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Message from the President and CEO

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- Framework for Promoting Sustainability Initiatives
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Policy and Concept

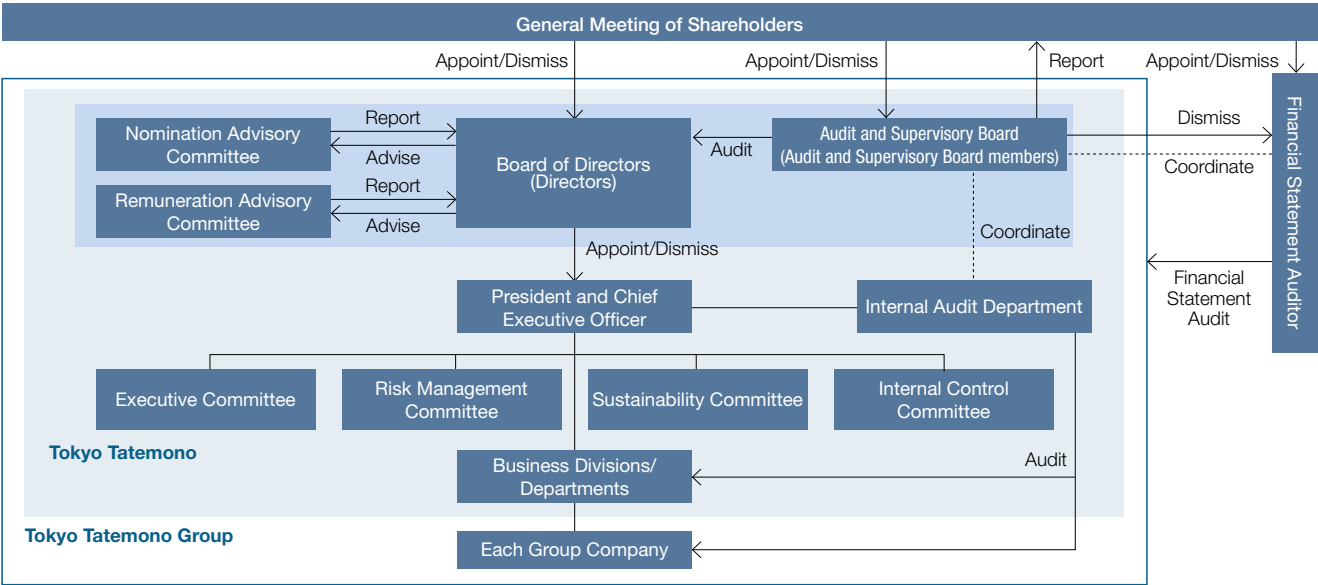
Based on the Group philosophy of ‘Trust beyond the era.’ the Tokyo Tatemono Group is striving to build optimal corporate governance, with the primary aim of enhancing efficiency while ensuring the soundness and transparency of management, in order to achieve sustainable growth and increase corporate value over the longer term. In addition, we actively and appropriately disclose information for shareholders and other stakeholders to understand the Group’s business activities accurately. We have identified the advancement of governance as a material issue for the Tokyo Tatemono Group, and to achieve this, we are promoting initiatives aimed at enhancing corporate value, such as further strengthening our governance functions.

Corporate Governance Report

Structure

Tokyo Tatemono has selected a Company with Audit and Supervisory Board format for our organization. We have also established a Board of Directors and an Audit and Supervisory Board, and a Nomination Advisory Committee and a Remuneration Advisory Committee as advisory committees to the Board of Directors. Our executive officer system clarifies the separation of functions between management and business execution. Furthermore, we appoint external directors and external Audit and Supervisory Board members who help us operate under stronger management supervision and ensure transparency. This system ensures effective supervision and supervisory functions with regard to management and also to business execution by directors of the Company. We have also established the Executive Committee, which deliberates on important matters related to the management of the entire Tokyo Tatemono Group, as well as the Risk Management Committee, Sustainability Committee and Internal Control Committee. Moreover, to heighten the efficiency of Group management and maximize Group synergies, Tokyo Tatemono has

Corporate Governance Structure (as of March 31, 2026)



established the Group Business Management Standards and is working to strengthen Group governance through measures such as putting in place Management Control Rules with each Group company that define matters requiring prior approval by Tokyo Tatemono and matters requiring subsequent reporting to Tokyo Tatemono. Also, Tokyo Tatemono has developed a system to verify business integrity at each Group company, and receives regular reports from Group companies’ officers and employees on the status of their execution of duties through such means as dispatching Tokyo Tatemono’s directors or Audit and Supervisory Board members, etc. to Group companies. In addition, Tokyo Tatemono’s directors monitor Group companies’ business plans and profit plans every fiscal year and report to the Board of Directors.

Board of Directors

The Board of Directors consists of 12 directors, 5 of whom are external directors (including two women) as of March 31, 2026. Tokyo Tatemono strives to secure diversity and balance in its Board of Directors as a whole while taking into account its overall knowledge, experience, and skills as well as the gender of its members, and maintains the Board of Directors in an appropriate size to ensure that the Board of Directors functions effectively and efficiently. Audit and Supervisory Board members attend Board of Directors meetings and offer opinions as necessary. The Board of Directors is chaired by a director who does not hold representative authority and does not concurrently serve as an executive officer. As a general rule, Tokyo Tatemono holds regular Board of Directors meetings once a month and other extraordinary meetings as deemed necessary to resolve important matters related to business execution, as well as to discuss matters related to medium- and long-term business issues. In fiscal 2025, 18 meetings were held, and the average attendance rate of directors was 99%.

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Board of Directors Related Data

| Item                                                                                      | Unit     | 2021 | 2022 | 2023 | 2024 | 2025 |
|-------------------------------------------------------------------------------------------|----------|------|------|------|------|------|
| Number of board of directors meetings                                                     | Meetings | 15   | 14   | 14   | 16   | 18   |
| Number of directors                                                                       | Persons  | 12   | 12   | 12   | 12   | 12   |
| Of which Executive Directors                                                              | Persons  | 7    | 7    | 7    | 7    | 6    |
| Number of non-executive directors on the Board (excluding independent external directors) | Persons  | 1    | 1    | 1    | 1    | 1    |
| Number of independent external directors                                                  | Persons  | 4    | 4    | 4    | 4    | 5    |
| Percentage of independent external directors                                              | %        | 33   | 33   | 33   | 33   | 42   |
| Average attendance rate of directors                                                      | %        | 100  | 99   | 99   | 99   | 99   |
| Average tenure of directors (including independent external directors)                    | Years    | 4.6  | 4.4  | 5.4  | 6.6  | 6.9  |

\* Data Collection Period: January to December of each fiscal year. Average tenure of directors is as of March 31 of each fiscal year. Unless otherwise specified, figures are as of December each year.

Audit & Supervisory Board

The Audit and Supervisory Board prepares audit reports, selects and dismisses full-time Audit and Supervisory Board members, and determines audit policies and other matters related to the execution of Audit and Supervisory Board members’ duties. The Audit and Supervisory Board consists of four members, two of whom are independent external Audit and Supervisory Board members (one of whom is a woman). It is chaired by a fulltime Audit and Supervisory Board member. In 2026, we also newly appointed an Audit and Supervisory Board member with many years of experience at Tokyo Tatemono and broad knowledge regarding Group businesses.

Audit and Supervisory Board members attend important meetings such as those of the Board of Directors, Executive Committee, Risk Management Committee, Sustainability Committee and Internal Control Committee, and express their opinions as necessary. They also receive regular reports from the Financial Statement Auditor and departments such as the Internal Audit Department, and exchange opinions with each of these as needed in the course of their coordination. In addition, Directors, the Risk Management Committee, the Internal Audit Department, and the Legal and Compliance Department promptly or regularly report to Audit and Supervisory Board members when the following issues concerning Tokyo Tatemono and Group companies arise.

Executive Officer System

Tokyo Tatemono has adopted an executive officer system to energize our Board of Directors and speed up decision-making through the strengthening and separation of management functions and business execution functions. Except for matters determined by laws and regulations and the Articles of Incorporation to be resolved by the Board of Directors and critical matters concerning business execution, the right to make decisions on business execution is delegated to executive officers, including the president and Chief Executive Officer. The scope of such delegation is stipulated in the corporate bylaws, based on factors such as the type of transaction and transaction amount.

Executive officers are appointed by a resolution of the Board of Directors and have a term of two years.

As of March 31, 2026, there were 21 executive officers of the Company.

Matters to Be Reported to Audit and Supervisory Board Members

Directors

Any facts that may cause significant damage to the Tokyo Tatemono Group, any material fact in violation of laws, regulations, or the Articles of Incorporation, and the details thereof

Risk Management Committee

Critical matters for compliance

Internal Audit Department

Status of internal audits

Legal & Compliance Department

Status of fraudulent activity reports and their content

Nomination Advisory Committee and Remuneration Advisory Committee

As advisory bodies to the Board of Directors, we have established a Nomination Advisory Committee to deliberate on the nomination of candidates for directors, the selection and dismissal of representative directors and a Remuneration Advisory Committee to deliberate on remuneration for directors. Members of both committees are appointed from among the directors. However, an external director is to serve as chairperson, and external directors are to account for a majority of the members in order to utilize their knowledge and advice and to ensure the objectivity and transparency of procedures. In fiscal 2025, the Nomination Advisory Committee met 7 times, and the attendance rate of each member was 100%. The Remuneration Advisory Committee met 6 times, and the attendance rate of each member was 100%.

\* The number of meetings held and attendance include the total for the Nomination and Remuneration Advisory Committee meetings held from January to March 2025.

Executive Committee

The Executive Committee consists of senior and managing executive officers, with the president as chairperson. The committee meets to discuss matters important to group management. In fiscal 2025, 40 meetings were held.

Full-time Audit and Supervisory Board members attend these meetings to assess the status of deliberations and offer opinions as necessary.

Risk Management Committee

The Risk Management Committee oversees risk management and compliance for the Tokyo Tatemono Group. It is chaired by the president and includes the chairperson, executive vice presidents, general managers, deputy general managers, the officer in charge of the Corporate Planning Department, and the officer in charge of the Legal and Compliance Department and the general managers of the corporate departments among others as members. Important matters deliberated and reported by the Risk Management Committee are submitted to or reported to the Board of Directors. The Board supervises the effectiveness of the Group’s risk management. In fiscal 2025, 3 meetings were held. Full-time Audit

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and Supervisory Board members attend meetings of the Committee and offer opinions as necessary.

In addition, we have established the Compliance Subcommittee (subcommittee chairperson: the officer in charge of the Legal & Compliance Department), which examines compliance measures, monitors progress, and responds to compliance risks, and the BCM Subcommittee (subcommittee chairperson: the officer in charge of the General Affairs Department), which monitors BCP responses, establishes and improves BCP manuals, and shares and formulates improvement policies for BCP initiatives at Group companies, as subordinate organizations of the Risk Management Committee.

Sustainability Committee

To support the Tokyo Tatemono Group’s sustainable growth and contribute to the realization of a sustainable society, we

have established the Sustainability Committee. It is chaired by the president and includes representative director, senior and managing executive officers, general managers of each corporate department, the general manager of the Technical Department of the Commercial Properties Business, and others. The committee promotes sustainability initiatives across the Tokyo Tatemono Group in an ongoing manner. The Sustainability Committee deliberates and reports on matters related to the formulation of the Group’s policies for sustainability initiatives, the development of systems, the setting of indicators and targets, and the monitoring of progress and disclosure of information. Full-time Audit and Supervisory Board members attend this committee and offer opinions as necessary. In fiscal 2025, 5 meetings were held. In addition, full-time Audit and Supervisory Board members attend this committee and offer opinions as necessary.

The Sustainability Promotion Committee and the Human Rights Subcommittee have been established as subordinate organizations of this committee. The Sustainability Promotion Committee shares and conducts preliminary discussions on matters deliberated and reported by the Sustainability Committee, and reports on the progress of sustainability initiatives promoted by the Tokyo Tatemono Group. The Human Rights Subcommittee promotes initiatives based on the Tokyo Tatemono Group Human Rights Policy and reports on the status of those initiatives.

Important matters deliberated and reported by the Committee are submitted to or reported to the Board of Directors. The Board makes decisions on important matters related to the sustainability initiatives promoted by the Group, monitors the implementation status of individual measures, and supervises the overall promotion of such initiatives.

Expertise and Experience of Directors/Skill Matrix\*1 (As of March 31, 2026)

|  | Name               | Position in the Company                                               | Gender | Attendance at Board of Directors Meetings*2 | Attendance at the Nomination Advisory Committee*3 | Attendance at the Remuneration Advisory Committee*3 | Corporate management | Finance and accounting | Legal, compliance and risk management | Sustainability | Real estate business and urban development | Overseas Business | ICT and digital | Human resources and human resource development |
|--|--------------------|-----------------------------------------------------------------------|--------|---------------------------------------------|---------------------------------------------------|-----------------------------------------------------|----------------------|------------------------|---------------------------------------|----------------|--------------------------------------------|-------------------|-----------------|------------------------------------------------|
|  | Makio Tanehashi    | Director / Chair of the Board of Directors                            | Male   | 18/18 (100%)                                | —                                                 | —                                                   | ○                    | ○                      |                                       |                | ○                                          | ○                 |                 |                                                |
|  | Hitoshi Nomura     | Representative Director and Chairman of the Board                     | Male   | 18/18 (100%)                                | 7/7 (100%)                                        | 6/6 (100%)                                          | ○                    | ○                      | ○                                     |                | ○                                          |                   |                 | ○                                              |
|  | Katsuhito Ozawa    | Representative Director, President & Chief Executive Officer          | Male   | 18/18 (100%)                                | 7/7 (100%)                                        | 6/6 (100%)                                          | ○                    | ○                      |                                       | ○              | ○                                          | ○                 | ○               |                                                |
|  | Akira Izumi        | Representative Director, Executive Vice President & Executive Officer | Male   | 18/18 (100%)                                | 7/7 (100%)                                        | 6/6 (100%)                                          | ○                    | ○                      | ○                                     | ○              | ○                                          |                   | ○               | ○                                              |
|  | Hideshi Akita      | Director, Senior Managing Executive Officer                           | Male   | 18/18 (100%)                                |                                                   |                                                     |                      |                        |                                       | ○              | ○                                          |                   |                 | ○                                              |
|  | Takeshi Jinbo      | Director, Senior Managing Executive Officer                           | Male   | 18/18 (100%)                                |                                                   |                                                     |                      |                        |                                       | ○              | ○                                          |                   |                 |                                                |
|  | Shinjiro Kobayashi | Director, Managing Executive Officer                                  | Male   | 18/18 (100%)                                |                                                   |                                                     |                      |                        |                                       | ○              | ○                                          |                   |                 |                                                |
|  | Yoshimitsu Onji    | Independent external director                                         | Male   | 18/18 (100%)                                | 7/7 (100%)                                        | 6/6 (100%)                                          | ○                    | ○                      | ○                                     |                |                                            | ○                 |                 |                                                |
|  | Shuichi Hattori    | Independent external director                                         | Male   | 18/18 (100%)                                | 7/7 (100%)                                        | 6/6 (100%)                                          |                      | ○                      | ○                                     |                |                                            |                   |                 | ○                                              |
|  | Yumiko Kinoshita   | Independent external director                                         | Female | 18/18 (100%)                                | 7/7 (100%)                                        | 6/6 (100%)                                          |                      |                        | ○                                     |                |                                            | ○                 |                 | ○                                              |
|  | Junichi Nishizawa  | Independent external director                                         | Male   | 14/14 (100%)*4                              | 4/4 (100%)*4                                      | 3/3 (100%)*4                                        | ○                    | ○                      | ○                                     | ○              |                                            | ○                 | ○               | ○                                              |
|  | Naoko Tanouchi     | Independent external director                                         | Female | 14/14 (100%)*4                              | 4/4 (100%)*4                                      | 3/3 (100%)*4                                        |                      | ○                      | ○                                     |                |                                            | ○                 |                 |                                                |

\*1 The above skill matrix is not an exhaustive list of all the expertise and experience of each director.  
\*2 Data collection period: FY2025

\*3 The number of meetings held and attendance figures include the total for the Nomination and Remuneration Advisory Committee as well as the Nomination (or Remuneration) Advisory Committees.  
\*4 As the director was appointed at the General Meeting of Shareholders in March 2025, attendance reflects the period from that date onward.

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Internal Control Committee

In order to evaluate, improve, and upgrade the Tokyo Tatemono Group’s internal control system, we have established the Internal Control Committee chaired by the president, with the chairperson, executive vice presidents, the officer in charge of the Corporate Planning Department, and the officer in charge of the Legal & Compliance Department, among others, as members. The Committee monitors the development and operational status of the internal control system. In fiscal 2025, 2 meetings were held. In addition, full-time Audit and Supervisory Board members attend this committee and offer opinions as necessary.

Appointment and Selection of Directors and Audit and Supervisory Board Members

We comprehensively evaluate the personality, abilities, knowledge, and experience of candidates and select those who possess qualities that can contribute to increasing the longer-term corporate value of the Group as members of management, and appoint them as candidates for directors and Audit and Supervisory Board members. The term of office for directors is set at one year in the Articles of Incorporation, and the appointment of all directors is resolved at the General Meeting of Shareholders held each year. In addition, the term of office for Audit and Supervisory Board members is set at four years in the Articles of Incorporation.

With regard to nominations, to ensure an appropriate level of engagement with external directors, the Board of Directors reaches its resolutions regarding nominations once it has received the results of deliberations by the Nomination Advisory Committee, which is chaired by an external director and comprised of a majority of external directors.

Criteria for Independence of Independent External Directors

- Tokyo Tatemono deems external directors to be independent only when, in addition to meeting the criteria for independence stipulated by Tokyo Stock Exchange\*, they do not fall under any of the following categories:
- A business partner of Tokyo Tatemono that constitutes 2% or more of the Company’s consolidated net sales in the most recent fiscal year or a person executing business of such partner
  - A shareholder of the Company that holds more than 10% of the total number of voting rights of the Company or a person executing business of such shareholder
  - A representative, member, or employee of an auditing firm employed as the financial statement auditor for the Company
  - A consultant, accounting professional, or legal professional that received remuneration (excluding officer remuneration) of more than 10 million yen from the Company in the most recent fiscal year

\* From Tokyo Stock Exchange standards: Guidelines III 5, (3) 2 relating to the listing management, etc. Rule 436-2: Examination to ensure effectiveness.

Support System for External Directors and External Audit and Supervisory Board Members

The General Affairs Department provides explanations and information as necessary to support external directors prior to meetings. The Department also serves as the secretariat for the Board of Directors. To strengthen collaboration between external directors and bodies such as the Board of Directors and the Audit and Supervisory Board, we appoint a Lead External Director, elected from among the external directors. In addition, to facilitate information exchange and the sharing of understanding based on an independent and objective perspective, as well as to acquire the necessary knowledge, we regularly hold meetings composed solely of external directors, known as the “External Directors Meeting.”

We assign personnel to serve as staff for Audit and Supervisory Board members, including external Audit and

Supervisory Board members, to support them and ensure the smooth execution of audit procedures. Also, we have created an appropriate reporting system for Audit and Supervisory Board Members, by securing their attendance to bodies such as the Board of Directors, Executive Committee, and the Internal Control Committee. We have also established a system intended to improve the effectiveness of audits, by arranging regular reporting from the Financial Statement Auditor, Directors, and various departments, along with providing opportunities for exchanging opinions with these parties at any time.

Evaluation of the Effectiveness of the Board of Directors

Each year, Tokyo Tatemono analyzes and evaluates the effectiveness of the Board of Directors and makes ongoing efforts to further improve its functions. As a method of analysis and evaluation, we conduct questionnaire surveys of all directors and Audit and Supervisory Board members with the assistance of a third-party organization. Below is an overview and the results of the effectiveness evaluation for fiscal 2025.

Evaluation Process and Topics

Evaluation Process

- ➊ Administer questionnaire survey to all directors and Audit and Supervisory Board members
- ➋ Aggregate, analyze, and share results with the Board of Directors
- ➌ Discuss future issues and measures

Topics

- Structure: Ratio, number, specialization and diversity of external directors
- Agenda: Number, content, and standard expressions of monetary amounts in agenda items
- Operation: Number of meetings, length of meetings, explanation provided prior to meetings, explanatory materials, time taken for explanation, time taken for discussion, and reported content
- Other: Support system for external officers, training methods

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Results of Evaluation and Future Actions

In the survey, each of the topics received generally high marks. In addition, as described below, the Board of Directors confirms that efforts to improve have been continuously made based on effectiveness evaluations through the previous year and other factors, and that the effectiveness of the Board is suitably secured.

Efforts to Improve Effectiveness

In FY2025, we encouraged discussions on medium- to long-term business issues and improved support systems for external directors.

Future Issues and Actions

- Further expand discussions on medium- to long-term management issues by reviewing submission standards.
- Improve explanatory materials and reduce time spent on each submission.

Management Discussion Committee

To improve the effectiveness of the Board of Directors by facilitating more substantive discussion and debate, we established the Management Discussion Committee, comprised of 12 directors (including 5 external directors) and four Audit and Supervisory Board members (including two external Audit and Supervisory Board members). Executives and employees from related departments also attend the Management Discussion Committee as necessary, and important management issues and medium- to long-term topics are discussed.

Remuneration of Directors and Audit and Supervisory Board Members

Based on our Group Philosophy, “Trust beyond the era.” the Tokyo Tatemono Group strives for sustainable growth and the improvement of corporate value over the longer term. Regarding the remuneration of directors (excluding external directors), our aim is to instill awareness of each officer’s responsibility to contribute to building corporate value not only in the short term but also over the longer term. To this end, we have adopted a system that links a certain percentage of remuneration to business and share price performance.

Specifically, the remuneration of directors (excluding external directors) comprises three elements: fixed remuneration, performance-based remuneration, and share-based remuneration. The ratio of these elements is set appropriately based on the policy regarding the determination of payment ratios by type of compensation for directors. Director remuneration has been resolved at General Meetings of Shareholders based on the provisions of the Articles of Incorporation. The maximum respective amounts for fixed remuneration and performance-based remuneration, and the introduction of a Board Benefit Trust (BBT) share-based remuneration system as well as the maximum number of share points to be granted per fiscal year for share-based remuneration have been established.

Remuneration for individual directors is determined by the representative director, president, and chief executive officer, the individual who is best qualified to comprehensively evaluate the Company’s performance and the duties and responsibilities of the directors, after being delegated this responsibility by a resolution of the Board of Directors, drafting proposed fixed remuneration and performance-based remuneration for each director according to their positions and duties, and after deliberation by the Remuneration Advisory Committee.

The remuneration of external directors and Audit and Supervisory Board members is limited to fixed remuneration in consideration of their duties.

Policy on Payment Breakdown by Remuneration Type

| Category                                                                                            | Fixed remuneration | Performance-Based Remuneration           | Share-Based Remuneration       |
|-----------------------------------------------------------------------------------------------------|--------------------|------------------------------------------|--------------------------------|
| Positioning                                                                                         | Basic remuneration | Short-term incentive                     | Medium- to long-term incentive |
| Variability                                                                                         | —                  | Linked to single fiscal year performance | Linked to share price          |
| Proportion of total remuneration: Director and President, executive officers, Director and Chairman | 40%                | 40%                                      | 20%                            |
| Proportion of total remuneration: Other directors                                                   | 40-50%             | 40-50%                                   | 10-20%                         |

Total Amount of Remuneration, Total Amount by Type of Remuneration, and Number of Eligible Individuals (FY2025)

| Position                                                          | Number of eligible individuals (Persons) | Total amount by type of remuneration |                                              |                                        | Total Amount Paid (Million Yen) |
|-------------------------------------------------------------------|------------------------------------------|--------------------------------------|----------------------------------------------|----------------------------------------|---------------------------------|
|                                                                   |                                          | Fixed Remuneration (Million Yen)     | Performance-based remuneration (Million Yen) | Share-based remuneration (Million Yen) |                                 |
| Directors (excluding external directors)                          | 8                                        | 336                                  | 216                                          | 68                                     | 621                             |
| Audit and Supervisory Board members (excluding external members*) | 2                                        | 55                                   | —                                            | —                                      | 55                              |
| External officers                                                 | 8                                        | 77                                   | —                                            | —                                      | 77                              |
| Total                                                             | 18                                       | 468                                  | 216                                          | 68                                     | 753                             |

\*Two External Members

Remuneration Structure

Fixed remuneration (for Directors):

!Up to 35 million yen per month (420 million yen per year)\*1

Performance-based remuneration\*2

(for directors excluding external directors):

Capped at 1% of consolidated ordinary profit and 2% of consolidated net income (profit attributable to owners of parent) for the year prior to the fiscal year in question\*3

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Stock-based remuneration\*4

(for directors excluding external directors):

Based on the stock-based remuneration system determined by a board benefit trust, directors will be awarded a maximum of 100,000 points per fiscal year (equivalent to 100,000 shares)\*5. At the time of retirement, the director will be provided company stock based on the accumulated number of points, and a cash payment equivalent to the stock's market value\*5.

Audit and Supervisory Board member remuneration:

Remuneration of Audit and Supervisory Board members is limited to fixed remuneration according to whether the member serves in a full-time or part-time position and capped at 8 million yen per month (equivalent to 96 million yen per year)\*1

\*1 Based on a resolution of the 190th Ordinary General Meeting of Shareholders held on March 28, 2008.

\*2 In order to clarify the linkage between director remuneration and both company performance and shareholder value, the company performance indicators related to performance-based remuneration and the calculation method for performance-based remuneration are determined based on a holistic assessment of factors such as business profit for the fiscal year, ROE, shareholder return, ESG initiatives, the progress of the Medium-Term Business Plan, the economic conditions, and the business environment.

\*3 Based on a resolution of the 195th Ordinary General Meeting of Shareholders held on March 28, 2013.

\*4 Even in the case of directors who have received the grant of points as share-based remuneration, if they are dismissed by resolution of the General Meeting of Shareholders, are found to have committed serious misconduct during their term of office, or are found to have caused damage to the Company through serious inappropriate conduct during their term of office, all or part of their rights to receive Company shares, etc. scheduled to be provided after retirement may be revoked by resolution of the Board of Directors, taking into account the recommendations of the Remuneration Advisory Committee.

\*5 Based on the resolution of the 208th Ordinary General Meeting of Shareholders held on March 26, 2026.

Cross-Shareholdings

We acquire and hold shares of other companies for noninvestment purposes (cross-shareholdings) when we determine that holding such shares is likely to contribute to maintaining and increasing the medium- and long-term corporate value of the Group by maintaining and strengthening business relationships with business partners.

We annually verify the appropriateness of our individual cross-shareholdings with a view to whether holding them will contribute to increasing the corporate value of the Group. Verification is

performed based on the transaction results and prospects of real estate transactions, joint ventures, construction and equipment transactions, and financial transactions in addition to dividend results. As a result of these verifications, we intend to reduce cross-shareholdings for which continued ownership is deemed to lack strategic significance while taking into account the impact on the stock market. The capital recovered through the sale of cross-shareholdings will be allocated to growth investments and shareholder return.

We report the results of these verifications and asset disposal to the Board of Directors at least once every year.

In the Group Medium-Term Business Plan (FY2025–2027), we have set a quantitative target of reducing the ratio of the market value of cross-shareholdings to consolidated net assets to 10% or less by the end of fiscal 2027. The ratio was 16.7% as of the end of fiscal 2025.