[Translation]

Corporate Governance Report

Last updated: November 11, 2024

TBS HOLDINGS, INC.
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The corporate governance of TBS HOLDINGS, INC. (the "Company") is described below.

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

1. Basic Views [Updated]

As a listed company, the Company has a responsibility to contribute to the development of market economy. We also have an important public mission as a certified broadcast holding company, with broadcasters under our umbrella that are entrusted with the use of finite and valuable radio waves. At the same time, the Company firmly recognizes its social responsibilities to transmit fair, honest and accurate information, to perform the function of social lifeline particularly at the time of disasters and emergencies as a broadcasting business. In order to realize these social missions and maintain and improve our content production and development capabilities, particularly in the broadcasting business, the Group's employees and other human resources, as well as the long-term relationships of trust with outsourcers, business partners, and other content supporters, are extremely important management resources and constitute the source of the Company's corporate value.

To maximize its corporate value and the common interests of shareholders, the Company must develop and strengthen the sources of its corporate value from a medium- to long-term perspective. Based on this recognition, the Company considers that the basic policy for corporate governance is to endeavor to maximize the corporate value of the Company and common interests of shareholders by seeking high quality of contents created and the management efficiency at the same time.

In addition, the Company has formulated the TBS Group Activities Charter as a basic oath that all officers and employees are required to uphold and also adopted the TBS Group Activities Standards as standards for the realization of the Charter and is working to ensure full compliance with them. As such the Company strives to strengthen the corporate governance to ensure that Directors perform their duties in accordance with the laws and regulations and the Articles of Incorporation and their management judgment and business execution are conducted in line with the above basic policy.

[Translation]

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

[Principle 4-11. Preconditions for Board of Directors and Audit & Supervisory Board Effectiveness]
While the Board of Directors ensures diversity, covering aspects of gender, internationality, professional experience, and age, pursuant to the provisions of the Broadcasting Act, the Company cannot appoint any foreign national as Director.

[Disclosure Based on the Principles of Japan's Corporate Governance Code] [Updated]

[Principle 1-3. Basic Strategy for Capital Policy]
Please refer to the "TBS Group Medium-Term Management Plan 2026" for information on basic strategy for capital policy, etc.
https://www.tbsholdings.co.jp/en/about/pdf/plan_2026.pdf

[Principle 1-4. Strategic Shareholdings]
The Company has been progressively reducing strategic shareholdings in accordance with Japan's Corporate Governance Code. The Company had sold strategic shareholdings totaling ¥153 billion over the six-year period from FY2018 to FY2023. The Company plans to sell such stocks totaling more than ¥90 billion during the three-year period from FY2024 to FY2026, the period of the "TBS Group Medium-Term Management Plan 2026." If the plan is executed, the cumulative proceeds from the sale of stocks over the nine years beginning from FY 2018 will exceed ¥243 billion.
The Board of Directors examines whether or not it is appropriate to continue to hold the shareholdings on an annual basis, by comprehensively taking into account their economic rationale in terms of holding purposes, status of relationship and capital cost. The Company classifies strategic shareholdings into three groups, namely (1) Stocks that are essential for the purpose of core business strategies such as JNN affiliated stations and advertising companies, (2) Stocks of business partners such as TV sponsors, and (3) Source of capital for funding growth strategies. Stocks categorized in (1) and (2) are sold as appropriate if their significance of holding has deteriorated. Stocks categorized in (3) are sold for funding strategic investments in a flexible manner. In FY2023, the Board of Directors verified the strategic shareholdings in meetings held in October and November, and the Company conducted the sale of stocks with proceeds amounting to approximately ¥37.1 billion.
In exercising voting rights, while respecting the management policy of investees, the Company closely examines the content of proposals and exercises voting rights appropriately from the viewpoint of whether or not it contributes to enhancement of medium- to long-term corporate value. However, in the case where the Company's corporate value may be damaged, the case where any material violation of laws and regulations is seen, or other cases, the Company will have a sufficient dialogue, including confirmation of intent of the proposal, with the investee as needed, and make a careful judgment.
As the Company believes in the importance of having regular dialogue with investees, in FY2023, the Representative Director who is the head of financial strategy and Executive Officer in charge of financial strategy conducted interviews with the representatives of 17 investees.

[Principle 1-7. Related Party Transactions]
Conflict-of-interest transactions with Directors are conducted after prior approval of the Board of Directors is obtained in accordance with the Companies Act and the Regulations of the Board of Directors, and the outcome is reported to the Board of Directors. In addition, transactions with officers and their close relatives are confirmed regularly each year.
Transactions with related parties including major shareholders are to be conducted fairly in accordance with the TBS Group Activities Standards, as is the case with general transactions.

[Supplementary Principle 2-4-1. Ensuring Diversity in the Appointment of Core Personnel, etc.]
The Group has identified diversity and inclusion as an S (social) issue in ESG management, and is working on "respect for diverse values" and "advancement of diverse human resources."

1) Promotion of female employees to managers
   As of March 31, 2024, the percentage of female employees (excluding part-time employees) at the Company and Tokyo Broadcasting System Television, Inc., our core subsidiary, was 24.2% of all career-track employees. As a result of active recruitment in recent years, however, the percentage of female

employees is higher in younger age groups, with 31.6% in their 30s and 40.7% in their 20s. We have set a target of 20% or more of female employees in management positions by the end of FY2025. Although the percentage was 16.0% as of March 31, 2024, the number of managers has been increasing every year, and we will strive toward our target of 20%.

2) Promotion of foreign employees to managers
We do not include nationality in our selection criteria for both new graduates and mid-career hires, and recruit employees based on a fair assessment of the individual's abilities, aptitude and other factors. For management positions, we also place importance on whether the person has appropriate skills and insights, and appoint people without distinction of nationality or gender. For this reason, we have not set any specific target figures for the appointment of foreign employees to management positions.

3) Promotion of mid-career employees to managers
We are actively recruiting mid-career workers to expand our pool of career personnel with specialized knowledge and abilities. Tokyo Broadcasting System Television, Inc., a core subsidiary, has consistently hired approximately 10 specialists each year since FY2018 and is accelerating its recruitment of human resources, with a significant increase of 24 in FY2021, 25 in FY2022 and 29 in FY2023, and the number is expected to exceed 50 in FY2024. The percentage of career hires among those promoted to management positions in FY2024 is 12.3%, also trending upwards, and the number of appointments to key positions such as President of Division and Director of Department is also increasing. Although we have not set any specific targets for appointments to management positions, we believe that the percentage will continue to increase in the future as we hire more career personnel with high skills.

For information on the initiatives of the Group, please see pages 51-58 of the TBS Group Integrated Report 2024.
https://www.tbsholdings.co.jp/en/ir/report/

[Principle 2-6. Roles of Corporate Pension Funds as Asset Owners]
As part of employee welfare benefits, the Company has introduced a defined contribution pension plan, and works to provide education on the plan to employees periodically.

[Principle 3-1. Full Disclosure]
(1) Company objectives (e.g., management principles), business strategies and business plans

Management principles, etc. of the Company have been disclosed on its website below.
https://www.tbsholdings.co.jp/en/about/brand.html
In addition, business strategies, business plans, etc. have been disclosed on the TBS Group VISION 2030 and the TBS Group Medium-Term Management Plan 2026.
https://www.tbsholdings.co.jp/en/about/plan.html

(2) Basic views and basic policies on corporate governance based on each of the principles of the Code

As described in I-1. "Basic Views" in this report.

(3) Board of Directors policies and procedures in determining the remuneration of the senior management and directors

As described in II-1. "[Directors] Supplementary Explanation" and "[Director Remuneration] Disclosure of Policy for Determining Remuneration Amounts or Calculation Methods Thereof" in this report.

(4) Board of Directors policies and procedures in the appointment/dismissal of the senior management and the nomination of director and audit & supervisory board member candidates

Candidates for Directors (including President & Representative Director) are nominated as those with high business execution skills capable of implementing management strategies, and understanding the Company's business characteristics with extensive experience and knowledge as a member of the top management. Furthermore, those who are not involved in business execution but have an important role of supervising Directors with high effectiveness are nominated as candidates for Outside Directors. The structural diversity

of the Board of Directors and a good balance between business execution and supervision are taken into account upon nomination.
For candidates for audit & supervisory board members, those with considerable knowledge of internal control and diverse persons who are outside of the industry to which the Company belongs have been nominated.
Candidates for directors, including the President & Representative Director, are selected after deliberation by the Nomination Advisory Committee, and candidates for audit & supervisory board members are selected after obtaining the consent of the Audit & Supervisory Board, which is then decided by the Board of Directors and proposed to the General Meeting of Shareholders.
In cases where it is objectively found appropriate that any Director, including the President & Representative Director, is dismissed, such as due to violation of any laws and regulations, the Articles of Incorporation, etc. by such Director, the dismissal is determined by the Board of Directors through deliberation of the Nomination Advisory Committee, and proposed to the General Meeting of Shareholders.

(5) Explanations with respect to individual appointments/dismissals of the senior management and nominations of director and audit & supervisory board member candidates by the Board of Directors

It is provided in "Reference Materials" of the Notice of Convocation of the General Meeting of Shareholders.
https://www.tbsholdings.co.jp/en/ir/stakeholders/meeting.html

[Supplementary Principle 3-1-3. Efforts for Sustainability]
<Efforts for Sustainability>
In order to further strengthen and promote Group-wide efforts to realize a sustainable society, the Company established the Sustainability Committee, chaired by the President & Representative Director and vice-chaired by the Director with responsibility for ESG strategy (currently the Chief Sustainability Officer, CSO), on October 1, 2021, and formulated the "TBS Group Sustainability Policy" at a meeting of the Board of Directors in November 2021.
In our Sustainability Policy, sustainability issues are grouped into four categories based on the E, S, and G perspectives including solving environmental and social issues and respecting human rights and diverse values, under the philosophy of building broad partnerships with all stakeholders and "working together" with them "to create a happy and sustainable society," defining the Group as a media company with a social mission. With regard to the achievement of the SDGs, we will provide a wide range of content and services, acting as a starting point for social action, and through broad-based partnerships, contribute to the realization of a society full of hope where "no one is left behind."

In addition, the Company has established policies and guidelines to ensure that human rights are respected in all aspects of our corporate activities and to maintain a safe and secure work environment. Our "TBS Group Human Rights Policy," "TBS Group Human Capital Management," "TBS Group Sustainable Procurement Guidelines," and "TBS Group Anti-Bribery and Corruption Policy" have been approved by the Board of Directors.

The Sustainability Committee examines and implements specific measures for issues related to ESG and SDGs, such as "climate change measures," "human rights," "labor," "environment," and "governance."
Four working groups "Climate Change," "Human Capital," "Intellectual Property," and "Wellness," as well as a "Human Rights Sub-committee" have been established under the Sustainability Committee with human resources from throughout the company. The "Climate Change Working Group" will formulate concrete action plans for reducing greenhouse gas emissions, energy conservation, and other measures aimed at realizing a decarbonized society. The "Human Capital Working Group" will analyze the TBS Group's human capital to clarify our human capital management policy as one of our management strategies. The "Intellectual Property Working Group" will identify and analyze the Group's intellectual properties and intangible assets to clarify the direction of our intellectual property strategy. The "Wellness Working Group" will promote the creation of a fair working environment that is physically and mentally safe in which "diverse human resources" can play an active role to help strengthen our health management. The "Human Rights Sub-committee" will take necessary measures to ensure that human rights are respected throughout of the Group's corporate activities in order to fulfill our social responsibility. It will carry out human rights due diligence to identify potential human rights risks that may arise through business activities, prevent or mitigate such risks, and disclose information on a series of initiatives after assessing their effectiveness and efficiency.

[Translation]

The “Group Sustainability Liaison Conference,” consisting of TBSHD consolidated companies, aims to raise awareness of sustainability throughout the Group in order to contribute to the sustainable growth of the Group, to enhance corporate value, and to help solve social issues.

*TBSHD Sustainability website, “Sustainability Policy and System”
https://www.tbs.co.jp/TBS_sustainability/vision_goals/system.html

Sustainability initiatives are described on pages 69-79 of the TBS Group Integrated Report 2024.
https://www.tbsholdings.co.jp/en/ir/report/

In November 2021, the Company endorsed the recommendations of the TCFD (Task Force on Climate-related Financial Disclosures) toward the realization of a decarbonized society. The Company have considered both the risks and opportunities brought by climate change to the businesses in the future from the perspective of “strategy,” “risk management,” “governance,” and “indicators and objectives.” The Company published a report on these matters on our sustainability website on August 31, 2022, as well as a summary in our Integrated Report released on the same day.

* TBS Sustainability website, Information Disclosure Based on TCFD Recommendations
https://www.tbs.co.jp/TBS_sustainability/report/#tcfd

The Company’s formulation of the “TBS Group Health Declaration” in February 2023 and its efforts to promote health management have been well received, and in March 2024, the Company and Tokyo Broadcasting System Television, Inc. were recognized by the Ministry of Economy, Trade and Industry as one of the “2024 Certified Health & Productivity Management Outstanding Organizations (White 500)” in the large enterprise category.

[Governance]
Recognizing that climate change is a key issue affecting its business activities, the Group has established the “Climate Change Working Group” as a subordinate organization of the “Sustainability Committee,” which is chaired by the President & Representative Director and vice-chaired by the Director who is Chief Sustainability Officer (CSO). This working group considers and develops climate change-related goals, such as decarbonization and energy efficiency improvements, and measures to achieve these goals, and the results are consulted on with the “Sustainability Committee” meeting, which is held regularly (twice a year) and deliberated by the Board of Directors. Going forward, the Company will continue to review its organizational structure in order to speed up decision-making on policies, directions, and long-term goals related to sustainability, including climate change, and to strengthen its supervisory function.

[Strategy]
The Group reviewed the possible changes in the external environment and examined how they would affect both the Company’s business operations and the Group’s stakeholders and value chain, on the aspects of both risks and opportunities under both the “4°C scenario,” in which priority is given to economic development and global temperature rise, and its impact will continue to worsen, and the “1.5°C scenario,” in which the entire society will make a transformation toward decarbonization and succeed in curbing a rise in the global temperature.
As a result, while the Company recognizes that strengthening policies towards a decarbonized society and changes in the external environment, such as more severe weather-related disasters, may pose business risks and the cost for environmental compliance will increase, it has concluded that responding to social expectations and contributing to the acceleration of change may be opportunities for business and growth.
Going forward, the Company will strengthen the communication of information that contributes to the entire society’s awareness of decarbonization by making use of the characteristics of media companies and serve as a starting point for moving society, while reinforcing the provision of disaster-related information to increase the resilience of the entire society to intensifying natural disasters.
In relation to human rights, through the implementation of due diligence, we aim to build a healthy and sustainable environment not only within the Company but also with business partners. In addition, by prioritizing efforts in these highly important and high-impact areas, we are striving to ensure thorough awareness and understanding of respect for human rights throughout the entire Group.

[Translation]

[Risk Management]
The Group has organized the TBS Group General Risk Management Committee under the TBS Group Corporate Activities Committee, which is chaired by President & Representative Director, to understand and manage important risks that could occur in the execution of business of the Group including climate-related risks. Departments associated with climate-related risks sort out important risks in view of impact and probability of occurrence, and determine a responding policy after analysis and assessment. The departments make a report to the General Risk Management Committee in principle semiannually, in April and November.
As global warming countermeasures, the Company has been implementing various energy saving measure to reduce greenhouse gas emissions, complying with laws and ordinances such as the Law Concerning the Promotion of Measures to Cope with Global Warming of the Ministry of the Environment and the Tokyo Metropolitan Environmental Security Ordinance. These activities are reported to the Energy Saving Promotion Committee, which is chaired by the officer in charge of general affairs, to manage the status of implementing the measures, etc.
In November 2023, the Human Rights Sub-committee began human rights due diligence, and together with our partners involved in content production, the Sub-committee is working on identifying human rights risks mainly related to content production. Where risks are identified, mitigation and prevention measures will be taken after analyzing the causes, and a remediation mechanism established.
[Indicators and Objectives]
As a first step toward setting and implementing goals toward making zero carbon a reality, which is one of the Group's materialities, we have achieved carbon neutrality at three major facilities in FY 2023: the TBS Broadcasting Center, Akasaka Sacas Cultural Facility, and TBS Midoriyama Studio. The target of this endeavor will be achieved for Scope 1 and 2 through further reduction of CO2 emissions and procurement of renewable energy, among other measures. In addition to the Akasaka Sacas Cultural Facility (from 2019) and Midoriyama Studio (from 2021), which have already converted 100% of their electricity consumption to renewable energy, our Head office and the Broadcasting Center, which functions as a studio, will also convert their electricity consumption to renewable energy. This will allow nearly 70% of Tokyo Broadcasting System Television, Inc.'s regular programs to be recorded in the studio and broadcast live with zero CO2 emissions.
Going forward, the Group as a whole will work to reduce its CO2 emissions by introducing energy conservation initiatives and renewable energy and pursuing other measures to achieve carbon neutrality for the entire Group. In addition, we will strive to strengthen BCP measures in response to intensifying natural disasters.
By taking these steps, we will lead the way in promoting decarbonization measures, make leading contributions to the creation of a decarbonized society by promoting the improvement of awareness about global-scale climate change issues, decarbonization and strengthening of resilience of the entire society, innovation, and behavior change, and become a starting point for moving society utilizing our power of information transmission as media.
Also regarding human rights, through continuing our due diligence efforts, which commenced in FY2023, we will continue to develop mechanisms to identify, prevent, and mitigate human rights risks that arise in the content production process, not only for the Company but also for business partners.
In the event human rights risks become a reality, we plan to utilize an external service in response to the United Nations Guiding Principles on Business and Human Rights.

<Investment in Human Capital and Intellectual Property, etc.>
As a human resources strategy for the TBS Group, in the TBS Group Medium-Term Management Plan 2026, we set forth "human capital, technology, and design" for human capital development. Specific measures include recruitment of 300 experts and development of independent human resources for global success.
The characteristics and strengths of the TBS Group's human resources (human capital) and specific details of its human resources strategy are described on pages 52-58 of the TBS Group Integrated Report 2024.
The intellectual property that represents the TBS Group consists of two elements: a vast array of content created beyond the boundaries of broadcasting, and the know-how, skills and proprietary technologies used to create the content.
The characteristics and strengths of the TBS Group's intellectual property (intellectual capital) and specific details of its intellectual property strategy are described on pages 59-64 of the TBS Group Integrated Report 2024.
https://www.tbsholdings.co.jp/en/ir/report/

[Supplementary Principle 4-1-1. Scope of Matters Delegated to the Senior Management]

[Translation]

Important management matters requiring a resolution of the Board of Directors and matters for reporting concerning Directors' performance of operations have been stipulated in the Regulations of the Board of Directors. In addition, with regard to individual performance of operations, the scope of matters delegated has been stipulated in the Regulations of the Board of Full-time Directors and Officers and various rules.

[Principle 4-9. Independence Standards and Qualification for Independent Outside Directors]
Judgments are made based on the following criteria in addition to the independence standards of the Tokyo Stock Exchange.
(1) Executive of a major shareholder who holds 10% or more of shares of the Company
(2) Executive of a customer of which the ratio of actual sales to the Company's consolidated net sales is 10% or more
(3) Executive of a network station of a core subsidiary

[Supplementary Principle 4-10-1. Authority and Role of the Nomination Committee and Remuneration Committee, etc.]
As described in II-1. "[Directors] Supplementary Explanation."

[Supplementary Principle 4-11-1. Views on Diversity in the Board of Directors, etc.]
<Views on Balance of Knowledge, Experience and Ability, Diversity and Size of the Board of Directors as a Whole>
From the perspective of speeding up management decision-making and ensuring transparency and fairness, four of ten Directors who make up the Board of Directors are Independent Outside Directors. The four Outside Directors all have experience in "corporate management" and as "heads of departments" in operating companies, excel in fields like "financial accounting," "organizational human resources," and "legal affairs and compliance," and have a wealth of experience and knowledge, thereby ensuring diversity and multifacetedness.

<Combination of Skills, etc. Possessed by Directors>
With respect to the combination of skills, etc. possessed by Directors, the skills matrix is included as reference material for the proposal for the election of Directors in the Notice of Convocation of the Ordinary General Meeting of Shareholders of the Company.
https://www.tbsholdings.co.jp/en/ir/stakeholders/meeting.html

<Policies and Procedures for Appointment of Directors>
The policy for the appointment of Directors is as described in [Principle 4-11. Preconditions for Board of Directors and Audit & Supervisory Board Effectiveness] and [Principle 3-1. Full Disclosure] (4) of this report. As the procedures, candidates for Directors are reported to the Board of Directors following deliberation by the Nomination Advisory Committee, which consists of seven persons including four Outside Directors, and then determined.

[Supplementary Principle 4-11-2. Concurrent Positions Held by Directors and Audit & Supervisory Board Members]
Important concurrent positions outside the Company of Directors and Audit & Supervisory Board Members (including candidates) are disclosed each year in disclosure documents such as "Business Report," "Reference Materials," and "Securities Report."

[Supplementary Principle 4-11-3. Analysis and Evaluation of the Effectiveness of the Board of Directors]
The Company recognizes that it is important for the Board of Directors to fully fulfill its expected role and improve its functions in order to sustainably enhance corporate value and maximize the common interests of shareholders, and has been conducting self-evaluations of the Board of Directors in an effort to improve its effectiveness.
To obtain a more objective perspective, in FY2020, the Company initiated an evaluation of the effectiveness of the Board of Directors with the support of a third-party institution. In FY2020, the Company conducted questionnaires and individual interviews with each Director and audit & supervisory board member, with further questionnaires conducted in FY2021 and FY2022. In FY2023, the Company conducted questionnaires with each Director and audit & supervisory board member, and the results were used as a basis for verifying and reviewing the Board of Directors' oversight of the progress and achievement of the "TBS Group VISION

2030" (VISION 2030) and the "TBS Group Medium-Term Management Plan 2023" (Medium-Term Management Plan 2023). Based on the report of the third-party institution, the Board of Directors discussed and evaluated its effectiveness.

[FY2023 Summary of evaluation]
As a result of the evaluation of the effectiveness of the Board of Directors, the Board of Directors confirmed the following. The Company's Board of Directors was deemed to be functioning properly and its effectiveness was ensured.
(1) Size and composition of the Board of Directors
The size and composition of the Board of Directors are generally appropriate because it is recognized that the diversity of the Board of Directors is increasing and the quality of its deliberations has also increased.
(2) Management of the Board of Directors
Under the appropriate proceedings of the Board of Directors chairperson, each Director and audit & supervisory board member expresses their candid opinions, thereby ensuring that decisions are made based on timely and appropriate information regarding the execution of business operations.
It is recognized that the most important management issue is the realization of VISION 2030, to which the Board of Directors has been firmly fulfilling its roles and functions while ensuring effective supervision, in addition to active discussions on matters such as growth strategies and capital policy for the achievement of the Medium-Term Management Plan 2023 and the formulation of Phase 2 of VISION 2030, the "TBS Group Medium-Term Management Plan 2026" (Medium-Term Management Plan 2026).
(3) Status of the Nomination Advisory Committee and Remuneration Advisory Committee
Regarding the size and composition of the Nomination Advisory Committee and the Remuneration Advisory Committee, comprising a majority of Outside Directors, there is greater transparency and objectivity ensured in discussions, and there is also communication occurring between the two advisory committees and the Board of Directors.
Whilst both advisory committees are open and active in their deliberations, it is recognized that there is some improvement regarding the provision of information for sufficient deliberations.
(4) Relationship with investors and shareholders
While the voice of the capital markets is appropriately reported to the Board of Directors and its content is used in Board of Directors deliberations, we will maintain ongoing dialogue with the capital markets to seek their understanding regarding our growth strategies and capital policy, including shareholder return policy.

[Future challenges and policies based on the FY2023 evaluation]
Based on this effectiveness evaluation, we recognized the following issues as challenges to be addressed by the Board of Directors in the future.
(1) Strengthening management and monitoring of progress on the Medium-Term Management Plan 2026
While strengthening the review and supervision of progress on the EDGE Strategy, including improvements in the cost of capital and investments in growth, in line with VISION 2030 and the Medium-Term Management Plan 2026, it is imperative that the Board of Directors engages in strategic discussions, and review and oversight of progress on sustainability, especially focusing on human capital.
(2) Strengthening monitoring in administration of group business
It is imperative that the Board of Directors conducts regular group monitoring as a holding company, and conducts discussions on matters such as the rigorous distinction and clarification for the agile decision-making of group companies, and the state of the portfolio.
(3) Deepening of the Nominating Advisory Committee and Compensation Advisory Committee
Through providing sufficient information to the Nominating Advisory Committee and the Compensation Advisory Committee, the Committees continue to conduct deliberations on matters such as succession and verification of the compensation system, and share information through regular reporting of deliberations to the Board of Directors.
(4) Fostering fuller dialogue and further understanding with investors
Explain to investors and shareholders the growth strategies set forth in the EDGE Strategy, together with the capital policy and financial strategy that supports them, as quantitative and sustainable measures to enhance corporate value.

[Supplementary Principle 4-14-2. Training Policy for Directors and Audit & Supervisory Board Members]
To newly appointed outside officers, the Company's management principles, various regulations including the Articles of Incorporations, and internal control/risk management systems are explained. To newly

appointed officers from the Company, the Company provides an opportunity to acquire necessary knowledge on the role and responsibilities based on important laws and regulations including the Companies Act upon assuming the office.
To incumbent Directors and Audit & Supervisory Board Members, the Company provides an opportunity to acquire and update necessary knowledge on the role and responsibilities.

[Principle 5-1. Policy for Constructive Dialogue with Shareholders]
Recognizing that shareholders' and investors' understanding is necessary to achieve sustainable growth and enhancement of the corporate value of the Group, the Company intends to provide information to shareholders and investors and hold a dialogue with them. The main policies concerning the system development and measures for promoting constructive dialogue with the Company's shareholders and investors are as follows.

(1) Overall dialogue with shareholders and investors is overseen by the Director who is the Chief Financial Officer (CFO) and the Executive Officer who assists the Director.
(2) Contact points and materials related to dialogue with shareholders and investors are handled by the Investor Relations Office, which cooperates with the Finance Department, Corporate Development Department, and Corporate Secretary Department.
(3) In principle, results briefings are held twice a year (May and November) for analysts and investors in the presence of the President & Representative Director, where the long-term vision and progress of the Medium-Term Management Plan are also explained.
(4) Any opinions or requests from shareholders and investors obtained through dialogues are reported at meetings of the Board of Full-time Directors and Officers and the Board of Directors, as deemed appropriate.
(5) In dialogues with shareholders and investors, insider information is managed appropriately in accordance with internal regulations "Insider Trading Prevention Rules."

Status of Dialogue Between Management and Shareholders for the Previous Fiscal Year
The Investor Relations Office mainly handles dialogue with shareholders and investors, while the Directors and Executive Officers in charge of each department conduct dialogue depending on the content of the meetings and other matters.
For the IR activities in FY2023, the Company held quarterly meetings with more than 40 analysts from sell-side securities firms and domestic and foreign institutional investors for a total of 150 meetings during the year. Apart from financial results and business prospects, the face-to-face meetings included dialogue on the progress of TBS Group VISION 2030 and TBS Group Medium-Term Management Plan 2023 Updated, as well as growth strategies centered on content production. When explaining the financial results, we promoted new disclosures, such as advertising revenue through streaming, paid streaming, business unit gross profits, and strengthened qualitative explanations in order to make the content easier to understand. Small meetings between institutional investors/analysts and the President & Representative Director, facility tours, etc., were also held upon request.

The Representative Director who is the head of financial strategy and Executive Officer in charge of financial strategy oversaw the SR activities in FY2023, and held face-to-face meetings with approximately 20 domestic institutional investors, primarily engaged in passive management in charge of ESG and analysts in charge of voting rights. Opinions were exchanged on themes such as the results of voting rights exercised at the General Meeting of Shareholders, policies regarding the reduction of strategic shareholdings and takeover measures, capital cost management, and human capital. After the face-to-face meetings in FY2023, a questionnaire was sent to each investor, and the opinions and insights gathered from the questionnaire have been utilized in various measures to enhance corporate value and reflected in the establishment of the Medium-Term Management Plan, effective structure of the Board of Directors, and updates to the Integrated Report.
After the transition to the new executive structure in FY2024, the Director who is the Chief Financial Officer (CFO), and the Executive Officer who assists the Director oversee dialogue.

[Principle 5-2. Establishing and Disclosing Management Strategies and Management Plans]
[Response to Realize Management With an Awareness of Capital Costs and Share Price] In May 2021, the Company announced "TBS Group VISION 2030," the Group's long-term management vision. Also, in May 2024, the Company announced the "TBS Group Medium-Term Management Plan 2026," Phase 2 of the

[Translation]

Medium-Term Management Plan, which is divided into three-year periods, and it is promoting management based on those plans.
In the "TBS Group Medium-Term Management Plan 2026," the Company aims to grow sustainably as a company and enhance its corporate value in the medium to long term by continuing to actively make investments that advances the Company's growth strategies for the TBS Group to evolve from a media group to a content group, while fulfilling the Company's social mission as a key news media outlet, expected to perform the function of a social lifeline. At the same time, the Company has clearly stated its policy to further increase the return to its shareholders through such growth.
The two pillars of the growth strategies are "strengthening planning and production capabilities for content IP" and "promoting global business," and in terms of the growth investments to realize them, the Company plans total investment of ¥160 billion, exceeding the actual results of the "TBS Group Medium-Term Management Plan 2023" (total amount of ¥145.1 billion).
The Company is also steadily expanding shareholder returns based on serious consideration of changes in the capital markets. In the "TBS Group Medium-Term Management Plan 2026," the Company has clearly stated its policy of raising a target of dividend payout ratio from the previous 30% to 40% of the consolidated profit and flexibly acquiring treasury shares with the total payout ratio in mind. As a result of those, the Company plans shareholder returns totaling approximately ¥60 billion (the actual result for the period of the "TBS Group Medium-Term Management Plan 2023" is approximately ¥44 billion.)
As stated above, for purposes of securing financial sources of capital for growth investments, and expanding shareholder returns as well as compliance with the Corporate Governance Code and balance sheet improvement, the Company has steadily carried out sales of strategic shareholdings. During the period of the "TBS Group Medium-Term Management Plan 2026," the Company plans to sell a total amount of ¥90 billion or more of strategic shareholdings (the actual result during the period of the "TBS Group Medium-Term Management Plan 2023" is approximately ¥81.4 billion).
Through such growth and financial strategies, the Company aims to improve return on capital, and in the "TBS Group Medium-Term Management Plan 2026," the Company clearly states that it aims to achieve ROIC of 5% or more by FY2030.

Further, the TBS Group VISION 2030 and TBS Group Medium-Term Management Plan 2026 are available on the Company's website.
https://www.tbsholdings.co.jp/about/plan.html

2. Capital Structure

Foreign Shareholding Ratio	From 10% to less than 20%

[Status of Major Shareholders] [Updated]

Name	Number of Shares Owned (Shares)	Shareholding Ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	16,379,000	9.90
The Master Trust Bank of Japan, Ltd. (Pension Account-Pension Trust Account held for DENTSU INC.)	9,310,500	5.63
MBS MEDIA HOLDINGS, INC.	8,848,100	5.35
Custody Bank of Japan, Ltd. (Trust Account)	5,777,100	3.49
Mitsui Fudosan Co., Ltd.	5,713,728	3.45
NTT DOCOMO, INC.	5,713,000	3.45
Nippon Life Insurance Company (Standing proxy: The Master Trust Bank of Japan, Ltd.)	5,006,235	3.03
STATE STREET BANK AND TRUST COMPANY 505001 (Standing proxy: Mizuho Bank, Ltd.)	4,753,153	2.87
BIC CAMERA INC.	4,190,000	2.53
Kodansha Ltd.	3,771,200	2.28

Controlling Shareholder (except for Parent Company)	–
Parent Company	N/A

Supplementary Explanation [Updated]

The status of major shareholders presented above is based on information in the register of shareholders as of September 30, 2024. In addition, the “Shareholding Ratio (%)” is calculated by deducting the number of treasury shares held as of September 30, 2024 from the denominator.

3. Corporate Attributes

Listed Stock Market and Market Section	Tokyo Stock Exchange Prime Market
Fiscal Year-End	March
Type of Business	Information & Communication
Number of Employees (Consolidated) at End of the Previous Fiscal Year	1,000 or more
Net Sales (Consolidated) for the Previous Fiscal Year	From ¥100 billion to less than ¥1 trillion

[Translation]

Number of Consolidated Subsidiaries at End of the Previous Fiscal Year	From 10 to less than 50

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

–

5. Special Circumstances Which May Have Material Impact on Corporate Governance

–

[Translation]

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

1. Organizational Composition and Operation

Organization Form	Company with Audit & Supervisory Board Members

[Directors]

Maximum Number of Directors Stipulated in Articles of Incorporation	14
Term of Office Stipulated in Articles of Incorporation	1 year
Chair of Board of Directors	Chairman (excluding the case where the person concurrently serves as President)
Number of Directors	10
Appointment of Outside Directors	Appointed
Number of Outside Directors	4
Number of Independent Officers Designated from among Outside Directors	4

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 Kashiwaki	From another company											
Yosuke Yagi	From another company											
Makoto Haruta	From another company											
Natsuko Takei	From another company											

* Categories for "Relationship with the Company"

* "○" when the director presently falls or has recently fallen under the category; and
"△" 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; and
"▲" when a close relative of the director fell under the category in the past

a. Executive (a person who executes business; hereinafter, the same) of the Company or its subsidiary
b. Non-executive director or executive of the parent of the Company
c. Executive of a fellow subsidiary of the Company
d. Party whose major client or supplier is the Company or an executive thereof
e. Major client or supplier of the Company or an executive thereof
f. Consultant, accounting professional or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as a director
g. Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a corporation)
h. Executive of a client or supplier of the Company (which does not correspond to any of d., e., or f.) (the director himself/herself only)
i. Executive of a corporation to which outside officers are mutually appointed (the director himself/herself only)
j. Executive of a corporation that receives a donation from the Company (the director himself/herself only)

[Translation]

k. Other

Outside Directors' Relationship with the Company (2)

Name	Designation as Independent Officer	Supplementary Explanation of the Relationship	Reasons for Appointment
Hitoshi Kashiwaki	○	–	Mr. Kashiwaki has extensive experience and a high degree of knowledge as a member of the top management of an operating company. As he has offered useful opinions, suggestions, etc. to the management of the Group, the Company has determined that he is well-qualified for the position of Outside Director of the Company. In addition, since he meets the independence requirements set by the Tokyo Stock Exchange and the independence standards for Outside Directors established by the Company, the Company has judged that there is no possibility of conflict of interest arising with general shareholders and designated him as Independent Officer.
Yosuke Yagi	○	–	Mr. Yagi has extensive experience and a high degree of knowledge as the head of human resources strategy and a member of the top management of an operating company. As he has offered useful opinions, suggestions, etc. to the management of the Group, the Company has determined that he is well-qualified for the position of Outside Director of the Company. In addition, since he meets the independence requirements set by the Tokyo Stock Exchange and the independence standards for Outside Directors established by the Company, the Company has judged that there is no possibility of conflict of interest arising with general shareholders and designated him as Independent Officer.

[Translation]

Name	Designation as Independent Officer	Supplementary Explanation of the Relationship	Reasons for Appointment
Makoto Haruta	○	–	Mr. Haruta has extensive experience and a high degree of knowledge as the head of financial strategy and a member of the top management of an operating company. As he has offered useful opinions, suggestions, etc. to the management of the Group, the Company has determined that he is well-qualified for the position of Outside Director of the Company. In addition, since he meets the independence requirements set by the Tokyo Stock Exchange and the independence standards for Outside Directors established by the Company, the Company has judged that there is no possibility of conflict of interest arising with general shareholders and designated him as Independent Officer.
Natsuko Takei	○	–	Ms. Takei has extensive experience and a high degree of knowledge as the head of legal affairs and compliance at an operating company. As she is expected to offer useful opinions, suggestions, etc. to the management of the Group, the Company has determined that she is well-qualified for the position of Outside Director of the Company. In addition, since she meets the independence requirements set by the Tokyo Stock Exchange and the independence standards for Outside Directors established by the Company, the Company has judged that there is no possibility of conflict of interest arising with general shareholders and designated her as Independent Officer.

[Voluntary Committees]

Voluntary Establishment of Committee(s) Equivalent to Nomination Committee or Remuneration Committee	Established

Committee's Name, Composition, and Chairperson's Attributes

	Committee Equivalent to Nomination Committee	Committee Equivalent to Remuneration Committee
Committee's Name	Nomination Advisory Committee	Remuneration Advisory Committee
Total Committee Members	7	7
Full-time Members	0	0
Inside Directors	3	3
Outside Directors	4	4
Outside Experts	0	0
Other	0	0
Chairperson	Outside director	Outside director

Supplementary Explanation

The Nomination Advisory Committee consists of seven members, including four Independent Outside Directors, and its members are selected by resolution of the Board of Directors. As for the composition of the committee, a majority of the members shall be Outside Directors, and the committee is chaired by an Outside Director to ensure its independence and objectivity as a committee. The Nomination Advisory Committee holds a meeting regularly and as necessary, deliberates on appointment and dismissal of Directors and President & Representative Director from an objective and fair standpoint at the request of the Board of Directors, and makes recommendations to the Board of Directors.
In addition, the committee discusses a succession plan for President & Representative Director and the situation of training of a candidate, and reports the results to the Board of Directors as appropriate.
(Members of Nomination Advisory Committee)
Chairperson: Hitoshi Kashiwaki, Director (Outside Director)
Members: Yosuke Yagi, Director (Outside Director), Makoto Haruta, Director (Outside Director), Natsuko Takei, Director (Outside Director)
Ryujiro Abe, President & Representative Director, Masamine Ryuho, Vice President and Representative Director, Yasushi Gemba, Managing Director
The number of meetings held in FY2023 is five (the number of meetings held in FY2022 is four), and all the members attended the committee meetings held.
Ms. Natsuko Takei was appointed as a member of the Nomination Advisory Committee on June 29, 2023.
Mr. Ryujiro Abe, Mr. Masamine Ryuho, and Mr. Yasushi Gemba were appointed as members of the Nomination Advisory Committee on June 27, 2024.

The Remuneration Advisory Committee consists of seven members, including four Independent Outside Directors, and its members are selected by resolution of the Board of Directors. As for the composition of the committee, a majority of the members shall be Outside Directors, and the committee is chaired by an Outside Director to ensure its independence and objectivity as a committee. The Remuneration Advisory Committee holds a meeting regularly and as necessary, deliberates on the system and level of Directors' remuneration of the Company from an objective and fair standpoint at the request of the Board of Directors in accordance with the policy established by the Board of Directors, and makes recommendations to the Board of Directors.
(Members of Remuneration Advisory Committee)
Chairperson: Hitoshi Kashiwaki, Director (Outside Director)

[Translation]

Members: Yosuke Yagi, Director (Outside Director), Makoto Haruta, Director (Outside Director), Natsuko Takei, Director (Outside Director) Ryujiro Abe, President & Representative Director, Masamine Ryuho, Vice President and Representative Director, Yasushi Gemba, Managing Director The number of meetings held in FY2023 is three (the number of meetings held in FY2022 is three), and all the members attended the committee meetings held. Ms. Natsuko Takei was appointed as a member of the Remuneration Advisory Committee on June 29, 2023. Mr. Ryujiro Abe, Mr. Masamine Ryuho, and Mr. Yasushi Gemba were appointed as members of the Remuneration Advisory Committee on June 27, 2024.

[Audit & Supervisory Board Members]

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

Cooperation among Audit & Supervisory Board Members, Accounting Auditor and Internal Audit Department

Audit & supervisory board members maintain close cooperation with KPMG AZSA LLC, the Accounting Auditor, by holding a regular meeting with the firm and other means, and proactively exchanges opinions and information, working to conduct efficient audits. Audit & supervisory board members receive a summary of audit plan from the Accounting Auditor and reports on risk assessments, etc. on internal controls related to financial reporting as well as explanation on priority items to be audited and others, and exchange opinions. Standing statutory audit & supervisory board members and the Internal Audit Division, an internal audit department, hold a meeting every two weeks in principle to share information on development and implementation of internal controls. Outside audit & supervisory board members will receive reports on matters to be audited from the Internal Audit Division as needed. In addition, the Audit & Supervisory Board regularly receives reports on an annual audit plan, the results of implemented internal audits, etc. from the Internal Audit Division.

Appointment of Outside Audit & Supervisory Board Members	Appointed
Number of Outside Audit & Supervisory Board Members	3
Number of Independent Officers Designated from among Outside Audit & Supervisory Board Members	2

Outside Audit & Supervisory Board Members' Relationship with the Company (1)

Name	Attribute	Relationship with the Company*												
		a	b	c	d	e	f	g	h	i	j	k	l	m
Mie Fujimoto	From another company													
Masahiko Oshima	From another company										△			
Junko Kogayu	From another company													

[Translation]

* Categories for "Relationship with the Company"
* "○" when the audit & supervisory board member presently falls or has recently fallen under the category; and
  "△" when the audit & supervisory board member fell under the category in the past
* "●" when a close relative of the audit & supervisory board member presently falls or has recently fallen under the category; and
  "▲" when a close relative of the audit & supervisory board member fell under the category in the past

a. Executive (a person who executes business; hereinafter, the same) of the Company or its subsidiary
b. Non-executive director or accounting advisor of the Company or its subsidiary
c. Non-executive director or executive of the parent of the Company
d. Audit & supervisory board member of the parent of the Company
e. Executive of a fellow subsidiary of the Company
f. Party whose major client or supplier is the Company or an executive thereof
g. Major client or supplier of the Company or an executive thereof
h. Consultant, accounting professional or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as a director
i. Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a corporation)
j. Executive of a client or supplier of the Company (which does not correspond to any of f., g., or h.) (the audit & supervisory board member himself/herself only)
k. Executive of a client or supplier of the Company (which does not correspond to any of f., g., or h.) (the audit & supervisory board member himself/herself only)
l. Executive of a corporation to which outside officers are mutually appointed (the audit & supervisory board member himself/herself only)
m. Other

Outside Audit & Supervisory Board Members' Relationship with the Company (2)

Name	Designation as Independent Officer	Supplementary Explanation of the Relationship	Reasons for Appointment
Mie Fujimoto	○	–	Ms. Fujimoto has extensive experience and a high degree of knowledge as a lawyer specialized in corporate legal affairs. Although she has no experience being involved in corporate management by means other than serving as an outside officer, for the above reason, she is expected to offer valuable opinions and comments to the management of the Group from an objective standpoint. Therefore, the Company has determined that she can execute the duties as its outside audit & supervisory board member appropriately. In addition, since she meets the independence requirements set by the Tokyo Stock Exchange, the Company has judged that there is no possibility of conflict of interest arising with general shareholders and designated her as Independent Officer.

[Translation]

Name	Designation as Independent Officer	Supplementary Explanation of the Relationship	Reasons for Appointment
Masahiko Oshima		j. He is an advisor of Sumitomo Mitsui Banking Corporation, and served as executive (Deputy Chairman) in the past (until March 2024). The Company has ordinary banking transactions with the said company.	Mr. Oshima has extensive experience and high degree of knowledge as a member of the top management of a financial institution, and has considerable knowledge of finance and accounting. He is expected to offer valuable opinions and comments to the management of the Group from an objective standpoint. Therefore, the Company has determined that he can appropriately execute the duties as its outside audit & supervisory board member.
Junko Kogayu	○	–	Ms. Kogayu has extensive experience and high degree of knowledge as a certified public accountant and tax accountant, and has considerable knowledge of finance and accounting. Although she has not been involved in corporate management by other means than serving as an outside officer, for the above reason, she is expected to offer valuable opinions and comments to the management of the Group from an objective standpoint. Therefore, the Company has determined that she can appropriately execute the duties as its outside audit & supervisory board member. In addition, since she meets the independence requirements set by the Tokyo Stock Exchange, the Company has judged that there is no possibility of conflict of interest arising with general shareholders and designated her as an Independent Officer.

[Independent Officers]

Number of Independent Officers	6

Matters relating to Independent Officers
The Company designates outside officers qualified to be Independent Officers as such.

[Incentives]

Implementation of Measures to Provide Incentives to Directors	Performance-linked remuneration

[Translation]

Supplementary Explanation [Updated]
For information on the content, etc. of the policy for determining the ratio of provision between performance-linked remuneration and remuneration, etc. other than performance-linked remuneration, please refer to "Disclosure of Policy for Determining Remuneration Amounts or Calculation Methods Thereof" below.

Recipients of Share Options	

Supplementary Explanation
–

[Director Remuneration]

Disclosure of Individual Directors' Remuneration	No individual disclosure

Supplementary Explanation
The Company has a policy of disclosing Directors' remuneration in the Business Report and others in accordance with laws and regulations, etc.

Policy for Determining Remuneration Amounts or Calculation Methods Thereof	Established

Disclosure of Policy for Determining Remuneration Amounts or Calculation Methods Thereof
With regard to Directors' remuneration, the following basic policy is adopted based on the report from the Remuneration Advisory Committee at the request of the Board of Directors. ・The remuneration system shall secure and maintain talented human resources so as to enhance corporate value and fulfill our public mission, and serve as a stable business foundation. ・The remuneration system shall focus on the shareholders' point of view and further share value with shareholders. ・The determination process shall be objective and highly transparent through deliberation of the Remuneration Advisory Committee. The system, level, structure, etc. of Directors' remuneration are deliberated by the Remuneration Advisory Committee at the request of the Board of Directors in accordance with the basic remuneration policy, and determined based on the report therefrom. Directors' remuneration is composed of base remuneration, performance-linked remuneration, and share-based remuneration. Outside Directors independent from business execution only shall be eligible for the base remuneration. The base remuneration, representing the basis of remuneration, shall be a fixed monetary remuneration. Base remuneration shall be determined for each Director as a monthly remuneration with matters such as title, strategic division they are responsible for, and change in business environment taken into account. The remuneration is paid on a monthly basis. The performance-linked remuneration shall be a variable monetary remuneration. As an annual incentive remuneration, performance-linked remuneration shall be determined by the Board of Directors following a qualitative assessment of the level of achievement of the numerical target for consolidated operating profit under the Medium-Term Management Plan and achievement status of the strategic divisions each Director is responsible for, and deliberation by the Remuneration Advisory Committee. The remuneration shall be paid with the aim of motivating Directors to achieve good single-fiscal-year performance.

The contents of the said performance indicators and the reason for selecting them is to motivate Directors to achieve good single-fiscal-year performance and continuously enhance corporate value, adequately sharing the profits with shareholders.
With regard to share-based remuneration, as a long-term incentive remuneration linked to stock price, restricted shares are annually issued to motivate Directors to enhance the medium- to long-term shareholder value and to share value with shareholders.
Based on the delegation of authority resolution by the Board of Directors, determination of remuneration amount, etc. for each individual Director in the Company is to be made by President & Representative Director after a report from the Remuneration Advisory Committee.
The authority to determine remuneration, etc. on an individual basis is delegated as determination by the President & Representative Director who controls and supervises business execution. This is thought to be appropriate when details of remuneration are determined by assessing the performance of Directors responsible for each strategic division while the Company's overall performance is comprehensively viewed.

Supporting System for Outside Directors and/or Outside Audit & Supervisory Board Member

The officer in charge of the Board of Directors and standing statutory audit & supervisory board members have a face-to-face meeting with outside directors and outside audit & supervisory board members as needed, and communicate information or explain the situation to them before/after a meeting of the Board of Directors and the Audit & Supervisory Board. In addition, a report is made on the situation of audits by the audit department and on progress of developing the internal control system by the internal control department.

Status of Persons Who Have Retired from a Position Such as President & Representative Director

Retired President & Representative Director, etc. Holding Advisory or Any Other Position in the Company

Name	Title/Position	Responsibilities	Working Form and Conditions (Full-time/Part-time, Paid/Unpaid, etc.)	Date of Retirement from Position Such as President	Term of Office
–	–	–	–	–	–

Total Number of Retired President & Representative Director, etc. Holding Advisory or Any Other Position in the Company	–

Other Matters

–

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

As a system to ensure the efficient execution of duties by directors, the Board of Directors meets once a month in principle to make decisions on the company's important business operations and to report on important matters. In addition, the Board of Full-time Directors and Officers has been set up as a deliberation body for President's decision-making and execution of operations, currently consists of 13 persons (11 men, 2 woman), holds a meeting once a week in principle, and conducts a prior deliberation on matters to be discussed by the Board of Directors as well as on the execution policy for overall operation management including the Group management. Furthermore, the Company has the TBS Group Budget Committee and the Investment and

[Translation]

Financial Judging Committee in place under the Board of Full-time Directors and Officers, and these committees consider budgets and investments and loans of the Company and the Group and make reports to the said board. The Remuneration Advisory Committee has been set up as an advisory body to the Board of Directors on Directors' remuneration.

As systems ensuring that the business performance by Directors complies with laws and regulations, and the Articles of Incorporation, (1) all officers and employees swear a basic oath under the TBS Group Activities Charter, which defines the corporate philosophy under which the TBS Group is working to achieve growth based on excellence as a corporate group. We are working to ensure the full implementation of the TBS Group Activities Standards, which were formulated as standards for the realization of the Charter. (2) We have formulated the TBS Group Information Disclosure Policies, and we will fulfill our responsibilities to provide good explanations to shareholders as a corporate group through the timely disclosure of accurate information. (3) The Special Committee for Appraising Corporate Value, consisting of outside directors, outside audit & supervisory board members and outside experts, assesses policies from the perspective of maximizing corporate value in response to questions submitted by the Board of Directors, and advises the Board of Directors of the results of its deliberations.

As systems ensuring the effectiveness of audits conducted by the Audit & Supervisory Board Members and systems concerning reports to audit & supervisory board members, (1) we will ensure that the Office of Audit & Supervisory Board Members is able to function as a support unit for the activities of the audit & supervisory board members, and employees who provide that support will assist in the work of the audit & supervisory board members pursuant to instructions from the audit & supervisory board members. We will also maintain a system whereby approval of the audit & supervisory board members will be obtained for personnel appraisals and transfers of such employees, and for any disciplinary action against such employees. (2) The Audit & Supervisory Board has established an Audit & Supervisory Board Headquarters when required, such as when there were matters requiring investigation by the audit & supervisory board members. Employees nominated by the Audit & Supervisory Board have provided assistance to the Audit & Supervisory Board or the audit & supervisory board members. The Company has appropriately borne expenses incurred for the investigation by the Audit & Supervisory Board Headquarters. (3) The directors and employees report to the audit & supervisory board members whenever there are important matters affecting operations or performance. A system will also be secured to ensure they are not treated unfavorably based on facts reported or details thereof. (4) The audit & supervisory board members may require reports from Directors or employees as required at any time. (5) We have operated the TBS Group Information Liaison Conference and the TBS Hotline appropriately and maintain appropriate reporting systems, so that the audit & supervisory board members can be informed of any compliance issues, including violations of laws and regulations. (6) The audit & supervisory board members will receive reports on the results of internal audits conducted by the Internal Audit Division. (7) The audit & supervisory board members can attend important meetings, peruse documents concerning important decisions, and require directors to provide reports concerning the performance of operations. If necessary, the audit & supervisory board members can also hold direct hearings in any department. (8) The audit & supervisory board members, accounting auditors, Internal Audit Division and the Compliance Division share information to maintain effective and efficient internal control systems. (9) The Company has appropriately borne expenses that arise from executing the duties of the audit & supervisory board members, respecting the will of audit & supervisory board members.

Besides, the Company has established the "Insider Trading Prevention Rules" to prevent unfair trades of shares, etc. by officers and employees, and also established the "TBS Group Personal Information Handling Regulations" and set up "Personal Information Management Committee" to prevent any unintended use, leak, etc. of personal information.

With regard to audits by audit & supervisory board members, standing statutory audit & supervisory board members (two persons) proactively work to improve the audit environment and collect information internally, and monitor and examine the status of building and operating internal control systems on a daily basis in collaboration with the internal audit department, etc. Standing statutory audit & supervisory board members hold a meeting with President regularly and exchange opinions on management policy, risks to be addressed by the Company, and important audit issues. Standing statutory audit & supervisory board members also attend important meetings, peruse documents concerning important decisions, and receive reports concerning the performance of operations. In addition, standing statutory audit & supervisory board members endeavor to share information obtained in the course of duties with outside audit & supervisory board members (three persons). Audit & Supervisory Board Member Ms. Junko Kogayu has considerable knowledge of accounting as a certified public accountant.

The Internal Audit Division (nine persons), which reports directly to the President, performs internal audits of each department of the Company and group companies based on the annual audit plan reported to the Board of Directors, and assesses appropriateness, effectiveness and efficiency of the Group's business operations. Audit results are reported to the President, and follow-up is done with regard to matters pointed out for improvement to relevant departments and companies. Results of an annual audit are reported to the Board of Directors. In addition, this Division performs "evaluation of internal controls over financial reporting" under the Financial Instruments and Exchange Act.
As for accounting audits, the Company uses KPMG AZSA LLC as Accounting Auditor under the Companies Act and for accounting audits under the Financial Instruments and Exchange Act. The said auditing firm and its engagement partners who are engaged in audits of the Company have no special interest in the Company.
Names of certified public accountants who executed operations
Designated and Engagement Partner; Takeshi Nakatani, Daiki Sato
Composition of assistants involved in accounting audits
The composition of assistants involved in accounting audit work is determined based on the criteria for selecting an auditing firm.
Specifically, main constituent members are certified public accountants, etc.
In accordance with the provision of Article 427, paragraph (1) of the Companies Act, the Company has entered into an agreement with Outside Directors and outside audit & supervisory board members that limits their liabilities as defined in the provision of Article 423, paragraph (1) of the said act. The maximum amount of the liabilities for damages based on this agreement shall be the amount stipulated by laws and regulations. This limited liability is accepted only in the case of absence of ill intent and gross negligence on the part of the relevant Outside Director or audit & supervisory board member in the execution of his or her duties that caused the liability.

3. Reasons for Adoption of Current Corporate Governance System

The Company has adopted a governance system based on the Board of Directors, audit & supervisory board members and the Audit & Supervisory Board, and elected multiple Outside Directors to strengthen the supervisory function of the Board of Directors. Currently there are ten Directors, of which four are Outside Directors. Outside Directors have insights based on experience and knowledge gained as members of the top management and heads of departments in operating companies, and the Company believes that they play an adequate role in strengthening of the Company's corporate governance as well as enhancement of its corporate value and common interests of shareholders. There are five audit & supervisory board members, which consist of two standing statutory audit & supervisory board members and three outside audit & supervisory board members. The Company believes that the outside audit & supervisory board members play an adequate role as the management supervisory function from an independent and neutral standpoint.

[Translation]

III. Implementation of Measures for Shareholders and Other Stakeholders

1. Measures to Energize General Meeting of Shareholders and Smooth Exercise of Voting Rights

	Supplementary Explanations
Early Notification of General Meeting of Shareholders	The convocation notice is sent out 24 days prior to the date of the General Meeting of Shareholders and measures to provide the content in electronic format are taken to post the notice on the Company's website on the same day (including the English translation).
Allowing Electronic or Magnetic Exercise of Voting Rights	Available
Participation in Electronic Voting Platform and Other Efforts to Enhance the Voting Environment for Institutional Investors	The Company has participated in ICJ's voting rights platform since 2016.
Providing Convocation Notice in English (Translated Fully or Partially)	The notice has been posted on websites of the Tokyo Stock Exchange and the Company. The Company's website: https://www.tbsholdings.co.jp/en/ir/stakeholders/meeting.html

2. IR Activities

	Supplementary Explanations	Explanation by Representative
Preparation and Publication of Disclosure Policy	The content of the TBS Group Information Disclosure Policies, which was formulated by the Board of Directors, has been disclosed on the Company's website. https://www.tbsholdings.co.jp/about/governance/internalcontrol.html	
Holding Regular Investor Briefings for Individual Investors	With regards to results briefings held in conjunction with announcement of annual results and semi-annual results, the Company has enhanced the provision of information to individual investors by delivering a video of the presentation by the top management on its website, and also posting materials for the briefings distributed at the venue. https://www.tbsholdings.co.jp/en/ir/library/presentation.html	Yes
Holding Regular Investor Briefings for Analysts and Institutional Investors	Results briefings are held in conjunction with announcement of annual results and semi-annual results, and the top management explains the operating results there. The results briefing in May 2024 was held in online format. In addition, a meeting to acquire a further understanding of the Company's business operations is held though it is irregular, and requests for individual meetings, interviews, etc. from institutional investors and analysts are accepted as needed.	Yes

Holding Regular Investor Briefings for Overseas Investors	Overseas IR activities are performed where appropriate. The English version of explanatory materials for earnings summary and annual results has been posted for overseas investors on the Company's website, and many materials in English summarizing operating results have also been placed. https://www.tbsholdings.co.jp/en/ir/stakeholders/ In addition, requests for individual meetings, interviews, etc. from overseas investors are also accepted as needed.	Yes
Posting IR Materials on Website	With regard to matters posted in Investor Relations on the Company's website (https://www.tbsholdings.co.jp/ir/), in addition to explanatory materials for quarterly earnings summary and annual results, video and distributed documents of IR briefings, stock information, securities reports, timely disclosure information, etc., the Company has posted a wide range of materials to enhance investors' understanding by providing fact sheets and earnings highlights visually summarizing operating results using many charts.	
Establishment of Department and/or Manager in Charge of IR	Investor Relations Office, Corporate Secretary Department, General Affairs Division	

3. Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanations
Provisions to Ensure Due Respect for Stakeholders in Internal Rules, etc.	In April 2020, under the new corporate philosophy, the Group started its brand promise, which is a promise to customers to be etched into the mind of each and every one of the Group's employees and motive for the future, "From each moment, a better tomorrow." https://www.tbsholdings.co.jp/en/about/brand.html Furthermore, the TBS Group Activities Charter has been established and published on the Company's website. https://www.tbsholdings.co.jp/about/governance/statement.html

Implementation of Environmental Activities, CSR Activities, etc.	In order to realize “sustainable growth” and “enhancement of corporate value” of the Group, the Company has established ESG strategy, which is headed by one Director who is the Chief Sustainability Officer (CSO) and in charge of one Executive Officer and one Project Executive Officer (Oversees Group Sustainability Promotion), as one of the pillars. We established the “Sustainability Transformation (SX) Center,” and the “ESG/SDG Planning and Management Department” and “CSR Promotion Department” under the SX Center, to promote sustainability throughout the Group. In order to accelerate the promotion of the Sustainable Development Goals (SDGs) proposed by the United Nations, we joined the United Nations “SDG Media Compact” in 2019. Since the fall of 2020, the TBS Group as a whole has been conducting the SDGs campaign entitled “WEEK to Make the Earth Smile” twice a year, calling on viewers to take action under the theme “Let’s achieve the SDGs together” In the spring of 2023, over 20 programs from TBS’s variety, news, information, and radio stations came together for a first-ever event to deliver a major 8-hour live broadcast special program, “SDGs Day: Let’s achieve the SDGs together.” For 2024, the campaign theme is “ACTION! For the Children of the Future,” calling for action for the children who will live in the future, and on May 4, the last day of the Spring Campaign, a special four-hour program titled “Super Children’s Day - For You Who’ll Live to 2100” was broadcast. Since 2023, during SDGs Week, TBS has achieved zero CO2 emission broadcasts by distributing approximately 230,000 kWh of electricity from the TBS Broadcasting Center and for program transmission using measures such as a natural-energy-derived “Renewable Energy Certificate.” Along with the SDGs campaign, we have held “Plaza to Make the Earth Smile,” a hands-on SDGs-themed event for children to teach children about various social issues such as global warming. The spring event of 2024 attracted a total of approximately 20,000 visitors over four days and was well received as a valuable experiential learning opportunity, including by visiting excursion groups from four elementary schools in Minato-ku. Furthermore, we also launched “Action to Make the Earth Smile,” a community that aims to think about various social issues and propose solutions together with young people ranging from elementary school students to university students, and in March 2024 we held the peace-themed event “ACTION for PEACE.” Using the “Digital Archives” by Professor Hidenori Watanabe, Graduate School of the University of Tokyo, after experiencing a VR (virtual reality) tour of damaged buildings in Ukraine and Gaza, the experience created a valuable opportunity for young people to discuss “What can we do?” The TBS Group has been promoting the use of renewable energy for electricity at some of its facilities at an early stage as part of our actions to contribute to the realization of a decarbonized society. Following the TBS Radio Toda Transmitting Station in 2018, we achieved 100% renewable energy for the power used at cultural facilities adjacent to our Head office and studios, including the TBS Akasaka ACT Theater and Akasaka Sacas Plaza, in 2019. In FY2021, TBS Midoriyama Studio converted 100% of its electricity use to renewable energy, making TBS Midoriyama Studio the largest “100% renewable energy studio” in Japan. We are also working to reduce CO2 emissions. Due to the establishment of new work styles, such as teleworking because of COVID-19, a reduction of 41.8% was achieved in FY2021 in the TBS Broadcasting Center, which includes the Cultural

	Facilities Building, and 45.1% was achieved in FY2022 (compared to the standard level of emissions) based on preliminary figures before third-party verification. In FY2023, we achieved carbon neutrality at three major facilities, the TBS Broadcasting Center, Akasaka Sacas Cultural Facility, and TBS Midoriyama Studio. As a result, nearly 70% of TBS TV's regular programs are being recorded in the studio or broadcast live with "zero CO2 emissions." On New Year's Day in 2023, we debuted the world's first hydrogen-powered relay vehicle, "Car to Make the Earth Smile." It is a clean relay vehicle that emits no exhaust gas, and is used for marathons, relay races, and many other occasions. For our CSR activities, we are emphasizing the five categories of educational CSR, environmental CSR, social contribution, earthquake relief, and international contribution. In the area of educational CSR, as part of our media literacy program, we conduct "delivery classes" in which announcers and program staff travel to elementary and junior high schools. In the area of educational CSR, as part of our media literacy program, we conduct "delivery classes" in which announcers and program staff travel to elementary and junior high schools. In the area of environmental CSR, we are cultivating 200,000 honeybees on the roof of TBS Broadcast Center and engaged in activities to teach children about the importance of biodiversity. In June 2024, we participated in the Ministry of the Environment's "30by30 Alliance" and demonstrated our commitment to actively contributing to the preservation of biodiversity. For more information about our activities, please visit our website at https://www.tbsholdings.co.jp/en/sustainability/
Formulation of Policies for Information Provision to Stakeholders	The TBS Group Information Disclosure Policies have been established and published on the Company's website. https://www.tbsholdings.co.jp/about/governance/internalcontrol.html
Other	The Group is proactively implementing various initiatives to promote diverse work styles. As remote working has also taken root in the Company, it has opened the door to the possibility of working practices for employees who have difficulty commuting to work due to personal injury or illness and those engaged in child-rearing or nursing care. In addition, this is also leading to development of new workplaces for employment of people with disabilities. Besides, a male employee who left his job for a career change plans to return to work utilizing the "Job Return system" in FY2023, and is actively making use of the skills he has acquired. The Company hope that specific use of such systems has a good influence on the entire Group and will expand possibilities of new working practices.

[Translation]

IV. Matters Related to Internal Control System

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

As a certified broadcast holding company, with broadcasters under its umbrella that are entrusted with the use of finite and valuable radio waves, TBS Holdings, Inc. is profoundly aware of the social responsibilities and public mission, as stated in the TBS Group Activities Charter, and will continue to fulfill and strengthen its corporate governance. As part of our efforts to carry out our business activities appropriately and efficiently, while maintaining and enhancing the corporate value of the TBS Group, we have established the TBS Group Corporate Activities Committee, which is chaired by the President, to build and implement internal control systems for the Group. The Committee is made up of directors from the Company and its Group companies, as well as outside members. Its responsibilities are as follows: (1) Matters pertaining to the development, evaluation and improvement of internal control systems (2) Matters pertaining to upholding business ethics (3) Matters pertaining to the risk management and the appropriate and efficient performance of operations (4) Matters pertaining to information disclosure (5) Matters pertaining to questions from the Board of Directors of TBS Group companies

As systems ensuring that the business performance by Directors complies with laws and regulations, and the Articles of Incorporation, (1) all officers and employees swear a basic oath under the TBS Group Activities Charter, which defines the corporate philosophy under which the TBS Group is working to achieve growth based on excellence as a corporate group. We are working to ensure the full implementation of the TBS Group Activities Standards, which were formulated as standards for the realization of the Charter. (2) We have formulated the TBS Group Information Disclosure Policies, and we will fulfill our responsibilities to provide good explanations to shareholders as a corporate group through the timely disclosure of accurate information. (3) The Special Committee for Appraising Corporate Value, consisting of outside directors, outside audit & supervisory board members and outside experts, assesses policies from the perspective of maximizing corporate value in response to questions submitted by the Board of Directors, and advises the Board of Directors of the results of its deliberations. (4) TBS Holdings, Inc. is audited by the Audit & Supervisory Board, formed by standing statutory audit & supervisory board members and outside audit & supervisory board members. The important subsidiary, Tokyo Broadcasting System Television, Inc. does not set the Audit & Supervisory Board but is audited by outside audit & supervisory board members on the basis of the structure of TBS Holdings, Inc.

As systems concerning the storage and management of information pertaining to the performance of Directors' duties, (1) we have formulated the Document Handling Regulations, which define standards for the handling of documents containing information pertaining to the performance of directors' duties. Documents are stored and managed appropriately and reliably during the periods stipulated in those regulations. (2) We have maintained document storage and management systems capable of responding promptly to requests from directors and audit & supervisory board members who wish to peruse documents pertaining to the performance of directors' duties.

As risks of loss management regulations and other systems, (1) we have established the TBS Group General Risk Management Policies, the TBS Group General Risk Management Regulations, and other regulations required to support ongoing controls on risks of losses affecting our business activities and operations, and monitor risks based on implementation guidelines. Risk management conditions will be evaluated semi-annually by the TBS Group General Risk Management Committee, which is a sub-committee of the TBS Group Corporate Activities Committee. (2) We have formulated Basic Policies for Managing Market Risk. This policy is reviewed semi-annually to ensure an appropriate response to the risk of share price, foreign exchange rate and interest rate fluctuations. (3) We have formulated the Investment and Financial Management Regulations to support the management, coordination and efficient use of investments and finance. The appropriateness of investments and loans is assessed by the Investment and Financial Judging Committee after consultation with the Board of Full-time Directors and Officers. (4) To prepare for serious risks such as damage to our corporate brand, we have formulated the TBS Group Crisis Response Regulations, which define the establishment of an organization in charge, operational procedures, information management approach, and other systems that differ from those in normal times, and respond to the emergence of serious risks. (5) We have established the TBS Group Information Liaison Conference to summarize and share information required to handle situations when risks arise. (6) We have formulated the TBS Group Information Security Policy to ensure appropriate network use and prevent threats, such as unauthorized access, system damage caused by computer viruses etc., and data leakage or tampering etc.

As systems ensuring the efficient performance of Directors' duties, (1) in principle, the Board of Directors meets regularly once every month. This is the basic system for ensuring the efficient performance of directors'

duties. (2) Important matters pertaining to management policy and strategies are discussed at the Board of Full-time Directors and Officers, which is in principle held once a week. Decisions on executive actions are taken after these deliberations. (3) Important matters pertaining to major group companies are discussed at the Group Executive Officers' Meeting, which is in principle held every month. Decisions on executive actions are taken after these deliberations. (4) The Board of Full-time Directors and Officers, which advises the President, supports comprehensive long-term management planning by facilitating and coordinating long-term management planning activities.

As systems ensuring that employees perform their duties in compliance with laws and regulations and the Articles of Incorporation, (1) we have formulated the TBS Group Activities Charter as a basic oath that all officers and employees are required to uphold. We have also adopted the TBS Group Activities Standards as standards for the realization of the Charter. (2) We ensure that the Compliance Division is able to function effectively and appropriately as the coordinating unit for the development and operation of our internal control and compliance system, and that the Internal Audit Division can function effectively and appropriately as the internal audit unit. (3) We have maintained the TBS Hotline as an internal reporting system for the Group, and we have made effective use of the Compliance Division and outside law offices as contact points for the reporting of problems, such as situations that contravene laws and regulations or corporate rules. (4) We have maintained internal checks and balances, such as personnel-related systems, to eliminate the concentration of authority in the hands of individual employees.

As systems ensuring the appropriateness of business operations of the group consisting of TBS Holdings, Inc. and its subsidiaries, (1) we apply the TBS Group Activities Charter and the TBS Group Activities Standards as the oath and behavior guidelines for the Group. The Company conducts a review of each company in the Group on a regular basis, in order to ensure strict compliance therewith. (2) Tokyo Broadcasting System Television, Inc., TBS Radio, Inc. and BS-TBS, INC., broadcasters under its umbrella, will set the Broadcast Council in accordance with the Broadcasting Act, and Broadcast Council will be the committee for consultation and proposal of all queries, aiming for the improvement and the development of broadcast programs. (3) The Company has instructed the Internal Audit Division to conduct internal audits for all Group companies. (4) Each company within the Group has laid down the TBS Group Corporate Governance, aims the penetration of formulation and operation of internal control systems, and straightens the system to maintain the soundness of the parent and subsidiary relationships in the Group. (5) Each company within the Group have participated in the TBS Hotline and set out and operated a structure to raise awareness of the participation. (6) We have formulated the Subsidiaries and Affiliates Management Regulations as the basis for ensuring the appropriateness of business operations and enhancing the management efficiency of the Group, as well as accelerating their development through the provision of guidance, while developing a system under which directors of subsidiaries report matters concerning the execution of duties to the Company. (7) We seek to share information on business conditions of the Group through reports from each group company at the Group Executive Officers' Meeting.

As systems ensuring the effectiveness of audits conducted by the Audit & Supervisory Board Members, (1) we will ensure that the office of Audit & Supervisory Board Members is able to function as a support unit for the activities of the audit & supervisory board members, and employees who provide that support will assist in the work of the audit & supervisory board members pursuant to instructions from the audit & supervisory board members. We will also maintain a system whereby approval of the audit & supervisory board members will be obtained for personnel appraisals and transfers of such employees, and for any disciplinary action against such employees. (2) The Audit & Supervisory Board has established an Audit & Supervisory Board Headquarters when required, such as when there were matters requiring investigation by the audit & supervisory board members. Employees nominated by the Audit & Supervisory Board have provided assistance to the Audit & Supervisory Board or the audit & supervisory board members. The Company has appropriately borne expenses incurred for the investigation by the Audit & Supervisory Board Headquarters. (3) The directors and employees report to the audit & supervisory board members whenever there are important matters affecting operations or performance. A system will also be secured to ensure they are not treated unfavorably based on facts reported or details thereof. (4) The audit & supervisory board members may require reports from Directors or employees as required at any time. (5) We have operated the TBS Group Information Liaison Conference and the TBS Hotline appropriately and maintain appropriate reporting systems, so that the audit & supervisory board members can be informed of any compliance issues, including violations of laws and regulations. (6) The audit & supervisory board members will receive reports on the results of internal audits conducted by the Internal Audit Division. (7) The audit & supervisory board members can attend important meetings, peruse documents concerning important decisions, and require directors to provide reports concerning the performance of operations. If necessary, the audit & supervisory board

members can also hold direct hearings in any department. (8) The audit & supervisory board members, accounting auditors, the Internal Audit Division and the Compliance Division share information to maintain effective and efficient internal control systems. (9) The Company has appropriately borne expenses that arise from executing the duties of the audit & supervisory board members, respecting the will of audit & supervisory board members.

2. Basic Views on Eliminating Antisocial Powers and Progress of Related Efforts

The TBS Group Activities Standards specify that the Company shall steadfastly confront antisocial powers and organizations that pose a threat to social order and security and shall not provide any favors to them regardless of names, and that if any wrongdoing is found, efforts shall be made to report it promptly. Based on the said standards, the Company has developed operational regulations for an internal reporting system.

V. Other

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Adopted

Supplementary Explanation

The Company's policy for responding to takeover proposals was announced on May 18, 2005, and approved at the 80th Ordinary General Meeting of Shareholders held on June 28, 2007 after it was revised in accordance with a resolution adopted by its Board of Directors meeting held on February 28, 2007. Furthermore, required amendments were made at the Company's Board of Directors meeting held on April 3, 2009 within a frame of the above resolution approved at the general meeting of shareholders with the prior and unanimous approval of all members of the Special Committee for Appraising Corporate Value, in line with the Company's shift to a certified broadcast holding company as of April 1, 2009 and the amendment and enforcement of the Companies Act and the Financial Instruments and Exchange Act.
This response policy was developed, adheres to the corporate legal systems such as the Companies Act, guidelines jointly released by the Ministry of Economy, Trade and Industry and the Ministry of Justice, and various Tokyo Stock Exchange Inc. rules. A General Meeting of Shareholders will be convened as a general rule to allow direct canvassing of the wishes of shareholders before the countermeasures are triggered, and to ensure fairness and objectivity of the decision, a Special Committee for Appraising Corporate Value as an advisory board to the Board of Directors of the Company, consisting of highly independent Outside Directors, outside audit & supervisory board members and outside experts, shall be set up, and the committee's advice shall be followed to the greatest possible extent. Accordingly, the amended policy is seen as contributing to our corporate value and the common interests of shareholders and not as a policy designed to maintain the positions of officers of the Company.

Please refer to the Company's website for details of this response policy as at the time of submitting this report.
(https://www.tbsholdings.co.jp/about/governance/decision.html)

2. Other Matters Concerning Corporate Governance System

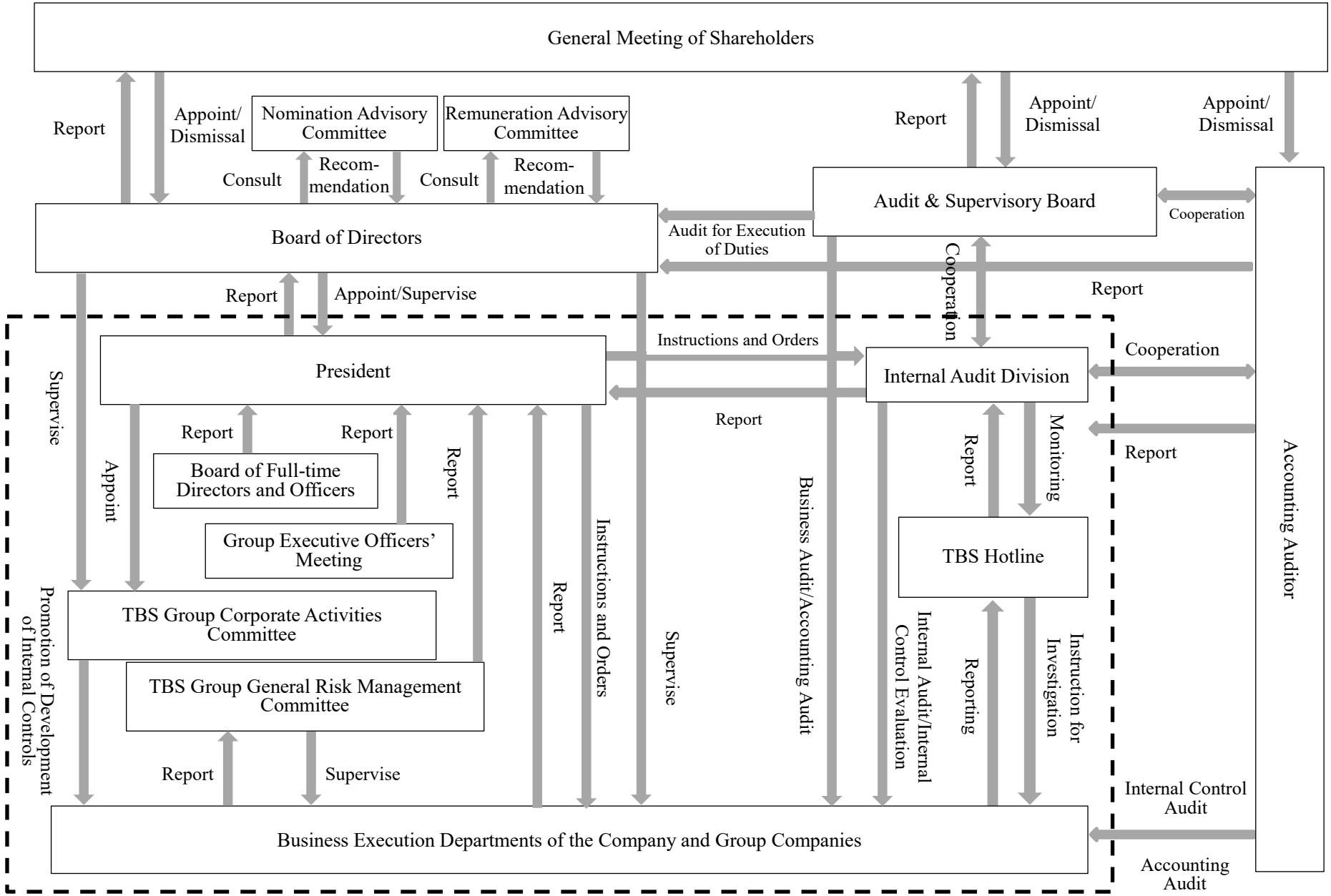
Decisions on important matters of the Company and decisions and reports on financial results, etc. are made by the Board of Full-time Directors and Officers and the Board of Directors. The Director who is the Chief Sustainability Officer (CSO) and a member of the Board of Full-time Directors and Officers and the Board of Directors serves as the Information Handling Manager, and the system where important information is consolidated to the Information Handling Manager has been established.

[Translation]

As for information disclosure, information is disclosed without delay pursuant to instructions from the Information Handling Manager after decision is made on the important matter or the important fact occurs.
With regard to management of important information, the Company strives to ensure thorough information management by stipulating in internal regulations that officers and employees, etc. who are involved in operations for preparation of proposals on important matters and others shall particularly keep tight control over relevant information before a decision and report is made on important matters, etc. at the Board of Directors meeting and other occasions, in addition to maintaining general confidentiality, to prevent leakage.
The Information Disclosure Committee has been set up to further ensure the understanding and management of important information as well as the timely and appropriate information disclosure. The Information Disclosure Committee is chaired by the Information Handling Manager and made up of Division President of General Affairs Division, Division President of Compliance Division, Division President of Accounting Service Division and Division President of Group Managerial Planning Division, and its responsibilities are for matters related to formulation of the basic policy for management of important information, determination of measures for information disclosure, etc. In addition, the Executive Meeting, which consist of those in manager level positions such as the Head of General Affairs Department, Head of Corporate Secretary Department, and Head of Finance Department, has been put in place under the Information Disclosure Committee. The Executive Meeting shall summarize and closely examine information related to important information and provide reports and opinions on management and disclosure methods for the information to the committee, and also conduct checks of materials for disclosure and other tasks.

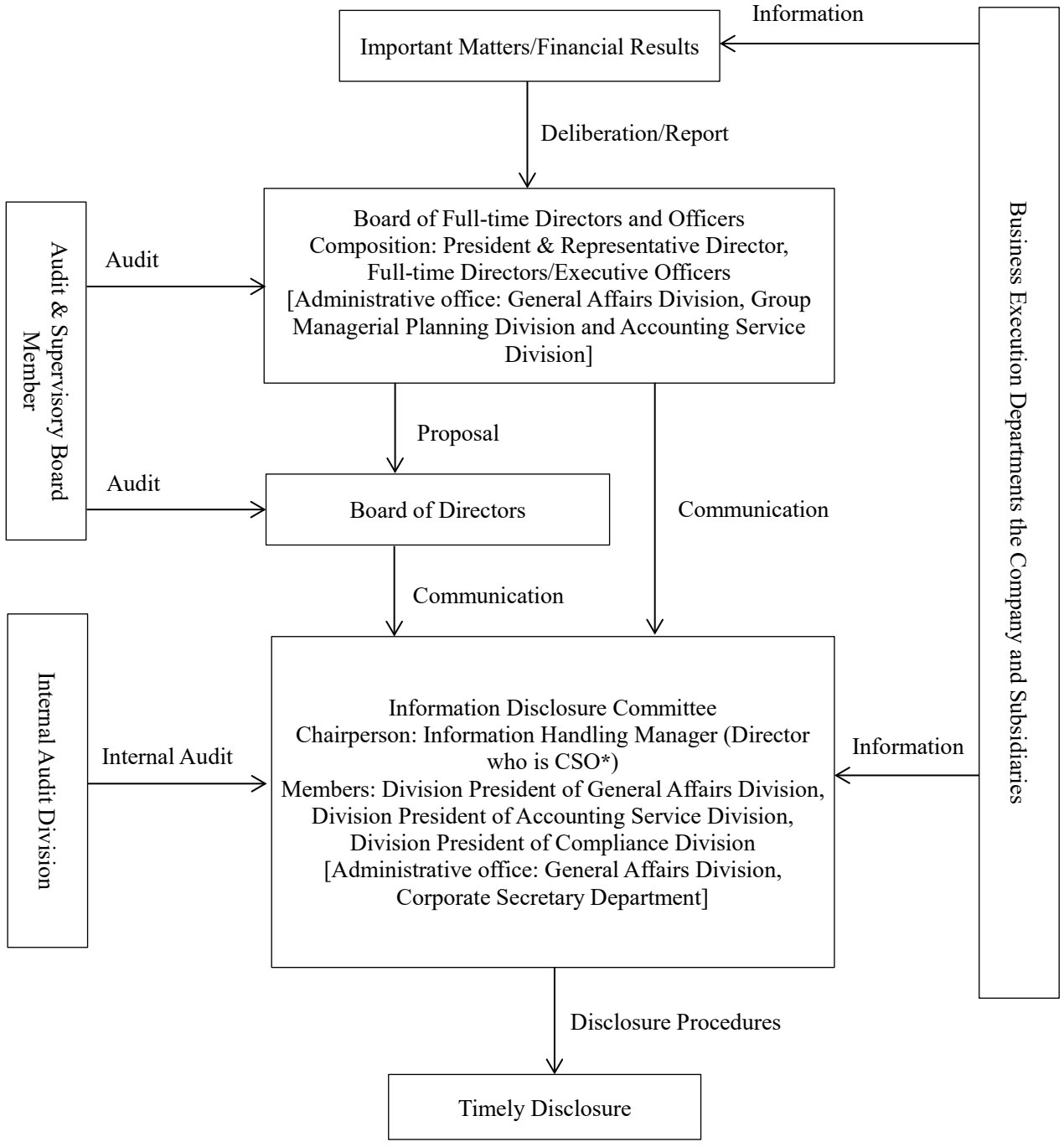
[Translation]

Corporate governance system



[Translation]

Internal System regarding Timely Disclosure of Corporate Information



*Chief Sustainability Officer