

Last updated: September 28, 2026

**MIRARTH HOLDINGS, Inc.**

Representative Director Kazuichi Shimada

Contact: Director, Group CFO, Group CSO, and Senior Managing Executive Officer Daisuke Nakamura

TEL03-6551-2133

Securities Code: 8897

<https://mirarth.co.jp>

The state of corporate governance of MIRARTH HOLDINGS, Inc. (“the Company”) is described below.

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

### 1. Basic Approach

Based on our recognition that addressing sustainability issues is a vital management challenge under Our Purpose of “To design sustainable environments for a happier future for both people and our planet,” we are committed not only to pursuing profit but also to complying with laws, regulations, and corporate ethics. We are also committed to fulfilling our social responsibilities as a member of the corporate society and continuously enhancing our corporate value.

To this end, our Group's basic approach to corporate governance is to constantly consider the happiness of all stakeholders, including customers, employees, business partners, local communities, and shareholders, and to make swift decisions in order to respond flexibly to changes in the business environment. At the same time, we promote sound corporate activities through thorough compliance and ensure transparency in decision-making.

### [Reasons for Non-compliance with the Principles of the Corporate Governance Code]

※The information is based on the revised June, 2021.

The Company implements each principle of Japan's Corporate Governance Code.

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

※The information is based on the revised June, 2021.

#### [Principle 1-4]

##### Policy on reducing cross-shareholdings

The Company's policy regarding cross-shareholdings is to hold them primarily for the purpose of facilitating business relationships and smooth transactions. The Board of Directors evaluates the appropriateness of continuing to hold these shares based on stock price movements and economic rationale. If the significance of holding certain shares is deemed to have diminished, the Company will proceed with a phased divestment, taking into consideration the specific circumstances of the issuing company.

##### Examination of the Appropriateness of Cross-Shareholdings

The Board of Directors and other bodies specifically examine and verify the appropriateness of cross-shareholdings, including whether the purpose of holding is appropriate and whether the benefits and risks associated with such holdings cover the cost of capital. An outline of the results of these verifications is disclosed.

##### Criteria for exercising voting rights related to cross-shareholding

The criteria for ensuring appropriate voting responses regarding our cross-shareholdings are evaluated on a case-by-case basis for each stock. In making comprehensive judgments, the Company examines whether the proposal contributes to the enhancement of our medium- to long-term corporate value by verifying its medium- to long-term economic rationality, returns, risks, and future outlook, while also taking into account the voting guidelines of Institutional Shareholder Services (ISS) and other proxy advisory companies.

#### [Principle 1-7]

The Board of Directors Regulations stipulate that conflict of interest transactions with directors must be approved by the Board of Directors in advance. Regarding transactions between related parties, the Board of Directors Regulations require that reports be made to the Board of Directors, using a definition of related parties that is broader than the scope stipulated by the Corporate Governance Code. The terms and conditions of these transactions are determined in the same manner as those for ordinary transactions and are disclosed in the Notice of Convocation of the General Meeting of Shareholders and the Securities Report.

#### [Supplementary Principle 2-4-1]

Our Group believes that the acceptance and development of diversity of human resources will lead to the enhancement of corporate value over the medium to long term. The priority measures of the Medium-Term Management Plan include the development of human resources and the creation of a rewarding work environment. In the recruitment and promotion of employees to managerial positions, the Company is steadily designing and operating systems based on individual skills that do not rely on attributes, such as gender, race, and nationality.

We will continue to actively promote the appointment of women. As targets for our major operating companies to achieve by the end of fiscal year 2030, we have established the following:

- ① Ratio of female employees: 30% (28.2% as of March 31, 2026)
- ② Percentage of female managers: 20% (16.8% as of March 31, 2026)

As a measure to promote the appointment of women, our group is currently implementing the following measures, and we will further build an environment in which all employees, not just women, can work with peace of mind.

- Expansion of the scope of operation of the Telework System (2020)
- Introduced baby-sitting subsidy system (2021)
- Introduced middle career track system (2022)
- Introduced Premium 1 Hour (2024)
- Launch of DE&I (Diversity, Equity & Inclusion) Promotion Project Team (MIRARTH Palette) (2025)
- Expansion of eligibility for shorter working hours (2026)

Regarding mid-career hires at major operating companies, as of March 31, 2026, the percentage of mid-career hires was 39.5% of total employees, and the percentage of mid-career hires among managers was 78.9%. The Company will continue to promote employees to managerial positions based on individual capabilities, without making any distinction between new graduates and mid-career hires.

Regarding foreign nationals, the Company will actively recruit and promote them to managerial positions in accordance with the expansion of its business operations. In particular, the Group is actively promoting the appointment of foreign nationals at its group companies, such as Leben Community Co., Ltd. and MIRARTH Agri Tech Co., Ltd. Going forward, we will continue to create new value by enabling diverse human resources to maximize their capabilities, and aim to become a corporate entity that is more trusted and loved. For more information on our Human Resource Development Policy to ensure diversity, please refer to our Integrated Report ([https://mirarth.co.jp/ir/pdf/integrated\\_report\\_2025\\_view.pdf](https://mirarth.co.jp/ir/pdf/integrated_report_2025_view.pdf)).

[Principle 2-6]

We do not have a corporate pension fund system.

The Company and its major operating companies have introduced a selective defined-contribution (DC) pension plan to support employees' autonomous asset formation, and provide assistance to ensure they can select appropriate investment products.

To support stable asset accumulation for employees, each Group company has introduced a retirement lump-sum payment system, the mutual aid system for retirement benefits for small and medium-sized enterprises, and a defined-contribution pension system, either in combination or individually. .

[Principle 3-1]

(1) Management goals (corporate philosophy, etc.), management strategies, and management plans

• The Company has established its Purpose, "To design sustainable environments for a happier future for both people and our planet," and has also formulated "Values" as shared principles to be held by all employees. For details, please refer to the Company's website (<https://mirarth.co.jp/corporate/vision/>).

• We have formulated a medium-term management plan covering approximately 3 years and disclosed it on our website. In May 2025, the Group announced its Medium-Term Management Plan covering the period through the fiscal year ending March 2028. Under our long-term vision up to 2030, "Be the Takara of the community," we have formulated key strategic themes for our business and management foundations. We have positioned this three-year period as a "growth investment execution phase with an emphasis on balancing offense and defense." In March 2026, we announced an update to the Medium-Term Management Plan to ensure steady growth investments and respond proactively to the accelerating changes in the external environment, while maintaining our core basic policies. Please refer to the Medium-Term Management Plan (<https://mirarth.co.jp/ir/management/midterm/>) section of our website for more information.

(2) Basic Approach to Corporate Governance and Basic Policy Based on the Principles of the Draft Code

Please refer to the section of this Report entitled "I.1. Basic Policy."

(3) Policies and procedures for the Board of Directors in determining executive and director compensation

Please refer to the Securities Report and "II.1. Organizational Structure and Operation" of this Report, as these policies and procedures are described therein.

(4) Policy and procedures for Board of Directors's appointment and dismissal of senior management and nomination of Director and Audit & Supervisory Board Members  
Basic policies and procedures for appointment/dismissal and nomination

Regarding the election and dismissal of senior management and the nomination of director candidates, decisions are made by the Board of Directors based on the Company's sustainable performance improvement as well as the "Election and Nomination Criteria" and "Dismissal Criteria" outlined below, following deliberations by the Nomination Committee, which serves as a voluntary advisory body.

(a) Election and nomination standards

- Possessing a strong enthusiasm to improve the Company's performance, or having made a high level of contribution to the Company's management track record.
- They must possess an excellent personality, deep insight, and a strong spirit of compliance.
- They must demonstrate superior foresight.
- They must be healthy both mentally and physically.
- They must be able to make fair and objective judgments and respect others from a company-wide perspective.

(b) Dismissal Criteria

- In the event that an occurrence clearly demonstrates that an individual no longer meets the "Election and Nomination Criteria."

The nomination of candidates for Audit & Supervisory Board Members will be decided by Board of Directors with the consent of Audit & Supervisory Board.

(5) Explanation of individual nomination and dismissal of executives and nomination of candidates for Director and Audit & Supervisory Board members

Reasons for the appointment and dismissal of individual candidates are described in the "Matters Related to the Structure of II.1. Organizations and Organizational Management" section of this Report.

[Supplementary Principle 3-1-3]

Information on our Sustainability initiatives, investments in human capital and intellectual property, as well as climate-change risks and revenue opportunities can be found on our website. Please refer to the following URL:

<https://mirarth.co.jp/sustainability/>

[Supplementary Principle 4-1-1]

In accordance with laws, regulations, and internal rules such as the Board of Directors Regulations, the Board of Directors delegates decision-making authority for individual business execution—excluding matters that must be resolved strictly by the Board—to the executive officers in charge of the respective businesses or to subordinate bodies such as the Group Management Committee. The specific scope of this delegation is clearly defined in the Rules on Administrative Authority. Matters affecting the entire Group are deliberated beforehand by subordinate bodies like the Group Management Committee to ensure swift and efficient business execution.

[Supplementary Principle 4-3-2, 4-3-3]

Decisions regarding the appointment and removal of directors and executive officers, including the CEO, are made flexibly in accordance with circumstances, based on fair and transparent deliberations by the Board of Directors—which comprises four outside directors out of eight members and is attended by three outside auditors, thereby ensuring an effective supervisory function—following consultation with a voluntary Nomination Committee comprising a majority of independent outside directors, and taking into account an assessment of the Company's performance and other factors. The Board of Directors nominates or appoints people who are able to fulfill their duties and responsibilities as Director, Audit & Supervisory Board Member, the CEO or other member of management regardless of gender, age or nationality, fully considering their personality and insight. Director candidates and CEO or lower management teams, those who can contribute to enhancing corporate value over the medium to long term and who are able to contribute to the establishment of a fair management oversight system to be Audit & Supervisory Board Member candidates.

[Principle 4-8]

The Company appoints four independent Outside Directors who possess sufficient qualities that enable them to fulfill their roles and responsibilities in order to Contribute to Sustainable Growth and Improvement of Corporate Value over the Medium and Long Term

[Principle 4-9]

We Election independent Outside Director in accordance with the requirements of Outside Director stipulated in the Companies Act and the independence standards established by Tokyo Stock Exchange.

[Supplementary Principle 4-10-1]

The Company has established voluntary Nomination and Compensation Committees to enhance the objectivity and transparency of decision-making processes regarding personnel affairs and remuneration for directors and other officers, thereby further strengthening its corporate governance system. For specific details on the activities of each committee (such as meeting frequency and discussion topics), please refer to the Securities Report. Each committee consists of three or more Directors selected by resolution of the Board of Directors and the majority of each committee are independent Outside Directors. and Chair of the committees are designated as independent Outside Director to ensure that independent Outside Director are properly engaged and advised.

The Board of Directors consults with the Nomination Committee in advance regarding the following matters to ensure the committee's appropriate involvement and advice, taking into account perspectives such as skills and diversity, including gender: the following:

- Composition and Balancing of Board of Directors
- Matters concerning the appointment and dismissal of Director
- Matters concerning the selection and removal of Representative Director and titled Executive Officer
- Items related to Outside Director's independence criteria
- Matters concerning the succession plan

In addition, the Compensation Committee determines the individual remuneration amounts for directors. These individual amounts are determined based on the "Policy for Determining the Individual Remuneration of Directors," which was resolved by the Board of Directors upon receiving advice from the Compensation Committee.

[Supplementary Principle 4-11-1]

Regarding the structure of the Board of Directors, the Company believes that the Board should ensure diversity within an appropriate size while maintaining a well-balanced mix of knowledge, experience, and capabilities among directors to effectively fulfill their roles and responsibilities. The Company's policy and procedures for nominating director candidates require individuals to possess excellent personality and insight, an established track record in their previous areas of responsibility, deep familiarity with corporate management, or high levels of expertise. Candidate selection is determined by the Board of Directors following consultations with the Nomination Committee.

[Supplementary Principle 4-11-2]

We disclose the status of concurrent Director and Audit services in our Securities Report Statement and Ordinary General Meeting of Shareholders convocation notices every year. We believe that it is desirable for our Director and Audit & Supervisory Board Members to concentrate their efforts on us. However, we do not eliminate concurrent positions unless excessive, as our knowledge is spread by concurrently serving as an executive of other companies, which in turn may have a positive impact on our management decisions. With regard to Outside officers, etc., as well, our attendance rate at Board of Directors is 100%, and we are able to obtain sufficient time for our duties as an executive. Therefore, we believe that the number of executives of other companies concurrently serving as executives is within a reasonable range.

[Supplementary Principle 4-11-3]

We evaluate and analyze the effectiveness of Board of Directors in order to improve the functionality of Board of Directors.

In the Fiscal Year 2025 effectiveness assessment, we conducted an anonymous survey of all Director and Audit & Supervisory Board Members, including Outside Director, regarding the composition and operation of Board of Directors, the status of discussions, voluntary committees, investor relations, executive training, and Director performance. This survey was also conducted with the cooperation of outside consulting organizations. In addition, all Director and Audit & Supervisory Board Members are interviewed based on the results of a survey conducted by an external consulting institution, and Report are received as a third-party assessment.

This survey and interviews gave us a generally positive rating on the structure, operation, and discussion of Board of Directors, and we confirmed that our Board of Directors is functioning to a considerable extent effectively. Among the items that have been evaluated and improved since last fiscal year are the operation of Board of Directors, the diversity of Board of Directors structure, and discussions on management planning with an awareness of capital-cost, etc. On the other hand, issues to be addressed for improvement included the implementation of intensive discussions on human resource strategies and the improvement of the effectiveness of succession plans. We will thoroughly study these issues in the future and continue our efforts to enhance the functions of Board of Directors.

[Supplementary Principle 4-14-2]

The Company regularly provides training sessions for directors. For Audit & Supervisory Board Members, the Company supports their continuous participation in external seminars, study groups, and workshops to acquire and update necessary knowledge. In fiscal year 2025, the Company conducted executive study sessions for directors and executive officers of the Company and its major subsidiaries based on the following management themes: <Major themes (total 7 times)> Sustainability (including environmental properties)/ Corporate Governance/DX strategy/risk management/internal Audit case/DE&I

[Principle 5-1]

We have established IR Office as the department in charge of IR and actively engage in dialogue with shareholders/investors, including announcements of financial results and individual interviews. We conduct fair, impartial, and proactive Information Disclosure of our management and financial condition. At the same time as disclosing Financial Report on our website, we disclose FACT BOOK describing trends in each Segment and the breakdown of Profit, and disclose financial results briefing materials and release videos every 6 months. In addition, opinions, concerns, and other feedback from shareholders and investors obtained through dialogue are reported to the Board of Directors once a quarter and appropriately fed back to management. Please refer to the section entitled "Status of Activities Related to III.2.IR" in this Report for Policy related to the establishment of systems and initiatives.

[Principle 5-2]

We strive to clarify profitability by identifying the cost of capital (cost of equity and weighted average cost of capital (WACC)) for each business Segment and by identifying revenue indicators (ROIC) by Segment. The basic Policy of our capital policies is the pursuit of capital efficiency through improvements in productivity and profitability. As 1 of the key management indicators in our medium-term management plan with Fiscal Year 2028 as the final year, we have set ROE9% or more at Target. Our main initiatives are to improve profitability by optimizing our business portfolio and controlling costs, and to improve productivity by promoting DX and investing in human resource development. Regarding management strategies for achieving these goals, we check and analyze the progress each year, and revise measures as needed.

[Measures for realizing management that is conscious of the cost of capital and stock price]

|                                |                                    |
|--------------------------------|------------------------------------|
| Listed Details                 | Disclosure of Initiatives (Update) |
| Presence of English disclosure | Yes                                |
| Update date                    | May 20, 2026                       |

Explanation on applicable items

For information on our efforts to realize management that is conscious of our cost of capital and stock price, please refer to the following.

Financial Results for the Fiscal Year Ended March 2026 (P.30)

Japanese: [https://mirarth.co.jp/ir/pdf/2026\\_kessan.pdf](https://mirarth.co.jp/ir/pdf/2026_kessan.pdf)

English: [https://mirarth.co.jp/ir/pdf/2026\\_kessan\\_en.pdf](https://mirarth.co.jp/ir/pdf/2026_kessan_en.pdf)

2.Capital Structure

|                                    |               |
|------------------------------------|---------------|
| Percentage of Foreign Shareholders | Less than 10% |
|------------------------------------|---------------|

[for trust account]

| Name / Company Name                                           | Number of Shares Owned<br>(Shares) | Percentage<br>(%) |
|---------------------------------------------------------------|------------------------------------|-------------------|
| General Incorporated Association<br>Murayama Asset Management | 25,633,600                         | 18.85             |
| The Master Trust Bank of Japan, Ltd. (Trust account)          | 14,245,700                         | 10.47             |
| Murayama Kikaku Co., Ltd.                                     | 1,800,000                          | 1.32              |
| MIRARTH Holdings Business Partner Shareholding Association    | 1,650,300                          | 1.21              |

|                                                     |       |           |      |
|-----------------------------------------------------|-------|-----------|------|
| STATE STREET BANK AND TRUST COMPANY 505001          |       | 1,490,097 | 1.09 |
| Custody Bank of Japan, Ltd. (Trust account)         |       | 1,449,200 | 1.06 |
| UBS AG LONDON A/C                                   |       | 1,438,200 | 1.05 |
| IPB SEGREGATED CLIENT ACCOUNT                       |       |           |      |
| MIRARTH HOLDINGS Employee Shareholding Association  |       | 1,382,600 | 1.01 |
| JP MORGAN CHASE BANK 385781                         |       | 1,376,239 | 1.01 |
| RUDEN HOLDINGS Co., Ltd.                            |       | 1,316,000 | 0.96 |
| Controlling Shareholder (except for Parent Company) | _____ |           |      |
| Existence of Parent Company                         | No    |           |      |
| Supplementary Explanations                          |       |           |      |

- The status of major shareholders is as of March 31, 2026.
- We own Treasury stock 4,321,408 Shares, which is deducted from the above major stockholders.
- Equity securities ownership percentage is calculated after deducting Treasury stock.

### 3. Corporate Attribute

|                                                                               |                                                       |
|-------------------------------------------------------------------------------|-------------------------------------------------------|
| Listed Exchange and Market Division                                           | Prime Market of the Tokyo Stock Exchange              |
| Fiscal Period                                                                 | 3 Months                                              |
| Type of Business                                                              | Real estate                                           |
| Number of Employees (consolidated) as of the End of the Previous Fiscal Year  | At least 1,000                                        |
| Net Sales (consolidated) for the Previous Fiscal Year                         | 100 billion yen or more, but less than 1 trillion yen |
| Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year | From 10 subsidiaries to less than 50 subsidiaries     |

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

### 5. Other Special Circumstances Which May Significantly Affect Corporate Governance

## II. Business Management Organization and Other Corporate Governance Systems regarding Decision Making, Execution of Business, and Oversight

### 1. Organizational structure and operation

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

#### [Directors]

|                                                                     |           |
|---------------------------------------------------------------------|-----------|
| Maximum Number of Directors Stipulated in Articles of Incorporation | 15 people |
| Term of Office Stipulated in Articles of Incorporation              | 1 Year    |
| Chairperson of the Board                                            | President |
| Number of Directors                                                 | 8 people  |
| Appointment of Outside Directors                                    | Appointed |

|                                 |          |
|---------------------------------|----------|
| Number of Outside Directors     | 4 people |
| Number of Independent Directors | 4 people |

#### Relationship with the Company (1)

| Name Title    | Attribute            | Relationship with the Company* |   |   |   |   |   |   |   |   |   |   |
|---------------|----------------------|--------------------------------|---|---|---|---|---|---|---|---|---|---|
|               |                      | a                              | b | c | d | e | f | g | h | i | j | k |
| Kaname Uchida | Other                |                                |   |   |   |   |   |   |   |   |   |   |
| Yuko Kanamaru | Attorney-at-law      |                                |   |   |   |   |   |   |   |   |   |   |
| Yasuko Ono    | From another company |                                |   |   |   |   |   |   |   |   |   |   |
| Nobuhiro Yabe | From another company |                                |   |   |   |   |   |   |   |   |   |   |

※ Nature of relationship with the Company

※ "○" when the person corresponds to "Present/Recent" or "△" when the person corresponds to "Previous"

※ "●" if the family corresponds to "Present/Recent" and "▲" if it corresponds to "Past"

a Managing Person of a Listed Company or its Subsidiary

b Executive or non-executive Director of the parent company of a listed company

c Executive of a sister company of a listed company

d A person whose main business partner is a listed company or the person who executes the business thereof

e Major clients of listed companies or their business executives

f Consultants, accounting professionals, and legal professionals who receive large amounts of monetary consideration or other property in addition to executive compensation from listed companies

g Major shareholders of listed companies (in cases where the relevant major shareholder is a corporation, the business executive of the said corporation)

h Business executives of listed companies' business partners (those who do not fall under any of d, e, or f) (for the individual only)

i Executive officers of Outside officers who are mutually appointed (individual only)

j Executors who are donated by listed companies (individual only)

k Other

#### Relationship with the Company (2)

| Name Title    | Independent officer | Supplementary Explanation of the Relationship | Reasons for Appointment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|---------------|---------------------|-----------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Kaname Uchida | ○                   | ----                                          | Although Mr. Kaname Uchida has not been directly involved in corporate management, he possesses a wealth of experience and broad insight in the real estate industry, as well as an extensive track record and experience at the Ministry of Land, Infrastructure, Transport and Tourism. Therefore, the Company has appointed him as an Outside Director, judging that his expertise will significantly contribute to the management of the Group. Furthermore, there is no special interest between the Company and Mr. Uchida; he maintains an independent position with no risk of conflict of interest with general shareholders, and has thus been designated as an independent officer.                                                                    |
| Yuko Kanamaru | ○                   | ----                                          | While not previously involved in corporate management other than her service as an outside director, Ms. Yuko Kanamaru holds attorney-at-law qualifications in Japan and New York State, USA, and possesses high expertise along with a wealth of experience and achievements accumulated both domestically and abroad. Accordingly, the Company believes that she will contribute to enhancing the transparency and supervisory functions of the Board of Directors, and has appointed her as an Outside Director. Furthermore, there is no special interest between the Company and Ms. Kanamaru; she maintains an independent position with no risk of conflict of interest with general shareholders, and has thus been designated as an independent officer. |

|               |   |      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|---------------|---|------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Yasuko Ono    | ○ | ---- | In addition to her experience in corporate management, Ms. Yasuko Ono possesses extensive expertise and experience in financial institutions both domestically and abroad, along with a solid track record as a corporate auditor. The Company believes that her background will lead to enhanced transparency in the Board of Directors and strengthened supervisory functions, and has thus appointed her as an Outside Director. Furthermore, there is no special interest between the Company and Ms. Ono; she maintains an independent position with no risk of conflict of interest with general shareholders, and has thus been designated as an independent officer. |
| Nobuhiro Yabe | ○ | ---- | Mr. Nobuhiro Yabe has been involved in the management of financial institutions and business corporations, and possesses extensive experience, a strong track record, and broad knowledge and insight. Therefore, the Company has appointed him as an Outside Director, judging that his expertise will significantly contribute to the management of the Group. Furthermore, there is no special interest between the Company and Mr. Yabe; he maintains an independent position with no risk of conflict of interest with general shareholders, and has thus been designated as an independent officer.                                                                    |

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

Yes

Voluntary Establishment of Committee(s), Composition of Committee Members and Attributes of Committee Chairpersons

|                                                               | Committee Name         | Total Members | Full-time members (People) | Internal Director (People) | Outside Director (People) | Outside experts (People) | Other | Chairperson      |
|---------------------------------------------------------------|------------------------|---------------|----------------------------|----------------------------|---------------------------|--------------------------|-------|------------------|
| Voluntary committee corresponding to a Nomination Committee   | Nomination Committee   | 3             | 0                          | 1                          | 2                         | 0                        | 0     | Outside Director |
| Voluntary committee corresponding to a Compensation Committee | Compensation Committee | 3             | 0                          | 1                          | 2                         | 0                        | 0     | Outside Director |

#### Supplementary Explanations

We will enhance the objectivity and transparency of the decision-making process for personnel affairs and remuneration, etc., of Director, etc., and determining remuneration, etc. and enhance and strengthen the corporate governance system..

Each committee consists of three or more Directors selected by resolution of the Board of Directors. The majority of each committee are independent Outside Directors, and they are given appropriate opportunities to be involved in and give advice to the Company.

#### [Audit & Supervisory Board Members]

|                                                                                             |             |
|---------------------------------------------------------------------------------------------|-------------|
| Establishment of Audit & Supervisory Board                                                  | Established |
| Maximum number of Audit & Supervisory Board Members stipulated in Articles of Incorporation | 5 people    |
| Number of Audit & Supervisory Board Members                                                 | 3 people    |

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

All three Audit & Supervisory Board Members are outside members, with the intent of acting as a check on decision making. To serve as an effective check on decision-making, all three Audit & Supervisory Board Members are independent outside members who possess objective judgment, extensive professional careers, and strong track records. In addition to auditing the Company, they maintain a healthy sense of tension across the Group by attending board meetings and conducting interviews with directors at group affiliates. Furthermore, the Audit & Supervisory Board Members coordinate annual schedules with the accounting auditor, join them for on-site inspections and model room surveys, and exchange information as needed to enhance audit effectiveness and efficiency.

To enhance and strengthen our internal Audit, we have formulated basic internal Audit regulations and established Internal Audit Office as an independent body under the direct control of the president. In planning and implementing the internal Audit, Audit & Supervisory Board Member Audit and Accounting Auditor Audit are fully coordinated in terms of scheduling and Audit Details to ensure the efficient operation of their respective functions. Audit & Supervisory Board Members attend Audit, which is conducted by Internal Audit Office, and work to establish an effective and efficient Audit Details system by confirming Audit Details and soliciting opinions as necessary.

|                                                                 |           |
|-----------------------------------------------------------------|-----------|
| Appointment of Outside Audit & Supervisory Board Members        | Appointed |
| Number of Outside Audit & Supervisory Board Members             | 3 people  |
| Number of Independent Outside Audit & Supervisory Board Members | 3 people  |

### Relationship with the Company (1)

Updated

| Name Title       | Attribute                   | Relationship with the Company* |   |   |   |   |   |   |   |   |   |   |   |   |
|------------------|-----------------------------|--------------------------------|---|---|---|---|---|---|---|---|---|---|---|---|
|                  |                             | a                              | b | c | d | e | f | g | h | i | j | k | l | m |
| Yuko Miura       | Certified Public Accountant |                                |   |   |   |   |   |   |   |   |   |   |   |   |
| Akihito Watanabe | From another company        |                                |   |   |   |   |   |   |   |   |   |   |   |   |
| Masaya Sasaki    | From another company        |                                |   |   |   |   |   |   |   |   |   |   |   |   |

※ Nature of relationship with the Company

※ "○" when the person corresponds to "Present/Recent" or "△" when the person corresponds to "Previous"

※ "●" if the family corresponds to "Present/Recent" and "▲" if it corresponds to "Past"

a Managing Person of a Listed Company or its Subsidiary

b Non-executive Director or accounting advisors of a listed corporation or its subsidiaries

c Executive or non-executive Director of the parent company of a listed company

d Audit & Supervisory Board Member of the Parent Company of a Listed Company

e Executive of a sister company of a listed company

f A person whose main business partner is a listed company or the person who executes the business thereof

g Major clients of listed companies or their business executives

h Consultants, accounting professionals, and legal professionals who receive large amounts of other property in addition to executive compensation from listed companies

i Major shareholders of listed companies (in cases where the relevant major shareholder is a corporation, the business executive of the said corporation)

j Executor of a listed company's trading partners (who do not fall under any of f, g, or h) (individual only)

k Executive officers of Outside officers who are mutually appointed (individual only)

l Executors who are donated by listed companies (individual only)

m Other

### Relationship with the Company (2)

Updated

| Name Title | Independent officer | Supplementary Explanation of the Relationship                                                                                                | Reasons for Appointment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|------------|---------------------|----------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Yuko Miura | ○                   | She also serves as an Audit & Supervisory Board Member at one of our consolidated subsidiaries: Takara Leben Co., Ltd. (since October 2022). | The Company has appointed Ms. Yuko Miura as an Outside Audit & Supervisory Board Member, judging that she will execute her duties fairly and impartially by leveraging the high level of professional expertise gained as a Certified Public Accountant through her background at audit firms and operating companies. Furthermore, given that there is no special interest between the Company and Ms. Miura and that she maintains an independent standing with no risk of conflict of interest with general shareholders, she has been designated as an Independent Officer. |

|                  |   |                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|------------------|---|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Akihito Watanabe | ○ | He also serves as an Audit & Supervisory Board Member at five of our consolidated subsidiaries: Takara Leben Co., Ltd. and Leben Trust Co., Ltd. (since June 2024), MIRARTH Architect Co., Ltd. (since June 2025), Takara Leben Realnet Co., Ltd. (since June 2026), and MIRARTH Zestock Co., Ltd. (since September 2026). | The Company has appointed Mr. Akihito Watanabe as an Outside Audit & Supervisory Board Member, judging that he will execute his duties fairly and impartially by leveraging his wealth of experience, proven track record, and broad knowledge and insight gained from many years in financial institutions. Furthermore, given that there is no special interest between the Company and Mr. Watanabe and that he maintains an independent standing with no risk of conflict of interest with general shareholders, he has been designated as an Independent Officer. |
| Masaya Sasaki    | ○ | He also serves as an Audit & Supervisory Board Member at five of our consolidated subsidiaries: MIRARTH Energy Solutions Inc. and MIRARTH Green Tech Inc. (since June 2026), and Takara Leben Co., Ltd., MIRARTH Asset Management Inc., and MIRARTH Real Estate Advisory Inc. (since September 2026).                      | The Company has appointed Mr. Masaya Sasaki as an Outside Audit & Supervisory Board Member, judging that he will execute his duties fairly and impartially by leveraging his wealth of experience, proven track record, and broad knowledge and insight gained from many years in general trading companies. Furthermore, given that there is no special interest between the Company and Mr. Sasaki and that he maintains an independent standing with no risk of conflict of interest with general shareholders, he has been designated as an Independent Officer.   |

[Independent Directors/Auditors]

|                                                   |          |
|---------------------------------------------------|----------|
| Number of Independent Directors/Auditors          | 7 people |
| Matters Related to Independent Directors/Auditors |          |

[Incentives]

|                                                               |                                        |
|---------------------------------------------------------------|----------------------------------------|
| Implementation of Measures to Provide Incentives to Directors | Introduction of a stock option program |
| Supplementary Explanation                                     |                                        |

The Company grants two types of stock options, Type A Stock Options and Type B Stock Options, under different exercise conditions. The total value of the stock options to be allocated is a maximum of 600 million yen annually.

|                             |                                      |
|-----------------------------|--------------------------------------|
| Recipients of Stock Options | Inside Directors / Employees / Other |
| Supplementary Explanation   |                                      |

By introducing a Equity securities compensation-type Stock options system, we have allocated Subscription rights to shares to our Director and Executive Officer with the aim of further clarifying the linkage between our business performance and Equity securities value and executive compensation, and further enhancing our motivation to improve business performance and increase corporate value over the medium to long term.

[Remuneration for Directors/Executive Officers]

|                                                  |                                              |
|--------------------------------------------------|----------------------------------------------|
| Disclosure of Individual Directors' Remuneration | Individual disclosure for some officers only |
| Supplementary Explanation                        |                                              |

- The total amount of remuneration for all directors and corporate auditors is disclosed in Securities Report Statement.
- Individuals with Total amount of remuneration of 100 million yen or more are disclosed separately on Securities Report Statement.

## Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods

Apart from the above, Ordinary General Meeting of Shareholders's Resolution Date for the remuneration of executives is June 27, 2017, and Under the resolution, total annual remuneration is 600 million yen or less (excluding salary for officers who are concurrently employees).s June 25, 2021's Stock options remuneration is limited to 600 Millions of yen per annum.

Determination of Director Compensation Policy was resolved at Board of Directors held on June 2025, 2025 as follows.

## ① Basic Policy

The Company shall determine remuneration etc. for officers within a range resolved by the general meeting of shareholders, in comprehensive consideration of results, will be determined based on the advice of the Compensation Advisory Committee, which is a voluntary advisory body, comprehensively considering Director performance, potential risks, the degree of responsibility for group management, and the degree of progress in the medium-term management plan. With regard to business execution Director, a certain percentage of compensation will be linked to performance and the degree of contribution of the respective Director, so that it functions as an incentive for sustainable growth. This will lead to a sound, efficient, and stable going concern.

The details of the basic policy on remuneration for executive directors are as follows:

- It should contribute to the enhancement of our corporate value.
- The amount and design required to secure and maintain excellent human resources.
- It should be designed to reflect our medium-and long-term management strategies and should be motivated to do so.
- To ensure transparency, fairness, and rationality for shareholders, employees, and other stakeholders, and to be determined through appropriate verification processes.
- To be determined based on the compensation system designed by introducing performance-based compensation in addition to Basic remuneration.

## ② Amount of Remuneration, etc. by Individuals of Basic remuneration (Monetary Remuneration) for individual Directors (including the policy for determining the time or conditions for giving remuneration, etc.)

Our Director's Basic remuneration (monetary remuneration) is based on a Basic remuneration table that is prepared based on a comprehensive consideration of industry and other company levels, as well as employee salary levels, depending on the position and responsibilities. The monthly remuneration is divided into 12 equal monthly installments.

## ③ Details of performance-linked remuneration, etc. and non-monetary remuneration, etc. and Policy (including a policy for the determination of time or conditions for granting remuneration, etc.) for determining the methods of calculating the amount or number

Remuneration other than Basic remuneration for our Director shall be a cash Bonus and Equity securities remuneration Stock options, and the amount of payment, non-payment, and number of payment shall be determined according to the degree of achievement of the performance Target and ESG Target for the relevant period.

The cash Bonus may be paid in accordance with Target achievement status of the divisions in charge of the respective business execution Director, even if the performance Target for the relevant fiscal year is not achieved. As a Target, performance and other indicators shall be established annually and reviewed as appropriate in response to environmental changes.

Equity securities Compensation Type Stock options shall be Class A Stock options exercisable after a certain period of time and Class B Stock options exercisable upon retirement.

## ④ Policy for Determining the Ratio of the Amount of Basic remuneration, Performance-Based Compensation, etc. or Non-Monetary Compensation, etc. to the Amount of Compensation, etc. by Individuals of Director

As a general rule, the percentage of Director compensation is as follows: "Director Basic remuneration: Cash Bonus: Class A Stock options: Class B Stock options = 5:2:2:1."

The Compensation Advisory Committee, an advisory body, determines the amount of individual compensation. The Compensation Advisory Board will Report the total amount to be paid at Board of Directors each time.

## [Supporting System for Outside Directors (and Outside Auditors)]

At the request of Outside officers, we have a system in place to support their duties and operations at any time. The Corporate Administration Department of Outside officers is responsible for supporting Upon request from an outside officer, Corporate Planning Division provides explanations and materials about the agenda items of the Board of Directors meetings and other meetings prior to the meetings and arranges and communicates the schedules of the meetings..

## 2. Matters related to functions such as business execution, Audit and Supervise, nomination, and compensation decision-making (Overview of Current Corporate Governance System)

## Business Execution

Currently, the Company has eight directors, four of whom are Outside Directors, and all four are designated as independent officers. The Board of Directors meets once a month in principle, and extraordinary meetings are held as needed to ensure prudent and prompt decision-making. At the same time, directors mutually supervise the execution of their duties.

The Audit & Supervisor Board Members always attend Board of Directors meetings and express opinions as necessary. They work closely with the Outside Directors to audit and oversee the management of the Board of Directors and execution of business by the Board as necessary.

In accordance with internal regulations, meetings of the Board of Directors are attended by non-director individuals when requested by the Board—such as executive officers, the head of the Group Internal Audit Office, and other department managers—who express opinions on proposals and reporting items as appropriate. We have introduced a Executive Officer system to clarify Director's management Supervise responsibilities and Executive Officer's business execution responsibilities, and responsibilities regarding the execution of business to expedite decision making and enhance the execution of business. In addition..

Other, we hold Group Executive Committee meetings on a monthly Once basis to discuss and discuss important planning and implementation proposals related to group management Policy, management strategy, and group management in advance. In this way, we are enhancing the precise decision-making process. In addition, we have established voluntary Nomination Committee and Compensation Committee to enhance the objectivity and transparency of the decision-making process regarding personnel affairs, compensation, etc., of Director, etc., and to further enhance governance functions. Audit Structure

The Company has three Audit & Supervisory Board Members, all of whom are Outside Members and designated as independent officers. In principle, the Audit & Supervisory Board meets every month. While maintaining their independence, the members have established a system for close communication and collaboration. The Audit & Supervisory Board Members attend meetings of the Board of Directors and other important meetings, review critical documents, and investigate the status of business execution in accordance with the audit policies and plans established by the Audit & Supervisory Board. They work in cooperation with the internal audit division and the accounting auditor.

In addition to monitoring and verifying whether Accounting Auditor conducts appropriate Audit, They receive reports and explanations from the accounting auditor about their performance of duties and audit financial statements.

In addition, we have established the Group Internal Audit Office as an independent organization under the direct control of the president, with a system of 6 full-time staff members and a They carry out audits related mainly to the effectiveness of the internal control system.. The Internal Audit Office carries out audits efficiently according to the audit

plan. The outcome of Audit is Report from time to time in Board of Directors as "Audit report," which is disseminated throughout the company and serves as an internal checks and balances.

#### Accounting Audit

Our accounting Audit Certified Public Accountant who execute business is Mr. Tetsuya Ishihara and Mr. Takashi Shimokawa, and belongs to Grant Thornton Taiyo LLC..

Mr. Tetsuya Ishihara's continuing Audit is 3 years, and Mr. Takashi Shimokawa's continuing Audit is 5 years. In addition, 17 Certified Public Accountant and 19 Other were assistants in our accounting Audit operations. There is no special interest between Audit Corporation and Managing Partner, an Audit corporation engaged by us. The Company avoids having the same managing partner engage in its audits for more than a certain period of time. The Company has concluded an audit agreement and pays audit fees under the agreement.

We and Accounting Auditor Grant Thornton Taiyo LLC. have entered into an agreement limiting our liability for damages under Section 423 I of the Corporations Law and The maximum liability for damages under the agreement is the minimum liability amount set out in laws and regulations..

Updated

### 3.Reasons for Adoption of Current Corporate Governance System

We have 4 Outside Director who Supervise and They provide opinions and advice as needed based on their experience, track record, knowledge and insight. our management decisions and decision-making processes from an objective standpoint outside the company. We have appointed all 3 Audit & Supervisory Board members as independent outside Audit & Supervisory Board members, 1 of whom are Full-time Auditor and The Audit & Supervisory Board Members participate in Board of Directors meetings and other important meetings. They express their opinions from their position as Audit & Supervisory Board Members as needed and always audit and oversee the Directors' execution of business.. In addition, Full-time Auditor, which is well-versed in the company and deeply understands management, is actively working to improve Audit environment and gather internal data, which will result in They also routinely oversee the establishment and operation of the internal control systems and provide objective opinions and advice. The Company thus believes that its management is appropriate..

## III. Implementation of Measures for Shareholders and Other Stakeholders

### 1.Efforts to Revitalize Ordinary General Meeting of Shareholders and Facilitate the Exercise of Voting Rights

|                                                                                                                                                             | Supplementary Explanations                                                                                                                                     |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Early dispatch of Ordinary General Meeting of Shareholders convocation notices                                                                              | We strive to send convocation notices as early as possible.                                                                                                    |
| Scheduling the General Meeting of Shareholders avoiding the peak days                                                                                       | In principle, we do not hold our Ordinary General Meeting of Shareholders on a peak day.                                                                       |
| Exercising of voting rights by electronic means                                                                                                             | The Company has made it possible to exercise voting rights online.                                                                                             |
| Participation in an electronic voting platform and other initiatives to improve the environment for institutional investors to exercise their voting rights | From Annual Shareholders' Meeting held in June 2018, we participated in an electronic voting platform for institutional investors operated by ICJ Corporation. |
| Provision of summaries of convocation notices in English                                                                                                    | The Company provides a narrowly defined version of its convocation notice and reference documents in English.                                                  |
| Other                                                                                                                                                       | The convocation notice is posted on our website before the date of shipment.                                                                                   |

### 2.Investor Relations Activities

|                                                            | Supplementary Explanations                                                                                                                                                                                                                               | Whether the representative has provided an explanation in person |
|------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------|
| Preparation and publication of disclosure policy           | <ul style="list-style-type: none"> <li>• URL:<a href="https://mirarth.co.jp/ir/management/policy/">https://mirarth.co.jp/ir/management/policy/</a></li> <li>• Published on the website</li> </ul>                                                        |                                                                  |
| Regular briefings for individual investors                 | Every year, the Company holds a few briefings for investors sponsored by securities companies and IR support companies.                                                                                                                                  | Yes                                                              |
| Regular briefings for analysts and institutional investors | Every year, the Company holds two results briefings, a full-year results briefing and a first-half results briefing.                                                                                                                                     | Yes                                                              |
| Regular briefings for overseas investors                   | The Company conducts investor relations activities overseas after the earnings announcements and on other occasions as needed to disseminate information to investors overseas.                                                                          | Yes                                                              |
| Posting of IR materials on website                         | The content of IR information is available on the Company's website, which allows users to view financial information, press releases and Details from the past, materials for briefing sessions on financial results, and medium-term management plans. |                                                                  |

|                                                            |                                                                             |
|------------------------------------------------------------|-----------------------------------------------------------------------------|
| Establishment of department and/or manager in charge of IR | Our IR Office is in charge, and we have appointed a person in charge of IR. |
|------------------------------------------------------------|-----------------------------------------------------------------------------|

### 3.Measures to Ensure Due Respect for Stakeholders

|                                                                       | Supplementary Explanations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-----------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Internal rules stipulated for respecting the position of stakeholders | We have formulated the Group's "Purpose (raison d'être)" and "Values" and recognize that collaboration with stakeholders is essential, and we are striving for appropriate collaboration with stakeholders. In addition, to foster a corporate culture and culture that respects the rights and positions of stakeholders and the ethics of sound business activities, we have established the Ethical Standards to be Compliant in Relation with Customers, Business Partners, and Society as a whole in our Ethical Rules. |
| Implementation of environmental activities, CSR activities, etc.      | Our group-wide efforts include developing renewable energy Power generation facilities and facilities and selling high environmental performance housing, including ZEH (net zero energy house) condominiums.<br>The Company positions the energy business as part of its contributions to society                                                                                                                                                                                                                           |
| Development of policies on information provision to stakeholders      | We have established Information Disclosure standards and methods in our Disclosure Policy, which aims for appropriate and fair Information Disclosure.                                                                                                                                                                                                                                                                                                                                                                       |

## IV. Matters Related to the Internal Control System

### 1.Basic approach to internal control systems and progress update

Through the reorganization of our group, we have shifted to a holding company structure under October 1, 2022. Accordingly, the company name was changed from Takara Leben Co., Ltd. to MI.  
We have changed to RARTH Holdings Co., Ltd. and formulated our "Purpose" and "Values" as follows.

<Purpose>

[To design sustainable environments for a happier future for both people and our planet.]

<Values>

- (1) Passion & Inspiration  
To be passionate about creating vibrant environments and to inspire and be inspired by people who share our vision.
- (2) Sustainability  
To create a sustainable world where people, nature, and society coexist in harmony.
- (3) Value Creation  
To continue to evolve and keep up with the rapid change around us To create new value.
- (4) Diversity & Co-creation  
To value each individual's ideas and co-create a diverse and equitable environment with the local communities.
- (5) Integrity & Trust  
To generate a trusting relationship among people and society through protection of our safety and security.

We have established the following Details for internal-control systems in order to achieve the aforementioned company "Purpose " <Values>.

#### 1. System for storing and managing the information pertaining to the execution of duties by Director

We store and manage information related to the execution of Director's duties appropriately according to their storage media and duties in accordance with the Document Control Regulations. In addition, the Board of Directors has designated a specific director as the Chief Information Administrator. The director or executive officer in charge of the Group DX & VX Strategic Department serves as the manager responsible for confidential matters, reporting on the status of information management as appropriate. Furthermore, department heads act as information managers within their respective departments, exercising mutual checks to ensure secure and efficient information management in accordance with the Confidentiality Control Regulations.

#### 2. Rules and Other Systems for Managing Risk of Loss

We have established the Risk Management Regulations to manage the Group's risks and to ensure the sustained improvement of corporate value. Based on these regulations, we have established Risk Management Committee with the Group CRO (Chief Risk Management Officer) as Chair, which verifies and Report all risks related to overall management, and discusses or decides on the measures and management to be implemented to avoid or reduce these risks. in order to strengthen internal controls and thoroughly prevent scandals related to operations as a whole, including financial reporting, and non-compliance incidents. In order to develop and continuously improve the Group's risk management system, our Board of Directors will Election the Group CRO (Chief Risk Management Officer) from among Director or Executive Officer, and Risk Management Committee will be actively proposed according to the individual risk management by calling the convener as needed. In addition, discussions and decisions made at Risk Management Committee are verified based on Risk Management Committee Regulations as appropriate, and Report to Board of Directors is also made as Details for This system enables prompt decision making when risks materialize..

#### 3. System to ensure the efficient performance of Director duties

In order to ensure an efficient system for the execution of Director's duties, we will strengthen our management system in line with the expansion of our business scope, while at the same time implementing our group-wide the Company expedites decision making regarding the overall management of the Company. By organizing meetings such as Each Director complies with the rules regarding their authority over the Group Executive Committee, we have established a system to improve the quality of Supervise accountability for the execution of their duties and to conduct operations efficiently.

#### 4. System to ensure that the execution of duties by Director and employees complies with laws and regulations and the articles of incorporation

We have established the Group Internal Audit Office as an independent organization reporting directly to the president. The general manager of the Group's Internal Audit Office formulates basic plans for internal Audit for the relevant fiscal year in accordance with the Basic Rules for Internal Audit when each Business Year starts. Based on this basic plan,

we formulate an implementation plan for internal Audit and implement an internal Audit. Through these audit activities, the office seeks to complement the audits of the Audit & Supervisory Board Members and the accounting auditor, and regularly reports the audit results, including specialized perspectives, to the Representative Director and the Board of Directors.

5. System to ensure the appropriateness of operations at the corporate group consisting of the parent company and subsidiaries
- We have established "Affiliated Company Administration Regulations" to promote the development and mutual Profit of each affiliated company. By having each affiliated company concurrently serve as a Under these regulations, the Company respects each affiliate's management decisions, and at the same time, dispatches Directors and Audit & Supervisory Board Members, we have established a system to Report our Board of Directors with respect to the operations of each affiliated company and the status of the execution of duties by Director and others.
  - In accordance with Risk Management Committee Regulations and the Affiliated Company Administration Regulations, we have established a system for assessing and managing risks by ascertaining the business conditions and financial conditions of each affiliated company.
  - When needed, we dispatch personnel from each department to our affiliated companies to realize synergies. At the same time, we form the foundation of The Directors of affiliates participate in meetings of the Company's Board of Directors and actively exchange opinions as appropriate.'s "recycling-oriented management," which we advocate, and we have a system to ensure comprehensive management efficiency.
  - The General Manager of Audit Office and Audit & Supervisory Board Members of the Group regularly conduct Audit at each affiliated company to make a This system ensures that the execution of duties by the Directors and other officers and employees at each affiliate conforms to laws and regulations and the Articles of Incorporation..
6. Audit matters concerning the employee in cases where the officer requests to appoint an employee to assist in his/her duties.
- We will respond when Audit seeks to have employees to assist in their duties, and The employees to be assigned and other details will be determined in full consideration of the opinions of the board member.
7. Audit matters concerning the independence of the employees who are to assist the duties of the officers from Director and matters concerning the assurance of the effectiveness of Direction of the officers for the said employees.
- In order to ensure the independence of employees who shall assist the duties of Audit Officers, employees who shall assist Audit Officers shall not be directed and ordered by Director with regard to the instructions and orders received from Audit Officers, and personnel affairs such as the change of such employees shall be determined after due consideration of the views of Audit Officers.
8. System for Director and Employees of the Company and Its Subsidiaries to Report Our Audit & Supervisory Board Members Report System for For Other Audit & Supervisory Board Members
- We and our subsidiaries and affiliates comply with Report of Audit & Supervisory Board matters stipulated in advance by Director and all employees without delay. These matters include statutory matters, matters that have a significant impact on the management, financial condition and business performance of the entire Group, the status of implementation of internal Audit, and significant violations of laws, regulations, and the Articles of Incorporation. In addition, all of our Audit & Supervisory Board Members attend Board of Directors held by us and attend When they make objective judgments and serve as a check, they actively exchange opinions based on their sufficient professional experience and knowledge and enhance the checks and balances in the process of making decisions regarding the overall management of the Company..
9. System to ensure that persons who have Report as Audit & Supervisory Board Members do not receive unfavorable treatment due to such Report
- We and our affiliated companies have consulted or reported to Audit & Supervisory Board Members who have made Report for the reason of unfavorably because of their consultation with or report to the Audit & Supervisory Board Member..
10. Audit matters concerning the handling of expenses, etc. arising from the execution of the duties of officers.
- In the event Audit directors request us to pay expenses in advance for the execution of their duties, the Company shall promptly dispose of such expenses or liabilities unless it is deemed that such expenses or liabilities are not required for the execution of the duties of the relevant Audit directors.
11. System to ensure effective Audit by Other Audit & Supervisory Board Members
- We have established Audit & Supervisory Board Regulations and are responsible for holding interviews with Under these regulations, in addition to the reception of reports from Directors and employees, Group each Audit & Supervisory Board Member gathers information about the operation audits conducted by the Internal Audit Office and the accounting audits conducted by the accounting auditor, participates in the Board of Directors meetings of affiliates, individual Director to create an effective and efficient Audit system that takes the Group as a whole into account.

2.Basic Approach and Systems to Exclude Anti-Social Forces

- (1) Basic Policy Pertaining to the Elimination of Antisocial Forces
- Our basic Policy is to respond decisively to anti-social forces that threaten the order and safety of society.
- (2) Progress toward Elimination of Antisocial Forces
- Under the guidance of our advisory Attorney-at-law, we actively participate in activities to eliminate Boryokudan. In addition, as part of the development of rules for preventing transactions with antisocial forces, the Company has established the Antisocial Forces Response Rules, which are Collaboration with the relevant police stations and external specialist organizations such as the Adviser Attorney-at-law, to establish a system for dealing with antisocial forces. In order to prevent damage caused by antisocial forces, the Company endeavors to gather information during ordinary times by participating in seminars and other events regarding antisocial forces held by the police and related organizations. In addition, we requested our business partners to sign a Memorandum of Understanding on Severing Ties with Antisocial Forces, or ensure that "Antisocial Forces Elimination Clauses" are explicitly included in various contract documents, thereby thoroughly implementing measures to exclude antisocial forces across all agreements.

V Other

1.Addressing acquisitions Introduction of Policy

|                                                |    |
|------------------------------------------------|----|
| Addressing acquisitions Introduction of Policy | No |
| Supplementary Explanation                      |    |

2.Other Matters Related to Corporate Governance Structure

- [Overview of Timely Disclosure System]
- Person responsible for handling information and department responsible for timely disclosure
- We have appointed a group-wide CFO as Chief Information Officer and registered it with Tokyo Stock Exchange.
- System for determining the disclosure information

To disclose corporate information to investors and other stakeholders in a timely and appropriate manner, the General Manager of the Group Corporate Planning Department gathers information in collaboration with the Board of Directors, individual departments, subsidiaries, and affiliates.

1. With regard to Board of Directors, the Corporate Administration Department serves as Board of Directors Secretariat, and in the event that items to be disclosed in a timely manner become the subject of Board of Directors, the Company is positioned to promptly disclose resolution results in collaboration with the IR Office.
2. In the event of a disaster, we are able to ascertain and share the situation using a safety confirmation system that confirms the safety of all employees, and we are able to discuss countermeasures and disclose the results.
3. Regarding collaboration with individual departments, a system is in place where each department reports to the Group Corporate Planning Department or the Chief Information Officer as appropriate, so that the relevant information can be ascertained under the items to be disclosed.
4. Regarding Subsidiaries and associates and Collaboration, we have designated the Corporate Administration Department as the administrative department of Subsidiaries and associates and appointed our Director, Executive Officer and Audit & Supervisory Board Members as They participate in the Board of Directors meetings of subsidiaries and affiliates and gather information for disclosure and information about operating results. Directors. In addition, on a quarterly basis at our Board of Directors, the president of Subsidiaries and associates makes Report and forecasts of our operating results and financial condition, and at the same time, Regular meetings of the Representative Directors of the Group companies are held, and the Company gathers information, including results, at these meetings.

System for managing material facts about results, etc.

We manage matters and information acquired by directors and employees pursuant to the confidentiality management regulations that are deemed to have a significant impact on our management.

1. Director and Executive Officer are in charge of the Group DX&VX Strategy Department, and the manager of each department is appointed as the manager of each department to prevent the leakage of confidential matters.
2. The disposal and cancellation of confidential information are subject to the approval of the administrator.
3. Officers and employees are required to make confidentiality pledges. To ensure that confidentiality is thoroughly maintained, these confidentiality pledges continue to be in place even after the retirement of the officer and employee.

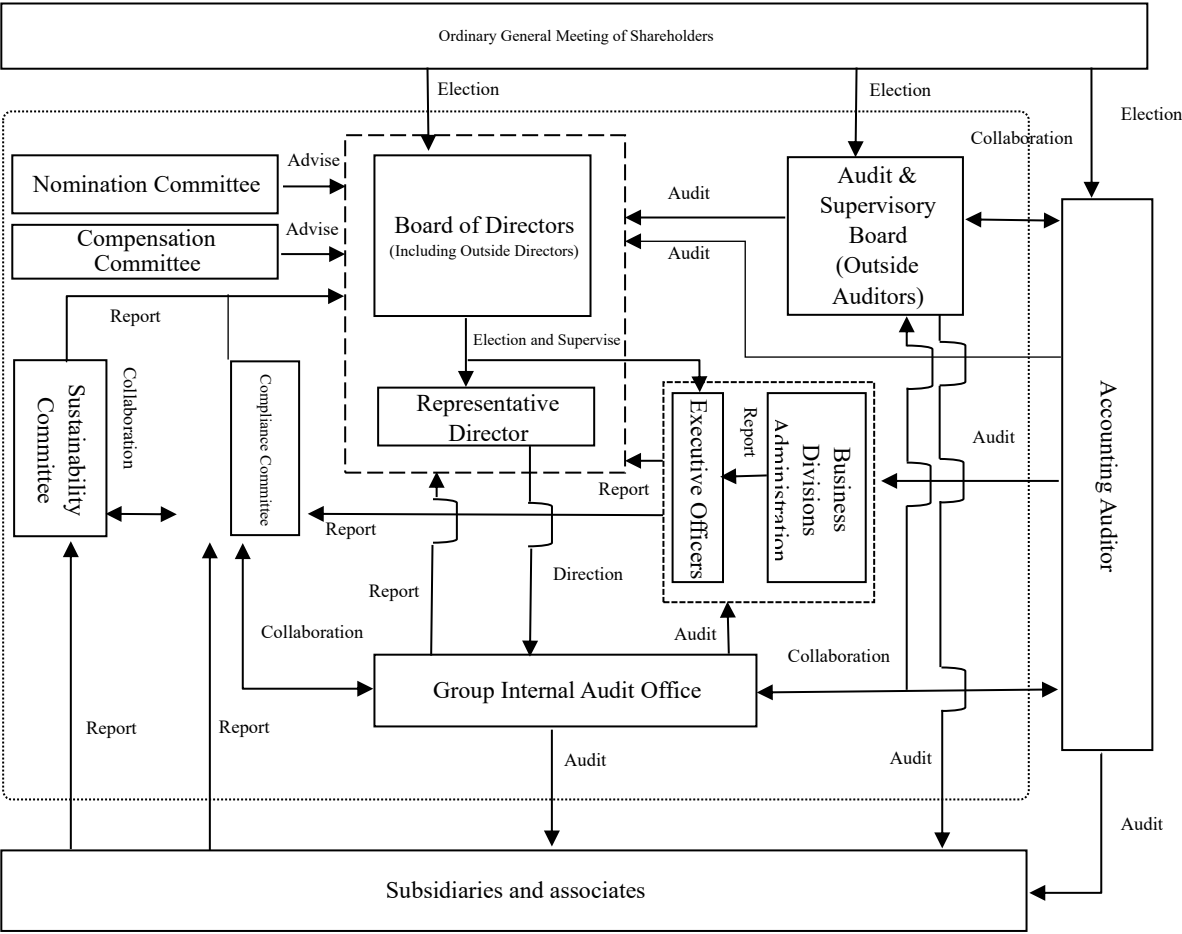
Prevention of insider trading

We prevent insider trading by Corporate employees in accordance with our rules for preventing insider trading. The Chief Information Management Officer is designated as the director, and the administrative department is designated as the Group Corporate Planning Department.

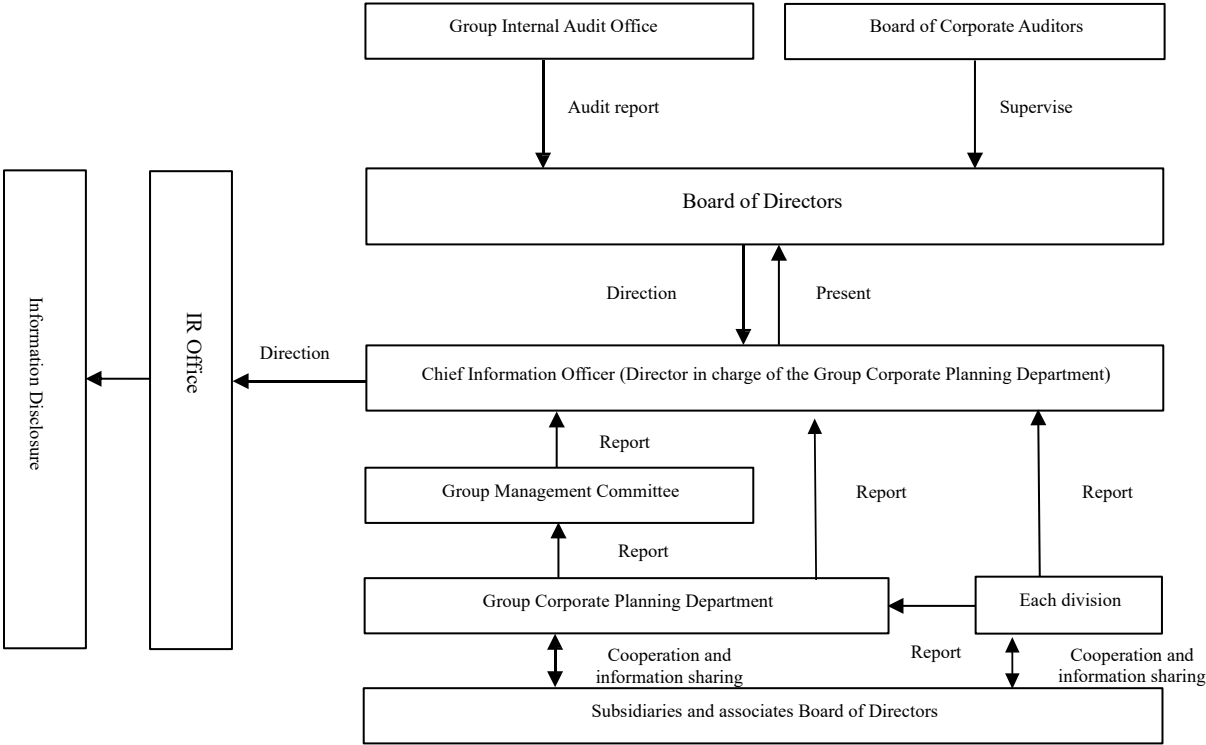
1. Insider trading prevention regulations are posted on the Company's intranet so that employees can view them at any time.
2. We conduct internal training for Corporate employees. In addition, new employee training courses on compliance and insider trading are offered.
3. After approval by the Group Corporate Planning Department, the internal information manager is required to approve the purchase and sale of the Company's own Equity securities by employees. After approval by the Group Corporate Planning Department, the internal information manager and the general information management handling manager are required to approve the purchase and sale of the Company's own Equity securities by directors.

Our corporate governance system and timely disclosure system are shown in the attached chart.

Corporate Governance System Diagram



Timely Disclosure System Diagram



Directors' Skill Matrix

※In particular, Director are classified as "●" in terms of their "strengths."

| Name Title          | Corporate                                                                                                                                   | Management | Financial<br>affairs and<br>accounting | Legal and risk<br>management | Sales/Marketing | Personnel and<br>labor<br>management | IT | Global<br>business | Nomination<br>Committee | Compensation<br>Committee |
|---------------------|---------------------------------------------------------------------------------------------------------------------------------------------|------------|----------------------------------------|------------------------------|-----------------|--------------------------------------|----|--------------------|-------------------------|---------------------------|
| Kazuichi Shimada    | Representative Director and CEO<br>President and Executive Officer                                                                          | ◎          | ○                                      | ○                            | ○               |                                      |    | ○                  | ○                       |                           |
| Daisuke<br>Nakamura | Director, Group CFO, Group<br>CSO, Senior Managing<br>Executive Officer and General<br>Manager of Sustainability<br>Promotion Office        |            | ◎                                      | ○                            |                 | ○                                    |    |                    |                         | ○                         |
| Go Yamaji           | Director, Group CRO and Group<br>CHRO<br>Senior General Manager, Human<br>Resources and Strategic Planning<br>Department, Executive Officer |            |                                        | ○                            |                 | ◎                                    |    |                    |                         |                           |
| Mika Takaara        | Director and CBO<br>Senior Executive Officer                                                                                                |            |                                        |                              | ◎               |                                      | ○  |                    |                         |                           |
| Kaname Uchida       | Outside Director                                                                                                                            |            |                                        | ◎                            |                 |                                      | ○  | ○                  | Chair                   | ○                         |
| Yuko Kanamaru       | Outside Director                                                                                                                            |            |                                        | ◎                            |                 | ○                                    |    | ○                  |                         |                           |
| Yasuko Ono          | Outside Director                                                                                                                            |            | ○                                      | ○                            |                 |                                      |    | ◎                  |                         |                           |
| Nobuhiro Yabe       | Outside Director                                                                                                                            | ◎          | ○                                      | ○                            |                 |                                      |    | ○                  | ○                       | Chair                     |