

Last Update: April 14, 2026

Take and Give Needs Co., Ltd.

Kenji Iwase, President and Representative Director

Contact: Corporate Planning Department

Securities Code: 4331

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

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

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

1. Basic Views

Establishing a sound corporate governance framework and continuously enhancing corporate value require greater transparency in management and the strengthening of supervisory functions.

The Group has defined its PURPOSE as “to spark innovation in the hospitality industry.” Achieving this purpose requires fair and highly transparent management, as well as contributing to shareholders and all other stakeholders and society through the generation of sound profits from business activities.

Accordingly, the enhancement of corporate governance, which underpins these efforts, is positioned as one of the highest management priorities.

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 number of independent outside directors on the Company's Board of Directors does not constitute 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 material facts regarding competing transactions and transactions between the Company and its directors to the Board of Directors. In making resolutions on related-party transactions, the Board of Directors passes such resolutions after excluding the relevant director from the quorum for the 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 the development of an environment where diverse employees can play an active role, regardless of their nationality, educational background, or age.

In particular, due to the nature of our business, the active participation of our female employees is essential to business growth. As a result of promoting diverse working styles tailored to lifestyles and conducting appropriate personnel evaluations without distinction between men and women, the ratio of female managers (consolidated) was 31.9% as of the end of December 2025. The Company intends to further increase this ratio in the future.

To promote the securing of diversity in human resources, the Company is working toward the realization of gender equality by implementing LGBTQ+ training to foster understanding of sexual minorities and revising internal regulations so that same-sex partners can use systems such as childcare leave and nursing care leave equally with those in cases of marriage with the opposite sex. In addition, the Company is promoting 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. When the Company considers the introduction of such a plan in the future, the Company will consider the assignment of personnel who possess sufficient skills for its operation.

[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, the Company strives to disclose information deemed important to our shareholders and other stakeholders, including non-financial information, on the Company's 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/en/company/>

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 Directors, the Company selects individuals who can contribute to the development of not only the Company but also the industry, possess the ability to accurately grasp of issues in the divisions under their supervision and respond appropriately to solve them, and have a high level of insight into compliance and corporate ethics, and can be expected to contribute to the Company's sustainable growth and the enhancement of corporate value over the medium to long term. The nomination of candidates for directors is conducted by the Chairman and Representative Director and the President and Representative Director, based on the opinions of the Advisory Committee, which primarily consists of independent Outside Directors and Outside Audit & Supervisory Board Members.

Regarding candidates for Audit & Supervisory Board members, the Company selects candidates based on the criteria that they are individuals who contribute to the sound management of the Company and the maintenance and improvement of its social credibility, and are able to conduct audits neutrally and objectively. After review and consent by the Audit & Supervisory Board, the candidates are finally determined 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/en/ir/stock/general-meeting/>

[Supplemental Principle 3.1.3 Approach to Sustainability and Initiatives]

The Group has long been committed to incorporating sustainability activities into its business activities to address various social issues and to balance the two. In July 2022, the Company established the Sustainability Promotion Office to further strengthen these efforts. The Sustainability Promotion Office sets important sustainability issues highly relevant to the Company's business activities, strengthens efforts across the group companies, and manages the progress of the entire group under target setting from a medium- to long-term perspective.

Information regarding initiatives for TCFD and human capital initiatives, targets, etc., is disclosed in the latest annual securities report and on the Company's website.

<https://www.tgn.co.jp/en/ir/financial/sustainabilitydata/>

Investments in human capital and intellectual property.

The Group has since its inception considered "human resources" to be the the most important management capital and the source of the its competitiveness. Therefore, the Company believes that investment in human resources linked to its management strategy is essential, and is enhancing various systems that support the skill development of employees (such as the cafeteria-based self-development support system, side job system, and external secondment system). The Company will continue to strengthen its human capital by developing an environment and systems that proactively provide opportunities to those who have a desire to grow, regardless of their length of service, age, department, position, etc. At the same time, the Company is also investing in intellectual property , such as by registering trademarks for the logo mark and brand names held by the Company in order to protect their value.

Climate-related risks in the TCFD recommendations

Regarding sustainability issues, including those related to climate, the "Risk Management Committee" and the "Sustainability Promotion Office" of the Company collaborate to deliberate and scrutinize measures.

The Sustainability Promotion Office formulates sustainability-related plans, promotes initiatives for important issues, and monitors progress for the purpose of contributing to the realization of a sustainable society through the business activities of the entire group. The details of the deliberations at the Sustainability Promotion Office are shared with the Risk Management Committee, which identifies, evaluates, and deliberates on response policies for sustainability risks expected to accompany business activities, considers and promotes necessary measures. The contents of discussions at the Risk Management Committee are reported to the Management Committee and the Board of Directors as necessary, and are reflected in the formulation of management plans and company-wide policies.

In addition, the Company is conducting a "scenario analysis" to understand how climate-related risks and opportunities affect its business activities. The analysis was conducted assuming the business structure as of 2030, based on the Company's long-term management policy, "EVOL 2030. Furthermore, based on interviews with relevant departments and discussions in a working group centered on the Sustainability Promotion Office, the Company listed risks and opportunity items and qualitatively examined their impact on the Company should they occur.

As a result, although no items were expected to have a tremendous impact on the Company's business, it was determined that the physical risks resulting from climate change could have a significant impact on the Company's business. In addition, the Company has identified as opportunity items the expansion of sales through development of services and products incorporating sustainability elements —initiatives the Company has been working on for some time — due to changes in consumer behavior associated with the future transition to a decarbonized society.

Based on the identified risks and opportunities , the Company organizes response measures and utilizes them in its business operations.

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

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

[Supplemental Principle 4.1.1 Scope of Delegation to Management]

The Company defines matters to be judged and resolved by the Board of Directors in the Board of Directors Rules. In addition, in order to quickly make decisions regarding business execution, the Company clearly defines the authority of the Board of Directors, the Management Committee, the Representative Director, the Executive Directors, Division Heads, and Department Heads in the Administrative Authority Rules and Ringi (Request for Decision) Rules. Based on these rules and regulations, the decision-making bodies and decision-makers deliberate and make resolutions.

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

The Company's 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 affairs, and play an important role in the decision-making 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.

This further strengthens the supervisory and advisory functions of the Board of Directors, contributing to the enhancement of management soundness 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 the balance of knowledge, experience, abilities, and diversity of the Board of Directors as a whole is consistent with its approach to nominating candidates for Directors, as described in 3-1(iv). Along with ensuring

diversity on the Board, the Company nominated two female candidates for directors (one internal and one outside) who were judged to be qualified to promote the Group's management and growth strategies. They were reappointed at the 28th Annual General Meeting of Shareholders in March 2026. As a result, the ratio of women on the Board of Directors is 25% (2 female directors out of 8 in total).

Furthermore, the Company has identified ten items of knowledge, experience, and abilities that the Board should possess to function effectively, which are disclosed a skills matrix on the last page of this report. The Company intends to continue its policy of appointing candidates 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 the Company's Outside Directors and Outside Audit & Supervisory Board Members concurrently serve as officers of other companies, the Company believes 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's Directors and Audit & Supervisory Board Members strive to improve the knowledge and abilities necessary for their responsibilities and duties, including compliance, by utilizing external seminars and lecturers at least once a year. Furthermore, the Company recommends that Directors and Audit & Supervisory Board Members engage in self-improvement, such as acquiring the knowledge and improving the professional skills necessary to fulfill their roles and the Company bears the costs of such activities in accordance with internal regulations.

[Principle 5.1 Policy for Constructive Dialogue with Shareholders]

1. Directors in charge of managing 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 that IR activities are constructive and meaningful, the Company has established a "timely disclosure system," and works to collaborate with each department to endeavor 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 and is actively working on broader information disclosure by utilizing the Company's press releases. Regarding materials to be used in IR activities such as financial results briefings, the Company works to provide easy-to-understand and useful materials to shareholders and investors by examining the explanations contents with each other while aggregating information from the representatives and each department.

3. Enhancement of dialogue methods other than individual meetings

To provide information to shareholders and investors the Company endeavors to ensure fair and prompt information distribution by providing on-demand streaming of quarterly financial results briefings and posting the explanatory videos on the Company's website. The Company also provide essential information in English in a timely manner to overseas institutional investors. In addition to individual meetings, the Company strives to enhance its IR activities by holding small group meetings and facility tours led by Directors.

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

At the Company, the IR department prepares reports on opinions, concerns, and other matters received from shareholder and investor, and regularly reports and provides feedback to Directors and Executive Management.

[Measures to Realize Management Conscious of Cost of Capital and Share Price]

Disclosure of Initiatives:

Initial Disclosure

Explanation of the Relevant Item

In the core wedding business, the Company is promoting an asset-light strategy by proceeding with the disposal of assets with low capital efficiency, while expanding new openings through management contracts.

With respect to investments in the hotel business, disciplined investment decisions are made with a strong focus on capital profitability. Furthermore, following the development of three hotels scheduled to open in 2027 and 2028, the Company intends to promote expansion through management contract (MC) schemes, thereby further improving capital efficiency.

Regarding recent performance, profitability has been temporarily affected by the execution of strategic investments aimed at future growth. Specifically, investments are being made in the development of three hotels scheduled to open in 2027 and 2028.

Going forward, in order to further enhance the understanding of market participants regarding the relationship between these investments and future returns, the Company will enhance its information disclosure, including the announcement of a medium-term management plan, and strengthen dialogue with investors.

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	16.85
The Master Trust Bank of Japan, Ltd.	1,332,800	9.13
Tokyo Wells Corporation	1,036,970	7.10
TSUNAGU INVESTMENTS PTE. LTD	840,527	5.76
SBI SECURITIES Co., Ltd.	591,320	4.05
Unimat Life Corporation	548,200	3.75
The Custody Bank of Japan, Ltd.	484,500	3.32
Wells Trading Co.	439,000	3.01
NOMURA SINGAPORE LIMITED CUSTOMER SEGREGATED A/C FJ-1309	285,000	1.95
THE BANK OF NEW YORK MELLON 140040	280,700	1.92

Controlling Shareholder (except for Parent Company)

Parent Company

N/A

Supplementary Explanation

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

The above percentages are calculated based on the number of shares obtained by deducting treasury stock (17,187 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	December
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

—

II. 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													
Komei 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

a. Executive of the Company or its subsidiaries

b. Non-executive Director or executive of a parent company of the Company

c. Executive of a fellow subsidiary company of the Company

d. A party whose major client or supplier is the Company or an executive thereof

e. Major client or supplier of the listed company or an executive thereof

f. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as a Director

g. Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a legal entity)

h. 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)

i. Executive of a company, between which and the Company Outside Directors are mutually appointed (the Director himself/herself only)

j. Executive of a company or organization that receives a donation from the Company (the Director himself/herself only)

k. Others

Outside Directors' Relationship with the Company (2)

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.	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. 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.
Komei Sasaki	○	(Significant concurrent positions outside the Company) Lawyer, Sakrada-dori Sogo Law Office Director, Japan Association for College Accreditation	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. 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.
Maki Muraki	○	(Significant concurrent positions outside the Company) Founder and Director, NPO Nijiuro Diversity Part-time Lecturer	She 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 her. 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.

Existence of a voluntary committee equivalent to a Nomination or Remuneration Committee

Established

Committee's Name, Composition, and Attributes of Chairperson

	Committee Name	All committee members	(full-time) committee member	in-house Director	Outside Director	outside expert	Other	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 that is able to provide opinions to the Representative Director from an independent and objective standpoint with respect to the determination of directors' remuneration and the nomination of director candidates.

The advisory committee is, in principle, convened once a year, and is composed of three or more members, including outside directors and Audit & Supervisory Board members. In addition, the committee may be convened on an ad hoc basis upon the request of the Representative Director or any of its members. The committee met once in the fiscal year ended December 2025.

Matters necessary for the operation of the advisory committee,

including its composition and procedural rules, are determined by the Board of Directors.

[Audit & Supervisory Board Member]

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

Cooperation among Audit & Supervisory Board Members, 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 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 Audit & Supervisory Board Member of the Company in order to reflect his high level of expertise cultivated as a certified public accountant in the

			Company's audits. 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 auditor.
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. 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 auditor.

[Independent Directors/Audit & Supervisory Board Members]

Number of Independent Directors/Audit & Supervisory Board Members	5
---	---

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 officers 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.

Regarding the remuneration of directors, the Representative Director and Chairman and the Representative Director and President prepare a remuneration proposal, taking into consideration the Company's business performance, management content, economic conditions, etc., and based on the individual contribution of each director. The proposal is then consulted with an advisory committee consisting mainly of independent outside directors and outside Audit & Supervisory Board members, and based on these opinions, the Representative Director and Chairman and the Representative Director and President make the final decision.

In addition, at its meeting held on May 24, 2019, the Board of Directors reviewed the executive compensation system and resolved to introduce post-delivery stock remuneration (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 system provides for the delivery of a predetermined number of shares of common stock of the Company to the directors of the Company (excluding outside directors; hereinafter referred to as "Subject Directors") after the end of each period determined by the Board of Directors (each such period is hereinafter referred to as a "Service Period"). The condition for such delivery is that the Subject 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 28th fiscal year (ended December 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 157 million yen, of which 8 million yen is paid to outside directors.

The breakdown is as follows:

< Compensation for Directors >

Total compensation: 157 million yen (of which 8 million yen is paid to outside directors)

Basic compensation: 150 million yen (of which 8 million yen is paid to outside directors)

Non-monetary remuneration, etc.: 7 million yen

Number of directors subject to remuneration: 8 (including 3 outside directors)

- The maximum amount of remuneration for directors was approved at the 2nd Annual General Meeting of Shareholders held on June 26, 2000, to be within 500 million yen per year (excluding salaries for directors who also serve as employees). The number of directors as of the conclusion of the said Annual General Meeting of Shareholders was four.

- Non-monetary remuneration, etc. for directors (excluding outside directors) is the amount equivalent to the stock-based remuneration expensed in the current fiscal year for the Subject Directors, based on the stock-based remuneration system for directors (excluding outside directors) resolved at the 21st Annual General Meeting of Shareholders held on June 26, 2019. Under this system, the total number of shares of the Company to be delivered shall be within 30,000 shares per year of service for all Subject Directors. Based on the resolution of the Board of Directors, the Company shall provide monetary remuneration claims to the Subject Directors and have them contribute all such claims in kind to deliver shares of the Company through the issuance of shares or disposal of treasury stock. The method for calculating the amount of monetary remuneration claims to be granted to each Subject Director was approved as "Maximum number of shares to be delivered × Market value of the Company's common stock." The number of Subject Directors as of the conclusion of the said Annual General Meeting of Shareholders was four.

- In determining the details of individual remuneration, etc. for directors, the Advisory Committee conducts a multifaceted review of the draft proposal, including its consistency with the determination policy. Therefore, the Company basically respects the committee's report and considers it to be in line with the determination 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: Hidekazu 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, and for Outside Audit & Supervisory Board Members, the General Affairs Department and the full-time Audit & Supervisory Board Members, ensuring a system that enables smooth communication of information.

Regarding Board of Directors materials, the General Affairs Department distributes them in advance to ensure that Outside Directors and Outside Audit & Supervisory Board members have sufficient time for review. Additionally, as needed, the Company provides prior explanations in collaboration with relevant departments.

Furthermore, information regarding Audit & Supervisory Board member audits, accounting audits, and internal audits is shared with outside Audit & Supervisory Board members 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 oversight)

The Company hold a Board of Directors meeting at least once a month (regularly and as needed), and important matters are decided by the Board of Directors in accordance with regulations. Five directors, including the representative director, execute business operations, while outside directors and Audit & Supervisory Board Members supervise and audit them.

Directors are selected based on their qualifications necessary to achieve the business plan, and their extensive corporate management experience, 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 eight members, of which three, or more than one-third, are independent 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. The Company ensures that they attend and express their opinions at Board of Directors meetings. Company-wide operational audits are conducted in cooperation with the Internal Audit Office, while accounting audits are conducted in cooperation with the Internal Audit Office and the independent auditor. In addition, in accordance with laws and regulations, the Company is audited by an audit firm under the Financial Instruments and Exchange Act and the Companies Act, and also seeks opinions from experts such as attorneys, certified public accountants, and tax accountants as necessary.

(Matters pertaining to nomination decisions, etc.)

In nominating candidates for directors, the Chairman and Representative Director and the President and Representative Director select individuals who can contribute to the development of the industry as well as the Company. Candidates are evaluated comprehensively based on their ability to accurately identify and resolve issues in their respective divisions, and their high level of insight into compliance and corporate ethics. These nominations are made in consideration of opinions from the Advisory Committee, which primarily comprises independent outside directors and outside Audit & Supervisory Board Members.

Candidates for Audit & Supervisory Board Member are selected based on their ability to conduct audits neutrally and objectively, and to contribute to the sound management and social credibility of the Company. Such selections are reviewed and agreed upon by the Audit & Supervisory Board before being finalized by the Board of Directors.

(Matters pertaining to remuneration decisions, etc.)

Remuneration for directors is proposed by the Chairman and Representative Director and President and Representative Director, and consulted with the Advisory Committee, which primarily comprises independent outside directors and outside Audit & Supervisory Board Members. Based on the committee's opinions, the final decision is made by the Chairman and Representative Director and the President and Representative Director. Remuneration for Audit & Supervisory Board Members is determined through discussions by the Audit & Supervisory Board.

3. Reasons for Adoption of Current Corporate Governance System

The Company has adopted the current system as a Company with an Audit & Supervisory Board, as it ensures checks and balances and management transparency. This is achieved through clear oversight and auditing functions, combined with a mechanism where independent outside officers substantially participate in the nomination and remuneration decision-making processes. The Company has determined that this system is appropriate for ensuring effective corporate governance in light of its business characteristics and management environment.

///. 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 28th Annual General Meeting of Shareholders held on March 30, 2026, we disclosed the information to the Tokyo Stock Exchange and posted it on our website on March 7, 23 days prior to the meeting date, and mailed the notice of convocation on March 13, 17 days prior to the meeting date.
Set up shareholder meetings to avoid concentration days	The Company holds its Annual General Meeting of Shareholders on dates that avoid peak days 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 participates 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 Annual General Meeting of Shareholders, we strive to promote understanding of operating results and business conditions by presenting business reports using video presentations. In addition to the Internet, we have introduced a system for exercising voting rights via smartphones.

2. IR Activities

	supplementary explanation	Explanation by the representative himself/herself
Prepare and publish disclosure policy	<p>The Company has established a disclosure policy and is currently reviewing and refining it in conjunction with its IR policy.</p> <p>At present, important information is disclosed in a timely and appropriate manner in accordance with applicable laws and regulations, as well as the timely disclosure rules prescribed by the Tokyo Stock Exchange.</p> <p>Going forward, based on the revised policies, the Company will further enhance its information disclosure and promote more constructive dialogue with shareholders and investors.</p>	
Regular information meetings for individual investors	For individual investors, the Company strives to ensure fair and prompt information disclosure by posting quarterly videos on its website explaining its operating results and medium- to long-term management policies. The Company has also established a dedicated page for individual investors on its website to enhance the available information.	Yes
Regular briefings for analysts and institutional investors	<p>Each quarter, the President and Representative Director posts on-demand videos on the Company's website explaining operating results, management strategies, and other relevant information to ensure fair and prompt disclosure.</p> <p>In addition to video distribution, the Company conducts individual meetings with analysts and institutional investors, as well as small meeting, to provide opportunities to deepening their understanding of its management policies and business operations.</p>	Yes
Posting of IR materials on website	On the Company's website, all materials released externally are in principle posted along with the disclosure of quarterly financial results. These include financial results presentation materials and videos, long-term management plans, timely disclosure materials, annual securities reports, and quarterly reports. Furthermore, the Company strives to disclose English versions of critical information for investment decisions, such as financial results summaries and long-term management plans, ensuring timely and high-quality information for overseas investors.	
Establish a department (person in charge) for IR	The Company has designated the Corporate Planning Department as the department in charge of IR, and its IR personnel conduct actual dialogues with shareholders. In addition, depending on the requests of shareholders and investors, the Chairman and Representative Director and the President and Representative Director also engage in such meetings.	

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 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>Based on this recognition, the Group has defined its Purpose (raison d'être) as "Spark Innovation in the Hospitality Industry" and conducts its business activities accordingly.</p> <p>To respect the rights and position of stakeholders and maintain sound business ethics, the Board of Directors and management have established a Code of Conduct rooted in the corporate philosophy, ensuring that fundamental value are shared by management and all employees.</p> <p>Furthermore, by aligning the vision of all officers and employees at regular general meetings of employees, the Group strives to foster a corporate culture and climate that respects business ethics.</p>
Implementation of environmental preservation activities, CSR activities, etc	<p>The Company's business is built on the support of our various stakeholders. To coexist with society and become a truly valuable entity, the Company is strengthening its ESG (Environmental, Social, and Governance) activities to realize a sustainable society and increase through co-existence and co-prosperity with stakeholders.</p> <p>In July 2022, the Company established a department dedicated to promoting sustainability-related initiatives. This department is responsible for formulating activity policies, disseminating them throughout the T&G Group, and communicating with stakeholders through regular disclosure and reporting. Reports on ESG activities are posted on the Company's website (Japanese only).</p> <p>https://www.tgn.co.jp/sustainability/</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 comply 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.

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. 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, Director in charge of Corporate Compliance 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.

5) System to ensure the appropriateness of operations of the corporate group consisting of the Company and its subsidiaries

- (1) In accordance with the detailed rules for management of subsidiaries and affiliates, Director in charge of Compliance shall receive periodic reports from subsidiaries and affiliates (hereinafter referred to as "subsidiaries, etc.") regarding their management status and business execution.
- (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. 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 integrally 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 Director in charge of Corporate Compliance 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 Ensuring the Effectiveness of Instructions to Employees Assisting Audit & Supervisory Board Members 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 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 Director in charge of Corporate Compliance, 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 Director in charge of Corporate Compliance 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.

V. Other

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

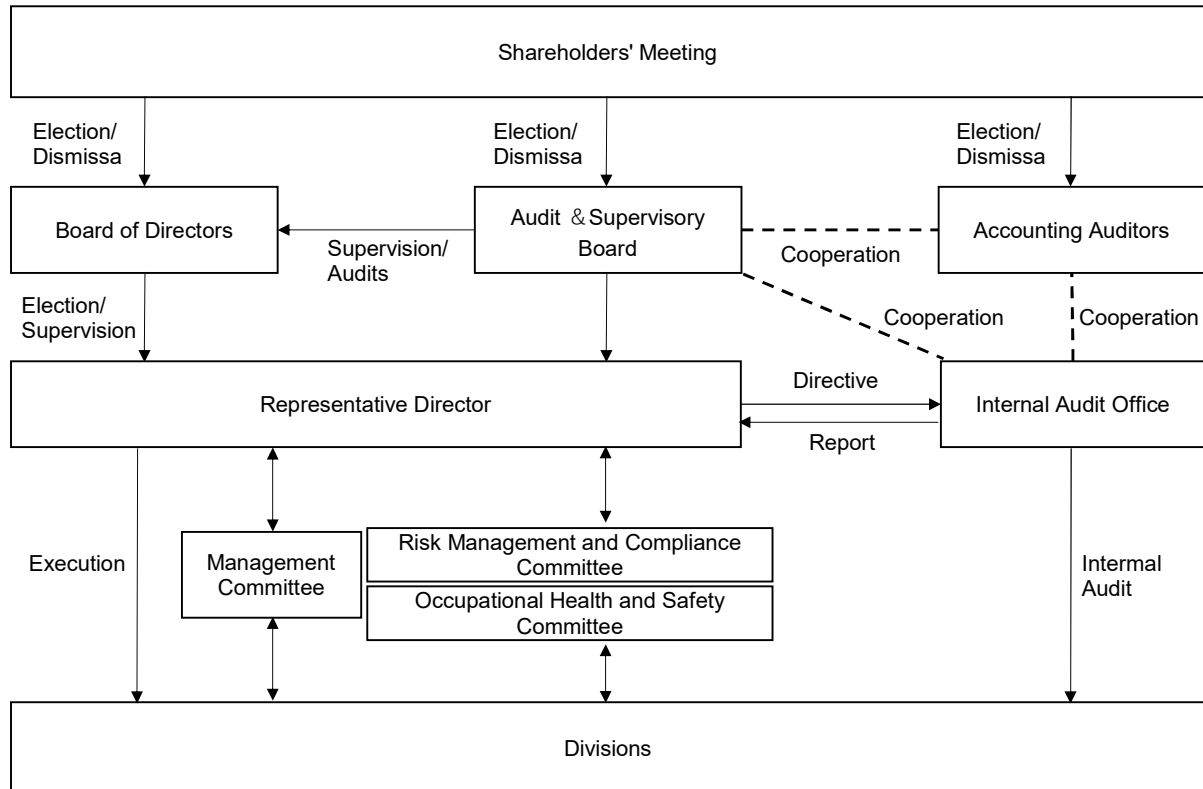
In disclosing corporate information, the Company's basic policy is to comply with the Rules on Timely Disclosure and other relevant laws and regulations to provide appropriate information to shareholders and investors. Furthermore, as a socially responsible company, we are committed to disclosing information fairly to all stakeholders—including business partners, customers, users, and employees—and strive to enhance corporate value by establishing 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 management monitoring system by Audit & Supervisory Board Members (including outside Audit & Supervisory Board Members) is fully functional from an objective standpoint. The Company is working to strengthen corporate governance by strengthening cooperation with the Internal Audit Office and accounting auditors.

Overview of Corporate Governance Structure



【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.