Translation of the Japanese press release

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July 15, 2025

Notice Regarding Signing of PRI and Establishment of ESG Investment Policy

JAFCO Group Co., Ltd. (hereafter the "Company" or "JAFCO") has adopted the Principles for Responsible Investment (hereinafter referred to as "PRI") and became a signatory organization on July 11, 2025. In addition, the Company has formulated an ESG Investment Policy to further promote ESG investment initiatives in the Company's investment activities.

Ambitious entrepreneurs who aim to solve social issues are launching one startup after another. Expectations are high for venture capital and private equity investments to support this growth, and their roles and responsibilities are becoming increasingly important.

Since its founding, the Company has been discovering, investing in, and supporting promising companies with growth potential and many of our portfolio companies have been listed. Now, what is expected of unlisted investment management companies is not only economic returns. We believe that it is our social responsibility to contribute to the realization of a sustainable society through the medium- to long-term growth of portfolio companies.

We will fulfill our social responsibility and our fiduciary duty to fund investors by formulating this ESG Investment Policy, incorporating ESG-related perspectives into the entire decision-making process of investment, and promoting dialogue and cooperation with portfolio companies, etc.

ESG Investment Policy

1. Purpose

   Under our Purpose of "fueling perpetual growth; investing in bold visions," JAFCO's mission is to "commit to new business creation and jointly shape the future."

   Our mission is to create a sustainable society by investing in the bold visions of entrepreneurs and managers and disseminating new technologies and services that are needed in the world.

   In addition to the essence of JAFCO's businesses, which is the process of the identification of promising companies that aim to solve social issues, post-investment growth support, and exit, we aim to contribute to the development of the startup ecosystem through efforts to develop the market, thereby circulating society and the economy.

   We will strive to fulfill our social responsibility and fiduciary duty by incorporating an environmental, social, and governance (ESG) perspective into each investment process, from the identification of promising companies to investment exit, and by pursuing the medium- to long-term enhancement of the corporate value of portfolio companies.

2. Scope

   This policy applies to the overall investment activities of funds managed by JAFCO. However, in portfolio companies where we have limited influence, we will apply the policy to the extent possible.

3. ESG perspective
   JAFCO will primarily consider the following ESG-factors in the decision-making process at all investment stages.
   - Environment: Climate change, biodiversity conservation, energy efficiency improvement, effective use of resources, etc.
   - Society: Respect for human rights, compliance with labor standards, employee health and safety, etc.
   - Governance: Compliance, transparency, elimination of anti-social forces, etc.

4. Reporting
   JAFCO will require portfolio companies to disclose appropriate ESG-related information and will report the status of activities and progress to fund investors as necessary.

5. Collaboration
   By implementing this policy, JAFCO will contribute to the penetration and promotion of ESG-related investments in the venture capital and private-equity industries.

6. Dialogue
   In JAFCO, we regularly conduct sustainability checks to identify ESG-related risks of portfolio companies and promote appropriate initiatives. Through communication with management, we encourage them to take action to reduce risks and create corporate value.

7. Revision or abolition
   This policy may be changed by resolution of the Investment Committee with the approval of the Board of Directors.

Date of Establishment: June 11, 2025

About PRI

The PRI is a code of conduct formulated by the United Nations Environment Programme Finance Initiative (UNEP FI) and the United Nations Global Compact (UNGC) in 2006 with the aim of incorporating environmental, social and governance issues into investors' investment decision-making processes and investment policy decisions and improving long-term investment outcomes for beneficiaries.
It is an international framework signed by more than 5,000 institutions in more than 90 countries, mainly institutional investors and investment management companies.
https://www.unpri.org/