CORPORATE GOVERNANCE REPORT

CHIKARANOMOTO HOLDINGS Co., Ltd.

Last Updated	June 30, 2026
Company	CHIKARANOMOTO HOLDINGS Co., Ltd.
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The status of the Company's corporate governance is as follows.

I. Basic Approach to Corporate Governance, Capital Structure, Corporate Attributes, and Other Basic Information

1. Basic Approach

The Company Group recognizes that efforts toward corporate governance are of critical importance. We also believe that in order to respond to the rapid changes in the business environment in recent years, it is essential not only to take organizational measures, but also for each individual to act with integrity. For this reason, we work to ensure that our directors and employees share a common understanding of corporate ethics and compliance and are always able to act fairly and effectively. In addition, regarding organizational responses to corporate governance, we leverage our holding company structure to concentrate overall Group management at the holding company level, thereby strengthening corporate governance throughout the entire Group. Furthermore, by separating the Group's strategy planning, business management, and business execution functions, we seek to accelerate decision-making, clarify the roles and responsibilities of the holding company and operating companies, and put in place mechanisms to ensure management efficiency, transparency, soundness, and legal compliance. We will maximize the corporate value of the Group by strengthening Group-wide strategy planning and proactively promoting timely disclosure.

[Reasons for Not Implementing Certain Principles of the Corporate Governance Code]

[Supplementary Principle 3.1.3]

As a company that holds as its founding spirit 'creating new value through food and sharing smiles and gratitude with the world; keep changing so as not to change,' we have undertaken various sustainability initiatives. Details of these initiatives are disclosed on our IR information page on our corporate website.

Going forward, we will continue to enhance information disclosure regarding investment in human capital and intellectual property in a manner consistent with our management strategy and key management challenges.

In addition, in light of the intent of this Code, we will continue to deliberate on improving the quality and quantity of information disclosure based on frameworks such as the TCFD.

[Supplementary Principle 4.2.2]

We intend to implement this supplementary principle. In order to continuously discuss and address ESG issues related to the environment, society, and governance at the management level over the medium to long term, our Group established the 'Sustainability Committee' in March 2023. The Committee is chaired by the President & CEO, meets in principle four times per year, and convenes the heads of relevant business divisions according to the topics for discussion, examining issues across the entire Company. Matters deliberated by the Committee are also reported to the Board of Directors, which monitors the progress of the Group's responses to ESG issues.

[Supplementary Principle 4.11.3]

We conducted an 'Effectiveness Evaluation Questionnaire' for the Board of Directors for FY2025. We will analyze and evaluate effectiveness based on this questionnaire and promptly disclose the results.

[Principle 5.2]

We have formulated a medium-term management plan for the Group but are currently refraining from publishing it, including specific indicators related to profitability and capital efficiency. We will continue to consider publication of the medium-term management plan.

[Supplementary Principle 5.2.1]

We will work to disclose to shareholders and investors our basic policies regarding the business portfolio and the status of reviews thereof, following deliberation by the Board of Directors.

[Disclosures Based on Each Principle of the Corporate Governance Code]

[Supplementary Principle 1.2.4]

We allow the use of an electronic voting platform. The ratio of shares held by overseas investors is approximately 25%, and we provide an English translation of the Notice of Convocation for the General Meeting of Shareholders.

[Principle 1.4]

(i) Policy on Strategic Shareholdings

Our Group holds strategic shareholdings only when we determine that doing so will help maintain and strengthen business relationships and partnerships, and will contribute to the Company's sustainable growth and enhancement of corporate value. Our basic policy is to reduce strategic shareholdings that are deemed to have limited significance in holding as promptly as possible.

(ii) Verification of Strategic Shareholdings

The Board of Directors verifies the rationality of holding each strategic shareholding once a year, taking into comprehensive account the necessity from a business strategy perspective, the status of business partnerships with the investee, and the Company's capital efficiency, and makes disclosures as appropriate.

Regarding the rationality of individual strategic shareholdings, the Board of Directors continuously verifies whether the purpose of holding is appropriate and whether the benefits and risks associated with holding are commensurate with the cost of capital, and based on the results, proceeds with the reduction of strategic shareholdings.

(iii) Standards for Exercising Voting Rights on Strategic Shareholdings

When exercising voting rights on strategic shareholdings, we examine the content of proposals

and, after understanding the investee's management policy and business plan, make judgments from the perspective of whether doing so will contribute to the enhancement of corporate value over the medium to long term.

Based on the above, the Company deliberates at the Board of Directors on whether it is appropriate to continue holding the shares of ST Group Food Industries Holdings Limited as a strategic shareholding. As a result of the deliberations, the Company has determined that it is appropriate to continue holding said shares on the grounds that: holding these shares as a licensee of the Company contributes to the development of the Company's overseas business; the business performance of said company is favorable; and the holding is below 20% of the Company's consolidated net assets.

[Principle 1.7]

Based on the Related Party Transactions Policy, we prepare a related party list, conduct prior assessment of related party transactions, deliberate on the content of transactions including business necessity and the appropriateness of transaction terms, and require approval by the Board of Directors, incorporating the views of independent officers.

[Supplementary Principle 2.4.1]

1. Ensuring Diversity

The Company Group recruits personnel based on ability and track record, regardless of gender or nationality. We believe it is important to respect diverse perspectives and values in order to achieve sustainable growth and enhance corporate value, so we actively recruit personnel with different experience, skills, and backgrounds, while working to create an internal environment in which such personnel can thrive. We promote employees to managerial positions based on a comprehensive evaluation of their skills and experience, for both new graduates and mid-career hires.

2. Voluntary and Measurable Targets for Ensuring Diversity

In order to enhance information disclosure related to human capital, we have set the following voluntary and measurable targets. These targets and results are also disclosed in our Annual Securities Report.

• Ratio of female workers in managerial positions: 40.0% or more as of end of March 2030 (FY2026 actual: 33.8%)

• Male employee childcare leave acquisition rate: 100.0% as of end of March 2030 (FY2026 actual: 93.8%)

3. Status of Ensuring Diversity

Currently, our policy is to promote individuals to managerial positions regardless of gender, nationality, or whether they are new graduates or mid-career hires, as long as they are excellent personnel. As of FY2026, the ratio of female workers in managerial positions in the Group was 33.8%, and the male childcare leave acquisition rate was 93.8%. Currently, four female directors (including two foreign nationals) are active as directors at Group companies, and we will continue to promote diverse talent.

4. Human Resource Development Policy, Internal Environment Development Policy for Ensuring Diversity, and Status

Currently, as part of our human resource development efforts, we conduct 'Zero Training,' where new employees learn about the Company's history, philosophy, and the knowledge needed to work in our restaurants. We also held a Global Leadership Conference in January 2026 where senior management and management candidates from various countries gathered. Through restaurant training, manufacturing training, and group discussions in Japan, we worked to cultivate ways of thinking and develop practical skills to be applied upon return to their home countries. In terms of HR systems, part-time staff wishing to become full-time employees undergo multiple rounds of

interviews with HR and management before being hired. Restaurant-based employees wishing to transfer to administrative departments undergo multiple interviews to assess suitability before the transfer. We will continue to deliberate on our human resource development policy and internal environment development policy for ensuring diversity.

[Principle 2.6]

In order to support the stable asset formation of employees, our Group has adopted a defined contribution pension plan since FY2019. We conduct Defined Contribution Pension Guidance for new employees and plan participants to deepen their understanding of the plan, communicating basic knowledge and precautions regarding asset management. In addition, through the dedicated website, we post investment product performance results, distribute basic knowledge videos, provide life plan simulation information, share regular monitoring reports with the plan administrator, and work to develop qualified defined contribution pension education personnel.

[Principle 3.1]

(i) Our corporate philosophy and related matters are disclosed on our website and in financial results presentation materials.

(ii) Our basic approach and policies on corporate governance are described in Section I.1 'Basic Approach' of this report. Please refer to that section. The information is also disclosed in our Annual Securities Report.

(iii) The overall limit of director compensation is determined at the General Meeting of Shareholders. For non-Audit & Supervisory Committee directors, individual compensation is determined within the shareholder-approved limit through a process whereby the Board of Directors consults the Nomination & Compensation Committee (a majority of which are independent outside officers), and the Representative Director, having received full authorization from the Board, determines individual compensation taking into account the Committee's recommendations. Compensation for directors who are Audit & Supervisory Committee members is determined through deliberation by the Audit & Supervisory Committee.

(iv) In the election and dismissal of directors, for non-Audit & Supervisory Committee director candidates, the Board consults the Nomination & Compensation Committee (a majority of which are independent outside officers), and determination takes into account the Committee's recommendations. The Company has established the following election and dismissal criteria, with decisions based on a comprehensive evaluation.

(Election Criteria)

1. Possesses excellent character and insight, has a strong management sensibility, and is well-versed in management issues

2. Excels in an overall perspective and the ability to analyze and judge objectively

3. Excels in knowledge and insight

4. Can accurately grasp trends of the times, the business environment, and market changes

5. Can optimize existing processes, frameworks, and personnel allocation, maintains a sense of ownership over daily results, and is motivated to improve performance using judgment and experience

(Dismissal Criteria)

1. Continuation of duties becomes difficult due to health reasons

2. Acts against public order and morals are committed

3. For non-Audit & Supervisory Committee directors, a significant decline in Company performance

over multiple years (ROE, ordinary profit, share price) is recognized

4. Qualities stipulated in the election criteria are not recognized

5. Management policies change significantly and new management personnel are required from a reform perspective

6. The term of office stipulated in the Articles of Incorporation expires and the individual director does not wish to be reappointed

(v) The reasons for nominating each director candidate are disclosed in the Notice of Convocation for the Annual General Meeting of Shareholders each year. Regarding reasons for dismissal, when a dismissal proposal is submitted to the General Meeting, the reason will be stated in the Notice of Convocation.

[Supplementary Principle 3.1.2]

In light of the fact that overseas investors hold approximately 25% of our shares, we are actively promoting English-language information disclosure. Specifically, we provide English translation and electronic provision of the Notice of Convocation, prepare and disclose English versions of financial results presentation materials, and provide key information in English on the IR page of our website. We will continue to consider expanding the scope of English-language disclosure.

[Principle 3.2]

We have appointed BDO Sanyu & Co. as our external accounting auditor. The Audit & Supervisory Committee comprehensively evaluates candidates based on three criteria: (i) whether a quality management and audit implementation structure is in place; (ii) whether independence from the Company and Group companies is maintained; and (iii) whether the audit structure is appropriate for the size of the Company's business. In the current fiscal year, BDO Sanyu & Co. met all criteria and was evaluated as capable of conducting thorough, high-quality audits of listed companies, and was therefore reappointed. BDO Sanyu & Co. is a member of the BDO network, and auditing of our overseas subsidiaries is handled by BDO network member firms.

[Supplementary Principle 4.1.1]

Matters subject to Board of Directors resolutions are clearly defined in the Board of Directors Regulations and the Duty Authority Regulations. For details, please refer to Section II.2 'Matters Related to Business Execution, Audit, Supervision, Nomination, and Compensation Functions' of this report. The information is also disclosed in our Annual Securities Report.

[Principle 4.8]

Of our six directors, three are appointed as independent outside directors, accounting for one-half (50%) of the total. This meets the Tokyo Stock Exchange Prime Market standard of 'at least one-third.' The three independent outside directors each have extensive knowledge and experience in corporate management, legal practice, and CPA practice, respectively, and fulfill the supervisory function over management from an independent standpoint while contributing to the quality of Board deliberations.

[Principle 4.9]

Based on the independence criteria defined by financial instruments exchanges, we have established our own 'Independence Assessment Criteria' and select independent outside directors accordingly. The content thereof is disclosed in our Annual Securities Report each year.

[Supplementary Principle 4.10.1]

As a voluntary advisory body to the Board of Directors, we have established a Nomination & Compensation Committee. The Committee, in which independent outside directors constitute a majority, deliberates on officer elections (including succession planning) and compensation amounts. Based on these deliberations, the Board of Directors decides on officer elections and the Representative Director, having received full authorization from the Board, decides on compensation amounts, ensuring transparency, fairness, and objectivity.

Regarding succession planning, we recognize the systematic development and selection of successors to the Representative Director and other key management personnel as an important management issue. Through deliberations in the Nomination & Compensation Committee, we are continuously working on defining successor requirements, developing the development process, and establishing selection criteria.

[Supplementary Principle 4.11.1]

The Board of Directors currently consists of six directors (three non-Audit & Supervisory Committee directors and three Audit & Supervisory Committee directors). We appoint individuals who are well-versed in the Group's businesses, who have experience as directors at listed companies, and who have sufficient expertise for corporate management. The skill matrix listing the knowledge, experience, and capabilities of each director is disclosed in the Notice of Convocation for the Annual General Meeting of Shareholders held on June 29, 2026.

When selecting new directors, our policy is to comprehensively evaluate whether the individual understands the Company's Management Philosophy and Founding Spirit and can contribute to enhancing corporate value, following the recommendations of the Nomination & Compensation Committee, through deliberation by the Board of Directors, and determined at the General Meeting of Shareholders.

[Supplementary Principle 4.11.2]

Each director devotes the time and effort necessary to appropriately fulfill their roles and responsibilities. Regarding outside directors, we confirm at the time of nomination whether sufficient time and effort can be secured. The concurrent positions held by each director are disclosed in the Notice of Convocation each year.

[Supplementary Principle 4.14.2]

We appoint personnel who fully understand the roles and responsibilities required of directors and who can appropriately fulfill them. We also provide opportunities to participate in external seminars and internal training to acquire necessary knowledge about the Company's business, finances, and organization, with the Company bearing the costs thereof.

[Principle 5.1]

Our Group is working to implement measures and develop systems that promote constructive dialogue with shareholders and investors, with a view to the Company's sustainable growth and enhancement of corporate value over the medium to long term. The IR department, under the supervision of the President & CEO, is responsible for all shareholder and investor dialogue, and works in coordination with related departments including business, accounting, finance, and legal to appropriately disseminate information and conduct dialogue. Going forward, directors who are Audit & Supervisory Committee members will also participate in such dialogue as appropriate.

When engaging in investor dialogue, we use themes related to enhancing the Company's medium- to long-term corporate value as the axis of dialogue. We also designate a silent period from the day after each fiscal quarter-end to each earnings announcement date, during which we manage inside information.

2. Capital Structure

Foreign Shareholding Ratio	20% or more, less than 30%

[Major Shareholders]

Name	Shares Held / Ratio (%)
E&RS' FORCE CREATION PTE. LTD.	7,050,000 / 23.30%
Shigemi Kawahara	5,404,946 / 17.87%
ASO CORPORATION	2,950,000 / 9.75%
The Master Trust Bank of Japan, Ltd. (Trust Account)	1,239,100 / 4.09%
CFT Japan Holdings Co., Ltd.	1,100,000 / 3.63%
Emi Kawahara	640,000 / 2.11%
BBH (LUX) FOR FIDELITY FUNDS-PACIFIC POOL	410,900 / 1.35%
Ariake Japan Co., Ltd.	300,000 / 0.99%
THE TORIGOE CO., LTD.	300,000 / 0.99%
Nisshin Flour Milling Inc.	300,000 / 0.99%
Controlling Shareholder (excl. parent company)	N/A
Parent Company	None

Notes:

1. Major shareholder status is as of March 31, 2026.

2. Shares held by Shigemi Kawahara include 71,546 shares representing his interest in the CHIKARANOMOTO HOLDINGS Directors' Stock Ownership Association.

3. The Company holds 72,378 treasury shares. In addition, the Director Stock Benefit Trust holds 62,100 shares and the Employee Stock Benefit Trust (ESOP) holds 77,780 shares.

3. Corporate Attributes

Exchange and Market Classification	Tokyo Stock Exchange Prime Market
Fiscal Year End	March
Industry	Retail
Number of Employees (Consolidated) at Most Recent Fiscal Year End	1,000 or more
Net Sales (Consolidated) in Most Recent Fiscal Year	¥10 billion or more, less than ¥100 billion

Number of Consolidated Subsidiaries at Most Recent Fiscal Year End	10 or more, less than 50

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

N/A

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

Not applicable.

II. Status of Corporate Governance System Including Management Organization Related to Management Decision-Making, Execution, and Supervision

1. Matters Related to Organizational Structure and Organizational Operations

Organizational Form	Company with Audit & Supervisory Committee

[Director-Related]

Maximum Number of Directors (Articles of Incorporation)	15
Director Term of Office (Articles of Incorporation)	1 year
Chair of Board of Directors	President
Number of Directors	6
Outside Director Appointment Status	Appointed
Number of Outside Directors	3
Number Designated as Independent Officers	3

[Relationship with Company (1)]

Relationship with Company items (a–k): None applicable for any of the three outside directors.

Name	Audit & Supervisory Committee Member	Independent Officer	Reason for Appointment
Minako Suzuki	No	Yes	Having served for many years as a director of listed companies, she has extensive experience and broad insight in diverse fields including the food service industry, IT industry, and overseas business strategy. Appointed as outside director in expectation of her advice and oversight based on this expertise. In addition, she satisfies the independence criteria defined by the Tokyo Stock Exchange and the Company's 'Independence Assessment Criteria,' with no risk of conflict of interest with general shareholders, and has therefore been designated as an independent officer.
Tetsuya Tsuji	Yes	Yes	A legal expert holding both a Japanese bar license and a New York State bar license, with experience as outside corporate auditor at multiple listed companies. Appointed as Audit & Supervisory Committee member outside director in expectation of his advice and oversight based on his deep legal expertise. In addition, he satisfies the independence criteria defined by the Tokyo Stock Exchange and the Company's 'Independence Assessment Criteria,' with no risk of conflict of interest with general shareholders, and has therefore been designated as an independent officer.
Shinji Tanabe	Yes	Yes	Possesses practical experience as a CPA at a major auditing firm and as a subsequent practicing CPA, along with experience as outside corporate auditor at

			listed companies, and has specialized knowledge and high-level insight. Appointed as Audit & Supervisory Committee member outside director in expectation of his advice and oversight based on his deep expertise. In addition, he satisfies the independence criteria defined by the Tokyo Stock Exchange and the Company's 'Independence Assessment Criteria,' with no risk of conflict of interest with general shareholders, and has therefore been designated as an independent officer.

[Audit & Supervisory Committee]

Committee Composition:

	Total Members	Full-time Members	Internal Directors	Outside Directors	Chair
Audit & Supervisory Committee	3	1	1	2	Internal Director
Directors/employees to assist Committee duties	None				

Reason for Adopting Current Structure:

Since one internal director serving as Audit & Supervisory Committee member is serving on a full-time basis and appropriate information gathering is conducted in coordination with the Internal Audit Department, no dedicated support staff have been appointed. Should the Committee request such staff, they will be appointed.

Coordination among Audit & Supervisory Committee, Accounting Auditor, and Internal Audit Department:

The Audit & Supervisory Committee attends internal audits as necessary and shares information on key audit items and results. The Committee and the Internal Audit Department hold meetings with the accounting auditor on a quarterly basis (and ad hoc as needed) to comprehensively and objectively evaluate the appropriateness of the internal control system, and have in place a structure for making improvement recommendations, corrective guidance, and follow-up on identified issues.

[Voluntary Committees]

Whether voluntary Nomination/Compensation committees	Yes

exist	

Type	Committee Name	Total / Full-time / Internal / Outside Members	Chair
Voluntary Nomination Committee	Nomination & Compensation Committee	4 total / 1 full-time / 1 internal / 3 outside	Internal Director
Voluntary Compensation Committee	Nomination & Compensation Committee	4 total / 1 full-time / 1 internal / 3 outside	Internal Director

Supplementary Notes:

The Nomination & Compensation Committee consists of four directors (three outside directors, two of whom are Audit & Supervisory Committee members), and serves as a voluntary advisory body to the Board. It ensures transparency, fairness, and objectivity by deliberating on officer elections and compensation, with the Board deciding on elections and the Representative Director (having received full authorization) deciding on compensation.

Committee composition:

Chair: Director (Audit & Supervisory Committee Member) Akihiro Saito

Member: Outside Director Minako Suzuki

Member: Outside Director (Audit & Supervisory Comm.) Tetsuya Tsuji

Member: Outside Director (Audit & Supervisory Comm.) Shinji Tanabe

* This Committee serves the functions of both a Nomination Committee and a Compensation Committee.

[Independent Officers]

Number of Independent Officers	3

Our basic policy is to designate independent officers with the aim of giving consideration to the interests of general shareholders and continuously enhancing corporate value. Designation is made after confirming that candidates satisfy the Tokyo Stock Exchange requirements and meet our Independence Assessment Criteria with no risk of conflict of interest with general shareholders, from among outside directors with Board voting rights.

All outside directors who are Audit & Supervisory Committee members and who qualify as independent officers have been designated as independent officers.

[Incentive-Related]

Incentive Measures for Directors	Stock Benefit Trust for Officers
Stock Option Grant Recipients	Internal Directors, Employees, Subsidiary Directors, Subsidiary Employees

This was introduced to more strongly connect the Company's performance improvement with the motivation of individual officers and employees.

[Director Compensation-Related]

Disclosure Status of Individual Director Compensation	Individual compensation is not disclosed
Policy for Determining Compensation Amounts	Yes

Individual compensation is not disclosed as there are no individuals with total consolidated compensation of ¥100 million or more.

Content of Policy for Determining Compensation Amounts:

The Company has established a policy for determining officer compensation amounts. At the extraordinary Board of Directors meeting held on June 24, 2019, the Nomination & Compensation Committee (a voluntary advisory committee) was established for ongoing discussion of this policy.

a. Directors (excluding Audit & Supervisory Committee member directors)

Compensation consists of monthly fixed compensation, bonuses, and performance-linked stock compensation. Fixed compensation and bonuses are determined by comprehensively taking into account the individual's duties, responsibilities, performance, contributions, and market-level factors such as industry trends and the economic environment. Performance-linked stock compensation is granted once per fiscal year based on points calculated according to Board-approved regulations.

b. Directors who are Audit & Supervisory Committee members

Compensation is determined through deliberation by the Audit & Supervisory Committee members, as these directors are responsible for auditing director performance as an independent body entrusted by shareholders.

Note: The General Meeting of Shareholders resolution on officer compensation (dated June 26, 2017) set the compensation limit for non-Audit & Supervisory Committee directors at ¥330 million per year (with ¥30 million for outside directors; employee salaries excluded), and the limit for Audit & Supervisory Committee member directors at ¥50 million per year.

The authority to determine individual officer compensation amounts rests with the Board of Directors. To ensure appropriateness and transparency/fairness, the Board consults the Nomination & Compensation Committee (consisting of one internal director and three outside directors including Audit & Supervisory Committee members), and the Representative Director, having received full authorization from the Board, determines compensation taking into account the Committee's recommendations.

[Support Structure for Outside Directors]

Outside directors receive business reports from the legal department via telephone, email, etc. Board of Directors agenda materials are distributed in advance, and the legal department provides advance explanations on important matters as necessary, ensuring sufficient time for outside directors to deliberate prior to Board meetings.

For outside directors who are Audit & Supervisory Committee members, audit information, internal audit information, and accounting audit information are primarily shared by the full-time Audit & Supervisory Committee member.

2. Matters Related to Business Execution, Audit, Supervision, Nomination, and Compensation Functions (Overview of Current Corporate Governance Structure)

a. Board of Directors

The Board of Directors consists of three non-Audit & Supervisory Committee directors (including one outside director) and three Audit & Supervisory Committee directors (including two outside directors). It meets in principle once a month and holds extraordinary meetings as necessary for timely decision-making. The Board makes decisions on important business execution matters and supervises directors' performance with participation of independent Audit & Supervisory Committee members.

Outside directors are a representative director of a corporation, an attorney, and a CPA; each has the necessary practical experience and specialized knowledge, enabling management decision-making from a broader perspective. Independence criteria are based on the Tokyo Stock Exchange's standards for independent officers.

Main items deliberated at Board meetings in FY2026: management strategy, business plans, important investments, important organizational and personnel matters, corporate governance, and financial matters.

[Individual Officer Attendance (FY2026 Board of Directors)]

Name	Meetings Held / Attended (Rate)
Shigemi Kawahara	16 meetings / 16 attended (100%)
Tomoyuki Yamane	16 meetings / 16 attended (100%)
Toru Nakao	4 meetings / 4 attended (100%)
Minako Suzuki	10 meetings / 10 attended (100%)
Akihiro Saito	16 meetings / 16 attended (100%)
Tetsuya Tsuji	16 meetings / 16 attended (100%)
Shinji Tanabe	16 meetings / 16 attended (100%)

Notes:

1. Director Toru Nakao retired upon conclusion of the 40th Annual General Meeting of Shareholders held on June 25, 2025; attendance is limited to meetings held prior to his retirement. Two meetings at which only agenda items in which he had a special conflict of interest were resolved are excluded.

2. Director Minako Suzuki was appointed at the 40th Annual General Meeting of Shareholders held on June 25, 2025; attendance is limited to meetings held after her appointment.

b. Audit & Supervisory Committee

The Audit & Supervisory Committee consists of three members (one full-time) including two outside directors. It meets in principle once a month, with extraordinary meetings as necessary. The two outside director members have, respectively, substantial legal expertise as an attorney and substantial knowledge of finance and accounting as a CPA, and monitor management decision-making processes from a specialized perspective.

The full-time Committee member proactively attends Board meetings of major subsidiaries and various internal meetings. The Committee exchanges opinions on key issues and maintains close communication between the full-time member and outside director members, enhancing audit effectiveness.

c. Nomination & Compensation Committee

The Nomination & Compensation Committee consists of four directors (three outside directors, two of whom are Audit & Supervisory Committee members), and serves as a voluntary advisory body to the Board. It deliberates on officer elections and compensation amounts, with the Board deciding elections and the Representative Director (having received full Board authorization) deciding compensation, ensuring transparency, fairness, and objectivity.

d. Compliance Committee

The Compliance Committee consists of four directors (three outside directors, two of whom are Audit & Supervisory Committee members). It develops regulations related to compliance, operates the internal reporting system, and monitors compliance status throughout the Group. Issues identified are reported to the Board of Directors as appropriate and handled by each department.

e. Internal Audit

The Internal Audit Department consists of four members including the department head, organized directly under the President & CEO, separate from other business execution lines. It prepares annual audit plans and conducts highly effective internal audits in accordance with these plans. The basic policy is based on the 'Internal Audit Regulations,' covering operations and asset management of the Company and subsidiaries.

Mutual coordination among internal audits, Audit & Supervisory Committee audits, and accounting audits: The Audit & Supervisory Committee attends internal audits as necessary and shares information. Quarterly (and ad hoc) meetings are held among the Committee, Internal Audit Department, and accounting auditor to achieve effective three-way auditing, comprehensively evaluating internal control system appropriateness and making improvement recommendations and follow-up.

f. Accounting Audit

The Company has appointed BDO Sanyu & Co. as its accounting auditor and periodically undergoes audits in accordance with the Financial Instruments and Exchange Act. The CPAs responsible for audit work are Kuniaki Hatamura and Kenji Nishikawa. The continuous audit period is 12 years.

3. Reasons for Selecting the Current Corporate Governance Structure

Since its founding in October 1985, the Company has been promoting its business centered on the 'IPPUDO' brand, expanding restaurant operations not only throughout Japan but throughout the world. The restaurant network currently extends from North America to Europe, Asia, and Oceania.

Going forward, in pursuit of our founding spirit, centered on the 'IPPUDO' brand, we will continue to open restaurants in untapped areas in addition to existing domestic and overseas markets, aiming for global expansion.

To maintain this policy and continuously enhance corporate value, we recognize that further advancement of corporate governance is a critical issue, requiring improved management transparency and strengthened management monitoring within the Group. Accordingly, the Group has adopted a holding company structure, concentrating overall Group management at the holding company level to strengthen corporate governance. We will continue to review the organizational structure in line with business expansion and explore more efficient structures.

Furthermore, we adopted the structure of a company with an Audit & Supervisory Committee because we determined that establishing an Audit & Supervisory Committee (in which a majority are outside directors), with Audit & Supervisory Committee member directors holding Board voting

rights, strengthens the Board's supervisory function and further enhances corporate governance.

III. Implementation Status of Measures for Shareholders and Other Stakeholders

1. Measures for Enhancing General Meetings of Shareholders and Facilitating the Exercise of Voting Rights

Initiative	Supplementary Notes
Early dispatch of Notice of Convocation	We endeavor to dispatch the Notice of Convocation early to ensure sufficient time for shareholders to consider agenda items. The Notice is also posted on our corporate website.
Scheduling to avoid peak dates	Our General Meeting is generally held in late June due to legal and practical requirements, but we set it to avoid peak dates for other companies as much as possible. We will continue to develop an environment conducive to participation.
Electronic voting	Introduced at the 34th Annual General Meeting of Shareholders held on June 24, 2019.
Electronic voting platform participation	Introduced at the 37th Annual General Meeting of Shareholders held on June 29, 2022.
English Notice of Convocation (summary)	An English summary of the Notice has been provided since the 37th Annual General Meeting of Shareholders held in June 2022.

2. IR Activities

Initiative	Supplementary Notes	Explanation by Representative Director
Preparation and publication of disclosure policy	Our disclosure policy is posted on our corporate website.	
Regular briefings for individual investors	We regularly hold briefings for individual investors where the President & CEO explains business performance and management policies.	Yes
Regular briefings for analysts and institutional investors	Held as appropriate in conjunction with annual and interim earnings announcements.	Yes
Regular briefings for overseas investors	Held on an irregular basis, as requested, with the President & CEO explaining performance and management policies.	Yes

IR materials on website	Earnings releases, timely disclosure materials, Annual Securities Reports, quarterly reports, and English-language materials for overseas investors are posted on the IR site.	
Dedicated IR department	The IR Department handles all IR-related matters.	

3. Measures Related to Respect for the Position of Stakeholders

Item	Supplementary Notes
Provisions in internal regulations	We have established our 'Founding Spirit' and stipulate therein respect for the position of each stakeholder.
CSR / Environmental conservation activities	Based on our founding spirit, we engage in CSR activities including: supporting children's cafeterias ('Kodomo Shokudo') providing free ramen to children and families; food education classes for children in restaurant communities; local cleanup activities; installation of eco-chopsticks (reusable) at Group restaurants; development and sale of plant-based products; collaboration with other companies to produce beer using noodle off-cuts; and conversion of waste cooking oil into jet fuel. We will continue to actively pursue SDGs initiatives.
Information provision policy for stakeholders	We consider it our duty as a listed company to disclose timely and appropriate information to shareholders, customers, business partners, and other stakeholders.

IV. Matters Related to Internal Control Systems

1. Basic Approach to Internal Control Systems and Status of Development

The Company allocates necessary business and management functions to designated departmental organizations, and by thoroughly complying with various internal regulations, aims to achieve separation of duties and internal checks. Internal audits are conducted based on the annual audit plan to monitor the effectiveness of the internal check organization. The Company has resolved the following 'Basic Policy on Internal Controls.'

a. System for ensuring compliance of directors' and employees' performance of duties with laws, regulations, and the Articles of Incorporation

Directors' compliance with laws, the Articles of Incorporation, and the Company's corporate philosophy is the top management priority. Under the corporate philosophy 'keep changing so as not to change,' directors perform their duties accordingly. The Board determines the basic internal control policy and supervises compliance. The Board decides on important management matters in accordance with laws, Articles of Incorporation, General Meeting resolutions, and the Board of Directors Regulations. Directors promote information sharing to enable mutual checks. The Audit & Supervisory Committee conducts audits based on laws and the Committee Regulations, utilizing

the internal control system in coordination with the Internal Audit Department. The Compliance Committee develops related regulations, raises compliance awareness, and monitors compliance status. Administrative departments disseminate relevant laws, Articles of Incorporation, and company regulations. The Internal Audit Department, independent from business execution departments and directly under the President & CEO, periodically checks business execution and compliance, and verifies the suitability and efficiency of the internal control system.

b. System for the storage and management of information related to directors' performance of duties

Important information including General Meeting and Board minutes, and management-related documents, shall be appropriately recorded and retained for prescribed periods in accordance with laws and the Document Management, Information Management, and Internal Approval Regulations. Related regulations are reviewed and improved as necessary.

c. Regulations and other systems for managing the risk of losses

Directors and employees perform their duties within the authorities defined in the Organization, Business Division, and Duty Authority Regulations, and seek superior approval for matters exceeding their authority via the Internal Approval Regulations. Administrative departments establish risk management policies, structures, and procedures for each department. The Internal Audit Department audits risk management status in business execution departments and regularly reports to the President & CEO, with important matters reported to the Board and Audit & Supervisory Committee.

d. System for ensuring efficient performance of directors' duties

The Board of Directors Regulations define Board operations to facilitate smooth decision-making. Regular Board meetings are held monthly, with extraordinary meetings as necessary. The Articles of Incorporation permit omission of Board resolutions for urgent, simple matters. The Board formulates medium-term management plans and clarifies management targets. Monthly performance reviews analyze and evaluate progress against the medium-term plan and annual budget, and improvement measures are considered as necessary.

e. System for ensuring proper operations of the corporate group

Subsidiary management respects subsidiary autonomy while sharing corporate philosophy and code of conduct across the Group, with the Affiliated Company Management Regulations providing appropriate oversight. The department managing subsidiaries shares information and collaborates through attendance at subsidiary Board meetings. Directors are dispatched to subsidiaries to reflect the Company's intentions, with immediate reporting to responsible officers in the event of loss risk. Corporate auditors are dispatched to subsidiaries, reporting results to directors and responsible officers. The Compliance Committee monitors subsidiary operations in coordination with Audit & Supervisory Committee members and the Internal Audit Department. The Internal Audit Department audits Group company internal control effectiveness, reporting to the President & CEO, business execution officers, the Board, the Audit & Supervisory Committee, and the Compliance Committee. Subsidiary Board meetings periodically review business progress against medium-term plans and budgets.

f. Directors and employees to assist with Audit & Supervisory Committee duties

No dedicated staff have been assigned, but the Board may appoint such staff following consultation with the Audit & Supervisory Committee. Such staff would assist with all Committee operations under Committee direction, with individuals having the necessary knowledge and abilities selected.

g. System for reporting to the Audit & Supervisory Committee and protection against adverse treatment

Audit & Supervisory Committee members may attend all meetings and committees (in addition to Board meetings) to understand important decision-making processes and receive reports. Directors and employees report important matters to the Committee including Board agenda items, key decisions, important accounting policies and changes, internal audit status, and other significant matters. Immediate reporting to the Committee is required upon discovery of matters that may cause significant damage or of illegal acts or major violations. Directors and employees may directly consult the Committee on compliance and risk management. Adverse treatment of those who make reports or consultations to the Committee is strictly prohibited and this policy is thoroughly communicated.

h. Policy on handling expenses arising in the performance of Audit & Supervisory Committee members' duties

Directors cooperate with Audit & Supervisory Committee members in performing their duties, make budgetary arrangements for audit expenses, and pay expenses related to each member's duties.

i. Other systems for ensuring effective Audit & Supervisory Committee audits

The Committee regularly holds opinion exchange meetings with the Representative Director and may hold liaison meetings with directors, business execution officers, and employees as necessary. The Committee may seek cooperation from accounting, legal, and other departments at any time. The Committee may request cooperation from the Internal Audit Department, which cooperates with efficient auditing. The Committee exchanges opinions and information with the accounting auditor and may seek investigation and reports while maintaining coordination.

j. Basic policy and system for eliminating antisocial forces

The Company's basic policy is to have no dealings whatsoever with antisocial forces, groups, or individuals—including in business relationships—and to refuse any unjust or illegal demands. This is thoroughly communicated to all directors and employees. The Company gathers information from relevant government agencies and, in the event of an incident, maintains close contact with government agencies and legal experts to respond swiftly as an organization.

2. Basic Approach to Eliminating Antisocial Forces and Status of Development

The Company's 'Antisocial Forces Exclusion Regulations' stipulate that, under any circumstances, the Company will have no dealings with antisocial forces, groups, or individuals—including in business relationships—and will refuse unjust or illegal demands. The legal department serves as the department responsible for antisocial forces response, centrally managing related information, supporting efforts to sever such relationships, developing internal systems, conducting training, developing response manuals, and coordinating with external specialists. Contracts with business partners include clauses regarding exclusion of antisocial forces.

V. Other Matters

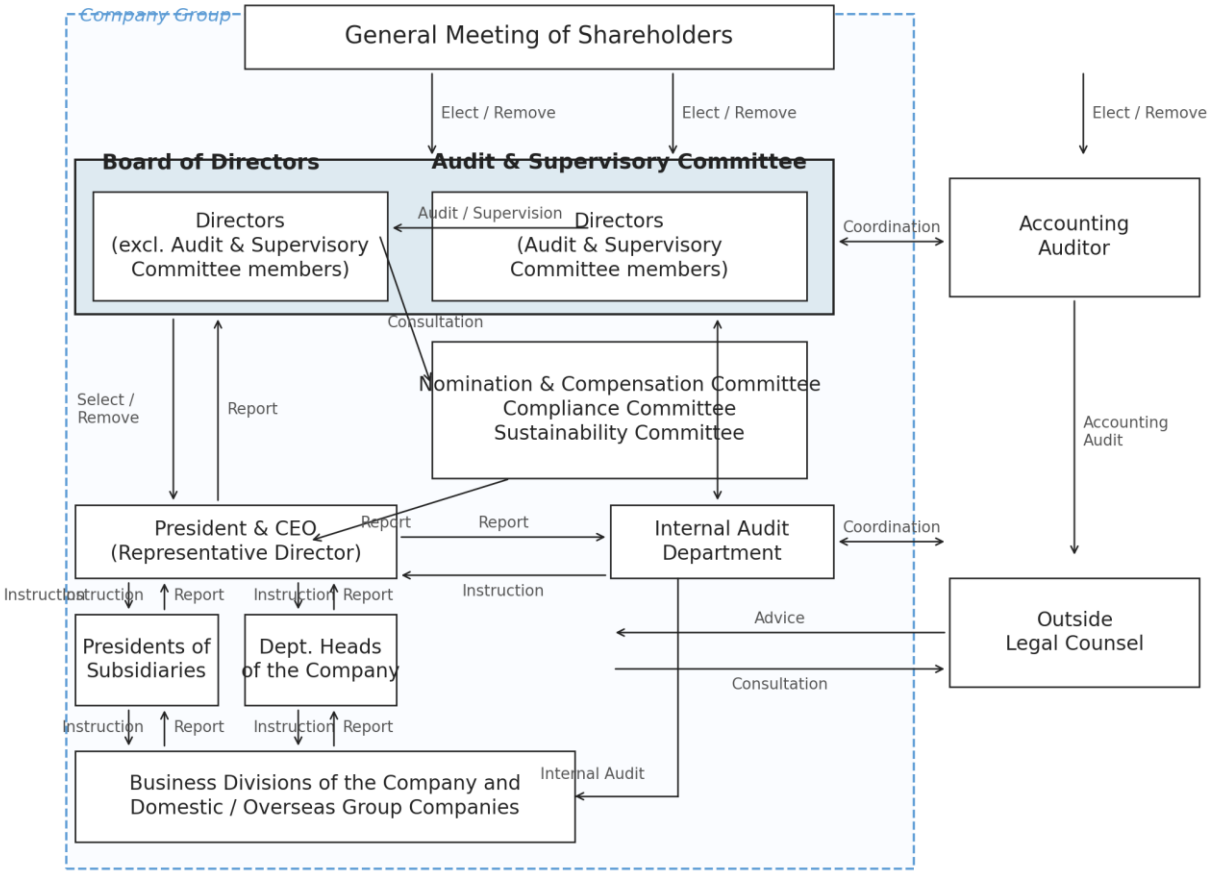
1. Whether Anti-Takeover Measures Have Been Implemented

Anti-Takeover Measures	None

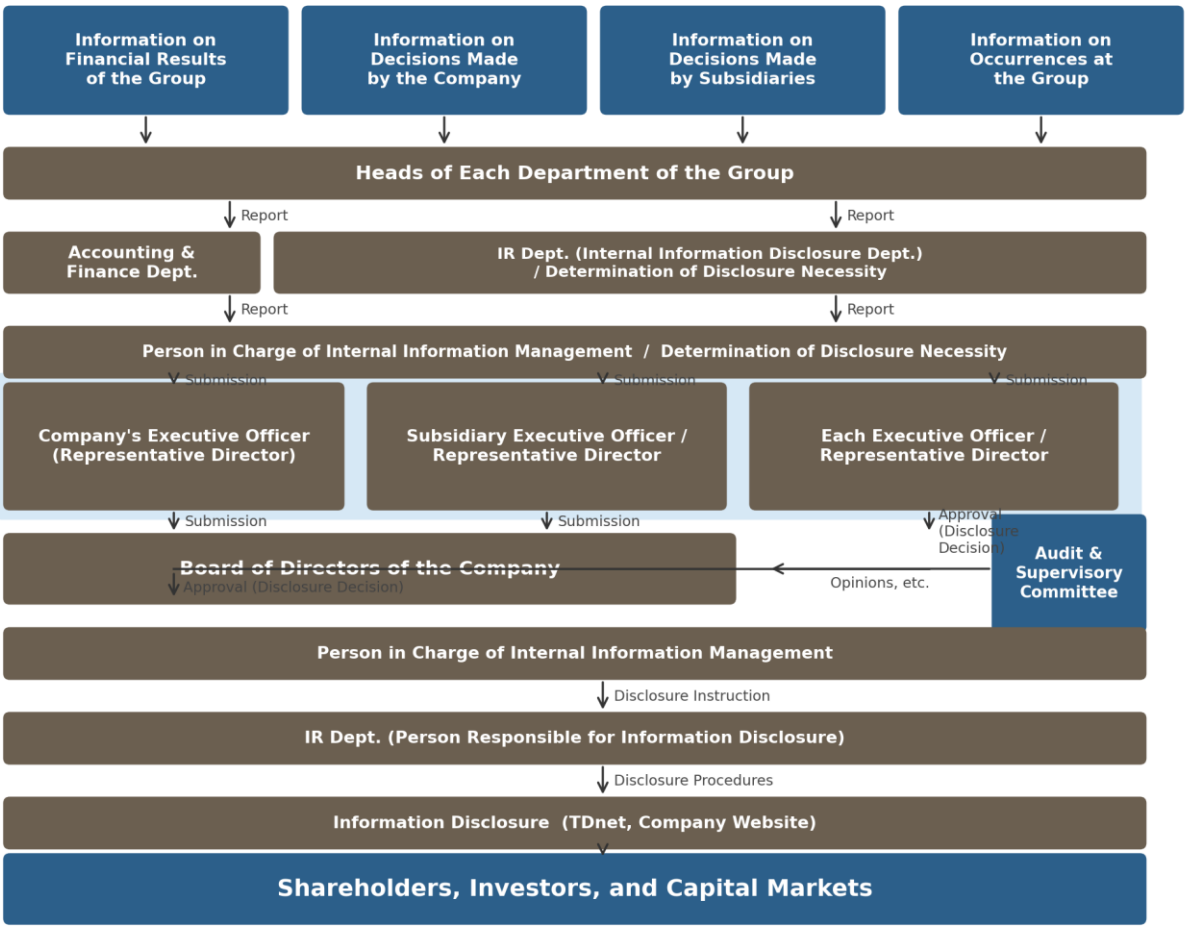
2. Other Matters Related to Corporate Governance Structure, etc.

N/A

[Corporate Governance Overview (Organizational Chart)]



[Timely Disclosure Structure (Schematic Diagram)]


Information on Financial Results of the Group
Information on Decisions Made by the Company
Information on Decisions Made by Subsidiaries
Information on Occurrences at the Group
Heads of Each Department of the Group
Report
Report
Accounting & Finance Dept.
IR Dept. (Internal Information Disclosure Dept.) / Determination of Disclosure Necessity
Report
Report
Person in Charge of Internal Information Management / Determination of Disclosure Necessity
Submission
Submission
Submission
Company's Executive Officer (Representative Director)
Subsidiary Executive Officer / Representative Director
Each Executive Officer / Representative Director
Submission
Submission
Approval (Disclosure Decision)
Board of Directors of the Company
Approval (Disclosure Decision)
Opinions, etc.
Audit & Supervisory Committee
Person in Charge of Internal Information Management
Disclosure Instruction
IR Dept. (Person Responsible for Information Disclosure)
Disclosure Procedures
Information Disclosure (TDnet, Company Website)
Shareholders, Investors, and Capital Markets