

Corporate Governance Report

CORPORATE GOVERNANCE

Muninova Holdings Inc.

Last Update: April 1, 2026

Muninova Holdings Inc.

President & CEO: Mitsuhide Fukuda

Contact: Management Planning Department

075-320-0081

Securities Code: 547A

The status of the Company's corporate governance is as follows.

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

1. Basic Views

(Basic Views on Corporate Governance)

Under its corporate philosophy of "Earn the trust of society through corporate activity based in integrity," the Group recognizes that the primary objective of corporate governance is to become a company trusted by society and all stakeholders by contributing to the development of the economic community through corporate activities based on strict compliance. Through such efforts, the Group aims to realize corporate management that embodies transparency, fairness, and efficiency.

Based on this fundamental approach to corporate governance, the Company is committed to enhancing its corporate governance framework in accordance with the following basic principles, in order to achieve sustainable growth and enhance medium- to long-term corporate value through transparent, fair, prompt, and decisive decision-making.

1. To respect the rights of shareholders and ensure the equitable treatment of all shareholders
2. To engage in appropriate cooperation with all stakeholders, including shareholders
3. To ensure transparency by appropriately disclosing financial and non-financial information and other corporate information
4. To ensure that the Board of Directors appropriately fulfills its roles and responsibilities, including securing the effectiveness of its oversight of business execution, in light of its fiduciary responsibility to shareholders
5. To engage in constructive dialogue with shareholders in order to contribute to sustainable growth and the enhancement of corporate value over the medium- to long-term

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

Principle 4-8: Effective Use of Independent Outside Directors

As of the date of submission of this report, three of the Company's ten directors are independent outside directors, and therefore the Company does not appoint independent outside directors comprising at least one-third of the Board.

In selecting directors, the Company places emphasis on candidates' expertise and experience, while also considering the optimal balance of the Board's composition that contributes to the enhancement of corporate value. Although the number of independent outside directors is less than one-third of the total number of directors, the Company believes that each independent outside director is able to contribute sufficiently to the Company's sustainable growth and the enhancement of its medium- to long-term corporate value based on their respective expertise and experience.

The Company will continue to review the composition of the Board of Directors and take necessary measures to strengthen its governance framework in order to realize transparent management.

[Supplementary Principle 4-10-1 Use of Optional Approach]

The Audit and Supervisory Committee, in which independent outside directors constitute a majority, conducts thorough deliberations on the nomination of directors (including succession planning) and director remuneration, taking into account diversity, including gender diversity, and skills.

At AIFUL CORPORATION, prior to the transition to a holding company structure, opinions were submitted from the same committee to AIFUL CORPORATION, providing appropriate involvement and advice regarding the nomination and remuneration of directors. As a result, the Company believes that the independence, objectivity, and accountability of the Board of Directors' functions are sufficiently ensured.

Accordingly, the Company has not established separate nomination or remuneration committees composed primarily of independent outside directors.

The specific policies and procedures regarding nomination and remuneration are as follows:

The policy for the appointment and dismissal of senior executives and the nomination of director candidates is to select individuals who possess extensive experience, high levels of insight, advanced expertise, strong ethical standards, and outstanding character, and who are capable of executing the Group's management and business operations in a fair and appropriate manner.

With respect to nomination procedures, candidates are proposed by the President and CEO and the executive officer responsible for personnel, after which the Audit and Supervisory Committee conducts sufficient deliberation and submits its opinion. The Board of Directors then makes its decision after deliberation based on those opinions.

With regard to remuneration, the Board of Directors establishes tables based on remuneration ranks, evaluation criteria, and evaluation procedures. The evaluation of each director is examined and determined by the Personnel Committee, which is composed of directors appointed by the President and CEO. Taking into account evaluations, roles, and responsibilities, appropriate remuneration ranks and other compensation are determined following sufficient deliberation by the Personnel Committee and the Audit and Supervisory Committee

[Principle 4-11 Preconditions for Ensuring the Effectiveness of the Board of Directors and Board of Corporate Auditors]

As of the date of submission of this report, none of the Company's ten directors are foreign nationals. However, in order to ensure diversity in the composition of the Board of Directors, the Company endeavors to secure diversity from multiple perspectives, including gender, professional background, and age, by appointing individuals from outside the Company such as former employees of banks and securities firms, lawyers, former government officials, and university professors, as well as by promoting internally developed personnel with the necessary knowledge, experience, and capabilities.

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

[Principle 1.3 Basic Capital Policy]

The Company's basic policy is to maximize shareholder value through medium- to long-term profit growth, while securing stable retained earnings and providing returns to shareholders commensurate with business performance. With respect to retained earnings, the Company will utilize such funds flexibly and efficiently for the promotion of M&A activities aimed at generating future profits, as well as for stable and continuous shareholder returns.

[Principle 1.4 Cross-Shareholdings]

(Policy on Cross-Shareholdings)

In principle, the Company does not hold cross-shareholdings, except where such holdings are deemed to contribute to the Company's medium- to long-term development from the perspective of maintaining and strengthening stable, long-term business relationships with business partners.

Where the Company or its consolidated subsidiaries hold shares of listed companies as cross-shareholdings, the Board of Directors annually conducts a specific review of each holding to assess whether the purpose of holding remains appropriate and whether the benefits and risks associated with such holdings are commensurate with the cost of capital. The Board verifies the appropriateness of such holdings from the perspective of maintaining and strengthening business relationships.

Shares of companies that are not deemed to contribute to the Company's medium- to long-term development will be reduced or otherwise reviewed as appropriate.

(Standards for the Exercise of Voting Rights for Cross-Shareholdings)

In exercising voting rights for cross-shareholdings, the Company comprehensively determines whether to approve or oppose proposals, taking into account the business conditions of the investee company and other relevant factors, from the perspective of enhancing the medium- to long-term corporate value of the investee company.

[Principle 1.7 Related Party Transactions]

With respect to transactions involving conflicts of interest or competitive transactions between the Company and its directors, as well as transactions with related parties, the Board of Directors has established rules requiring Board approval or reporting to the Board, and periodic reporting to the Board on the results of transactions that have received Board approval. These procedures are stipulated in the Board of Directors Regulations and are thoroughly communicated and enforced.

The Company monitors such transactions in accordance with these procedures to ensure that they do not harm the common interests of the Company and its shareholders, nor give rise to such concerns.

In deliberations by the Board of Directors, directors who have a special interest in the matter are prohibited, under the Board of Directors Regulations, from participating in the resolution.

[Supplementary Principle 2-4-1: Ensuring diversity in the promotion of core human resources]

(Approach to Ensuring Diversity in the Promotion of Core Human Resources)

Building on the human resources philosophy inherited from the former AIFUL Group, the Group's Human Resources Charter positions "human resources as the ultimate asset" and sets forth the guiding principle that the Company respects the personality and individuality of its employees, provides appropriate work assignments, compensation, and workplace environments in accordance with their abilities and aptitudes, and strives to realize workplaces where employees can find a sense of fulfillment, as well as to ensure the stability and improvement of employees' lives.

Since April 2021, in addition to prior initiatives, the Group has promoted efforts focused on "reforming personnel and education systems with a view to the future" and "developing workplace environments that enhance employee engagement."

Based on these guiding principles and key initiatives, the Group defines core personnel at the managerial level as individuals who serve as role models for other employees in terms of ability, aptitude, and character, and who are recognized as possessing leadership and management capabilities. The Group appoints personnel who meet this definition to managerial positions.

The status of appointments and human resource development policies for female managers, foreign nationals, and mid-career hires are as follows.

(1) Appointment of Female Managers

To promote the active participation of women, the Group has formulated and publicly disclosed an Action Plan and is actively working to expand the recruitment of female employees and promote them to managerial positions.

In terms of human resource development, the Group provides "Career Design Training" for female full-time employees, which explains the background and importance of women's participation and encourages participants to proactively develop their own career plans through curricula such as envisioning their desired future selves.

(2) Appointment of Foreign Nationals to Managerial Positions

The Group's policy is to appoint qualified individuals to managerial positions regardless of nationality. While the absolute number of foreign national full-time employees is currently limited due to the nature and scope of the Group's business, the Group promotes individuals based on their abilities without regard to nationality.

(3) Appointment of Mid-Career Hires to Managerial Positions

Regardless of whether employees are hired as new graduates or mid-career hires, the Group promotes individuals to managerial positions based on their abilities. The Group will continue to actively recruit specialized talent through mid-career hiring and promote qualified individuals to managerial positions. Approximately 35% of managers are mid-career hires (calculated based on employees whose original affiliation is AIFUL CORPORATION, a core subsidiary).

(Voluntary and Measurable Targets for Ensuring Diversity)

All figures below include employees seconded from the Company to affiliated companies.

(1) Appointment of Female Managers

The Group aims to achieve a ratio of female managers of 20% by March 2030.

(2) Appointment of Foreign Nationals to Managerial Positions

Under the policy of appointing qualified individuals, the Group aims to secure a level of diversity exceeding the current status.

(3) Appointment of Mid-Career Hires to Managerial Positions

Under the policy of appointing qualified individuals, the Group aims to secure a level of diversity exceeding the current status.

[Principle 2-6 Function as an asset owner of corporate pension]

As the Company has adopted a defined contribution pension plan, this principle does not apply. Nevertheless, the Company conducts periodic internal training and encourages the use of matching contributions with respect to this system.

[Principle 3.1 Full Disclosure]

(i) Corporate Philosophy, Management Vision, and Management Themes

Corporate Philosophy

The Company's corporate philosophy is disclosed on its website.

https://www.muninova.co.jp/en/about/management_philosophy.html

Management Vision and Themes

The Company's vision and management themes are disclosed on its website.

<https://www.muninova.co.jp/en/about/vision.html>

Management Plan

The Company's medium-term management plan is disclosed on its website.

https://www.muninova.co.jp/en/ir/investor/management_plan.html

(ii) Basic Views and Policy on Corporate Governance

These are described in "I. 1. Basic Views" of this report.

(iii) Policies and Procedures for Determining Remuneration of Senior Management and Directors

These are described in "II. 1. [Director Remuneration] Disclosure of the Policy for Determining the Amount of Remuneration or Its Calculation Method" of this report.

(iv) Policies and Procedures for the Appointment and Dismissal of Senior Management and the Nomination of Director and Auditor Candidates

These are described in "II. 2. Matters on Functions of Business Execution, Auditing, Oversight, Nomination, and Remuneration Decision" of this report.

(v) Explanation of Individual Appointments, Dismissals, and Nominations

When proposing candidates for the appointment or dismissal of directors at the General Meeting of Shareholders, the Company explains the reasons for such appointments or dismissals in the Notice of Convocation of the General Meeting of Shareholders.

<https://www.muninova.co.jp/en/ir/investor/stock/meeting.html>

[Supplementary Principle 3-1-3: Disclosure of initiatives on sustainability]

The Company discloses information on its sustainability initiatives on its website, including information related to investments in human capital and intellectual property.

<https://www.muninova.co.jp/en/sustainability/esg.html>

In addition, in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), the Company plans to disclose climate change-related risks and opportunities in its Annual Securities Report. Similarly, the Company plans to disclose its policies on human resource development and the development of internal working environments in its Annual Securities Report.

<https://www.muninova.co.jp/ir/finance/securities.html> (In Japanese)

[Supplementary Principle 4.1.1 Outline of the Scope of Delegation to the Management]

The Board of Directors deliberates on and determines matters that cannot be delegated to directors or executive officers pursuant to laws and regulations or the Articles of Incorporation, as well as important matters of business execution stipulated in the Board of Directors Regulations, including management plans, human resources policies, and capital policies.

In addition, the Board of Directors delegates authority, within an appropriate scope, to executive officers and other management personnel for business execution based on policies resolved by the Board, as well as for the disposal of assets below a specified monetary threshold, in accordance with the Rules on Authority and Responsibility. The Board supervises the status of such delegated authority and its execution.

[Principle 4.9 Independence Standards for Independent Outside Directors]

These are described in “II.1. [Independent Officers] Other Matters Relating to Independent Directors” of this report.

[Supplementary Principle 4.11.1 Basic Views on the Overall balance of knowledge, experience and skills and the diversity and scope of the Board of Directors]

With the aim of continuously enhancing the supervisory function that the Board of Directors is expected to fulfill, the Company has compiled the knowledge and experience of its directors into a skills matrix, which is disclosed in the Notice of Convocation of the General Meeting of Shareholders.

<https://www.muninova.co.jp/en/ir/investor/stock/meeting.html>

In addition, the Company’s approach to the overall balance, diversity, and size of the knowledge, experience, and capabilities of the Board of Directors is described in “II.2. Matters on Functions of Business Execution, Auditing, Oversight, Nomination, and Remuneration Decision” of this report.

[Supplementary Principle 4.11.2 Concurrent Positions of Directors and Audit & Supervisory Board Members]

The Company plans to disclose the status of significant concurrent positions held by director candidates and directors in the reference documents to the Notice of Convocation of the General Meeting of Shareholders and other disclosure documents, including the Business Report.

<https://www.muninova.co.jp/en/ir/investor/stock/meeting.html>

[Supplementary Principle 4.11.3 Disclosure of Analysis and Evaluation of the Board of Directors’ Effectiveness]

(Procedures for Analysis and Evaluation of the Effectiveness of the Board as a Whole)

As a reference, prior to the transition to a holding company structure, the Board of Directors of AIFUL CORPORATION conducted an analysis and evaluation of the effectiveness of the Board in order to enhance its functions and corporate value.

The analysis and evaluation were conducted through questionnaires distributed to directors who were members of the Board. Based on the aggregation and analysis of the questionnaire results, opinions were collected from Audit and Supervisory Committee members, a majority of whom were independent outside directors. Taking these results into account, the Board of Directors conducted its evaluation.

(Overview of the Results of the Analysis and Evaluation of the Effectiveness of the Board as a Whole)

Based on the results of the questionnaire analysis, the Company determined that, at AIFUL CORPORATION prior to the transition to a holding company structure, the effectiveness of the Board of Directors was generally ensured.

As in the previous year, it was confirmed that the operation of the Board of Directors was appropriate. Based on this evaluation, the Company will continue to make efforts to further enhance the effectiveness of the Board by enriching discussions aimed at achieving sustainable growth and creating corporate value.

[Supplementary Principle 4.14.2 Training Policies for Directors]

The Company provides directors, including directors who are members of the Audit and Supervisory Committee, with opportunities to acquire the information and knowledge necessary to fulfill their management responsibilities through training programs, certification programs, and other appropriate means.

[Principle 5.1 Policy on Constructive Dialogue with Shareholders]

(1) Designation of Management or Directors Responsible for Oversight

At the Company, the Operation Management serves as the primary department responsible for IR activities and for receiving inquiries from shareholders. An Executive Officer in charge of the Operation Management Department oversees these activities.

In addition, depending on requests from shareholders, directors, including outside directors, engage directly in dialogue with shareholders.

(2) Measures to Ensure Organic Coordination

In order to conduct appropriate dialogue with shareholders, the Operation Management Department regularly exchanges information with the Management Planning Department, Accounting Department, Personnel Department, and Corporate Risk Management Department, thereby establishing an organically coordinated framework.

(3) Initiatives to Enhance Dialogue Opportunities Other Than One-on-one Meetings

The Company accepts inquiries related to IR at any time by telephone and email and endeavors to respond promptly.

Furthermore, in order to deepen shareholders’ and investors’ understanding of the Company’s business, the Company actively promotes dialogue with shareholders through initiatives such as the continuous holding of

earnings briefings, the provision of information on the Company's website, and explanations of business results at the General Meeting of Shareholders.

(4) Measures to Ensure Appropriate and Effective Feedback

Opinions and views obtained through dialogue with shareholders are regularly reported and fed back to management.

(5) Measures for the Management of Insider Information

In conducting these activities, employees of the Operation Management Department who engage in dialogue with shareholders receive regular training on the handling of insider information and confidential information. Dialogue with shareholders is conducted appropriately in compliance with relevant internal rules and regulations.

(Status of Dialogue Between Management and Shareholders in the Most Recent Fiscal Year (including that of the former AIFUL Group))

Participants: President and CEO; Executive Officer in charge of the Operation Management Department

Overview of Shareholders: Domestic and overseas institutional investors (fund managers, analysts, etc.) and individual investors

Main Topics of Dialogue: Management strategy, etc.

[Supplementary Principle 5-2-1: Basic Policy and Review of the Business Portfolio]

The Company discloses its current business portfolio and the business portfolio it aims to achieve by the end of March 2027 in its Medium-Term Management Plan.

https://www.muninova.co.jp/en/ir/investor/management_plan.html

[Action to Implement Management that is Conscious of Cost of Capital and Stock Price]

Description	Disclosure of initiatives (first-time disclosure)
Availability of English Disclosure	Yes

The Company has disclosed its initiatives aimed at realizing management that is conscious of capital cost and share price in its presentation materials for the financial results for the fiscal year ended March 2025.

<https://www.muninova.co.jp/ir/pdf/PRE202503.pdf>

In addition, the status of dialogue with shareholders and related matters is disclosed on the Company's website.

https://www.muninova.co.jp/en/ir/investor/ir_policy.html

Note: As the Company was newly established on April 1, 2026 through a share transfer, the above disclosures include reference information based on disclosures made by AIFUL CORPORATION.

2. Capital Structure

Foreign Shareholding Ratio	From 20% to less than 30%
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[Status of Major Shareholders]

Name / Company Name	Number of Shares Owned (shares)	Percentage (%)
AMG Co., Ltd.	94,814,000	19.79
Mitsuhide Fukuda	62,235,000	12.99
The Master Trust Bank of Japan, Ltd. (trust account)	43,172,000	9.01
Marutaka Co., Ltd.	24,543,000	5.12
JP MORGAN CHASE BANK 385632	17,462,000	3.65
MSIP CLIENT SECURITIES	15,113,000	3.16
Custody Bank of Japan, Ltd. (trust account)	12,996,000	2.71

Nomura Securities Co., Ltd.	9,539,000	1.99
BOFAS INC SEGREGATION ACCOUNT	6,674,000	1.39
MSCO CUSTOMER SECURITIES	6,188,000	1.29

Controlling Shareholder (except for Parent Company)	-
Parent Company	Not applicable

Supplementary Explanation

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3. Corporate Attributes

Listed Stock Market and Market Section	Tokyo Stock Exchange, Prime Market
Fiscal Year-End	March
Type of Business	Other Financing Business
Number of Employees (consolidated) as of the End of the Previous Fiscal Year	More than 1000
Sales (consolidated) as of the End of the Previous Fiscal Year	Between ¥100 billion yen and less than ¥1 trillion yen
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	10 or more but fewer than 50

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

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

Policy and Approach to Group Management:

Under its management philosophy of “Earn the trust of society through corporate activity based in integrity,” the Company positions its mission as contributing to the economic community by supporting customers’ sound consumer and business activities. The Company is promoting transformation into an IT-driven enterprise and aims to achieve “growth as a financial group that leverages digital technologies and adapts its organizational structures and systems in response to changes in the business environment.”

With respect to listed subsidiaries, the Company aims to enhance the overall corporate value of the Group by enabling such subsidiaries to independently secure diverse sources of capital that support sustainable growth, thereby further enhancing their individual business value.

Significance of Having Listed Subsidiaries:

Anshin Guarantor Service Co., Ltd. (Securities Code: 7183, TSE Standard Market)

The listed subsidiary engages in a specialized rent guarantee business. The Company believes that this subsidiary plays an important role in expanding the Group’s market presence and service offerings, contributing to risk diversification through an independent revenue source, and enhancing corporate value through improved transparency.

Measures to Ensure the Effectiveness of Governance Systems at Listed Subsidiaries:

At its listed subsidiaries, governance effectiveness is strengthened through measures such as the establishment of Audit and Supervisory Committees and the appointment of outside directors, thereby enhancing independence and the effectiveness of audits. In addition, by establishing risk management committees, the

subsidiaries conduct regular risk assessments and formulate countermeasures, thereby improving their organizational capability to respond to risks.

The Company also places strong emphasis on the protection of minority shareholders of its listed subsidiaries and on ensuring their independence as listed companies. Accordingly, the Company respects the management structures and policies of its listed subsidiaries and believes that maintaining their managerial autonomy contributes to enhancing the value of the Group as a whole.

With respect to decision-making at listed subsidiaries, the Company does not require prior approval from the Company, and requires reporting only for matters that may affect the disclosure obligations of the Company Group. Through these measures, the Company ensures that the decision-making of listed subsidiaries is not unduly constrained.

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

1. Organizational Composition and Operation

Organization Form	Company with Audit and Supervisory Committee
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[Directors]

Maximum Number of Directors Stipulated in Articles of Incorporation	20
Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board	President
Number of Directors (Updated)	10
Appointment of Outside Directors	Applicable
Number of Outside Directors	4
Number of Outside Directors Designated as Independent Directors	3

Outside Directors' Relationship with the Company (1)

Name	Attribute	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Hitoshi Shimura	From Other Company											
Haruichi Suzuki	Lawyer											
Shinichiro Maeda	Academic											
Ryoko Kitazawa	From Other Company											

* Categories for "Outside Director' Relationship with the Company"

* "○" when the director presently falls or has recently fallen under the category;

"△" when the director fell under the category in the past

* "●" when a close relative of the director presently falls or has recently fallen under the category;

"▲" when a close relative of the director fell under the category in the past

a. Executive of the Company or its subsidiaries

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

c. Executive of a fellow subsidiary company of the Company

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

- e. Major client or supplier of the listed company or an executive thereof
- f. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as a director/*kansayaku*
- g. Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a legal entity)
- h. Executive of a client or supplier company of the Company (which does not correspond to any of d, e, or f) (the director himself/herself only)
- i. Executive of a company, between which and the Company outside directors/*kansayaku* are mutually appointed (the director himself/herself only)
- j. Executive of a company or organization that receives a donation from the Company (the director himself/herself only)
- k. Others

Outside Directors' Relationship with the Company (2)

Name	Membership of Supervisory Committee	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons of Appointment
Hitoshi Shimura		○	-	<p>Mr. Hitoshi Shimura has significant knowledge regarding finance and accounting through many years of experience at the Financial Services Agency and other various fields.</p> <p>Additionally, the Company has judged that he can provide advice from a fair and neutral standpoint and requests his election. As he is deemed to have no potential conflict of interest with general shareholders in performing his duties as an outside director and never to impair independence, he has been designated as an independent officer.</p>
Haruichi Suzuki		○	-	<p>Mr. Haruichi Suzuki is expected to give advice from a fair and neutral standpoint based on his ample experience and extensive knowledge as a lawyer. Therefore, he has been elected as an outside director.</p> <p>As he is deemed to have no potential conflict of interest with general shareholders in performing his duties as an outside director and never to impair independence, he has been designated as an independent officer.</p>
Shinichiro Maeda		○	-	<p>Mr. Shinichiro Maeda has extensive academic experience and achievements in financial business research in Japan and the U.S. and has broad knowledge in the financial field from a professional and global perspective. Although he has no direct experience of being involved in corporate management, he has been</p>

				elected as an outside director, who is a member of the Audit and Supervisory Committee based on his ability to provide advice and guidance on the Company's management from a fair and neutral standpoint. As he is deemed to have no potential conflict of interest with general shareholders in performing his duties as an outside director and never to impair independence, he has been designated as an independent officer.
Ryoko Kitazawa			–	Ms. Ryoko Kitazawa has extensive experience and expertise, having worked at multiple securities companies and, since 2012 to the present, engaged in M&A-related operations at Simplex Advisors Inc.. As the Company is promoting business diversification through M&A, we believe that the candidate can leverage such experience and knowledge to provide appropriate advice and contribute to the Company's growth and enhancement of corporate value. Accordingly, the candidate has been appointed as a Director. However, Simplex Advisors Inc. may be involved in the Company's future acquisition transactions. In the event that transactions arise between the Company and Simplex Advisors Inc., it is highly likely to qualify as a major business partner under the Company's independence criteria. Therefore, the candidate has not been designated as an independent director.

[Supervisory Committee]

Committee's Composition and Attributes of Chairperson

	All Committee Members	Full-time Members	Inside Directors	Outside Directors	Chairperson
Supervisory Committee	4	2	1	3	Inside Director

Appointment of Directors and/or Staff to Support the Supervisory Committee (Updated)	Appointed
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Matters Related to the Independence of Such Directors and/or Staff from Executive Directors

The Company has established the Audit and Supervisory Committee Office as a dedicated department to assist the Audit and Supervisory Committee. In order to ensure the independence and effectiveness of the Committee, the Company has stipulated in its internal regulations that employees assigned to the Audit and Supervisory Committee Office shall not be subject to the direction or supervision of directors engaged in business execution (excluding directors who are members of the Audit and Supervisory Committee) in the performance of their duties.

In addition, the internal regulations provide that decisions regarding the personnel evaluation, transfers, and disciplinary actions of such assisting employees require the consent of the Audit and Supervisory Committee, thereby ensuring the Committee's independence from executive management.

Cooperation among Supervisory Committee, Accounting Auditors and Internal Audit Departments

The Company has established an Internal Audit Department with the objective of auditing the appropriateness of business processes, including those of its group companies. Through the periodic implementation of internal audits at various locations across the Group, the Company strives to ensure operational soundness and identify potential risks. The Audit and Supervisory Committee holds meetings with the Internal Audit Department, in principle, on a quarterly basis. At these meetings, the Committee receives reports on internal audit plans, the status of audit implementation, and audit results. In addition to these regular meetings, the Committee maintains close coordination with the Department regarding issues, risks, and progress on improvements, thereby working to understand both the effectiveness of the management framework and the degree to which it is implemented at the operational level. Furthermore, in principle, semiannually, the Company provides opportunities for the Accounting Auditor, the Internal Audit Department, and the Audit and Supervisory Committee to share audit information and exchange opinions, with the aim of strengthening the audit framework.

Based on the audit policies and audit plans determined by the Audit and Supervisory Committee, the Committee audits the execution of duties by Directors (excluding Directors who are members of the Audit and Supervisory Committee), including the development of internal control systems. This is carried out through activities such as attending important meetings—including meetings of the Board of Directors, management meetings, and the Compliance Committee—and reviewing reports received from Directors and Executive Officers. In addition, the Committee holds meetings with the Accounting Auditor approximately five times per year, during which it receives reports on audit plans, the status of audit implementation, and audit results, including audits of internal control over financial reporting. The Committee also engages in timely information sharing and exchange of opinions as necessary.

Moreover, to strengthen the Group’s monitoring functions, the Company has established an Audit and Supervisory Committee Office as a dedicated department to support the duties of the Audit and Supervisory Committee.

[Voluntary Establishment of Nomination/Remuneration Committee]

Voluntary Establishment of Committee(s) Corresponding to Nomination Committee or Remuneration Committee	Not Established
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[Independent Directors]

Number of Independent Directors	3
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Other Matters Relating to Independent Directors

The Company designates all outside officers who satisfy the qualifications for independent officers as independent officers.

(Standards for the Appointment of Independent Outside Directors)

The Company has established the following criteria for independent outside directors.

1. Where a person does not fall under any of the following categories and where there are no other circumstances that may give rise to a continuing and substantial conflict of interest, the Company determines that such person has sufficient independence from the Company.

(1) A person who is, or has been within the ten years prior to appointment, an executive director or other executive (*Note 1*) of the Group (However, if a person has served as a non-executive director (*Note 2*) or statutory auditor of the Group at any time within the ten years prior to appointment, the ten-year lookback period shall refer to the period prior to assuming such position.)

(2) A person who is a current major shareholder of the Company (*Note 3*), or, if the major shareholder is a corporation, a person who has been within the past five years a director, auditor, accounting auditor, executive officer, officer, executive employee, manager, or other employee of such major shareholder, its parent company, or a material subsidiary

(3) A person who is a director, auditor, accounting auditor, executive officer, executive employee, manager, or other employee of a company that is currently a major shareholder of the Company

(4) A person who treats the Group as a major business partner (*Note 4*), or who is, or has been, a director, executive officer, executive employee, manager, or other employee of such person, its parent company, or a material subsidiary

(5) A person who is a major business partner of the Group (*Note 4*), or who is, or has been, a director, executive officer, executive employee, manager, or other employee of such person, its parent company, or a material subsidiary

(6) A person who is an executive director or other executive of an organization (such as a public interest incorporated foundation, public interest incorporated association, or non-profit organization) that receives donations or grants from the Group exceeding a specified amount (*Note 5*)

(7) A person who is a director, auditor, accounting auditor, executive officer, or executive employee of a company that accepts directors from the Group, or of its parent company or subsidiary

(8) A person who is an indispensable financial institution or other major creditor on which the Company depends to a non-substitutable extent in terms of fundraising (“Major Creditors”), or a person who has been within the past three years a director, auditor, accounting auditor, executive officer, executive employee, manager, or other employee of such Major Creditor, its parent company, or a material subsidiary

(9) A person who is currently an employee, partner, or staff member of the Group’s accounting auditor, audit firm, or tax accounting firm, or a person who has been within the past three years an employee, partner, or staff member of such entities and who was actually engaged in the Company Group’s audit work (excluding auxiliary involvement), including persons who have since retired or left such firms

(10) A lawyer, certified public accountant, tax accountant, or other consultant not falling under item (9) above, who:

(a) receives monetary or other economic benefits exceeding an annual average of 10 million yen over the past three years from the Company Group, other than officer remuneration; or

(b) is an employee, partner, associate, or staff member of a firm that treats the Company Group as a major business partner (defined as a firm that has received payments from the Company Group amounting to 2% or more of its consolidated net sales on average over the past three fiscal years)

(11) A close relative (*Note 6*) of any person falling under items (1) through (10)

2. Even if a person falls under any of the categories listed in item 1 above, the Company may designate such person as an independent outside director, provided that the person satisfies the requirements for an outside director under the Companies Act and that the Company publicly explains the reasons why it considers such person to be suitable as an independent outside director, based on the individual’s character, insight, and other relevant factors.

Note

*1 “Executive director or other executive” refers to an executive director, executive officer, manager, or other employee.

*2 “Non-executive director” refers to a director who does not engage in business execution.

*3 “Major shareholder” refers to a shareholder holding 10% or more of voting rights.

*4 “Major business partner” refers to a party that has received payments from the Company Group amounting to 2% or more of its consolidated net sales in the most recent fiscal year or in any of the three fiscal years preceding it, or a party to which the Company Group has made payments amounting to 2% or more of the Company’s consolidated net sales under the same criteria.

*5 “Specified amount” refers to the greater of an annual average of JPY 10 million over the past three fiscal years or 30% of the organization’s average annual total expenses.

*6 “Close relatives” refer to a spouse or relatives within the second degree of kinship; however, item (1) applies only to persons who have fallen under such category within the past five years.

[Incentives]

Incentive Policies for Directors	Performance-linked Remuneration
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Supplementary Explanation

Performance-linked compensation is paid as non-monetary compensation, etc. (restricted stock compensation) to enhance the linkage between performance and stock price.

Recipients of Stock Options	
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Supplementary Explanation

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[Director Remuneration]

Status of disclosure (Individual compensation for Directors)	Individual compensation for Directors is not disclosed
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Supplementary Explanation

As the Company was newly established on April 1, 2026 through a share transfer, the following information regarding executive compensation paid to directors of AIFUL CORPORATION for the fiscal year ended March 2025 is presented for reference.

Compensation for Directors

Directors (excluding Directors who are members of the Audit and Supervisory Committee):

5 directors; total remuneration of 212 million yen (Basic remuneration: 190 million yen; Non-monetary remuneration: 22 million)

Directors who are members of the Audit and Supervisory Committee:

4 directors; total remuneration of JPY 46 million (of which 3 were outside directors; JPY 29 million)
(Basic remuneration only)

Notes

1. As of the end of the relevant fiscal year, the Company had five directors (excluding Directors who are members of the Audit and Supervisory Committee) and four Directors who are members of the Audit and Supervisory Committee, of whom three were outside directors.
2. As of the end of the fiscal year ended March 2025, the maximum annual remuneration limits were as follows:
Directors (excluding Directors who are members of the Audit and Supervisory Committee): 500 million yen
Directors who are members of the Audit and Supervisory Committee: 80 million yen
3. During the relevant fiscal year, a total of 16 million yen in remuneration was paid by subsidiaries to five directors who concurrently served as directors of such subsidiaries.

Amount of compensation or methods of policy Decisions	Applicable
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Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods

1. Policy

The Company has established a policy regarding the determination of the amount of directors' remuneration and the method for calculating such remuneration. Under this policy, in accordance with the Company's management philosophy of "Earn the trust of society through corporate activity based in integrity," director remuneration is designed not only to function as consideration for the fulfillment of roles and responsibilities, but also to effectively serve as an incentive for the improvement of medium- to long-term corporate performance and the enhancement of corporate value.

Specifically, remuneration for directors (excluding directors who are members of the Audit and Supervisory Committee and outside directors) consists of fixed basic remuneration and performance-linked non-monetary remuneration (restricted stock compensation). Remuneration for outside directors and directors who are members of the Audit and Supervisory Committee consists solely of basic remuneration, from the perspective of ensuring their independence.

The authority to determine the policy regarding the amount of remuneration or the method for calculating such remuneration for directors rests with the Board of Directors and the Audit and Supervisory Committee. Based on this policy, the remuneration structure and remuneration levels are reviewed as necessary in light of the management environment and business performance, and the allocation to each individual director is

determined according to the scope and significance of the role associated with each position, as well as each director's assigned duties, responsibilities, and authority.

With respect to remuneration for directors (excluding directors who are members of the Audit and Supervisory Committee), at the 48th Annual General Meeting of Shareholders of AIFUL CORPORATION held on June 24, 2025, Agenda Item No. 1 (Approval of the Share Transfer Plan) approved a maximum annual remuneration amount of 500 million yen (excluding salaries for the employee portion of directors concurrently serving as employees). At the time of this resolution, the number of such directors was six.

At the same General Meeting of Shareholders, within the above remuneration limit, it was also resolved that monetary claims to be granted as restricted stock compensation to directors (excluding directors who are members of the Audit and Supervisory Committee, outside directors, and domestic non-residents) would be limited to 50 million yen per year (excluding salaries for the employee portion of directors concurrently serving as employees), and that the total number of shares to be issued or disposed of would be limited to 333,000 shares per year. At the time of this resolution, the number of eligible directors was six.

In addition, with respect to remuneration for directors who are members of the Audit and Supervisory Committee, the same General Meeting of Shareholders resolved that such remuneration would be limited to 80 million yen per year. At the time of this resolution, the number of directors who were members of the Audit and Supervisory Committee was four.

2. Policy on Determination of the Amount of Remuneration, etc. for Individuals of Basic Remuneration (Monetary Remuneration)

The basic remuneration (fixed remuneration) for directors (excluding directors who are members of the Audit and Supervisory Committee) is paid as a fixed monthly amount. The Company has established remuneration tables by remuneration rank, and specific criteria for determining remuneration ranks are defined for each position. Basic remuneration is determined based on the amount corresponding to the applicable remuneration rank.

3. Policy for Determining the Content and Amount or Method of Calculating Amount of Non-Monetary Compensation as Performance-Linked Compensation

Performance-linked remuneration is intended to enhance motivation to improve business performance and increase share value, thereby contributing to the enhancement of corporate value. The indicators used to determine the amount of performance-linked remuneration (variable portion) are calculated by applying individual evaluation multipliers and company performance multipliers to the base amount corresponding to each remuneration rank, and such remuneration is paid once annually at a designated time.

The individual evaluation multipliers and company performance multipliers reflect the performance of the business units for which each director is responsible. Accordingly, in addition to the overall management environment, key indicators include operational indicators—such as business assets and collection performance for each business segment—and management indicators—such as operating revenue, ordinary profit, and ROA. Each director's performance is evaluated based on the degree of achievement against targets for the business units under their responsibility.

The amount of performance-linked remuneration for each director is determined, as described in Section 5 below, following consultation with and recommendations from the Personnel Committee, which is established to ensure fairness and transparency in evaluation and is composed of directors appointed by the President and CEO.

Performance-linked remuneration is provided as non-monetary remuneration (restricted stock compensation) in order to enhance the linkage between business performance and share value. Specifically, within the remuneration limits approved by the General Meeting of Shareholders, monetary claims granted as performance-linked remuneration and determined in accordance with the above process are contributed in kind, and restricted shares are allocated to eligible directors. The restriction period extends from the date of allotment until the date on which the relevant director ceases to hold any position as a director or executive officer of the Company.

4. Policy for Determining the Ratio of Monetary and Performance-Linked Remuneration

The ratio of monetary remuneration and performance-linked remuneration for directors is determined by reference to remuneration levels at companies of comparable business scale and in related industries and business categories. Based on this benchmarking, the Personnel Committee conducts deliberations, and the President and CEO, acting under the delegation described in Section 5 below, determines the remuneration for each individual director in accordance with the Committee's recommendations.

5. Matters Concerning the Determination of Individual Director Remuneration

With respect to the determination of individual director remuneration, the Board of Directors has delegated authority for the specific details to Mr. Mitsuhide Fukuda, President and CEO, based on a resolution of the Board. The scope of this delegated authority includes determining the amount of basic remuneration for each director and allocating performance-linked remuneration based on evaluations of business performance in the areas overseen by each director.

The reason for such delegation is that the President and CEO is best positioned to understand the performance of the businesses under each director's responsibility and to conduct evaluations closely aligned with such responsibilities.

In order to ensure the appropriate exercise of this authority, the Board of Directors requires that, with respect to the determination of performance-linked remuneration, draft proposals be submitted to the Personnel Committee for consultation and recommendation, and that opinions be obtained from the Audit and Supervisory Committee. The President and CEO must determine remuneration in accordance with such recommendations and opinions.

6. Reasons Why the Board of Directors Deems Individual Director Remuneration to Be Consistent with the Policy

The Board of Directors has determined that the individual remuneration of directors for the relevant fiscal year is consistent with the policy resolved by the Board, based on the alignment between the methods used to determine remuneration and the resulting remuneration amounts, and in light of the recommendations from the Personnel Committee and the opinions obtained from the Audit and Supervisory Committee.

[Supporting System for Outside Directors]

Based on the "Basic Policy on Internal Control Systems" resolved by the Board of Directors, the Company has established the Audit and Supervisory Committee Office to assist the Audit and Supervisory Committee. Dedicated staff support the duties of directors who are members of the Audit and Supervisory Committee under their instructions, and the Company also endeavors to establish an environment that facilitates communication and information sharing among statutory auditors of Group companies.

The results of internal audits conducted by the Internal Audit Division at various departments and Group companies are reported to the Audit and Supervisory Committee as appropriate, and opportunities for exchanging opinions are provided as necessary. In addition, directors, executive officers, and employees who become aware of significant events, potential violations of laws or regulations, or matters that may cause significant damage to the Company are required to report such matters to the Audit and Supervisory Committee.

Furthermore, the Company distributes materials for important meetings—including meetings of the Board of Directors—to directors who are members of the Audit and Supervisory Committee in advance. Through the internal network, such directors are also able to access applications, reports, and approval documents prepared by various departments, and may request explanations regarding such materials from directors, executive officers, and employees as necessary.

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

(Overview of the Current Corporate Governance System)

In order to strengthen the supervisory function of the Board of Directors and enhance corporate governance, the Company has adopted a structure as a Company with an Audit and Supervisory Committee.

- Audit and Supervisory Committee and Directors Who Are Members of the Audit and Supervisory Committee

The Audit and Supervisory Committee consists of four directors who are members of the Audit and Supervisory Committee, three of whom are outside directors. The Committee determines audit policies and audit plans, receives reports from the executive divisions on matters necessary for audits, deliberates on such matters as appropriate, and conducts audits of legality and appropriateness using the internal control system. The Audit and Supervisory Committee is, in principle, convened on a monthly basis, and extraordinary meetings are held as necessary. In order to enhance its management oversight function, the Audit and Supervisory Committee holds regular meetings and opportunities for reporting and exchange

of opinions with the internal audit division, internal control divisions, and the accounting auditor. In addition, by sharing information with statutory auditors of affiliated companies, the Company has established an audit framework for the Group as a whole.

For the purpose of enhancing the effectiveness of the audit function, the Company has established the Audit and Supervisory Committee Office as a dedicated department independent from the executive divisions to assist the Audit and Supervisory Committee in the performance of its duties.

- Board of Directors and Directors

As of the date of submission of this report, the Board of Directors consists of a total of ten directors, comprising six directors (excluding directors who are members of the Audit and Supervisory Committee) and four directors who are members of the Audit and Supervisory Committee.

The Board of Directors deliberates on and determines important matters of business execution stipulated in laws and regulations or the Articles of Incorporation that cannot be delegated to directors or executive officers, as well as matters defined as important business execution under the Board of Directors Regulations, including management plans, human resources policies, and capital policies.

In addition, based on policies resolved by the Board of Directors, authority is appropriately delegated to executive officers and other personnel, in accordance with the Rules on Authority and Responsibility, with respect to business execution and the disposition of assets below a specified monetary threshold.

The Board supervises the status of such delegated authority and its execution.

In principle, meetings of the Board of Directors are held twice a month, and extraordinary meetings are held as necessary. The Articles of Incorporation provide that the number of directors (excluding directors who are members of the Audit and Supervisory Committee) shall not exceed fifteen, and the number of directors who are members of the Audit and Supervisory Committee shall not exceed five.

- Outside Directors

As of the date of submission of this report, the Company has appointed one outside director out of the six directors (excluding directors who are members of the Audit and Supervisory Committee), and three outside directors out of the four directors who are members of the Audit and Supervisory Committee.

A framework has been established that enables outside directors to attend and express opinions at important meetings and committees, including the Compliance Committee.

- Executive Officers

For the purpose of accelerating decision-making and business execution, and strengthening the separation between supervisory and executive functions, the Company has introduced an executive officer system. Executive officers are appointed by the Board of Directors, and their respective responsibilities and authorities are defined, with business execution entrusted accordingly.

- Management Committee

The Management Committee consists of all executive officers and founders. It conducts prior deliberations on matters to be resolved by the Board of Directors, as well as deliberations or resolutions on important matters related to business execution. Through information sharing and mutual supervision regarding issues and strategies based on policies resolved by the Board of Directors, the Company endeavors to prevent discrepancies between decision-making and business execution.

In principle, the Management Committee is convened on a weekly basis.

- Group Compliance Committee

The Company has established the Group Compliance Committee as an advisory body directly reporting to the Board of Directors. The Committee is chaired by the Executive Officer in charge of the Risk Management Division, as approved by the Board of Directors, and is composed of external experts, directors who are members of the Audit and Supervisory Committee, and executive officers from relevant departments. With the aim of fostering a corporate culture that emphasizes compliance, establishing corporate ethics, and promoting compliance programs, the Committee deliberates on and makes recommendations regarding important matters related to compliance, and reports to the Board of Directors as necessary. In principle, the Committee is held twice a year, and extraordinary meetings are convened as required.

- Group Risk Management Committee

The Company has also established the Group Risk Management Committee as an organization directly reporting to the Board of Directors. The Committee is chaired by the President and CEO, and consists of all directors. With the aim of preventing risks before they materialize through the establishment of an appropriate risk management framework and minimizing losses in the event of a crisis, the Committee receives regular reports on risk conditions, continuously monitors risks, conducts ongoing reviews of the risk management framework, and reports to the directors as necessary. In principle, the Committee is held twice a year, and extraordinary meetings are convened as required.

(Policy on Election/dismissal of Management Executives and Naming of Prospective Directors)

The Company believes that, in order to establish a long-term vision and enhance medium- to long-term corporate value, it is necessary to ensure diversity and expertise in the composition of the Board of Directors, as well as an appropriate balance of knowledge, experience, and capabilities. Based on this understanding, the Company has established the following policies for the appointment of senior management and the nomination of director candidates, selecting from a broad range of internal and external candidates.

- Individuals with extensive experience, high levels of insight, advanced expertise, strong ethical standards, and outstanding character, who are capable of fairly and appropriately executing management and business operations of the Company Group
- Candidates for independent outside directors who satisfy the Company's independence criteria, understand the Company's management philosophy, fully recognize their role as independent outside directors, and are capable of supervising management and providing appropriate and constructive advice based on their experience, insight, and expertise

For the appointment of senior management, the Company discloses, in the Notice of Convocation of the General Meeting of Shareholders, the reasons for nominating each director candidate together with their brief biographies, thereby enabling shareholders to understand the experience and skills of the appointed directors. Independent outside directors include individuals with experience in corporate management at other companies. With respect to the dismissal of senior management, the Board of Directors makes decisions in accordance with the Company's dismissal criteria, taking into account circumstances such as fraud, improper conduct, or breach of trust.

(Process for Election/dismissal of Management Executives and Naming of Prospective Directors)

The procedures for the appointment and dismissal of senior management and the nomination of director candidates are as follows:

- Director candidates are nominated based on proposals from the President and CEO and the executive officer in charge of personnel, followed by the collection of opinions from the Audit and Supervisory Committee (a majority of whose members are independent outside directors), and are then deliberated and determined by the Board of Directors
- Candidates for directors who are members of the Audit and Supervisory Committee are determined by the Board of Directors with the consent of the Audit and Supervisory Committee
- The Representative Director is appointed by resolution of the Board of Directors
- The roles and titles of directors are determined by resolution of the Board of Directors, taking into account performance and evaluations
- The dismissal of directors is resolved by the Board of Directors in accordance with the relevant policies and is ultimately determined by the General Meeting of Shareholders

3. Reasons for Adoption of Current Corporate Governance System

The Company has adopted a structure as a Company with an Audit and Supervisory Committee, under which three of the four directors who are members of the Audit and Supervisory Committee are outside directors. All directors who are members of the Audit and Supervisory Committee attend meetings of the Board of Directors, as well as important meetings and committees, including the Compliance Committee. In addition, the Company has established a reporting framework to the Audit and Supervisory Committee in order to ensure the effectiveness and independence of audits.

Furthermore, to enhance the effectiveness of the audit function, the Company has established the Audit and Supervisory Committee Office as a dedicated department to assist the Audit and Supervisory Committee in the performance of its duties.

In addition, the Company has introduced an executive officer system to promote the separation of supervisory and executive functions. The Company has also established the Compliance Committee and the Risk Management Committee, which include external experts as members, in order to further strengthen its supervisory functions.

Through these arrangements, the Company has adopted its current corporate governance structure with the aim of realizing corporate management that embodies transparency, fairness, and efficiency.

III. Implementation of Measures for Shareholders and Other Stakeholders

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

	Supplementary Explanations
Early Notification of General Shareholder Meeting	<p>Due to the launch of the electronic offering system, information is disclosed on the web three weeks prior to the date of the General Meeting of Shareholders.</p> <p>As the Company was newly established on April 1, 2026 through a share transfer, the following information is provided for reference based on the Annual General Meeting of Shareholders of AIFUL CORPORATION held on June 24, 2025.</p> <p>General Meeting of Shareholders: June 27, 2023 WEB disclosure: June 2, 2023 Dispatch of Notice of Convocation: June 7, 2023</p>
Scheduling the Annual General Meeting of Shareholders to Avoid the Peak Day	In order to encourage the participation of a broader range of shareholders, the Company plans to schedule the Annual General Meeting of Shareholders on a date that avoids periods of concentration.
Allowing Electronic Exercise of Voting	The Company plans to enable shareholders to exercise their voting rights via the internet using personal computers, smartphones, or other devices.
Measures to Improve the Voting Environment of Institutional Investors Such as Participation in Electronic Voting Platform	The Company plans to participate in the electronic voting platform operated by ICJ, Inc., thereby improving the environment for institutional investors to exercise their voting rights.
Providing Convocation Notice (Summary) in English	The Company plans to prepare an English summary version of the Notice of Convocation and publish it simultaneously with the Japanese version on the Company's website and the Tokyo Stock Exchange website, among others.
Other	In order to further enhance shareholders' understanding of the Company's business activities and financial condition, the Company plans to enhance the visual presentation of matters reported at the General Meeting of Shareholders and to hold company briefings for shareholders from the perspective of promoting interactive communication. Through these initiatives, the Company aims to create an environment in which shareholders can more easily raise questions and express their opinions.

2. IR Activities

	Supplementary Explanations	Explanations made by the Representative
Regular Investor Briefings for Individual Investors	The company plans to hold company briefings for shareholders following the Annual General Meeting of Shareholders.	Applicable
Regular Briefings for Analysts and Institutional Investors	The company plans to hold financial results briefings for analysts, institutional investors and financial institutions promptly after the announcement of financial results.	Applicable
Posting of IR Materials on Website	<p>The company provides a wide range of IR materials on its website in both Japanese and English, including financial results summaries, Annual Securities Reports, Financial data book, Earnings presentation materials, Monthly data, Integrated report, Medium-term management plans, and Notices of Convocation of the General Meeting of Shareholders.</p> <p>IR Website: https://www.muninova.co.jp/en/ir/</p>	

Establishment of Department and/or Manager in Charge of IR	Operation Management Department	
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3. Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanations
Stipulation of Internal Rules for Respecting the Position of Stakeholders	Based on its management philosophy of <i>Earn the trust of society through corporate activity based in integrity</i> , the Group strives to meet the expectations of its stakeholders by maintaining and enhancing corporate value. The Company has also disclosed its “Basic Policy on IR Activities” on its website, which stipulates that information regarding corporate activities shall be disclosed in a timely, accurate, and fair manner. Specifically, the policy provides for prompt and accurate disclosure of information, emphasizes the importance of IR activities to promote understanding of corporate management and business activities, and aims to ensure the provision of open and accessible general shareholders’ meetings.
Implementation of Environmental Activities, CSR Activities etc.	The Group engages in social contribution activities through initiatives such as environmental protection and disaster relief support.
Development of Policies on Information Provision to Stakeholders	The Company’s “Basic Policy on IR Activities,” disclosed on its website, stipulates that information shall be disclosed in a timely and appropriate manner. Based on this policy, the Company aims to ensure effective external oversight of management by appropriately disclosing management information to stakeholders, thereby enhancing transparency and achieving effective corporate governance. The Company is committed to providing timely and easy-to-understand disclosures through various means, including the release of materials such as earnings summaries, financial data books, and integrated reports on its IR website, as well as through briefings and interviews for domestic and international media, investors, and analysts.

IV. Matters Related to the Internal Control System

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

Under the corporate philosophy of *Earn the trust of society through corporate activity based in integrity*, the Group recognizes as a key objective of corporate governance the realization of management that ensures transparency, fairness, and efficiency, while contributing to the development of the economy and society through corporate activities premised on compliance, thereby becoming a company trusted by all stakeholders and society at large.

In order to reliably achieve the above philosophy and objectives, the Company has established the following basic policy for the development of its internal control system, taking into account all relevant circumstances surrounding the Group, including market conditions, economic trends, revisions to applicable laws and regulations, and other aspects of the business environment.

The Board of Directors shall review this basic policy as appropriate in response to changes in the business environment and will continuously strive to maintain and enhance its effectiveness.

(1) Systems to ensure that the Company’s directors and employees and the directors and employees of the Company’s subsidiaries execute their duties in compliance with laws and regulations and the Articles of Incorporation

- The Company establishes a framework to ensure that business activities are conducted in compliance with laws and regulations and the Articles of Incorporation, and in accordance with ethical standards, by formulating its management philosophy as well as compliance-related codes of conduct and internal

regulations. Based on these, audits and supervision are conducted as appropriate regarding the compliance status of Directors and each department and the appropriateness of business execution.

- A Group Compliance Committee is established to develop a unified compliance framework (including education and training) across the Group under a shared understanding.
- The Group Compliance Committee, comprising Directors and others from each Group company, is convened regularly to implement necessary improvement measures and company-wide awareness initiatives.
- An Internal Audit Department is established to conduct internal audits on the status of compliance and the appropriateness of operations across the Group. Audit results are reported to the Board of Directors and the Audit and Supervisory Committee as appropriate. The Internal Audit Department may also conduct audits of Group companies as necessary.
- A system is in place to ensure that any violations of laws, regulations, the Articles of Incorporation, or internal rules, or any other material facts or potential risks thereof, are promptly reported to the Audit and Supervisory Committee and the Board of Directors.
- Various whistleblowing hotlines are established as reporting and consultation channels, and internal regulations are developed to ensure the effectiveness of the whistleblowing system in accordance with applicable laws.
- The Company maintains a firm stance against anti-social forces, completely severing any relationships with them and refusing any improper demands.
- Measures are implemented to prevent the Group's financial services from being used for money laundering, terrorist financing, or other financial crimes.

(2) Systems related to the storage and management of information related to the execution of directors' duties

- Documents related to the execution of Directors' duties (including electronic records), as well as other information containing trade secrets and personal data, are managed and stored in accordance with internal regulations on security, handling, and retention periods, with access restricted based on confidentiality classification.
- To ensure appropriate management and storage of information, the Company obtains periodic confidentiality pledges from Directors and employees and conducts regular monitoring through the Internal Audit Department.

(3) Systems for managing risks of loss of the Group

- A Group Risk Management Committee is established to identify all risks that may threaten the Company's sustainable growth and to develop a comprehensive risk management framework.
- The Committee regularly receives reports on risk information from across the Group, monitors risks on an ongoing basis, reports to the responsible Directors, and works with relevant departments to implement appropriate crisis management.
- Contingency measures are defined according to the nature of risks, such as large-scale natural disasters and core IT system failures, to ensure prompt and appropriate responses.

(4) Systems to ensure efficient execution of duties by directors

- The Board of Directors determines medium-term and annual business plans and regularly reviews their progress (monthly, quarterly, semiannually, and annually).
- Internal regulations are established to ensure the efficiency and appropriateness of Board operations.
- An executive officer system is adopted to clarify responsibilities and decision-making processes, thereby improving operational efficiency.
- A dedicated department oversees subsidiaries and ensures appropriate and efficient Group-wide management through consultations and information sharing on important matters.

(5) Systems for reporting matters related to the execution of duties by directors of the Group to the Company

- Regular meetings are held among Directors and management of Group companies to facilitate information sharing and alignment on management policies and key initiatives. Subsidiaries are required to report on their operational and financial status periodically.
- Internal regulations clarify authority and responsibility related to decision-making, ensuring that important management matters are subject to approval or reporting to the Company.

(6) Systems to Ensure the Appropriateness of Operations across the Group

- A shared management philosophy and compliance-related codes of conduct are established and disseminated throughout the Group to ensure a unified understanding of corporate ethics. Group-wide operations are conducted in a consistent manner based on common internal regulations.

(7) Matters Concerning Directors and Employees Assisting the Audit and Supervisory Committee, Their Independence from Other Directors (Excluding Directors Who Are Members of the Audit and Supervisory Committee), and the Effectiveness of Instructions Given by the Committee

- The Company has established an Audit and Supervisory Committee Office as a dedicated organization to assist the duties of the Audit and Supervisory Committee. To ensure its independence and effectiveness, internal regulations stipulate that employees assigned to the Committee Office (hereinafter, “support staff”) shall not be subject to the direction or orders of Directors (excluding Directors who are members of the Audit and Supervisory Committee) in the execution of their duties. In addition, decisions regarding personnel evaluations, transfers, and disciplinary actions concerning such support staff require the consent of the Audit and Supervisory Committee.
- In order to ensure the proper execution of the duties of the Audit and Supervisory Committee, a framework is in place whereby the Internal Audit Department provides support services in response to requests from the Committee.

(8) Systems for Reporting to the Audit and Supervisory Committee, Other Systems Relating to Reporting to the Audit and Supervisory Committee, and Systems to Ensure That Persons Making Such Reports Are Not Subject to Disadvantageous Treatment on the Grounds of Having Made Such Reports

- In order to ensure close information sharing between the Audit and Supervisory Committee and the Company’s Directors (excluding Directors who are members of the Audit and Supervisory Committee), employees, as well as Directors, employees, and corporate auditors of subsidiaries, Directors who are members of the Audit and Supervisory Committee attend important meetings, including meetings of the Board of Directors, express their opinions, and request explanations as necessary. A system is in place to ensure that Directors (excluding those serving on the Committee) and employees of the Company, as well as Directors, employees, and corporate auditors of subsidiaries, respond appropriately to such requests.
- A system is in place to ensure that, when Directors (excluding those serving on the Committee) and employees of the Company, as well as Directors, employees, or corporate auditors of subsidiaries, discover or suspect violations of laws, regulations, the Articles of Incorporation, internal rules, or other material facts, they promptly report such matters to the Audit and Supervisory Committee. In addition, departments receiving such reports are also required to report to the Committee.
- A framework is established under which the status of internal control over financial reporting, accounting standards, activities of the Internal Audit Department, and activities of corporate auditors of subsidiaries are reported to the Audit and Supervisory Committee as necessary.
- The Audit and Supervisory Committee is able to review, as necessary, approval documents and reports prepared by each department and submitted to the relevant departments.
- Directors (excluding those serving on the Committee) and employees of the Company, as well as Directors, employees, or corporate auditors of subsidiaries, may report directly to the Audit and Supervisory Committee. Internal regulations prohibit any disadvantageous treatment on the grounds of having made such reports.

(9) Policies on the Prepayment or Reimbursement of Expenses Incurred in the Execution of Duties by Directors Who Are Members of the Audit and Supervisory Committee, and Other Systems to Ensure the Effectiveness of Audits

- A system is in place whereby the Audit and Supervisory Committee receives reports and explanations from the accounting auditor regarding financial audits and, as necessary, conducts hearings on the status of audit implementation.
- The Company endeavors to establish an effective audit framework by ensuring coordination between the Internal Audit Department and the Audit and Supervisory Committee, thereby enabling deterrence and early detection of misconduct or irregularities.
- A system is in place to ensure that Directors and employees respond promptly and appropriately when the Audit and Supervisory Committee requests explanations or reports concerning business operations.
- The Company bears expenses incurred in the execution of duties by the Audit and Supervisory Committee, including costs related to the use of external experts such as attorneys.
- If the Audit and Supervisory Committee requests advance payment or reimbursement of expenses pursuant to Article 399-2, Paragraph 4 of the Companies Act, the Company shall promptly process

such expenses or obligations unless it is determined that such expenses or obligations are not necessary for the execution of duties by Directors who are members of the Audit and Supervisory Committee.

2. Basic Views on Eliminating Anti-Social Forces

The Group clearly stipulates in its “Compliance Code of Conduct,” which has been established as a guideline for actions to realize its management philosophy of “*Earn the trust of society through corporate activity based in integrity*” that it shall have no relationship whatsoever with any anti-social forces. In addition, the specific provisions of the “Compliance Code of Conduct” are set forth in internal regulations.

(1) Status of the Department in Charge and the Person Responsible for Preventing Unjust Demands

The Management Planning Department has been designated as the department responsible for overseeing responses to anti-social forces, and a system has been established under the direction of the Executive Officer in charge of the Management Planning Department, in cooperation with relevant departments, to conduct investigations and take appropriate measures.

(2) Status of Cooperation with External Specialized Organizations

A system has been established to maintain close consultation and reporting with external specialized organizations, including police authorities and attorneys.

(3) Status of Collection and Management of Information on Anti-Social Forces

Information is collected through participation in training sessions and meetings held by external organizations, as well as through membership in such organizations. In addition, a Risk Management Committee has been established as a body to identify internal risks at an early stage, and it is responsible for collecting and centrally managing risk information.

(4) Status of Development of Response Manuals

As part of responses required in the course of business operations, the Company has established internal regulations such as the “Regulations for the Prevention of Damage Caused by Anti-Social Forces,” the “Group Response Manual upon Identification of Transactions with Anti-Social Forces,” and the “Manual for Responding to Anti-Social Forces.” In addition, various manuals have been developed to ensure the complete severance of relationships with anti-social forces.

V. Other

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not Adopted
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Supplementary Explanation

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2. Other Matters Concerning to Corporate Governance System

- The status of the Company’s internal system for timely disclosure of corporate information is as follows:

1. Basic Policy on Timely Disclosure

Under its management philosophy of “earning the trust and support of society through sincere corporate activities,” the Company discloses information related to its corporate activities in a prompt and accurate manner in order to gain the trust and support of all stakeholders, including customers, shareholders, and investors.

2. Status of Internal Systems for Timely Disclosure

In order to realize its management philosophy, the Company has established internal regulations such as the “Information Management Regulations” and the “Insider Trading Prevention Regulations” to collect and manage information that may have a material impact on investment decisions, including financial results information, and to ensure timely and appropriate disclosure. Based on these regulations, the Company has developed and implemented the following internal systems:

- In the event of a disaster, the Company establishes a disaster response headquarters after the occurrence of the event, collects relevant information, and coordinates with the Information Management Secretariat and the Operation Management Department to ensure timely and appropriate disclosure of information.
- With respect to financial results information, the Accounting Department collects such information from each department of the Company and each Group company and has established a system to prepare accurate financial information in accordance with the Securities Listing Regulations of the Tokyo Stock Exchange.
- Information of the Group collected through the above processes is submitted and reported to the Board of Directors (which is held, in principle, twice a month, with extraordinary meetings convened as necessary). In addition, the Management Committee, which consists of Directors and Executive Officers (and is held, in principle, weekly), discusses and examines matters related to business execution, including issues and strategies, based on management policies resolved by the Board of Directors, as well as matters to be submitted to the Board of Directors.
- With respect to information, including decisions resolved by the Board of Directors, the Legal Department, under the direction of the Executive Officer in charge of the Legal Department, who serves as the person responsible for information handling, determines whether timely disclosure is required. Such determination is made promptly in consultation with the Information Management Secretariat and relevant departments, not only for disclosure items stipulated under the Securities Listing Regulations of the Tokyo Stock Exchange but also for information deemed to have a material impact on investment decisions.
- For information determined to require timely disclosure, the Operation Management Department acts as the lead department and promptly carries out timely disclosure.



