

June 25, 2026

Premium Group Co., Ltd.

Yohichi Shibata, President and Representative Director, CEO

Contact: Group Management Administration Division +81-3-5114-5701

The status of our corporate governance is as follows.

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

1. Basic Views

1) Basic Views

Based on the premise of thorough compliance and in response to changes in the external business environment including legal amendments, the Group has established the mission: "We contribute to building a richer society by providing the best finance and services to people around the world" and "We will develop and nurture enriched human capital who consistently approach their work with a positive mindset and diligently build upon every process." We position the concept of whether or not an action contributes to the achievement of this mission as the standard for decision-making in management.

To achieve the Group's mission, it is essential to build and maintain good relationships with all stakeholders surrounding the Group, including shareholders, customers, business partners, employees, and society, and to earn their trust. Based on the recognition that strengthening corporate governance is one of the important management issues, we strive for corporate management that ensures transparency and soundness while aiming for the Group's continuous growth and improvement in profitability.

2) Basic Policy

(1) Ensuring Shareholder Rights and Equality

To ensure substantial equality for all shareholders, we strive to develop an environment that enables proactive information disclosure and smooth exercise of voting rights.

(2) Appropriate Cooperation with Stakeholders Other Than Shareholders

Based on the premise of thorough compliance, including adherence to laws and the Articles of Incorporation, we recognize that cooperation with all stakeholders, including shareholders, and the promotion of sustainability (medium- to long-term sustainability including ESG factors) are essential for the Group's sustainable growth and medium- to long-term corporate value enhancement.

To practice cooperation with stakeholders, in addition to defining the Group's mission and vision, we hold an annual "Management Policy Presentation," an opportunity for the management team, including the President and Representative Director, to explain directly to all employees in their own words. The management team takes the lead in fostering a corporate culture that respects the rights and positions of stakeholders and corporate ethics.

(3) Appropriate Information Disclosure and Ensuring Transparency

Based on our disclosure policy, our basic policy is to provide information related to our management policy, business strategy, performance, and finance fairly, accurately, promptly, clearly, and proactively to gain trust and appropriate evaluation from the market. We perform disclosures based on laws and regulations appropriately, and we also proactively disclose information that we judge will help shareholders and investors understand us, even if it is not required by law. In disclosing information, we strive to provide accurate, simple, and concrete descriptions, including non-financial information, to ensure the information is highly useful for users.

(4) Responsibilities of the Board of Directors, etc.

The Board of Directors provides highly effective supervision of the management team, including the President and Representative Director, and directors, while creating an environment that supports appropriate risk-taking by the management team. We indicate the major direction of corporate strategy, etc., and aim for the sustainable growth of the Group as a whole, the enhancement of medium- to long-term corporate value, and the improvement of profitability and capital efficiency. Currently, the Company does not have a controlling shareholder.

(5) Dialogue with Shareholders

We recognize that it is important to engage in proactive dialogue with shareholders on a daily basis to achieve sustainable growth for the Group as a whole and to enhance medium- to long-term corporate value, to appropriately reflect shareholders' opinions and requests, and to grow the Group together with shareholders. For this reason, we have established an IR structure centered on the President and Representative Director and proactively set up opportunities for dialogue with shareholders and investors to gain understanding of the Group's management strategy and management plan. Furthermore, we will build a system where opinions from shareholders and investors are reported to the Board of Directors as appropriate and fed back into our management.

We have disclosed our "Disclosure Policy" as our basic approach to IR on our website.
(Disclosure Policy)
<https://ir.premium-group.co.jp/ja/policy.html> (Japanese)

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

Based on the status as of June 25, 2026, the situation is as follows:

We implement all principles of the Corporate Governance Code.

[Disclosure Based on the Principles of the Corporate Governance Code] (Updated)

Based on the status as of June 25, 2026, we have updated the following:

【Principle 1-4. Cross-Shareholdings】

In principle, our policy is not to hold listed shares as cross-shareholdings, and we currently do not hold any. If cross-shareholding becomes necessary, regarding the exercise of voting rights related to such shares, we will specifically examine the content of the proposals at the Board of Directors meeting, such as whether the purpose of holding is appropriate and whether the benefits and risks associated with holding are commensurate with the cost of capital, and we will make rational decisions after verifying the appropriateness of holding, and disclose them appropriately.

【Principle 1-7. Related Party Transactions】

We have established Related Party Transaction Management Regulations, and in cases where conflicts of interest arise in transactions with our officers or major shareholders, etc. (related party transactions), we require deliberation and resolution by the Board of Directors, and we seek sufficient opinions from outside directors and auditors during deliberation.

【Supplementary Principle 2-4(1). Diversity of Core Human Resources (Management Level) and Disclosure】

We position diversity management and work-style reform as part of our growth strategy, promote the introduction of personnel systems that allow diverse human resources to play an active role, and develop a comfortable workplace environment where they can fully demonstrate their abilities. We aim for sustainable corporate growth by improving "Well-being," which signifies employee happiness. In the appointment of core human resources, we respect diverse perspectives and values and implement human resource appointments based on a merit-based evaluation system that does not question individual attributes such as gender, age, nationality, or mid-career hires. We also strive to develop an environment and culture that encourages career formation and to nurture human resources who will be responsible for our decision-making in the future. In our integrated report, which summarizes our sustainability initiatives, we disclose our awareness of issues related to human capital and our initiatives in response.

<Human Resource Development Policy and Internal Environment Development Policy for Ensuring Diversity>

We regularly conduct training tailored to each employee's career and various compliance training to nurture enriched human capital who contribute to medium- to long-term corporate value enhancement and to create a workplace environment free from discrimination and harassment.

<Appointment of Mid-Career Hires and Foreigners to Management Positions>

Mid-career hires account for 70% of current management positions in the Group. We have also appointed one foreign manager.

Regarding the appointment of mid-career hires and foreigners to management positions, our policy is to appoint human resources with knowledge in those fields as appropriate, in line with the promotion of the Group's existing businesses, new businesses, further DX, and future global business expansion.

(Integrated Report 2025)

https://ir.premium-group.co.jp/en/library/annual_report/main/0/teaserItems2/00/link/Integrated%20Report%202025.pdf

<Appointment of Female Managers>

We have formulated an action plan aimed at promoting women's participation and advancement.

(General Employer Action Plan based on the Act on Promotion of Women's Participation and Advancement in the Workplace)

<https://www.premium-group.co.jp/news/250623/> (Japanese)

【Principle 2-6. Functioning as an Asset Owner of Corporate Pension】

We do not currently operate a corporate pension independently, so we do not fall under the category of an asset owner. We have introduced a corporate-type defined contribution pension plan for the purpose of stable asset formation for employees.

We also strive to improve the financial literacy of all employees by disseminating information regarding the selection of management institutions and management products, as well as our approach to asset management.

【Principle 3-1. Enhancement of Information Disclosure】

(i) Our goals (management philosophy, etc.), management strategy, and management plan

The Group's management philosophy (mission) is "We contribute to building a richer society by providing the best finance and services to people around the world" and "We will develop and nurture enriched human capital who consistently approach their work with a positive mindset and diligently build upon every process." Details are disclosed on our website.

(Company Website)

<https://www.premium-group.co.jp/philosophy/> (Japanese)

In addition, our management strategy and the 4-year medium-term management plan (FY2027/03 to FY2030/03) "Change & Prove 2030" are also disclosed on our website.

(Medium-term Management Plan "Change & Prove 2030")

https://ir.premium-group.co.jp/en/library/plan/main/01/teaserItems1/0/link/Change%20and%20Prove%202030_E.pdf

(ii) Basic approach and basic policy on corporate governance

The basic approach and basic policy on corporate governance are described in "I.1. Basic Policy" of this report.

(iii) Policy and procedures for the Board of Directors to determine the remuneration of management executives and directors

Our officer remuneration system is operated based on the following policies and composition as one of the important management foundations for our sustainable growth.

(Basic Policy on Officer Remuneration)

Our officer remuneration is determined based on the following concepts:

1. A competitive remuneration system
It must be a remuneration system and level that can acquire and retain excellent human resources who contribute to the realization of our mission and medium- to long-term vision.
2. A remuneration system that emphasizes sustainable corporate value enhancement
It must be remuneration that can serve as motivation to promote sustainable and continuous corporate value and shareholder value enhancement.
3. A fair and equitable remuneration system
It must be a highly transparent, fair, and rational remuneration system that can fulfill accountability to stakeholders, including shareholders.

(Remuneration System for Officers)

Our director remuneration system consists of "base remuneration (fixed remuneration)," "short-term incentives (variable remuneration)," and "long-term incentives (variable remuneration)."

1. Base remuneration
Intended to encourage the performance of duties according to position, functions, and roles.
2. Short-term incentives
Intended to encourage the accumulation of results toward achieving performance targets for each fiscal year.
3. Long-term incentives
Intended to promote management that emphasizes medium- to long-term corporate value and shareholder value enhancement.

(Approach to Remuneration Levels)

We set the remuneration levels for our directors by utilizing external objective data and evaluation data as necessary, based on the functions and roles that each director should fulfill, so that they are at a competitive level that allows for the acquisition and retention of excellent human resources.

(Method of Determining Remuneration, etc. for Each Officer)

To enhance the transparency and objectivity of the deliberation process, the remuneration, etc., for each of our directors is determined by the Board of Directors after consultation with and a report from the Nomination and Remuneration Committee (where independent outside officers account for a majority of members), based on the remuneration policy, remuneration system, and the results of individual performance evaluations for each director (excluding outside directors) discussed in advance by the committee, within the total remuneration limit resolved by the General Meeting of Shareholders based on the Articles of Incorporation.

We have resolved the determination of remuneration, etc., as follows:

May 2026: Deliberation of remuneration proposals for each director by the Nomination and Remuneration Committee

June 2026: Resolution by the Board of Directors based on the deliberation by the Nomination and Remuneration Committee

The Board of Directors has judged that the content is in line with the above determination policy because it has obtained the consent of the Nomination and Remuneration Committee, where independent outside officers account for a majority, regarding the remuneration amount for each director.

The remuneration, etc., for each of our auditors is determined by the Board of Auditors, within the total remuneration limit resolved by the General Meeting of Shareholders based on the Articles of Incorporation, taking into account whether they are full-time or part-time and the status of their duties.

(iv) Policy and procedures for the Board of Directors to appoint management executives and nominate director and auditor candidates**1) Criteria for appointment and dismissal of management executives and their procedures**

When deciding on executive officers who are management executives, we nominate persons who fully understand our management philosophy and meet the following requirements sufficient to fulfill their roles and responsibilities, and the Board of Directors appoints them based on proposals by the President and Representative Director:

1. Respect our management philosophy and possess excellent character and insight
2. Well understand our history, corporate culture, employee characteristics, etc., and possess sufficient experience and knowledge regarding the business
3. Can continuously make concrete proposals and execute management strategies that contribute to the sustainable improvement of our corporate value and the increase of medium- to long-term corporate value, and can constantly verify and improve them
4. Possess excellent foresight, insight, and ability to respond to changes in times and market environments, and can efficiently operate and command organizational activities that are effective for executing strategies in a vibrant manner
5. Can build and practice compliance, internal control, and risk management in executing strategies
6. Can actively express their own opinions at important meetings, etc., and engage in free, vigorous, and constructive discussions
7. Have a strong commitment to achieving goals and a strong will to never give up even in difficult situations

In addition, if an executive officer falls under the following requirements, the Board of Directors will decide on their dismissal:

1. If there is an act suspected of being fraudulent, unjust, or unfaithful as an executive officer
2. If they fall under the dismissal or disciplinary dismissal criteria stipulated in our Rules of Employment
3. If there is an act that violates laws, the Articles of Incorporation, or other internal regulations
4. If the Board of Directors judges that dismissal is necessary due to business reasons
5. If the Board of Directors judges that they are otherwise unsuitable as an executive officer

2) Policy and procedures for nominating director and auditor candidates**(Director Selection Criteria)**

When deciding on director candidates, we nominate persons who fully understand our management philosophy and meet the following requirements sufficient to fulfill their roles and responsibilities:

1. Possess excellent character and insight, have excellent management sense, and are well-versed in management issues
2. Have excellent objective analysis and judgment from a company-wide perspective
3. Have excellent foresight and insight to accurately grasp the trends of the times and management and market environments
4. Have a strong desire to improve their own qualities

5. Can actively express their own opinions from a company-wide perspective
6. For outside director candidates, possess abundant experience in fields such as corporate management, law, finance/accounting, administration, systems, consulting, human resources/education, public relations/IR, etc., and high expertise cultivated through that experience
7. Do not fall under the disqualification grounds for directors stipulated in the Companies Act

(Auditor Selection Criteria)

When deciding on auditor candidates, we nominate persons who strive to maintain and improve our sound management and social credibility and meet the following requirements sufficient to fulfill their responsibilities to contribute to ensuring management soundness:

1. Possess excellent character, insight, abundant experience, and high ethical standards
2. Have excellent ability to monitor objectively from a neutral standpoint
3. Have a strong desire to improve their own qualities
4. Can actively express their own opinions from a company-wide perspective
5. At least one person has a considerable degree of knowledge regarding finance and accounting
6. Do not fall under the disqualification grounds for auditors stipulated in the Companies Act

(Officer Dismissal Criteria)

1. If they engage in acts contrary to public order and morals
2. If they violate laws or the Articles of Incorporation and cause significant loss or business hindrance to the Company
3. If they cause significant loss of corporate value due to negligence of duties
4. If they refuse to declare that they are not an anti-social force, or if it is found that their declaration was false
5. If they fall under the disqualification grounds stipulated in the Companies Act
6. If other grounds arise that make it difficult to perform duties appropriately

(Director Selection Procedures)

1. The election of directors shall be resolved by the General Meeting of Shareholders, and director candidates proposed to the General Meeting of Shareholders shall be selected by the Board of Directors.
2. In selecting director candidates, the Board of Directors will decide after deliberation by the Nomination and Remuneration Committee, based on the selection criteria and the approach to the composition of the Board of Directors.
3. Proposals for the dismissal of directors shall be decided by the Board of Directors based on the dismissal criteria.

(Auditor Selection Procedures)

1. The election of auditors shall be resolved by the General Meeting of Shareholders, and auditor candidates proposed to the General Meeting of Shareholders shall be selected by the Board of Directors.
2. In selecting auditor candidates, the Board of Directors will decide after obtaining the consent of the Board of Auditors, based on the selection criteria.

(v) Explanation of individual appointments and nominations when the Board of Directors appoints management executives and nominates director and auditor candidates based on (iv) above

Director candidates and auditor candidates are nominated after comprehensively judging whether they possess not only the character, insight, and ability suitable as managers, but also whether they are persons who resonate with the Group's culture. In particular, for outside directors, we consider it an important factor that they can provide strict supervision and opinions on management, such as whether the protection of minority shareholders is appropriately achieved.

The reasons for individual appointments are as follows:

(Yohichi Shibata, President and Representative Director)

As the founder of the Group, he possesses abundant experience and insight as a manager, leads the Group's overall business and management, and contributes to the further development of the Group through various measures of the medium-term management plan. In addition, as he takes the lead in strengthening the governance system, such as increasing the number of outside directors and introducing restricted stock remuneration, he is expected to fulfill a sufficient role in deciding important matters of our management and supervising business execution as President and Representative Director.

(Director Yoshiyuki Tsuchiya)

He possesses abundant experience and insight in the Finance Business (sales, credit, debt collection, etc.), Automobile Warranty Business, and Auto Mobility Services Business, and is expected to fulfill a sufficient role in deciding important matters of our management and supervising business execution as a director.

(Director Tomohiro Kanazawa)

He possesses abundant experience and insight in management control departments (finance/accounting, fundraising, M&A, new businesses, etc.) and corporate control departments (legal/compliance, etc.), and is expected to fulfill a sufficient role in deciding important matters of our management and supervising business execution as a director.

(Outside Director Tsuguhiro Nakagawa)

He possesses abundant experience and insight gained from being involved in business and management at the Recruit Group for many years, and is expected to fulfill a sufficient role in deciding important matters of our management and supervising business execution as an outside director, and to participate in the selection of our officer candidates and the determination of officer remuneration, etc., from an objective and neutral standpoint as a member of the Nomination and Remuneration Committee.

(Outside Director Yuka Horikoshi)

She possesses specialized legal knowledge and abundant experience cultivated through her duties as a lawyer, and is expected to fulfill a sufficient role in deciding important matters of our management and supervising business execution as an outside director, and to participate in the selection of our officer candidates and the determination of officer remuneration, etc., from an objective and neutral standpoint as a member of the Nomination and Remuneration Committee.

(Outside Director Hiromi Oshima)

She utilizes her specialized knowledge in finance cultivated through her duties as a certified public accountant, her knowledge in public relations/IR, M&A, and new business development cultivated at the Panasonic Group, and her experience as management at IHI Corporation, and is expected to fulfill a sufficient role in deciding important matters of our management and supervising business execution as an outside director.

(Auditor Toshihiro Kametsu)

He possesses abundant experience and insight in finance/accounting and the Finance Business as a whole, and is expected to fulfill a sufficient role in auditing management with independence regarding the execution of directors' duties, and in further strengthening the management system as well as enhancing compliance and corporate governance.

(Outside Auditor Setsuo Higuchi)

He possesses specialized knowledge and abundant experience in finance, accounting, and internal control cultivated through his duties as a certified public accountant, and is expected to fulfill a sufficient role in auditing the execution of directors' duties as an outside auditor.

(Outside Auditor Yukari Narita)

She possesses specialized knowledge and abundant experience in finance and accounting cultivated through her duties as a certified public accountant, and is expected to fulfill a sufficient role in auditing the execution of directors' duties as an outside auditor.

【Supplementary Principle 3-1(3). Sustainability Initiatives, Disclosure of Investment in Human Capital, and Disclosure of Policies and Impacts on Climate Change under the TCFD Framework】

(1) Sustainability Initiatives

To promote sustainability, we disclose issues related to sustainability and initiatives for those issues based on the TCFD in our TCFD report. We also recognize the importance of collecting and analyzing necessary data regarding the impact of climate-related risks and revenue opportunities on our business activities and earnings, and we will continue to further enhance the quality and quantity of our disclosure.

*TCFD... Abbreviation for Task Force on Climate-related Financial Disclosures. An organization established by the Financial Stability Board (FSB) at the request of the G20, with Michael Bloomberg as chair, to consider how to conduct climate-related information disclosure and how financial institutions should respond.

In particular, regarding climate-related risks and revenue opportunities, we disclosed the four items recommended by the TCFD: "Governance," "Strategy," "Risk Management," and "Metrics and Targets." Regarding the specific impact of climate-related risks and revenue opportunities on the Group's business activities and earnings, etc., we conducted (1) listing of climate-related risk/opportunity items, (2) qualitative assessment of business impact, (3) quantitative assessment of financial impact, and (4) consideration of countermeasures, based on multiple internationally recognized scenarios (IPCC and IEA).

(2) Investment in Human Capital and Intellectual Property, etc.

Toward the realization of our mission to "nurture enriched human capital who consistently approach their work with a positive mindset and diligently build upon every process," we position initiatives related to human capital as extremely important management resources and are actively implementing initiatives aimed at permeating our corporate philosophy, strengthening human resource development, realizing diversity management, and ensuring employee health and safety.

In addition, regarding investment in intellectual capital, as an important initiative to strengthen our medium- to long-term business foundation and improve competitiveness, we have formulated and disclosed our DX strategy and are investing a certain level of funds every year toward the DX of business processes and the creation of new business models.

(Medium-term Management Plan "Change & Prove 2030")

https://ir.premium-group.co.jp/en/library/plan/main/01/teaserItems1/0/link/Change%20and%20Prove%202030_E.pdf

(Integrated Report 2025)

https://ir.premium-group.co.jp/en/library/annual_report/main/0/teaserItems2/00/link/Integrated%20Report%202025.pdf

(DX Strategy)

https://ir.premium-group.co.jp/en/library/sustainability/main/0/teaserItems1/02/link/DX%20Strategy%202025_EN.pdf

(TCFD Report)

[https://ir.premium-group.co.jp/en/library/sustainability/main/0/teaserItems1/0/link/Disclosure%20Based%20on%20the%20TCFD%20Recommendations\(EG\).pdf](https://ir.premium-group.co.jp/en/library/sustainability/main/0/teaserItems1/0/link/Disclosure%20Based%20on%20the%20TCFD%20Recommendations(EG).pdf)

(Premium Group Human Rights Policy)

<https://www.premium-group.co.jp/companyinfo/sustainability/human-rights-policy/> (Japanese)

【Supplementary Principle 4-1(1) Clarification of the Scope of Delegation to Management and Disclosure of Summary】

Except for matters stipulated to be resolved by the Board of Directors under laws, regulations, and internal rules, we delegate authority regarding decisions on the Group's business execution to the President and Representative Director or directors in charge for the purpose of clarifying the responsibility system in management and speeding up decision-making. When making decisions, we conduct sufficient deliberation at the Group Executive Officer Meeting, etc., which is composed of the Group's directors, executive officers, and general managers, etc., and chaired by the President and Representative Director, CEO. Matters related to decision-making and approval authority are stipulated in the Job Authority Regulations.

【Principle 4-9. Independence Standards and Qualifications of Independent Outside Directors】

We have established our own standards for the independence of outside directors and outside auditors. In appointing them, based on the premise that they meet the independence standards stipulated by the Tokyo Stock Exchange and our own independence standards, we select candidates from the perspective of whether they can be expected to provide proactive proposals and raise issues regarding our business challenges from a standpoint independent of our management team, based on their background and relationship with the Group, and protect minority shareholders.

(Independence Standards for Outside Officers)

Regarding the independence of outside officers, we judge that they have independence if, as a result of an investigation within a reasonably possible scope, the outside director or outside auditor or their candidate is judged not to fall under any of the following:

1. Related Party of the Group

A related party of the Group refers to executive directors, executive officers, and other persons equivalent thereto, and employees (hereinafter collectively referred to as "executive persons") of the Company and its subsidiaries (hereinafter referred to as the "Group").

2. Business Partner Related Party

a. A person who has the Group as a major business partner or their executive person

A person who has the Group as a major business partner refers to a person who received payments from the Group exceeding 2% of their consolidated net sales or consolidated operating revenue in the most recent fiscal year.

- b. A major business partner of the Group or their executive person
A major business partner of the Group refers to a person who made payments to the Group exceeding 2% of the Company's consolidated operating revenue in the most recent fiscal year.
- c. A major lender of the Group or their executive person
A major lender of the Group refers to a financial institution, etc., whose loan balance at the end of the most recent fiscal year exceeds 2% of the Company's consolidated total assets.
- 3. Professional Service Provider
 - a. A lawyer, certified public accountant, tax accountant, or other consultant regarding management, finance, technology, marketing, etc., who received remuneration of 10 million yen or more per year from the Group in addition to officer remuneration in the most recent fiscal year, or their executive person
 - b. A partner, partner, or employee of an audit firm that is the Group's accounting auditor
- 4. Related Party Providing Donations or Grants
Refers to directors or other executive persons of organizations, etc., to which the Group has provided donations or grants of 10 million yen or more per year in the most recent fiscal year.
- 5. Voting Rights Holding Related Party
 - a. A shareholder who directly or indirectly holds 10% or more of the voting rights of the Company in the most recent fiscal year, or their executive person
 - b. An executive person of the Company for whom the Group directly or indirectly holds 10% or more of the voting rights in the most recent fiscal year of the target party
- 6. Person Who Has Fallen Under the Above in the Past
 - a. A person who has fallen under 1. at any time in the past
 - b. A person who has fallen under any of 2. to 5. at any time in the past 3 years
- 7. Close Relative
A close relative refers to a spouse or a relative within the second degree of kinship of a person who falls under 1. to 6. and is a director (excluding outside directors), auditor, executive officer, or important employee equivalent thereto.

【Supplementary Principle 4-10(1). Involvement and Advice of Outside Directors Regarding Nomination and Remuneration】

We are a company with a Board of Auditors, and independent outside directors do not reach a majority of the Board of Directors, but each independent outside director utilizes their high specialized knowledge and abundant experience to express opinions to the Board of Directors and each director, and provides advice as necessary. In addition, the Nomination and Remuneration Committee, which is an advisory body to the Board of Directors and where independent outside directors account for a majority, deliberates on important matters regarding policies for successor development, the appointment and dismissal of directors and entrusted executive officers, and remuneration, and reports to the Board of Directors, including from the perspective of diversity such as gender and skills. We are considering disclosing the approach to committee composition independence, authority, roles, etc., in the future.

【Supplementary Principle 4-11(1) Approach to Balance, Diversity, and Scale of the Board of Directors as a Whole】

To achieve sustainable growth for the Group as a whole and enhance medium- to long-term corporate value, we constitute the Board of Directors with members who possess diverse perspectives, abundant experience, high insight, and expertise necessary for important decision-making and supervision of management as a whole. Currently, the Board of Directors is composed of 3 directors who are well-versed in each field, mainly those with experience in the Group's core businesses, and 3 outside directors (including 2 female directors) who have experience in law, certified public accounting, corporate management, etc., and can provide opinions based on objectivity and high expertise. We nominate director candidates on the premise that the Board of Directors will have an appropriate number of personnel to effectively and efficiently demonstrate its functions, up to 10 members as stipulated in the Articles of Incorporation. We have posted a skill matrix that lists the knowledge, experience, abilities, etc., of each of our directors and auditors in the convocation notice, etc.

(Company IR Site)

<https://ir.premium-group.co.jp/en/meeting.html>

【Supplementary Principle 4-11(2) Concurrent Positions of Directors and Auditors】

To ensure that the duties of directors and auditors are fully fulfilled, we regularly confirm the concurrent positions of outside directors and outside auditors. The concurrent positions of outside directors and outside auditors with other companies are disclosed through the convocation notice of the General Meeting of Shareholders, the Annual Securities Report, and the Corporate Governance Report, etc.

Although some outside directors and outside auditors concurrently serve as officers of other companies, we believe that there is no hindrance to appropriately fulfilling their roles and responsibilities. In addition, directors

(excluding outside directors) and full-time auditors do not concurrently serve as officers of other listed companies other than the Group's related companies, and we have a system in place where they can concentrate on their duties as directors and full-time auditors.

【Supplementary Principle 4-11(3) Analysis and Evaluation of the Effectiveness of the Board of Directors as a Whole】

To improve the functions of the Board of Directors, we conduct an effectiveness evaluation of the Board of Directors every year. The analysis and evaluation method and results for the fiscal year ending March 31, 2026, are as follows:

(1) Subjects

All members of the Board of Directors (9 members in total)

6 directors (including 3 outside)

3 auditors (including 2 outside)

(2) Evaluation Method

Anonymous questionnaire utilizing a third-party organization

(3) Implementation Period

January 28, 2026 to February 13, 2026

(4) Implementation Method

Respond to individual questions related to the following 8 major items in a questionnaire format with 5-level evaluation and free entry

- (i) Way of the Board of Directors
- (ii) Composition and Operation of the Board of Directors
- (iii) Management Strategy and Management Plan
- (iv) Internal Control and Risk Management
- (v) Performance of Internal Directors and Outside Directors
- (vi) Support System and Training for Directors and Auditors
- (vii) Dialogue with Shareholders (Investors)
- (viii) Operation of the Nomination and Remuneration Committee

(5) Response Status

All subjects have responded

(6) Results of Effectiveness Evaluation

- In the fiscal year ending March 31, 2026, we also utilized a third-party organization and reviewed the question items based on the previous fiscal year's issues, etc.

- In the results this time, the enhancement of discussions regarding budget allocation, project management, and appropriate supervision of various initiatives toward the realization of DX promotion was raised as an issue.

- Continuing from the previous fiscal year, we have received high evaluations regarding the support system for directors and auditors and dialogue with shareholders (investors).

- We will continue to work on further improvements regarding the operation of the Nomination and Remuneration Committee and the follow-up system of the secretariat.

【Supplementary Principle 4-14(2) Policy for Training Directors and Auditors】

We provide opportunities for training, etc., to foster leadership and management skills required for the industry to which the Group belongs, as well as the Group's history, business overview, finance, organization, strategy, and top management. We also provide opportunities to update these continuously as necessary.

Directors and auditors strive to acquire necessary knowledge or new knowledge and research according to the times by actively participating in officer training and seminars sponsored by the Company, external seminars, etc.

【Principle 5-1. Policy on Constructive Dialogue with Shareholders】

We respond proactively to constructive dialogue with shareholders within a reasonable range.

Dialogue with shareholders in general is centered on the President and Representative Director, and is mainly handled by the President and Representative Director, directors, and executive officers, depending on the number of shares owned by the shareholder, the scale, etc.

In addition, to implement effective IR activities, we conduct practical work in the Public Relations/IR Department, which is supervised by the director in charge. To assist in dialogue with shareholders, we have established a system where the Public Relations/IR Department and the Management Control, Corporate Control, General Affairs, Accounting, and Legal/Compliance departments cooperate as appropriate.

As initiatives related to dialogue with shareholders, in addition to practicing information disclosure at financial results briefings and on our website, we are actively developing IR activities so that shareholders can deepen their understanding of the Group's current status, etc. Specifically, regarding dialogue with domestic and overseas institutional investors, analysts, and those in charge of exercising voting rights, we hold individual meetings for institutional investors, analyst briefings, small meetings, etc., depending on the situation, and the President and Representative Director, directors, and executive officers mainly conduct direct dialogue. In addition, as a place

for dialogue with individual investors, we actively participate in company briefings and online seminars for individual investors sponsored by securities companies, etc., and provide opportunities for the President and Representative Director or directors to explain the Group's current status, etc., in their own words in front of individual investors. We disclose the schedule for IR events for individual investors on our website. In addition, for overseas investors who have a certain trading volume in the Japanese stock market, we conduct individual meetings in person or online, create English-translated materials, and disseminate information through our English website. We also compile opinions, etc., grasped through dialogue with shareholders, report them to the Board of Directors as necessary, and aim for information sharing and management improvement. In addition, regarding the management of insider information during dialogue, we implement strict management of undisclosed information based on the Insider Trading Prevention Regulations.

(Company IR Page)

<https://ir.premium-group.co.jp/en/index.html>

(Company Website)

<https://ir.premium-group.co.jp/en/news.html>

【Realization of Management Conscious of Cost of Capital and Stock Price】

【English Disclosure Available】 【Update Date: 2026/06/25】

On May 11, 2026, we formulated a 4-year medium-term management plan with the fiscal year ending March 31, 2030, as the final fiscal year, and disclosed it on our website. By setting numerical targets such as profit before tax, Return on Equity (ROE) attributable to owners of parent, and market capitalization for the fiscal year ending March 31, 2030, in the medium-term management plan, we are striving to realize management that is conscious of our cost of capital and stock price. In addition, in the Integrated Report 2025 (disclosed on November 10, 2025), we describe our approach to financial strategy (capital policy) and shareholder returns.

(Medium-term Management Plan "Change & Prove 2030")

https://ir.premium-group.co.jp/en/library/plan/main/01/teaserItems1/0/link/Change%20and%20Prove%202030_E.pdf

(Integrated Report 2025)

https://ir.premium-group.co.jp/en/library/annual_report/main/0/teaserItems2/00/link/Integrated%20Report%202025.pdf

【Implementation Status of Dialogue with Shareholders, etc.】

Dialogue with shareholders in general is mainly handled by the President and Representative Director, directors, or executive officers. As initiatives related to dialogue with shareholders, in addition to practicing information disclosure at financial results briefings and on our website, we hold individual meetings for institutional investors, analyst briefings, small meetings, etc., with domestic and overseas institutional investors, analysts, and those in charge of exercising voting rights, depending on the situation. In addition, as a place for dialogue with individual investors, we actively participate in company briefings and online seminars for individual investors sponsored by securities companies, etc., and provide opportunities for the President and Representative Director, directors, or executive officers to explain the Group's current status, etc., in their own words in front of individual investors.

In addition, for overseas investors who have a certain trading volume in the Japanese stock market, we conduct individual meetings in person or by phone, create English-translated materials, and disseminate information through our English website.

We have also set up an IR inquiry page on our IR site to build an environment where we can incorporate shareholders' opinions.

Opinions from shareholders, institutional investors, and analysts grasped through dialogue and briefings are shared with management executives, including the President and Representative Director, to be utilized in future management.

(Company IR Page)

<https://ir.premium-group.co.jp/en/index.html>

(IR Inquiry)

<https://ir.premium-group.co.jp/ja/privacy.html> (Japanese)

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE

2. Capital Structure

Foreign Shareholding Ratio	20% or more and less than 30%
----------------------------	-------------------------------

[Status of Major Shareholders] (Updated)

Name	Number of shares held (shares)	Ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	4,677,700	12.03
Custody Bank of Japan, Ltd. (Trust Account)	3,359,200	8.64
Recruit Co., Ltd.	1,800,000	4.63
GOVERNMENT OF NORWAY	932,000	2.40
STATE STREET BANK AND TRUST COMPANY 505301	931,938	2.40
ITOCHU Corporation	800,000	2.06
Yohichi Shibata	790,248	2.03
Aozora Bank, Ltd.	775,800	2.00
Sompo Japan Insurance Inc.	775,800	2.00
RE FUND 107-CLIENT AC	764,300	1.97

Name of Controlling Shareholder	-
---------------------------------	---

Name of Parent Company	-
Stock Exchange of Parent Company	-

Supplementary Explanation (Updated)

1. The above status of major shareholders is as of March 31, 2026.
2. The Company holds 1,825,234 shares of treasury stock, but these are excluded from the above major shareholders.
3. The ratio of the number of shares held to the total number of issued shares (excluding treasury shares) is rounded to the second decimal place.
4. Reports of Large Volume Holdings (or Changes) from the following corporations were made available for public inspection on the submission dates listed below. Although we received reports that they owned Company shares as of the reporting obligation dates, we are unable to confirm the actual number of shares held as of the end of this interim fiscal period, so they are not included in the "Status of Major Shareholders" above.

In the Report of Large Volume Holdings (Change) made available for public inspection on March 6, 2026, Capital Research and Management Company is stated to hold Company shares as of February 27, 2026, as follows. However, as we are unable to confirm the actual number of shares held as of March 31, 2026, they are not included in the "Status of Major Shareholders" above.

[Name/Number of shares held/Shareholding ratio]

Capital Research and Management Company/1,263,500 shares/3.11

In the Report of Large Volume Holdings (Change) made available for public inspection on April 7, 2026, Nomura Securities Co., Ltd. stated to hold Company shares as of March 31, 2026, as follows. However, as we are unable to confirm the actual number of shares held as of March 31, 2026, they are not included in the "Status of Major Shareholders" above.

[Name/Number of shares held/Shareholding ratio]

Nomura Securities Co., Ltd./680,195 shares/1.67

In the Report of Large Volume Holdings (Change) made available for public inspection on April 7, 2026, Nomura International PLC is stated to hold Company shares as of March 31, 2026, as follows. However, as we are unable to confirm the actual number of shares held as of March 31, 2026, they are not included in the "Status of Major Shareholders" above.

[Name/Number of shares held/Shareholding ratio]

Nomura International PLC/(29,679) shares/(0.07)

In the Report of Large Volume Holdings (Change) made available for public inspection on April 7, 2026, Nomura Asset Management Co., Ltd. is stated to hold Company shares as of March 31, 2026, as follows. However, as we are unable to confirm the actual number of shares held as of March 31, 2026, they are not included in the "Status of Major Shareholders" above.

[Name/Number of shares held/Shareholding ratio]

Nomura Asset Management Co., Ltd./2,103,900 shares/5.17

3. Corporate Attributes

Stock Exchange and Market Segment	Tokyo Prime
Fiscal Year-End	March
Industry	Other Financing Business
Number of Employees (Consolidated) at the End of the Previous Fiscal Year	500 or more and less than 1,000
Net Sales (Consolidated) in the Previous Fiscal Year	10 billion yen or more and less than 100 billion yen
Number of Consolidated Subsidiaries at the End of the Previous Fiscal Year	10 or more and less than 50

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

-

5. Other Special Circumstances that May Have a Material Impact on Corporate Governance

Not applicable.

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE

II. Status of Management Organization and Other Corporate Governance Systems regarding Management Decision-making, Execution, and Supervision

1. Matters Concerning Institutional Composition and Organizational Operation, etc.

Organizational Structure	Company with Board of Auditors
--------------------------	--------------------------------

[Directors]

Number of Directors Stipulated in Articles of Incorporation	10
Term of Office of Directors Stipulated in Articles of Incorporation	1 year
Chair of the Board of Directors	President and Representative Director
Number of Directors	6
Appointment of Outside Directors	Appointed
Number of Outside Directors	3
Number of Outside Directors Designated as Independent Officers	3

Relationship with the Company (1)

Name	Attribute	Relationship with the Company (*1)										
		a	b	c	d	e	f	g	h	i	j	k
Tsuguhiro Nakagawa	From other companies								△			
Yuka Horikoshi	Attorney											
Hiromi Oshima	Certified Public Accountant											

*1 Selection items regarding the relationship with the Company

- a. Executive of the listed company or its subsidiary
- b. Executive or non-executive director of the parent company of the listed company
- c. Executive of a fellow subsidiary of the listed company
- d. A party whose major client is the listed company or an executive thereof
- e. Executive of a major business partner of the listed company
- f. Consultant, accounting professional, or legal professional who receives a large amount of money or other property from the listed company other than executive remuneration
- g. Major shareholder of the listed company (if the major shareholder is a corporation, an executive of said corporation)
- h. Executive of a business partner of the listed company (who does not fall under any of d, e, or f) (the individual only)
- i. Executive of a company with which the listed company has a mutual appointment relationship of outside officers (the individual only)
- j. Executive of a company to which the listed company makes donations (the individual only)
- k. Other

Relationship with the company (2)

Name	Independent Director	Supplementary explanation regarding applicable items	Reason for appointment
Tsuguhiro Nakagawa	○	<p>Mr. Tsuguhiro Nakagawa has served as an Executive Officer of Recruit Co., Ltd. (currently Recruit Holdings Co., Ltd.) and as an officer of its subsidiaries, and retired as an advisor to Recruit Marketing Partners Co., Ltd. (currently Recruit Co., Ltd.) in March 2017. Recruit Marketing Partners Co., Ltd. (currently Recruit Co., Ltd.) has entered into a business consignment agreement with Premium Co., Ltd., a subsidiary of the Company, for the purpose of promoting sales of the used car repair warranty system 'Car Sensor After-Warranty'. Although there are transactions between the Recruit Group and the Company Group, the transaction amount for FY2026/03 is less than 0.01% of the consolidated operating revenue of Recruit Holdings Co., Ltd. for FY2026/03 and less than 0.1% of the Company's consolidated operating revenue for FY2026/03, which is negligible. Therefore, we believe it does not affect his independence as an Outside Director.</p>	<p>Mr. Tsuguhiro Nakagawa possesses abundant experience and insight gained through many years of involvement in business and management at the Recruit Group. We expect him to fulfill a sufficient role as an Outside Director in deciding important matters of the Company's management and supervising business execution, and as a member of the Nomination and Remuneration Committee, to participate in the selection of officer candidates and the determination of officer remuneration from an objective and neutral standpoint, and have therefore designated him as an Independent Director of the Company. He meets the independence criteria for independent directors stipulated by the Tokyo Stock Exchange, and we have determined that there is no risk of conflict of interest with general shareholders.</p>
Yuka Horikoshi	○	Not applicable.	<p>Ms. Yuka Horikoshi possesses specialized legal knowledge and abundant experience cultivated through her duties as an attorney. We expect her to fulfill a sufficient role as an Outside Director in deciding important matters of the Company's management and supervising business execution, and as a member of the Nomination and Remuneration Committee, to participate in the selection of officer candidates and the determination of officer remuneration from an objective and neutral standpoint. Although she has no experience in company management</p>

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE

			<p>other than as an outside officer, we have designated her as an Independent Director of the Company. She meets the independence criteria for independent directors stipulated by the Tokyo Stock Exchange, and we have determined that there is no risk of conflict of interest with general shareholders.</p>
Hiromi Oshima	○	Not applicable.	<p>Ms. Hiromi Oshima possesses specialized knowledge in finance cultivated through her duties as a Certified Public Accountant, knowledge regarding public relations, IR, M&A, and new business development cultivated at the Panasonic Group, and experience as a member of management at IHI Corporation. We expect her to fulfill a sufficient role as an Outside Director in deciding important matters of the Company's management and supervising business execution, and have therefore designated her as an Independent Director of the Company. She meets the independence criteria for independent directors stipulated by the Tokyo Stock Exchange, and we have determined that there is no risk of conflict of interest with general shareholders.</p>

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE

[Optional Committee]

Presence of an optional committee equivalent to a Nomination Committee or Remuneration Committee	Established
--	-------------

[Establishment status, committee composition, and attributes of the chairperson (chair) of the optional committee]

	Name of Committee	Total members (persons)	Full-time members (persons)	Internal Directors (persons)	Outside Directors (persons)	Outside experts (persons)	Other (persons)	Chairperson (Chair)
Optional committee equivalent to a Nomination Committee	Nomination and Remuneration Committee	3	None	1	2	-	-	Internal Director
Optional committee equivalent to a Remuneration Committee	Nomination and Remuneration Committee	3	None	1	2	-	-	Internal Director

Supplementary explanation

The Nomination and Remuneration Committee is a voluntary committee that functions as both a nomination committee and a remuneration committee. The committee consists of three members: the Representative Director, who serves as the chairperson, and two independent Outside Directors. As an advisory body to the Board of Directors, it deliberates on important matters related to the appointment, dismissal, and remuneration of officers and reports its findings to the Board of Directors.

[Relationship with Audit & Supervisory Board Members]

Establishment of Board of Auditors	Established
Number of Auditors stipulated in the Articles of Incorporation	5
Number of Auditors	3

Coordination among Audit & Supervisory Board Members, the accounting auditor, and the Internal Audit

Department

To improve the effectiveness and efficiency of the three-way audit (internal audit, audit by Audit & Supervisory Board Members, and accounting audit), the Company ensures coordination among internal auditors, Audit & Supervisory Board Members, and the accounting auditor through accounting and operational audits. By holding regular meetings and exchanging opinions as necessary, we are strengthening the quality of audits covering all management activities.

Appointment of Outside Auditors	Appointed
Number of Outside Auditors	2
Number of Outside Auditors designated as Independent Officers	2

Relationship with the Company (1)

Name	Attribute	Relationship with the Company (*1)												
		a	b	c	d	e	f	g	h	i	j	k	l	m
Setsuo Higuchi	Certified Public Accountant											△		
Yukari Narita	Certified Public Accountant													

*1 Selection items regarding the relationship with the Company

- a. Executive of the listed company or its subsidiary
- b. Non-executive director or accounting advisor of the listed company or its subsidiary
- c. Executive or non-executive director of the parent company of the listed company
- d. Audit & Supervisory Board Member of the parent company of the listed company
- e. Executive of a brother company of the listed company
- f. A person who has the listed company as a major business partner or an executive thereof
- g. A major business partner of the listed company or an executive thereof
- h. A consultant, accounting professional, or legal professional who receives a large amount of money or other property from the listed company other than executive remuneration
- i. A major shareholder of the listed company (if the major shareholder is a corporation, an executive thereof)
- j. An executive of a business partner of the listed company (that does not fall under any of f, g, or h) (individual only)
- k. An executive of a company with which the listed company has a mutual appointment relationship of outside officers (individual only)
- l. An executive of a recipient to which the listed company makes donations (individual only)
- m. Other

Relationship with the company (2)

Name	Independent Director	Supplementary explanation regarding applicable items	Reason for appointment
Setsuo Higuchi	○	Mr. Setsuo Higuchi serves concurrently as the head of the Setsuo Higuchi Certified Public Accountant Office. From July 1, 2011, to March 31, 2017, he had a business alliance agreement with our subsidiary, Premium Co., Ltd., for the purpose of investigating and providing guidance on accounting and financial closing operations. However, the fees for this service were less than 1 million yen, which was negligible, representing less than 0.01% of the Company's consolidated operating revenue for the fiscal year ended March 31, 2017. This service agreement was terminated in March 2017, and we believe it does not affect his independence as an Outside Director. Although he also serves as an Outside	Mr. Setsuo Higuchi possesses specialized knowledge and extensive experience in finance, accounting, and internal control cultivated through his work as a Certified Public Accountant. We expect him to fulfill a sufficient role in auditing the execution of duties by Directors as an Outside Auditor. Although he has no experience in corporate management other than as an outside officer, we have designated him as an Independent Officer of the Company. He meets the independence criteria for Independent Officers stipulated by the Tokyo

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE

		Auditor for Socialwire Co., Ltd. and Land Business Co., Ltd., there are no special interests between those companies and the Company.	Stock Exchange, and we have determined that there is no risk of conflict of interest with general shareholders.
Yukari Narita	○	Not applicable.	Ms. Yukari Narita possesses specialized knowledge and extensive experience in finance, accounting, and internal control cultivated through her work as a Certified Public Accountant. We expect her to fulfill a sufficient role in auditing the execution of duties by Directors as an Outside Auditor. Although she has no experience in corporate management other than as an outside officer, we have designated her as an Independent Officer of the Company. She meets the independence criteria for Independent Officers stipulated by the Tokyo Stock Exchange, and we have determined that there is no risk of conflict of interest with general shareholders.

[Independent Officers]

Number of Independent Officers	5
--------------------------------	---

Other matters concerning independent officers

The Company designates all outside officers who meet the qualifications for Independent Officers as Independent Officers.

[Incentives]

Implementation status of measures to grant incentives to directors	Stock option system
--	---------------------

Supplementary explanation regarding the relevant item

The Company has introduced this system to align the interests of the company with those of its officers and employees, and to motivate them to devote themselves to their duties.

Eligible recipients of stock options	Directors of the Company, entrusted executive officers who do not concurrently serve as directors of the Company, employees, and directors and employees of the Company's consolidated subsidiaries
--------------------------------------	---

Supplementary explanation regarding the relevant item

Stock options were implemented with the aim of boosting the morale of officers and employees toward improving the corporate value of the Company Group.

[Director Remuneration]

Disclosure status	Individual disclosure for some
-------------------	--------------------------------

Supplementary explanation regarding the relevant item

Regarding the amount of remuneration, etc., for directors and auditors for the fiscal year ending March 31, 2026, the total amount, the breakdown by category, and the total amount of remuneration, etc., for those whose total remuneration, etc., is 100 million yen or more are disclosed in the Annual Securities Report.
(Annual Securities Report)
<https://ir.premium-group.co.jp/ja/library/securities.html> (Japanese)

Existence of a policy for determining the amount of remuneration or its calculation method	Yes
--	-----

Disclosure of policy for determining the amount of remuneration or the calculation method thereof

1) Policy regarding the determination of the amount of remuneration, etc., for directors or its calculation method
The Company's officer remuneration system is operated based on the following policies and structure as one of the management foundations important for the Company's sustainable growth.

(Basic Policy on Director Remuneration)

Officer remuneration at the Company is determined based on the following concepts:

1. A competitive remuneration system
A remuneration system and level that enables the acquisition and retention of excellent human resources who contribute to the realization of the Company's mission and medium- to long-term vision.
2. A remuneration system that emphasizes sustainable improvement of corporate value
Remuneration that serves as an incentive to promote the Company's sustainable and continuous improvement of corporate value and shareholder value.
3. A fair and equitable remuneration system
A highly transparent, fair, and rational remuneration system that can fulfill accountability to shareholders and other stakeholders.

(Director Remuneration System)

The Company's director remuneration system consists of "basic remuneration (fixed remuneration)," "short-term incentives (variable remuneration)," and "long-term incentives (variable remuneration)."

1. Basic remuneration
Intended to encourage the performance of duties according to rank, functions, and roles.
2. Short-term incentives
Intended to accumulate results toward achieving performance targets for each fiscal year.
3. Long-term incentives
Intended to promote management that emphasizes medium- to long-term improvement of corporate value and shareholder value.

(Concept of Remuneration Levels)

The remuneration level for the Company's directors is set by utilizing external objective data and evaluation data as necessary, based on the functions and roles each director should fulfill, to ensure a competitive level that enables the acquisition and retention of excellent human resources.

2) Method of determining remuneration, etc., for each officer

To enhance the transparency and objectivity of the deliberation process, the remuneration, etc., for each of the Company's directors is determined by the Board of Directors following consultation with and a report from the Nomination and Remuneration Committee (of which independent outside directors constitute a majority), based on the remuneration policy, remuneration system, and the results of individual performance evaluations for each director (excluding outside directors) discussed in advance by the Nomination and Remuneration Committee, and within the limit of the total remuneration amount resolved by the General Meeting of Shareholders based on the Articles of Incorporation.

The determination of the amount of remuneration, etc., for each director for the fiscal year ending March 31, 2026, was resolved by the Board of Directors held in June 2025, following a report on the remuneration proposals for each director deliberated by the Nomination and Remuneration Committee held in May 2025. As described above, since the remuneration proposals for each director, discussed based on the above determination policy by the Nomination and Remuneration Committee where independent outside directors constitute a majority, were resolved by the Company's Board of Directors and became the amount of

remuneration, etc., for each director, the Board of Directors has judged that the content is in line with the above determination policy.

The remuneration, etc., for each of the Company's auditors is determined by the Board of Auditors within the limit of the total remuneration amount resolved by the General Meeting of Shareholders based on the Articles of Incorporation, taking into account whether they are full-time or part-time and the status of their duties.

(Role and Activities of the Nomination and Remuneration Committee)

The Company's Nomination and Remuneration Committee is a voluntary advisory body to the Board of Directors, aimed at enhancing the fairness, transparency, and objectivity of procedures related to the nomination and remuneration of directors and contributing to the enhancement of corporate governance. In the fiscal year ending March 31, 2026, the committee deliberated on the successor plan for the Chief Executive Officer, which was a matter for consultation from the Board of Directors, and reported to the Board of Directors. In addition, the committee conducted deliberations regarding officer remuneration as follows:

- May 22, 2026: Proposals regarding director remuneration and restricted stock remuneration

(Activities of the Board of Directors)

The Board of Directors deliberates and decides on officer remuneration content, system construction, and revisions.

In the fiscal year ending March 31, 2026, the Board of Directors conducted deliberations or resolutions regarding officer remuneration as follows:

- June 24, 2026: Determination of director remuneration based on deliberations by the Nomination and Remuneration Committee

[Support System for Outside Directors (Outside Auditors)]

The Company has established a system where each responsible director, full-time auditor, or officer secretary, etc., can receive requests from outside directors and outside auditors when they perform liaison and coordination with internal departments.

2. Matters concerning functions such as business execution, auditing/supervision, nomination, and remuneration decisions (Overview of the current corporate governance system)

The Company is a company with a Board of Auditors and has established a General Meeting of Shareholders, Directors, Board of Directors, Auditors, Board of Auditors, and Accounting Auditor as institutions under the Companies Act. In addition, the Company has established a Nomination and Remuneration Committee, an advisory body to the Board of Directors, for the purpose of enhancing the fairness, transparency, and objectivity of procedures related to the nomination and remuneration of directors. The Company has established an internal audit department directly under the Board of Directors to comprehensively and objectively evaluate the appropriateness of the organization's internal control system from an independent standpoint, and has introduced an executive officer system to separate business decision-making and supervisory functions from business execution functions.

(Directors and Board of Directors)

The Company's Board of Directors consists of 6 directors, including 3 outside directors (of whom 2 are female directors).

In principle, the Board of Directors meets once a month, and by holding meetings as needed, it facilitates communication among directors and supervises the execution of duties by the Representative Director through members of the Board of Directors, including outside directors, thereby preventing violations of laws and the Articles of Incorporation. In addition, 3 auditors also attend the Board of Directors meetings.

In the fiscal year ending March 31, 2026, the Board of Directors met 18 times. The attendance rate of directors (including outside directors) was 100.0%, and the attendance rate of auditors (including outside auditors) was 100.0%. In addition to resolving individual proposals based on the Company's approval standards, the Board discussed and resolved important management matters (medium-term management plan, investment and capital policy, etc.).

Note that the Company sets the term of office for directors at 1 year to clarify management responsibility and enable a rapid response to changes in the business environment.

(Nomination and Remuneration Committee)

The Company has established a Nomination and Remuneration Committee as an advisory body to the Board of Directors for the purpose of enhancing the fairness, transparency, and objectivity of procedures related to the nomination and remuneration of directors and contributing to the enhancement of corporate governance.

In the fiscal year ending March 31, 2026, the Nomination and Remuneration Committee met 6 times, and all members attended all meetings. In addition to discussions on the successor plan for the Chief Executive Officer, which was a matter for consultation from the Board of Directors, and considerations regarding the nomination policy and procedures for management executives (executive officers), the committee deliberated on officer appointment proposals (including skill matrix) to be submitted to the Ordinary General Meeting of Shareholders held in June 2026 and individual remuneration for directors (excluding outside directors), and reported to the Board of Directors.

(Board of Auditors)

The Company's Board of Auditors consists of 3 auditors, including 2 outside auditors.

The Board of Auditors meets once a month in conjunction with the Board of Directors to establish audit policies and audit plans, and to receive reports from each auditor on important matters related to audits for discussion and resolution. Based on the Audit Standards for Auditors and audit plans, the Board conducts operational audits on the status of the execution of duties by directors and executive officers, and conducts audits on the appropriateness of audits by the Accounting Auditor, who is an independent auditor, including accounting audits and audits related to the corporate group for group companies, and reports the audit results to the Board of Directors. In addition, the Board reports the audit policies, key audit items, and annual audit plans approved by the Board of Auditors to the Board of Directors.

In the fiscal year ending March 31, 2026, the Board of Auditors met 14 times, and all full-time auditors and outside auditors attended all meetings.

Note that the Company sets the term of office for auditors at 4 years, and to enhance the effectiveness of the Board of Auditors, it has appointed 2 certified public accountants as outside auditors.

(Accounting Auditor)

For the fiscal year ending March 31, 2026, the Company concluded an audit contract with PwC Japan LLC, and in addition to regular accounting audits, the Company consulted and discussed important accounting issues as needed. There is no special interest between the said audit firm and the designated limited liability partners/engagement partners of the said audit firm engaged in the Company's audit and the Company, and no one has exceeded 7 years of continuous audit service.

(Internal Audit Department)

The Company has established a department (4 members) directly under the Board of Directors as an internal audit organization independent of the business line.

For the purpose of ensuring the appropriateness of business operations and the soundness of assets, internal auditors conduct internal audits on the status of business execution of each department of the Company and the Company's group companies from the perspectives of compliance, information management, and business processes, based on the internal audit annual plan formulated for each fiscal year. The implementation results are reported to the Board of Directors, and as necessary, the audited departments are requested to formulate recurrence prevention measures and fundamental improvement measures and to implement them, thereby working to promote effective internal audit activities toward optimization.

Note that the implementation results of internal audits are reported to the Board of Directors periodically, and are also reported directly to the Board of Auditors based on the audit policy in the annual audit plan, thereby establishing a dual reporting line to coordinate with auditor audits.

(Group Executive Officer Meeting)

The Company has adopted an executive officer system and has established a Group Executive Officer Meeting as an organization to conduct multifaceted examinations of important matters in business execution to contribute to the speed and efficiency of decision-making by the Board of Directors.

The Group Executive Officer Meeting is composed mainly of the Company's executive officers, and representative directors of business unit-supervising subsidiaries also participate as observers. It functions effectively as an advisory body for important decisions by the Representative Director, as well as a forum for information sharing and discussion. The Group Executive Officer Meeting is chaired by the Company's Representative Director, CEO, and in principle, it is held once a month. In addition, 1 full-time auditor attends. In the fiscal year ending March 31, 2026, the Group Executive Officer Meeting met 29 times.

Note that the term of office for executive officers is 1 year.

(Regarding Limitation of Liability Agreements)

The Company has stipulated in its Articles of Incorporation that, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, it may limit the liability for damages under Article 423, Paragraph 1 of the same Act for directors (excluding those who are executive directors, etc.) and auditors. Based on the provisions of the Articles of Incorporation, the Company has concluded limitation of liability agreements with 3 outside directors, 1 full-time auditor, and 2 outside auditors. The limit of liability for damages based on these agreements is the amount of 1 million yen or more determined in advance or the amount stipulated by laws and regulations,

whichever is higher, for both directors and auditors. Note that these limitation of liability agreements are only permitted when the director or auditor is in good faith and without gross negligence regarding the performance of duties that caused the liability.

3. Reasons for adopting the current corporate governance system

The Company has adopted the Board of Auditors system based on the judgment that the combination of the Board of Directors exercising appropriate decision-making and supervisory functions and the auditors conducting legality and appropriateness audits is effective as a management monitoring function for the entire Company Group. In addition, to respond rapidly to changes in the business environment surrounding the Company Group, the Company has adopted an executive officer system to clarify the functions and responsibilities of directors, executive officers, and the Board of Directors, and to conduct agile business execution, thereby aiming to achieve both speed in decision-making and corporate governance. For these reasons, the Company has adopted the current corporate governance system.

III. Implementation of Measures for Shareholders and Other Stakeholders

1. Initiatives for Vitalizing the General Meeting of Shareholders and Facilitating the Exercise of Voting Rights

	Supplementary explanation
Early dispatch of convocation notices for the General Meeting of Shareholders	To ensure that shareholders can fully consider the proposals for the General Meeting of Shareholders, the Company strives to send out convocation notices early, and in principle, sends them out at least 3 weeks before the date of the General Meeting of Shareholders. The convocation notice for the 11th Ordinary General Meeting of Shareholders held on June 24, 2026, was disclosed on May 27, 2026, through the Tokyo Stock Exchange website and sent on June 3, 2026, which is 3 weeks before the date of the General Meeting of Shareholders. In addition, in accordance with the electronic provision measures, the convocation notice and reference materials for the General Meeting of Shareholders were disclosed on the Tokyo Stock Exchange website, the electronic voting platform, and the Company's website before the date of sending the convocation notice.
Setting the General Meeting of Shareholders to avoid concentrated dates	Based on the idea that the General Meeting of Shareholders is a forum for dialogue with shareholders, the Company appropriately sets the date, time, etc., of the General Meeting of Shareholders so that more shareholders can participate. In addition, for shareholders who cannot attend on the day of the General Meeting of Shareholders, the Company provides a method for exercising voting rights via the Internet and ensures opportunities for shareholder participation through online streaming using a web conferencing system.
Exercise of voting rights by electromagnetic means	The Company has established an environment where voting rights can be exercised by mail, via the Internet, and via smartphone.
Participation in the electronic voting platform and other initiatives to improve the environment for exercising voting rights by institutional investors	Based on the ratio of institutional investors and overseas investors among the Company's shareholders, the Company uses the electronic voting platform and discloses English translations of the convocation notice and reference materials for the General Meeting of Shareholders on the Tokyo Stock Exchange website, the electronic voting platform, and the Company's website without delay.
Provision of convocation notices (summary) in English	In consideration of the ratio of overseas investors among the Company's shareholders and to provide materials that are highly useful for overseas investors, the Company has created an English IR page on its website and timely publishes English company presentation materials, financial results summaries, financial results presentation materials, convocation notices and reference materials for the General Meeting of Shareholders, and other IR-related materials. (Company IR page (English version)) https://ir.premium-group.co.jp/en/index.html
Other	Not applicable.
Not implemented	-

2. IR Activities

	Supplementary explanation	Presence or absence of explanations by the representative
Formulation and publication of disclosure policy	The Company has established a disclosure policy and discloses it on the Company's website. (Company IR page) https://ir.premium-group.co.jp/ja/policy.html (Japanese)	-
Holding regular briefing sessions for individual investors	As a forum for dialogue with individual investors, the Company actively participates in company briefing sessions and online seminars for individual investors hosted by securities companies, etc., and provides opportunities for the Representative Director and President or directors to explain the current status of the Company Group, etc., in their own words to individual investors.	Yes

	The schedule for IR events for individual investors is disclosed on the Company's website. (Company IR page) https://ir.premium-group.co.jp/ja/calendar.html (Japanese)	
Implementation of regular briefing sessions for analysts and institutional investors	The Company streams explanations of financial results summaries and management strategies, etc., by the Representative Director and President or directors online on a quarterly basis for analysts and institutional investors. In addition, regarding dialogue with domestic and overseas institutional investors, analysts, and those in charge of exercising voting rights, the Company holds individual meetings and small meetings for institutional investors and analysts as appropriate, and the Representative Director and President, or directors and executive officers, conduct direct dialogue. (Company IR page) https://ir.premium-group.co.jp/en/library/movie.html	Yes
Holding regular briefing sessions for overseas investors	Currently, there are no plans to hold them, but we will consider implementation while taking into account the ratio of overseas investors, etc.	None
Posting IR materials on the website	To deepen understanding of the current status of the Company Group, etc., we post timely disclosure information, Annual Securities Reports/Semi-annual Securities Reports, financial results presentation materials, medium-term management plan information, integrated reports, and General Meeting of Shareholders information, etc. (Company IR page) https://ir.premium-group.co.jp/en/library.html	-
Establishment of a department (person in charge) for IR	To implement effective IR activities, the Company conducts practical work in the Public Relations/IR Department, which is supervised by the director in charge. In addition, to assist in dialogue with shareholders, we have established a system where the Public Relations/IR Department coordinates as appropriate with the Corporate Planning, Corporate Administration, General Affairs, Accounting, and Legal/Compliance departments.	-
Other	Not applicable.	-
Not implemented	-	-

3. Initiatives for Respecting the Positions of Stakeholders

	Supplementary explanation
Stipulation of respect for the position of stakeholders in internal regulations, etc.	The Company recognizes that, premised on thorough compliance including adherence to laws and the Articles of Incorporation, collaboration with all stakeholders, including shareholders, and the promotion of sustainability (medium- to long-term sustainability including ESG factors) are essential for the sustainable growth and medium- to long-term corporate value improvement of the Company Group. To practice collaboration with stakeholders, in addition to defining the Company Group's mission and vision, we provide opportunities for management, including the Representative Director and President, to explain directly to all employees in their own words, and management takes the lead in striving to foster a corporate culture that respects the rights and positions of stakeholders and corporate ethics. Note that the Company's mission and the values shared by the Company's employees are disclosed on the Company's website. (Company HP) https://www.premium-group.co.jp/philosophy/ (Japanese)
Implementation of environmental conservation activities, CSR activities, etc.	The Company recognizes that efforts toward social and environmental issues surrounding sustainability are a common challenge for humanity and an essential requirement for the existence and activities of a company. The Company Group practices ESG (Environmental, Social, and Governance) management and will contribute to the realization of the SDGs (Sustainable Development Goals) through daily corporate activities. We have set 6 items as materiality (important issues) that need to be addressed with priority: "Environment," "Society," "Human Resources," "Business Innovation," "Compliance," and "Governance," and from the fiscal year

	<p>ending March 31, 2024, the Sustainability Committee and the Group Risk Management Committee will coordinate to carry out company-wide and continuous activities. In identifying materiality, we have comprehensively organized our strengths, areas where efforts are still insufficient, and issues expected and demanded by society, based on an analysis of future environmental prospects and the business environment. In addition, based on interviews with external parties and resolutions by the Board of Directors, we have decided to define them as important issues for the Company. Details are disclosed on the Company's website.</p> <p>(Company HP) https://www.premium-group.co.jp/companyinfo/sustainability/ (Japanese) (TCFD Report) https://ir.premium-group.co.jp/en/library/sustainability/main/0/teaserItems1/0/link/Disclosure%20Based%20on%20the%20TCFD%20Recommendations(EG).pdf</p>
<p>Formulation of policies, etc., regarding the provision of information to stakeholders</p>	<p>The Company has established a disclosure policy and, to gain trust and appropriate evaluation from the market, has a basic policy of providing information related to the Company's management policy, business strategy, performance, and finance fairly, accurately, promptly, clearly, and actively. While appropriately conducting disclosure based on laws and regulations, we will actively disclose information that the Company judges will help shareholders and investors understand, even if it is not information based on laws and regulations. In addition, when disclosing information, we strive to provide accurate, simple, and concrete descriptions, including non-financial information, so that the information is highly useful for users.</p> <p>(Disclosure Policy) https://ir.premium-group.co.jp/ja/policy.html (Japanese)</p>

Other	<p>The Company positions diversity management and work-style reform as part of its growth strategy, and promotes the introduction of personnel systems that allow diverse human resources to play an active role and the development of a comfortable working environment where they can fully demonstrate their abilities, aiming to improve "Well-being," which means employee happiness, and sustainable corporate growth. In the appointment of core human resources, we respect diverse perspectives and values and implement human resource appointment based on a performance-based evaluation system that does not question individual attributes such as gender, age, nationality, or mid-career hires. In addition, we are striving to develop an environment and culture that encourages career formation and to nurture human resources who will be responsible for the Company's decision-making in the future. Note that in our integrated report, which summarizes our efforts toward sustainability, we disclose our awareness of issues related to human capital and our efforts toward them.</p> <p><Human Resource Development Policy and Internal Environment Development Policy for Ensuring Diversity> We regularly conduct training tailored to each employee's career and various compliance training, and strive to nurture enriched human capital that contributes to medium- to long-term corporate value improvement and to create a workplace environment free from discrimination and harassment.</p> <p><Appointment of Mid-Career Hires and Foreigners to Management Positions> The ratio of mid-career hires among current management positions in the Company Group is 70%. In addition, we have appointed 1 foreign manager. Regarding the appointment of mid-career hires and foreigners to management positions, our policy is to appoint human resources with knowledge in those fields as appropriate, in line with the promotion of the Company Group's existing businesses, new businesses, further DX, and future global business expansion.</p> <p>(Integrated Report 2025) https://ir.premium-group.co.jp/en/library/annual_report/main/0/teaserItems2/00/link/Integrated%20Report%202025.pdf</p> <p><Appointment of Female Managers> The Company has formulated an action plan aimed at promoting the active participation of women.</p> <p>(General Employer Action Plan based on the Act on Promotion of Women's Participation and Advancement in the Workplace) https://www.premium-group.co.jp/news/250623/ (Japanese)</p>
Not implemented	-

IV. Matters Concerning Internal Control Systems, etc.

1. Basic Policy on Internal Control Systems and the Status of Their Development

The Company has established the following basic policy regarding the internal control system. Under this system, the Company and its consolidated subsidiaries (hereinafter the "Group") strive to ensure the legality and efficiency of business operations and manage risks. Furthermore, the Company continuously reviews and improves this system in response to changes in social and economic conditions and other environments.

1. System to ensure that the execution of duties by directors and employees complies with laws, regulations, and the Articles of Incorporation

- a. Based on the "Board of Directors Regulations," the Company holds regular Board of Directors meetings in principle once a month, and holds extraordinary meetings as necessary to facilitate communication among directors. The Board of Directors, which includes Outside Directors, supervises the execution of duties by Representative Directors to prevent violations of laws, regulations, and the Articles of Incorporation.
- b. The officer in charge of compliance, based on the "Compliance Regulations," strives to identify compliance issues and problems and promotes the Group's compliance system. In addition, based on the "Basic Regulations for Management," the officer in charge of compliance conducts internal compliance training to ensure thorough awareness of the Group's code of conduct, improve awareness and interest in compliance, provide correct knowledge, and enhance the ethical awareness of directors and employees.
- c. The internal audit department audits the execution of duties by directors and employees to prevent violations of laws, regulations, and the Articles of Incorporation.
- d. Corporate Auditors audit the execution of duties by directors based on the "Corporate Auditor Audit Standards" and audit plans.
- e. The Group operates an internal reporting system based on the "Internal Reporting Regulations" as a means for directors and employees to directly report facts regarding violations of laws, regulations, the Articles of Incorporation, or other important compliance-related matters.
- f. To sever all relationships with anti-social forces, which are groups or individuals that pursue economic benefits through violence, force, or fraudulent means, the Group has established a "Basic Policy for the Exclusion of Anti-Social Forces" and, based on the "Regulations for the Exclusion of Anti-Social Forces" and the "Manual for Responding to Anti-Social Forces," has built an appropriate management system, including the establishment of a specialized department.
- g. To ensure the appropriateness of financial reporting, the Group has established "Regulations for Internal Control over Financial Reporting" and "Regulations for Disclosure of Important Information, etc." to build a system for the appropriate disclosure of financial and non-financial information.

2. System for the storage and management of information regarding the execution of duties by the Company's directors

- a. Information regarding the execution of duties by directors is recorded in documents or electromagnetic records (hereinafter "documents, etc.") and is stored and managed as important confidential documents for management based on the "Document Management Regulations."
- b. The Company manages the documents, etc., mentioned in the preceding paragraph in a state where directors and corporate auditors can access them as necessary.

3. Regulations and other systems for managing the risk of loss for the Group

- a. The Board of Directors receives regular reports on the Group's risk management through the "Group Risk Management Committee," etc., and conducts appropriate risk management.
- b. To identify, appropriately evaluate, and manage risks that could hinder the achievement of the Group's management goals, the Company, based on the "Risk Management Regulations," appoints an officer in charge of risk management by resolution of the Board of Directors and establishes a Group Risk Management Committee to actively engage in risk mitigation and the prevention of the occurrence of loss.
- c. If the risks mentioned in the preceding paragraph materialize, the corporate management department immediately establishes a crisis response policy based on the "Emergency Crisis Response Regulations" and conducts investigations into the facts, addresses the crisis, and formulates and implements recurrence prevention measures. Furthermore, in situations where particularly serious risks materialize, the Company builds a system to minimize the deterioration of the situation and the expansion of losses by having the Representative Director establish a task force and receiving advice from external experts such as lawyers.

4. System to ensure that the execution of duties by the Company's directors is performed efficiently

- a. Regarding the execution of duties based on resolutions of the Board of Directors, the Company establishes a system for efficient and smooth execution of duties by defining responsibilities and authority based on internal regulations, etc.
- b. The Company develops information systems to enable appropriate and rapid decision-making.

- c. In addition to regular Board of Directors meetings held in principle once a month, the Company holds extraordinary meetings as necessary to resolve problems arising in each department in a timely and appropriate manner. This aims to improve the efficiency of assigned duties and the efficiency of company-wide operations.
- d. The Company invites Outside Directors to enhance the validity of the Board of Directors' decision-making.
- e. The Company formulates a medium-term management plan and annual budgets, and directors, including the Representative Director, execute their duties toward achieving them, reporting on progress and results at Board of Directors meetings.
5. System to ensure the appropriateness of business operations within the Group
- a. The Company has established "Affiliated Company Management Regulations" and, based on these regulations, has established a department responsible for the overall management of subsidiaries, etc. The Company receives reports from subsidiaries, etc., on important matters regarding their business operations, holds discussions, and provides guidance and support for the development of systems to ensure the compliance system and the appropriateness of business operations of subsidiaries, etc.
- b. Based on the "Affiliated Company Management Regulations," the Company requires approval or reporting to the Company for important management matters such as business operations, risk management, and compliance of subsidiaries, etc., and submits particularly important matters to the Company's Board of Directors, thereby building a system to ensure the appropriateness and efficiency of business operations.
- c. The Company's internal audit department audits the appropriateness of the business operations of subsidiaries, etc., to prevent violations of laws, regulations, and the Articles of Incorporation.
- d. The Company's Corporate Auditors conduct audits of subsidiaries, including on-site audits, from the perspective of consolidated management.
6. Matters concerning employees requested to assist the Company's Corporate Auditors in their duties, matters concerning the independence of such employees from directors, and matters concerning the effectiveness of instructions to such employees
- a. If a Corporate Auditor requests, the Representative Director shall appoint an employee to assist the Corporate Auditor in their duties.
- b. The appointment, transfer, and evaluation of employees who assist the Corporate Auditor in their duties shall be subject to the consent of the Corporate Auditor, and shall be decided through an exchange of opinions between the directors and the Corporate Auditor.
- c. Employees who have received a request from a Corporate Auditor to assist in their duties shall not be subject to the direction and orders of directors regarding that request.
7. System for directors and employees of the Group to report to the Company's Corporate Auditors, and a system to ensure that persons who have reported to the Company's Corporate Auditors are not treated disadvantageously for having made such report
- a. Directors and employees of the Group shall promptly report to the Company's Corporate Auditors if they become aware of facts that could cause significant damage to the Group, important facts related to management and internal audits, serious violations of laws, regulations, or the Articles of Incorporation, or other facts that directors or employees deem important. Regardless of the above, the Company's Corporate Auditors may request reports from directors and employees of the Group as necessary. In accordance with the "Internal Reporting Regulations," the above reporters shall not be treated unfairly for having made such report.
- b. The Company's Corporate Auditors may attend Board of Directors meetings and other important meetings to grasp the process of important decision-making and the status of business execution, and may request explanations from directors and employees as necessary.
- c. Important approval documents shall be made available for inspection by Corporate Auditors.
- d. Directors, Corporate Auditors, and employees of the Company's subsidiaries shall promptly report to the Company's Corporate Auditors if they become aware of facts that could cause significant damage to the Group, important facts related to management and internal audits, serious violations of laws, regulations, or the Articles of Incorporation, or other facts that directors, Corporate Auditors, or employees of the Company's subsidiaries deem important. Regardless of the above, the Company's Corporate Auditors may request reports from directors, Corporate Auditors, and employees of the Company's subsidiaries as necessary. In accordance with the "Internal Reporting Regulations," the above reporters shall not be treated unfairly for having made such report.
8. Other systems to ensure that audits by Corporate Auditors are conducted effectively
- a. The Company's Corporate Auditors attend Board of Directors meetings and other important meetings deemed necessary.
- b. The Company's Corporate Auditors and the Representative Director hold regular exchanges of opinions to facilitate mutual communication.
- c. The Company's Corporate Auditors attend regular Board of Corporate Auditors meetings held in principle once a month, and hold extraordinary meetings as necessary to exchange information and discuss the status of audit implementation. They also receive regular reports on accounting audits from the accounting auditor and

exchange opinions.

d. To ensure the effectiveness of audits, Corporate Auditors may utilize the internal audit department as well as external experts such as audit firms and lawyers as necessary.

e. When an audit requires investigation, the Corporate Auditor may request cooperation and assistance from the internal audit department, etc., to build a system for efficient auditing.

f. If a Corporate Auditor requests payment of reasonable expenses for the execution of their duties, the Company shall comply with such request.

2. Basic Policy on Eliminating Anti-Social Forces and the Status of Their Development

The Group has no inappropriate relationships with anti-social forces. Furthermore, we have established a "Basic Policy for the Exclusion of Anti-Social Forces" and have declared the following:

- A. We will ensure the safety of officers and employees who respond to anti-social forces.
- B. To prevent damage caused by anti-social forces, we will build close cooperative relationships with external specialized agencies such as the police and lawyers, and the entire organization, including management, will respond.
- C. We will not have any relationship with anti-social forces, including business relationships. We will also reject unreasonable demands from anti-social forces.
- D. We will respond resolutely to unreasonable demands from anti-social forces, take all possible civil legal countermeasures, and will not hesitate to pursue criminal charges.
- E. We will never engage in back-door deals under any circumstances. We will also never provide funds to anti-social forces.
- F. To prevent damage caused by anti-social forces, we will not enter into employment relationships or any other labor contracts with anti-social forces.
- G. We will collect information on anti-social forces by cooperating with relevant organizations and appropriately utilize it to exclude anti-social forces.

In addition, as an exclusion system, we have established various regulations such as the "Regulations for the Exclusion of Anti-Social Forces" and the "Manual for Responding to Anti-Social Forces," and with the corporate management department as the supervising department, we are developing response systems, handling business operations, and conducting education and training. Regarding education and training for officers and employees, we conduct compliance training during new employee and mid-career employee orientation, as well as new manager training for employees who have newly become department heads, and utilize the compliance test held once a year for all employees.

V. Other

1. Presence of Policy on Measures to Respond to Takeovers (Introduction of Takeover Defense Measures)

Policy on Response to Acquisitions (Introduction of Takeover Defense Measures)	None
--	------

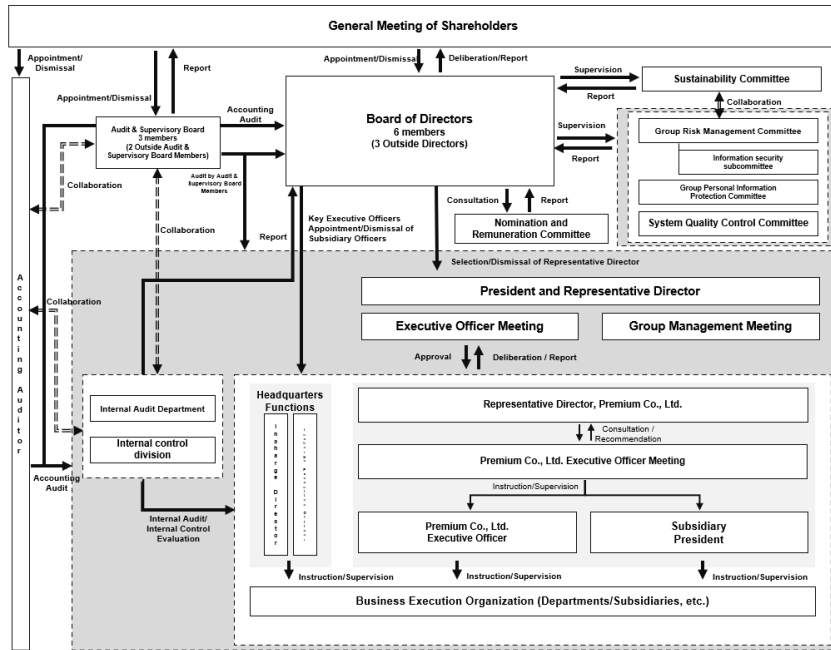
Supplementary explanation regarding the relevant item

The Company recognizes that the sustainable growth of the entire Group and the improvement of corporate value over the medium to long term are important management issues in order to meet the trust of our shareholders and fulfill our fiduciary responsibilities. Therefore, the Company has not currently introduced a policy on response to acquisitions (takeover defense measures).

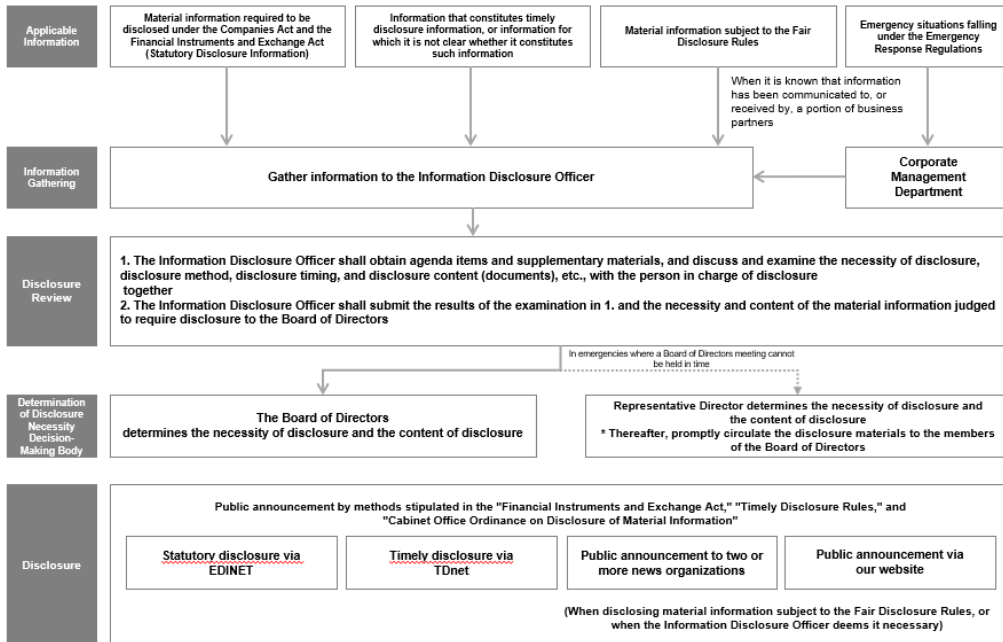
2. Other Matters Concerning Corporate Governance Structure, etc.

-

[Corporate Governance Structure (Schematic Diagram)]



[Overview of Disclosure System (Schematic Diagram)]



End