulations and the Articles of Incorporation
 - (1) In order to ensure that all employees comply with laws, regulations, and the Articles of Incorporation, the Risk Management Officer shall be responsible for preparing compliance rules and manuals under his/her responsibility, and shall establish a whistle-blower system as a reporting system in case any employee discovers any violation of laws, regulations, or the Articles of Incorporation.
 - (2) In the unlikely event of a compliance-related incident, a system shall be established to ensure that the details of the incident and proposed actions are reported to top management, the Board of Directors, and the Board of Audit & Supervisory Board Members via the Risk Management Officer, and appropriate action shall be taken in cooperation with outside experts. In addition, violations of laws, regulations, the Articles of Incorporation, etc. shall be dealt with strictly in accordance with the detailed regulations of the Awards and Disciplinary Committee.
 - (3) In accordance with the Compliance Regulations, the director in charge shall assign a compliance officer and other necessary personnel to the department in charge, manage and supervise the implementation of the Compliance Manual, establish an appropriate training system for employees, and ensure that employees are familiar with the Whistleblower Guidelines and the Whistleblower Consultation Desk through these measures. The Company will also establish an appropriate training system for employees and ensure that employees are familiar with the Whistleblower Guidelines and the Whistleblower Consultation Service.
- 5) System to ensure the appropriateness of operations of the corporate group consisting of the Company and its subsidiaries
 - (1) Subsidiaries and affiliates (hereinafter referred to as "subsidiaries, etc.") are periodically reported on their management status and business execution in accordance with the detailed rules for management of subsidiaries and affiliates.
 - (2) In addition to internal audits of the Company, the General Manager of the Internal Audit Office shall coordinate with the internal audit departments or equivalent departments of subsidiaries, etc., and if he/she becomes aware of the possibility of a loss or irregularity, immediately report to the Board of Directors and the responsible department on the nature, extent, impact, etc. of such loss or irregularity.
- 6) Matters related to reporting to the Company of matters pertaining to the execution of duties by directors, etc. of subsidiaries

- (1) In principle, the Company shall have a director or employee of the Company concurrently serve as a director of the subsidiary and report regularly to the Company on the management situation, financial condition and other important information at the monthly meetings of the board of directors and management meetings of the subsidiary.
 - (2) In order to accurately grasp the management situation of subsidiaries, the Company shall request submission of relevant materials, etc., as necessary, and hold prior discussions on important matters.
- 7) Regulations and other systems for managing risk of loss of subsidiaries
- (1) The Company shall establish a group-wide risk management system by assuming possible risks for the entire group and having its subsidiaries and affiliates establish their own risk management rules.
 - (2) As a general rule, the Risk Management Committee shall meet once a quarter as an organization in charge of risk management, including subsidiaries and other entities. (3) The president and representative director of each subsidiary shall attend the meeting to discuss issues and countermeasures related to the promotion of risk management for the entire group, thereby comprehensively and comprehensively managing risks for the entire group.
- 8) System to ensure the efficient execution of duties by directors, etc. of subsidiaries
- (1) The Company shall establish detailed rules for the management of affiliated companies in order to contribute to the proper and efficient management of the Group, while respecting the autonomy and independence of the management of its subsidiaries.
 - (2) Each subsidiary shall establish its own rules for decision-making, organizational rules, and division of duties, etc., and make decisions according to the importance of each.
 - (3) The Internal Audit Office of the Company shall conduct internal audits of each subsidiary, and shall verify and discuss the status of execution of duties, etc. at each subsidiary in order to make improvements.
- 9) Systems to ensure that the execution of duties by directors and employees of subsidiaries complies with laws and regulations and the Articles of Incorporation
- (1) In order to ensure compliance with laws, regulations, and the Articles of Incorporation at subsidiaries, the President and Representative Director of each subsidiary shall be responsible for preparing compliance regulations, manuals, etc., under his/her responsibility, and shall establish a whistle-blower system as a reporting system in case any violation of laws, regulations, or the Articles of Incorporation is discovered.
 - (2) In the unlikely event of a compliance-related incident occurring at a subsidiary, a system shall be established to ensure that the details of the incident and proposed actions are reported to the Board of Directors and Audit & Supervisory Board of each subsidiary and to the Risk Management Officer at the Company.
- 10) Matters Concerning the Appointment of Employees to Assist Auditors in the Performance of Their Duties
- (1) The Company may, at the request of an auditor, assign full-time employees to assist the auditor in the performance of his/her duties (hereinafter referred to as "employees attached to the auditor") as appropriate.
 - (2) The specific details of the preceding paragraph shall be determined after hearing the opinions of the relevant Audit & Supervisory Board Member and the Audit & Supervisory Board and giving due consideration to the opinions of all relevant parties.
- 11) Matters concerning the independence from directors of employees who are assigned to assist the duties of corporate auditors
- (1) The Audit & Supervisory Board's consent shall be required for the appointment and transfer of employees attached to Audit & Supervisory Board Members.
 - (2) Employees attached to Audit & Supervisory Board Members shall not concurrently hold positions related to the execution of the Company's business, but shall perform their duties under the direction and orders of the Audit & Supervisory Board Members, and their evaluation shall be subject to the opinions of the Audit & Supervisory Board Members concerned.
- 12) Matters Concerning the Ensuring of the Effectiveness of Instructions to Employees to Assist Audit & Supervisory Board Members Matters
- Concerning Ensuring the Effectiveness of Instructions to Employees Assisting Auditors in the Performance of Their Duties
- (1) Ensure that employees accompanying Audit & Supervisory Board Members have opportunities to attend meetings of the Board of Directors and other important meetings.
 - (2) Audit & Supervisory Board Members and employees attached to Audit & Supervisory Board Members shall have opportunities to exchange opinions with the President and Representative Director and the Accounting Auditor on a regular basis.
 - (3) Ensure that all employees assigned to the Audit & Supervisory Board Member at the request of the Audit & Supervisory Board Member are aware that they are subject to the Audit & Supervisory Board Member's instructions and orders.
- 13) System for reporting by directors and employees to Audit & Supervisory Board Members and other systems related to reporting to corporate auditors System for Directors and Employees to Report to Audit & Supervisory Board Members and Other Systems for Reporting to Audit & Supervisory Board Members
- (1) Directors and employees of the Company and its subsidiaries, etc. shall make necessary reports and provide information as requested by each Audit & Supervisory Board Member in accordance with the provisions of the Board of Audit & Supervisory Board Members.
 - (2) The following matters shall be reported to the Board of Audit & Supervisory Board Members on a regular basis by the

director or department in charge of the Company and its subsidiaries, etc.

(a) Activities of divisions involved in the establishment of the Company's internal control system

(b) Activities of Audit & Supervisory Board Members and internal audit departments or equivalent departments of the Company's subsidiaries,
etc.

(c) The Company's significant accounting policies, accounting standards, and changes in those policies.

(d) Details of the announcement of business results and forecasts, and the contents of important disclosure documents.

(e) Operation of the whistleblower system and the content of reports

(f) Minutes of important meetings and other business documents

- 14) System to ensure that a person who reports to an auditor is not subject to any disadvantageous treatment on the basis of such report
- (1) Directors and employees who report to Audit & Supervisory Board Members shall be prohibited from being treated unfavorably because of such reporting, and Directors and employees shall be informed of such prohibition.
 - (2) Audit & Supervisory Board Members shall not be obliged to report to the Board of Directors, etc. any information obtained from directors and employees that identifies the person providing the information.
 - (3) The Audit & Supervisory Board Members may request the Directors to disclose the reasons for any transfer, personnel evaluation, or disciplinary action of Directors and employees who have made a report.
- 15) Matters concerning procedures for advance payment or reimbursement of expenses incurred in connection with the execution of duties by Audit & Supervisory Board Members and other policies concerning the treatment of expenses or liabilities incurred in connection with the execution of such duties
- (1) When a Audit & Supervisory Board Member requests the Company for advance payment of expenses, etc. in connection with the performance of his/her duties, the Company shall promptly dispose of such expenses or liabilities, unless it can be proved that the expenses or liabilities in connection with such request are not necessary for the performance of the Audit & Supervisory Board Member's duties.
 - (2) A certain amount of budget shall be set aside each year for expenses incurred in the performance of duties by Audit & Supervisory Board Members.
- 16) Other systems to ensure that audits by Audit & Supervisory Board Members are conducted effectively
- (1) Under the responsibility of the Risk Management Officer in charge of risk management, the Company shall coordinate its management structure and internal control system to enhance the effectiveness of its audit structure..
 - (2) In order to ensure the effectiveness of the duties of the audit & supervisory board members, the Risk Management Officer in charge of risk management shall provide necessary support to the directors and employees of the Company and its subsidiaries, etc., as well as to lawyers, audit firms, etc.

2. Basic Views on Eliminating Anti-Social Forces

1) Basic Policy on Elimination of Antisocial Forces

The Company shall not have any relationship with antisocial forces or groups that threaten the order and safety of civil society, and shall not encourage their activities.

2) Status of maintenance for elimination of antisocial forces

- (1) Establish a response department and take organizational measures to cut off relations with antisocial forces.
- (2) Establish close cooperative relationships with the police and outside professional organizations, and seek and respond to appropriate guidance.
- (3) The corresponding department collects and manages information on antisocial forces and alerts the public internally.
- (4) The company clearly states in contracts with customers that it will not engage in transactions with antisocial forces.

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures

Not Adopted

Supplementary Explanation

2. Other Matters Concerning the Corporate Governance System**1) Basic Policy on Timely Disclosure**

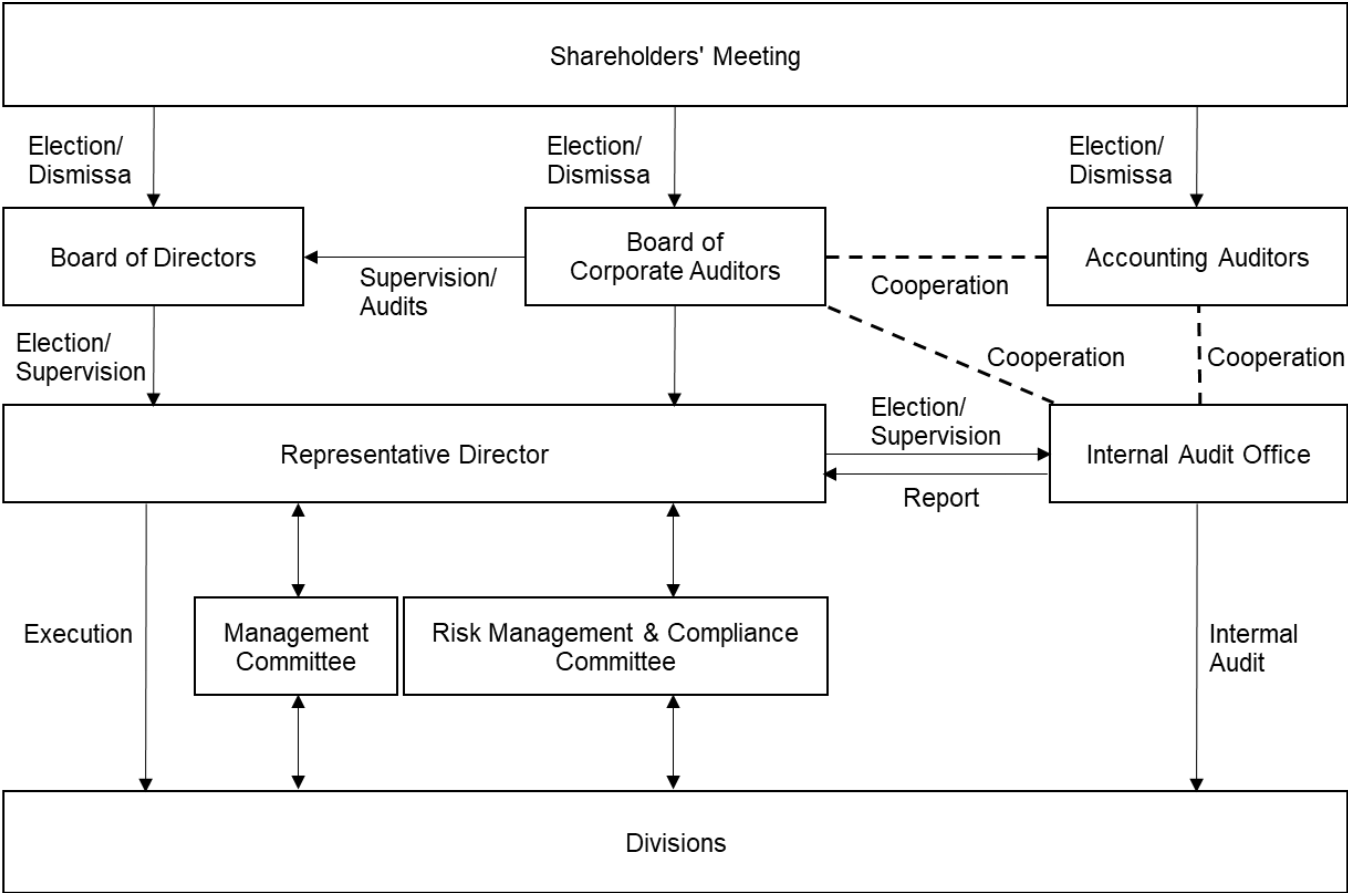
In disclosing corporate information, we will not only disclose appropriate information to shareholders and investors in accordance with the Rules on Timely Disclosure and other related laws and regulations, but will also disclose information fairly to all stakeholders, including business partners, customers, users, and employees, as a socially responsible company, and strive to enhance corporate value through the establishment of a highly transparent and reliable information disclosure system. Our basic policy is to strive to enhance corporate value through the establishment of a highly transparent and reliable information disclosure system.

2) System to execute timely disclosure operations

Timely disclosure of corporate information is conducted promptly and appropriately in accordance with the Timely Disclosure Rules stipulated by the Tokyo Stock Exchange, Inc. Specifically, when an event that could potentially be the subject of disclosure is identified, the department in charge of investor relations, under the direction of the director in charge of information disclosure, takes the lead in collecting and organizing information together with each department, and promptly discloses the information.

The Company has established a system whereby important management decisions are deliberated and made through active discussions at meetings of the Board of Directors, which are in principle attended by all directors, including outside directors. In addition, the Company's management monitoring system from an objective standpoint by Audit & Supervisory Board Members, including outside Audit & Supervisory Board Members, is fully functioning, and the Company is working to strengthen corporate governance by strengthening cooperation with the Internal Audit Office and accounting auditors.

(Reference)
【Schematic Diagram】



【Skills Matrix】

Skills Name	Corporate Management	Business Innovation	ESG	Industry Experience/ Knowledge	Human Resource Development	Marketing Sales	Real Estate Development	IT Digital	Financial Finance	Legal Risk Management
Yoshitaka Nojiri	●	●	●	●		●	●			
Kenji Iwase	●	●	●	●	●	●				
Takashi Miyamoto		●		●		●		●		
Tomomi Tsuchibuchi		●		●		●	●			
Tasuji Wakabayashi					●			●	●	●
Susumu Akiyama	●				●				●	●
Kimiaki Sasaki			●		●					●
Maki Muraki		●	●		●			●		

【Reason for selecting each skill items】

Corporate Management	Experience as a management executive at another company or within our group, or advanced knowledge necessary to formulate and execute medium- to long-term growth strategies and effectively supervise the execution of business operations by management.
Business Innovation	Extensive work experience or knowledge in the hospitality industry to innovate existing markets and create new ones.
ESG	Insight into diverse values for creating new added value by incorporating sustainability activities into various aspects of products and services.
Industry Experience/ Knowledge	Specialized knowledge of the business environment and market characteristics necessary to create new value in the hospitality industry and generate further growth and stable profits.
Human Resource Development	Knowledge on human resource strategies for creating organizations where diverse talents can thrive and grow, and organizations with high employee engagement.
Marketing Sales	Experience or knowledge in identifying issues arising from the diversification of customer values and developing sales activities and marketing solutions.
Real Estate Development	Specialized knowledge for promoting businesses involving boutique hotel development, management outsourcing, alliance partnerships, real estate planning, development, etc.
IT Digital	Specialized knowledge in IT and digital technology for expanding and enhancing existing services and creating new businesses and services.
Financial Finance	Experience or advanced knowledge in formulating and executing financial strategies, building a sound financial foundation, making appropriate investments for future business growth, and realizing shareholder returns in accordance with our company's policies.
Legal Risk Management	Specialized knowledge of corporate legal affairs, laws and regulations, etc., and knowledge of risk management in various fields necessary to continue appropriate business activities and maintain unique corporate value.