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Credit Saison Co., Ltd.

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https://corporate.saisoncard.co.jp/en/

The corporate governance of Credit Saison Co., Ltd. (the "Company") is described below.

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

1. Basic Views

■Management Philosophy

We will fulfill our corporate social responsibility by striving to meet the expectations of all of our customers, shareholders, and business partners. We will compete successfully in the market by promoting our three shared values:

practical implementation of the principles of customer satisfaction as a leading-edge service company;

mutual respect for our interests and those of our business partners; and,

developing a corporate culture of creative innovation.

■Corporate Governance

To realize our basic management policy of obtaining the understanding and approval of our stakeholders such as our customers, business partners, employees, shareholders and society by continuously improving corporate value over time and creating innovative services, the Company is implementing a variety of initiatives to improve and strengthen our corporate governance in recognition of the enormous importance of enhancing management transparency and bolstering management supervisory functions to attain business objectives.

The Company has adopted the Audit & Supervisory Board (the "ASB") model, with the ASB members. The Company has established the Board of Directors, the ASB, and the accounting auditor as the corporate's organization. To ensure the Company retains the confidence of our shareholders and other investors, the Company strives to improve and strengthen corporate governance by nominating outside Directors and the outside ASB members. The Board of Directors and Nomination & Remuneration Committee receive advice and recommendations from outside Directors to ensure the appropriateness of business decision-making. This enables Directors, who are well versed in business matters, to maintain and improve management efficiency. In addition, the ASB is strengthening its management oversight function by coordinating with Directors, executive officers and others from the Internal Audit Office and the unit responsible for supervision of internal controls, and the Audit Department ensures its independence by having a direct reporting line to the Board of Directors, separate from reports to the Representative Director.

In March 2020, the Company reviewed the composition of the Board of Directors and introduced an executive officer system in order to further strengthen our corporate governance system through the separation of business execution and management oversight. Thus, the Company achieved more appropriate management and supervisory functions and establish an efficient business execution system.

The Board of Directors consists of 12 Directors, including 4 independent outside Directors. Along with deciding operational execution with regards to important matters concerning management, the Board oversees the performance of duties by Directors. In order to build a flexible management system that responds to changes in the business environment and earns the confidence of shareholders in the Company's management, the term of office for Directors is set at 1 year.

The ASB consists of 3 ASB members, including 2 independent outside ASB members. It determines audit policy and matters concerning the execution of other duties by the ASB members as well as compiling audit reports. Furthermore, in order to realize sustainable growth in corporate value, the Company has positioned the enhancement of corporate governance as an important management initiative, and the Company is working to achieve this by establishing an internal control system, strengthening our risk management system, ensuring thorough compliance, and creating mechanisms through diversity, equity and inclusion.

In constructing the internal control system, the Corporate Planning Department, which is the division responsible for internal control, serves as a hub for constructing the internal control system and the Board of Directors determines the basic policy for the internal control system in order to establish a system to ensure the appropriateness and efficiency of operations. With regard to the internal control system for financial reporting, mainly the Risk Management Department is responsible for promoting the development of internal controls for the Company and its consolidated subsidiaries, and the Audit Department conducts independent monitoring of such internal controls.

With regard to risk management, the Company strives to prevent eliciting risks and to minimize their impact on the Company with Risk Management Committee and the Risk Control Department, which serve as a hub for such striving, and the Audit Department is working to strengthen the system by periodically verifying the monitoring status of each department by the Risk Control Department from an independent standpoint. To be prepared for such occasions, the Company is making efforts to maintain its risk-management system by regularly training its employees, based on the principles of the "Risk Management Regulations," "Regulations Regarding Management of Risk of Loss" and the "Crisis Management Regulations,", and the Risk Control Department and the Audit Department regularly hold information coordination meetings to strengthen the cooperation in the second and third lines of defense. In addition to the above, with regard to matters inherent in our Company Group or control matters that involve serious risks, for domestic subsidiaries, the Group Strategic Management Department establishes and controls the matters, and for the overseas subsidiaries, the Global Management Department which is responsible for overall management of overseas affiliate subsidiaries gathers information and coordinates with and reports to the relevant departments within the Company, including the Group Strategic Management Department. By the above, the Company oversees the status of business execution at each Group

company and shares information with the departments in charge of each Group company.

The Company has established the Compliance Committee to ensure a legal compliance, fairness and ethical behavior in its corporate activities. In addition to appointing a compliance officer in each department, the Company has established the “Action Declaration” to determine how the company itself should act, and have compiled the “Behavioral Standards” to explain how executives and employees should act. The Company is working to strengthen our compliance system by disclosure on internal website to ensure thorough implementation of this Declaration, disseminating information regarding the internal reporting system, and conducting compliance training, etc.

With regard to the audit system, in order to meet the demands of the times and the expectations of society, the Company is performing audit functions with the mission “to strengthen global governance of group based on our culture and business, and to fulfill our professional roles and functions so that we can be trusted by shareholders, management, and departments and add value to the organization”. In addition, in order to achieve our mission, we believe it is necessary to “improve audit maturity on a group and global basis” and are working to strengthen our human resources and improve audit quality., etc.

The structure for diversity, equity and inclusiveness is available on our website.

[https://corporate.saisoncard.co.jp/en/sustainability/diversity/]

[https://corporate.saisoncard.co.jp/en/sustainability/diversity/gender/]

The Company will continue to consider the ideal management structure that is appropriate for it hereafter, taking into consideration the international trends in corporate governance and the basic policy on internal control systems.

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

【This information is provided in accordance with Japan’s Corporate Governance Code (June 2021 edition).】

■Chapter 4 Responsibilities of the Board of Directors

[Supplementary Principle 4-1-3: Roles and Responsibilities of the Board (1)]

Regarding the system and process for appointing directors including the CEO, Nomination & Remuneration Committee, which independent outside Directors constitute the majority, considers the reasons for appointment, the achievements and careers of candidates, etc. from the perspective of whether or not the skills are necessary for the Company's management strategy, taking into consideration for the skill distribution on the skill matrix, etc., and deliberate comprehensively, and the Board of Directors appoints directors. The appropriateness of CEO etc. appointment is ensured by such appointment process, and therefore we have not formulated a concrete successor plan for the CEO at this moment. However, the Company will hereafter consider the ways through which Board of Directors may appropriately supervise succession plans by, for example, discussing at the Nomination & Remuneration Committee on the guidelines for succession plans which would fit our mid-term or long-term management strategies.

[Supplementary Principle 4-3-2: Roles and Responsibilities of the Board of Directors (2)]

Regarding the system and process for appointing directors including the CEO, the Nomination & Remuneration Committee, which independent outside Directors constitute the majority, considers the reasons for appointment, the achievements and careers of candidates, etc. from the perspective of whether or not the skills are necessary for the Company's management strategy, taking into consideration for the skill distribution on the skill matrix, etc., and deliberate comprehensively, and the Board of Directors appoints directors. However, at this moment, the Company has not formulated either evaluation criteria for appointment of the CEO or particular procedures for the appointment of the CEO. The Company will hereafter consider the ways through which the Company may appropriately appoint the qualified CEO. by, for example, discussing at the Nomination & Remuneration Committee on the guidelines for succession plans which would fit our mid-term or long-term management strategies.

[Supplementary Principle 4-3-3: Roles and Responsibilities of the Board (3)]

At the present time, the Company has established neither evaluation criteria nor dismissal grounds for the removal of the CEO. If any event such as (i) violation of laws, regulations, articles of incorporation, or other relevant rules or (ii) significant impairment of the Company's corporate value by the CEO, which constitutes legitimate ground for dismissal of the CEO happens, Nomination & Remuneration Committee, which independent outside Directors constitute the majority, discusses, and the Board of Directors which is attended by independent outside Directors will, after sufficient deliberations, resolve the dismissal of the CEO.

[Principle 4-11: Assumptions for ensuring the effectiveness of the Board of Directors and Audit & Supervisory Board]

In this volatile and rapidly changing business environment, the Company believes that it is important that the Board of Directors are composed of those with diverse experience, knowledge and characteristics including but not limited to gender and internationality, in order to enhance the Company’s ability to create values, and in order to enhance diversity among the members of the Board of Directors, the Company adopts a policy of appointing individuals with diverse backgrounds regardless of gender, age or nationality. The Company has appointed Directors who are able to draw out the Company’s strength with sufficient diversity to respond to changes of business format which will fit the Company’s mid-term or long-term management strategies. However, at this point, the Company has not yet formed a Board of Directors that can be said to have sufficiently considered gender and internationality. The Company will hereafter strive to appoint a diverse range of Directors, including those from the perspectives of gender and internationality, based on our mid-term or long-term management strategy. The Company has appointed independent outside Directors who possess the knowledge necessary to effectively contribute to the Company's sustainable growth and the improvement of corporate value over the mid-term or long-term, including knowledge of financial matters such as capital

efficiency. The ASB members of the Company are also appointed as the ones who are equipped with appropriate experience and abilities as well as the necessary knowledge of finance, accounting and legal affairs.

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

【This information is provided in accordance with Japan's Corporate Governance Code (June 2021 edition).】

■Chapter 1 Ensuring Shareholders' Rights and Equality

[Principle 1-4: Strategic Shareholding Shares]

(1) Details of policy and verification related to Strategic Shareholding Shares

The Company holds strategic shareholding shares only when they are necessary and reasonable for our Company Group's business strategies.

To examine the reasonableness of holdings, the Company comprehensively verifies the profitability of holdings at the meetings of the Board of Directors and ALM committees based on an appropriate understanding of the risks and costs associated with holding them as well as the returns from holding them, taking into consideration a mid-term or long term perspective.

As a result of the verification, the Company promptly sells the shares which are decided to be unreasonable to hold, taking into account its market influences and other factors.

(2) Criteria for Exercising Voting Rights Pertaining to Strategic Holding Shares

The Company comprehensively determines whether exercising the voting rights of the shares it holds conforms to the purpose of the Company's shareholdings and contributes to the common interests of the shareholders of the investees, and appropriately exercises such rights.

(3) Policy on How to Respond in the Event that a Strategic Shareholder Indicates an Intention to Sell

In the event that a company which holds shares in the Company as a strategic shareholding indicated its intention to sell such shares, the Company will respect the intention of such shareholding company.

In addition, the policy for reducing Strategic Shareholding Shares and the process of reduction are disclosed in the mid-term management plan and financial results presentation materials, details of which are available on our website.

[https://corporate.saisoncard.co.jp/wr_html/ir/data/en/t0odga00000006ui-att/t0odga00000006ww.pdf]

[https://corporate.saisoncard.co.jp/en/ir/data/]

[https://corporate.saisoncard.co.jp/en/business/management/]

[Principle 1-7: Transactions between Related Parties]

Among transactions between related parties involving Directors and/or the ASB members, competitive transactions, self-dealing transactions, and conflict-of-interest transactions are managed as matters requiring approval of the Board of Directors in accordance with applicable laws and internal regulations, and the Board of Directors supervises, through prior approval of individual transactions and reporting of their results, that the

interests of the Company are not impaired. In addition. the existence of such transactions is confirmed annually with the Directors and the ASB members.

■Chapter 2 Appropriate Collaboration with Stakeholders Other Than Shareholders

[Supplementary Principles 2-3-1: Initiatives for Sustainability Issues]

[Supplementary Principle 3-1-3 Sustainability Initiatives]

<Sustainability Initiatives>

Based on our management philosophy of "leading-edge service company," the Company Group strives to create a more convenient and prosperous and sustainable society by making use of our unique know-how, management resources, and the experience of each and every employee, and by contributing to the development and solution of issues in a society where Credit Saison Group can do its best, through our day-to-day business.

The Company recognizes that responding to issues related to sustainability, such as consideration for global environmental issues such as climate change, respect for human rights, consideration for employees' health, labor environment and fair and appropriate treatment, fair and appropriate transactions with business partners, and crisis management against natural disasters, is an important management issue that not only reduces risks but also contributes to earnings opportunities. Based on this recognition, the Company has established the Sustainability Promotion Committee, with the participation of the Representative, Executive President and COO, to discuss the direction of activities related to sustainability strategies and report to the Representative Director. In addition to addressing the issue of climate change, the Committee, which consists of members from diverse backgrounds, including internal and external members, members with gender equality, and members with global perspectives and the secretariat of which is served by the Sustainability Promotion Department newly established in March 2024, is working to realize a sustainable society by promoting diversity, equity and inclusion, which respects and leverages diversity in gender, age, nationality, experience, abilities, values, etc., and impact strategies in global business.

In FY2025, the Committee was convened 5 times, and have undertaken a review to identify material issues that contribute to the enhancement of our corporate value and to incorporate these into our management strategy. Rather than treating social and environmental issues merely as matters of social responsibility, we recognize them as management issues directly related to our business model, competitive advantage, and sustainable revenue growth. Based on this recognition, we have engaged in discussions that take into account the external environment, stakeholder expectations, global regulatory and investor requirements, and examples of value creation within the financial industry. The content of these initiatives is regularly reported to the Representative Director, and submitted to the Board of Directors at least once a year.

The Board of Directors is responsible for oversight of sustainability matters, and includes directors with expertise in ESG.

In addition, our group regards respect for human rights as one of its key social responsibilities in

conducting business activities, and promotes operations in line with international standards such as the UN Guiding Principles on Business and Human Rights. Initiatives related to respect for human rights are overseen by the Sustainability Promotion Department and implemented in collaboration with business divisions, Strategic HR Department, Corporate Risk Management Department, labor unions, etc. Furthermore, the overall human rights response plan and identified material human rights risks are reported to and deliberated by the Sustainability Promotion Committee, with reporting to the Board of Directors made as necessary. We are also advancing our human rights due diligence efforts. In FY2025, taking into account the scope of impact on human rights, we conducted human rights risk assessments in our payment business and global business. Going forward, we aim to further enhance our human rights due diligence through ongoing dialogue with various stakeholders.

[https://corporate.saisoncard.co.jp/en/sustainability/csr/human_rights/]

The Company is collecting and analyzing necessary data on the impact of climate change-related risks and profit opportunities on its business activities and profits. The Company discloses, on its website, information in accordance with the TCFD recommendations, “Governance”, “Strategy”, “Risk Management”, and “Indicators and Goals” regarding responses to climate change.

In August 2024, the Company received certification from the Science Based Targets initiative (SBTi) for its greenhouse gas emission reduction targets for 2030, which are consistent with the "1.5°C target" level set under the Paris Agreement. Moreover, in July 2025, the Company formulated a “Climate Transition Plan” for the purpose of accelerating the reduction of environmental impact arising from its business activities and in pursuit of a sustainable future. The Company will continue to reinforce its initiatives with the objective of achieving net-zero greenhouse gas emissions by fiscal year 2050.

[https://corporate.saisoncard.co.jp/en/sustainability/environment/tcfd/]

In addition, the Company's efforts to realize a sustainable society through global business are disclosed on our website and the Impact Report.

[https://corporate.saisoncard.co.jp/en/business/global/]

[https://saison-impact2025.com/]

<Investment in human capital, intellectual property, etc.>

The Company recognizes that investments in human capital and intellectual property are important management resources, and we have described our approach to human capital and human resource development policies in <I-1> [Disclosure Based on the Principles of the Corporate Governance Code] [Supplementary Principle 2-4-1 Ensuring Diversity in Promotion of Core Human Resources.].

With regard to investments in intellectual property, the Company will conduct growth investments for the future and investments that contribute to the realization of sustainable growth of existing businesses, and verify the effects of these investments.

In September 2021, in order to promote business changing and transformation through the use of digital technologies, the Company launched the “Digital Transformation Strategy (CSDX Strategy)”. By promoting

the use of cloud services, fostering in-house development of cloud services, and establishing a data utilization infrastructure, the Company has achieved both operational efficiency and value creation, thereby establishing a management framework founded on digital capabilities. Commencing in fiscal year 2025, the Company has launched in earnest a new corporate transformation initiative, “CSAX (Credit Saison AI Transformation)”, which leverages artificial intelligence and builds upon the foundation cultivated through CSDX.

As a central pillar of this initiative, the Company rolled out ChatGPT Enterprise to all employees in September 2025, following its initial deployment phase in which it achieved an ROI of 954%. The Company is accelerating AI-driven business transformation across a wide range of areas, including proposal preparation, business process design, and enhancement of customer engagement. In December 2025, the Company also introduced NotebookLM, and is promoting a multi-AI framework that enables the use of the most appropriate AI tools depending on specific use cases.

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Concurrently, the Company is developing an environment in which all employees can apply AI in their daily work. By providing AI literacy education tailored to job categories and levels of experience, and by fostering the permeation of skills that encourage autonomous operational reforms, the Company is facilitating a transition toward work styles premised upon AI. The Company will continue to place AI and digital technologies at the core of its management, cultivating a corporate culture in which all employees can naturally harness AI to contribute to value creation, while simultaneously pursuing sustainable growth and the strengthening of corporate governance.

In addition, CSDX Strategy and CSAX Strategy are available on our website.

[https://corporate.saisoncard.co.jp/en/business/csdx/]

[https://corporate.saisoncard.co.jp/en/business/csdx/strategy_csax/]

[Supplementary Principle 2-4-1 Ensuring Diversity in Promotion of Core Human Resources]

<Concept and status of ensuring diversity>

Since the 1980s, the Company has been actively recruiting women to promote their participation in society.

To realize that women play an active role in a wide range of occupations and positions, the Company has expanded the system by listening to the voices of our employees for the purpose that they do not give up continuing employment or forming a career through life events such as marriage and childbirth.

Throughout the years, the Company, by expanding the system and establishing actual achievement, create a corporate culture in which diverse human resources with different backgrounds, such as gender, academic background, and nationality, are able to utilize their individuality and play an active role.

Percentage of female employees: Approximately 72.7%

Percentage of female managerial staff

Directors and Audit & Supervisory Board members: 13.3%

Executive Officers: 22.2%

Department Manager: 23.3%

Division manager: 26.9%

Managers: 70.8%

Division managers and higher positions (department managers and division managers): 26.0%

Manager and higher positions (department manager, division manager, and manager): 54.5%

Percentage of mid-career employees in managerial positions

Internal Full-time Directors: 85.7%

Executive Officers: 38.9%

Department Manager:39.7%

Division manager: 45.7%

Managers: 61.4%

Division managers and higher positions (department managers and division managers): 44.3%

Manager and higher positions (department manager, division manager, and manager): 55.2%

Percentage of male childcare leave utilization: 87.5%

* Percentage of Directors, Audit & Supervisory Board members, Executive Officers as of June 17, 2026

* Percentage of Employees, Department managers, Division managers, and Managers, and percentage of male childcare leave utilization as of the end of September 2026

In addition, regarding the appointment of female managers, the Company considers it one of our key strategies to encourage women, who account for approximately 70% of our employees, to take on more outspoken roles and contribute to the Company. We have achieved our target of 25% female representation among managers at the division-manager-equivalent level and above in both FY2023 and FY2024, and we will continue its efforts to maintain a level of 25% or more for the three-year period ending in March 2028. As our efforts to maintain this percentage, we have introduced and are utilizing various career support measures, such as seminars to support the balance between childcare and work, the introduction of the “Kosodate Mirai Concierge,” a company-led nursery school matching service to enable women to return to work when they wish. In addition to introducing a childcare leave system that exceeds the legally mandated standard, the Company is working to achieve a workplace culture in which everyone, regardless of gender, can actively participate in childcare, and we have extended its target of achieving a 100% male childcare leave utilization rate by the end of March 2025 to the end of March 2028. As part of our efforts to achieve our goals, thorough initiatives such as company-wide events and lectures where they can learn about DE&I from multiple perspectives including gender and disability, the utilization rate had reached 87.5% as of the end of September 2026,and we will continue to accelerate our efforts to increase the take-up rate.

On the other hand, foreign nationals and mid-career recruits are promoted to managerial positions according to their abilities and achievements, and there are no differences according to nationality or the time of

employment. Therefore, the Company does not formulate or disclose targets at this time. However, as of the end of September, 2026, including consolidated subsidiaries, 15.4% are foreign directors and 3.7 % are foreign company auditors. In addition, since as one of the essences of the growth strategy in the medium-term management plan, the Company sets up the policy for the scale-up of global businesses, and the human resources of various nationalities are playing an active role and leading the business at the overseas subsidiaries. For mid-career recruits, the Company will strengthen the human resources that will be responsible for business growth as strengthening the management base and promote mid-career hiring and reskilling as professionalization of human resources.

<Human resource development policy for ensuring diversity, in-house environmental improvement policy, and their status>

In order to provide new value to society as a "leading-edge service company," the Company believes it is necessary to continue to be a rewarding, vibrant organization that enables all employees to demonstrate their full potential and gain a sense of fulfillment. To this end, the Company is promoting a human resource strategy that realizes the visualization of human resources, the right person in the right place, and the support for growth so that the Company can maximize its performance by focusing on the individuality and strengths of each employee. Through our diverse personnel system, the Company aims to create an environment in which employees can continue to take on challenges with peace of mind. The Company also aims to be a company in which outstanding personnel can continue to work for longer periods of time while enhancing their work-life balance.

The Company's human resources strategy is disclosed in the "Annual Securities Report", which is available on our website.

[https://corporate.saisoncard.co.jp/ir/securities_report/]

In addition, institutions and initiatives that support diversity, equity and inclusion are posted on our website.

[https://corporate.saisoncard.co.jp/en/sustainability/diversity/]

[https://corporate.saisoncard.co.jp/en/sustainability/diversity/gender/]

[Principle 2-6: Roles of Corporate Pension Funds as Asset Owners]

Our corporate pension plan has introduced a defined contribution pension plan. Employees covered by the corporate pension plan are managed individually.

■Chapter 3 Appropriate Information Disclosure and Transparency

[Principle 3-1: Enhancement of Information Disclosure]

(1) Our management philosophy is available on the "I-1" of this report and on our website.

[https://corporate.saisoncard.co.jp/en/company/vision/]

Management strategies and plans are announced at financial results briefings for analysts and other

occasions. The Company has also formulated a mid-term management plan starting in FY2024, and the progress and details of this plan are available on our website.
[https://corporate.saisoncard.co.jp/wr_html/ir/data/en/t0odga00000006ui-att/t0odga00000006ww.pdf]
[https://corporate.saisoncard.co.jp/en/ir/data/]
[https://corporate.saisoncard.co.jp/en/business/management/]

(2) Our basic stance on corporate governance is available on the "I-1" of this report and on our website.
[https://corporate.saisoncard.co.jp/en/sustainability/governance/]

(3) Individual remunerations of each Director are determined, based on the results, etc. of the evaluations made by all Directors, including the evaluated Director, of the degree of contributions of each Director to our business performance, and after FY2020 will be determined, based on the remuneration standards established by the Nomination & Remuneration Committee, by the representative Director and CEO who is delegated by the Board of Director, to the extent of the scope of such delegation.
The remunerations of Directors are composed of the "Fixed Remuneration," "Performance-Linked Variable Remuneration" and "Restricted Stock Compensation," and Outside Directors receive only Fixed Remunerations.
A summary of the policy for determining the individual compensation of Directors is disclosed, as of the filing date of this report, in Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods of "II-1" [Compensation for Directors] of this report.

(4) The overview of Policy on Determining Individual Directors' Compensation are described in the Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods of "II-1" [Compensation for Directors] of this report. The Board of Directors discusses and determines the contents of the proposal for the election and dismissal of Directors to be submitted to the General Meeting of Shareholders after deliberation by the Nomination & Remuneration Committee based on the results of the hearing of all Directors. In addition, the ASB members are designated with the prior consent of the ASB.
The basic policy of the appointment of Directors and ASB members is that they have the appropriate personality and insight to serve as Directors or ASB members, they do not interfere with the health of the Company in the performance of their duties, and (i) they have sufficient experience and knowledge in the execution of their duties and they are excellent in management decision-making and management execution abilities as for Executive Directors, or (ii) they have a wealth of experience as managers and they have a wealth of knowledge and experience in various fields such as law, accounting, and finance as for outside Directors or ASB members.

(5) Individual elections, dismissals and nominations are available on Notice of Ordinary General Meeting of Shareholders.

[https://corporate.saisoncard.co.jp/en/ir/meeting/]

■Chapter 4 Responsibilities of the Board of Directors

[Supplementary Principle 4-1-1: Roles and Duties of the Board of Directors (1)]

Matters to be decided at the meeting of Board of Directors are specified in the "Rules of the Board of Directors," and the scope of delegation to individual Directors is appropriately managed and supervised in accordance with "Organization and Division of Duties Regulations," "Rules for Occupational Authority" and "Rules of Business Strategy Committee", etc. to ensure the efficient execution of operations by designating the department in charge, as described in "Arrangements for ensuring the propriety of operations" contained in the "Matters Subject to Electronic Provision for Notice of Ordinary General Meeting of Shareholders."

This summary has been available on our website in the "Matters Subject to Electronic Provision for Notice of Ordinary General Meeting of Shareholders" and the "Annual Securities Report."

[https://corporate.saisoncard.co.jp/en/ir/meeting/]

[https://corporate.saisoncard.co.jp/ir/securities_report/]

[Principle 4-9: Independence Criteria and Qualities of the Independent Outside Directors]

With regard to the appointment of outside Directors, for the purpose of ensuring the adequacy and appropriateness of decision-making by exercising the supervisory function of management, the Company adopts the criteria of having practical experience as a corporate manager or having a track record and broad knowledge in specific specialist fields. The selection criteria for outside ASB members are based on their extensive knowledge and experience in various fields in order to ensure the soundness and transparency of management by conducting audits from a neutral and objective perspective.

In order to objectively judge the independence of outside Directors and outside ASB members, the Company has established the "Standards for Independence of Outside Officers" as follows in reference to the criteria for the independence of outside Directors and outside ASB members established by the Tokyo Stock Exchange.

(1) The Company has established the Standards for Independence of Outside Officers of the Company as follows. Outside Officers (including candidates for such positions) shall be deemed not to have sufficient independence from the Company if they fall under any of the following items:

(a) person who is or was an employee of the Company or its consolidated subsidiaries (collectively the "Group")

(b) A major shareholder in the Group

(c) A major supplier, or executive person thereof, to the Group

(d) A major business partner, or executive person thereof, of the Group

(e) A major lender, or executive person thereof, of the Group

(f) An executive person of a company, etc. with shareholdings of 10% or more of the voting rights in the Group

(g) A certified public accountant belonging to the independent accounting audit firm hired as the Group's accounting auditor

(h) A professional such a consultant, accountant, certified tax accountant, lawyer, judicial scrivener, or patent attorney who has been paid a large sum of money or other assets by the Group

(i) A person or organization who has received a large sum of money as a donation

(j) An executive person of another Company, who is part of cross directorship arrangement with the Group

(k) A close relative to someone (limited to persons in positions of importance) who matches any of the criteria in items (a) through (j) above

(l) A person who matches any of the criteria in items (b) through (k) above in the past three years

(m) Notwithstanding the above, a person who is deemed to have other special circumstances that could give rise to conflicts of interest with the Group

(2) Even if a person falls under any of the items (1) (b) through (l) above, if the Company considers that the person is suitable as an Outside Officer with independence from the Company in light of the person's personality, insight, etc., the Company may appoint the person as an Outside Officer with independence from the Company, on the condition that the Company explains externally why such person is appropriate as an Outside Officer with independence from the Company, after deliberation by the Nomination & Remuneration Committee, of which the majority is composed of independent outside Directors.

The above is an outline of the "Standards for Independence of Outside Officers".

[https://corporate.saisoncard.co.jp/en/sustainability/governance/pdf/Independence_OutsideDirectors_Members_EN.pdf]

[Supplementary Principles 4-10-1: Concept, Authority, and Role of Independence of the Nomination & Remuneration Committee]

The concepts, authority, and roles of the independence of the Nomination & Remuneration Committees are described in <II-1> [Voluntary Establishment of Committee(s)] of this report, as well as in the Supplementary Explanation of the Committee's Name, Composition, and Designated Status of Chairperson.

[Supplementary Principles 4-11-1: Structure of the Board of Directors]

As stated under Principle 4-11, in this volatile and rapidly changing business environment, the Company believes that it is important, in order to enhance its value creation capabilities, to compose the Board of Directors of individuals with diverse experience, knowledge and characteristics, not limited to gender or internationality, and, to enhance diversity among the members of the Board of Directors, adopts a policy of appointing individuals with diverse backgrounds regardless of gender, age or nationality.

Based on this fundamental policy, the Company seeks to ensure a well-balanced composition of the Board of Directors by taking into account, at each point in time, the prevailing business environment as well as the scale and nature of the Company's business, and by also considering the need to avoid any excessive bias in the knowledge and experience of Executive Directors, in order to fully perform the functions and responsibilities of the Board of Directors.

The term of office of Directors is 1 year. The Board of Directors appoints Executive Directors after deliberation of the Nomination & Remuneration Committee based on the results of evaluations by all Directors, including the evaluated Director, of their contribution to the business performance and the recommendations of candidates for new appointment by each Director. The appointment criteria for outside Directors are to have practical experience as corporate managers or to have a wide range of knowledge and achievements in specific specialist fields.

The Company describes a skill matrix in the "Notice of Ordinary General Meeting of Shareholders" on our website in order to visualize the management skills of directors, Audit & Supervisory Board members, and executive officers, based on our basic approach to ensuring a balanced composition of the Board of Directors and the criteria for the selection of outside directors.

[https://corporate.saisoncard.co.jp/en/ir/meeting/]

[Supplementary Principle 4-11-2: Status of Holding Concurrent Posts]

Important concurrent posts are described in the "Notice of Ordinary General Meeting of Shareholders" on our website.

[https://corporate.saisoncard.co.jp/en/ir/meeting/]

[Supplementary Principle 4-11-3: Evaluation of the Board of Directors]

In order to improve the effectiveness of the Board of Directors, in principle, the Company conducts an annual analysis and evaluation of Directors and ASB members (including those who retired before the expiration of their term of office) by self-evaluation. Each Director and ASB member answered a questionnaire on the following items, and a discussion was held at the Board of Directors based on feedbacks from the results.

1. Outline of Evaluation Items:

(1) Structure of the Board of Directors;

(2) Management of the Board of Directors; and

(3) Roles and Responsibilities of the Board of Directors.

2. Outline of results regarding the assessment

It is confirmed that the Board of Directors is managed appropriately in general and the effectiveness of the Board of Directors as a whole is ensured.

On the other hand, the need for further enhancement was identified in areas such as improving diversity in the composition of the Board of Directors, ensuring transparency in matters relating to the Nomination

& Remuneration Committee, enriching discussions on group-wide risk management frameworks and business portfolios, and addressing medium- to long-term management issues such as succession planning.

In response to these issues, the Company will enhance the sharing with the Board of Directors and further enrich discussions at the Board level regarding matters discussed at various committees, as well as the content of dialogues with shareholders and institutional investors. At the same time, the Company will strengthen the Board's monitoring functions with respect to key themes. Furthermore, with regard to the composition of the Board of Directors, the Company will continue to consider the appointment of diverse personnel, including in terms of gender and international experience.

The Company will continue to improve operations to further enhance the effectiveness of the Board of Directors, based on the recognition of operational challenges and roles and responsibilities identified, in order to further revitalize discussions aimed at enhancing corporate value at Board of Directors.

[Supplementary Principle 4-14-2: Policy on Training of Directors and ASB Members]

Top management regularly publishes reports and provides training opportunities on the roles and responsibilities expected of management.

The Company provides valuable information on management, including knowledge of corporate governance and compliance, to newly appointed Executive Directors through external training and other means at the time of appointment based on the roles and responsibilities expected to Directors.

In addition, each Director and ASB member learns, updates and develops his or her own knowledge through participation in external organizations, external seminars, workshops and personal networks, and they are able to charge the company for the expenses incurred as a result.

■Chapter 5 Communication with Shareholders

[Principle 5-1 Policy on Constructive Communication with Shareholders]

The Company has posted our Disclosure Policy on our website, which summarizes our basic stance on information disclosure and the framework of information disclosure control to promote constructive communication with shareholders.

[https://corporate.saisoncard.co.jp/en/disclosure_policy/]

The status of dialogue between management and shareholders, and details of investor relations activities are provided in "III-2" IR Activities of this report.

[Supplementary Principle 5-2-1 Basic Policies regarding Business Portfolio and the Status of Review of Business Portfolio]

As described in this report <I-1> [Disclosure Based on the Principle of the Corporate Governance Code]

[Principle 3-1 Enhancement of Information Disclosure] (1), the Company has formulated a mid-term management plan starting in FY2024

When formulating our mid-term management plan, the Company determined the following basic concept of the business portfolio: The Company evaluates the business mainly based on the return-on-investment that is made clear by ascertaining the Return On Invested Capital (ROIC) and the Weighted Average Cost of Capital (WACC) appropriately and the growth that is made clear by ascertaining the Operating Revenue Growth Rate and the Profit Growth Rate, etc. appropriately; and the Company regularly reviews our business portfolio considering the cost of capital and optimizes our business portfolio through the reuse of generated management resources in order to realize growth investment for the future and sustainable growth of existing businesses.

[Action to Implement Management That Is Conscious of Cost of Capital and Stock Price]

Description	Disclosure of initiatives（Update）
Disclosure in English or not	Yes
Date of Update	May 15, 2026

Explanation of Relevant Items

The Company allocates optimal risk capital considering the cost of capital to our main business segments; “Payment”, “Finance”, “Lease”, “Real estate-related business”, “Global”, etc. and reuses generated management resources for fusion of real and digital, which basic concept is “Innovation” , “Digital” and “Global”, in order to realize transforming ourselves into “a Comprehensive Life Service Group” aiming to realize customer success.

The Company’s response to realize cost of capital and share price conscious management is disclosed in the mid-term management plan and financial results presentation materials, details of which are available on our website.

[https://corporate.saisoncard.co.jp/wr_html/ir/data/en/t0odga00000006ui-att/t0odga00000006ww.pdf]

[https://corporate.saisoncard.co.jp/en/ir/data/]

[https://corporate.saisoncard.co.jp/en/business/management/]

2. Capital Structure

Percentage of Foreign Shareholders	20% or more but less than 30%

[Status of Major Shareholders]

Name / Company Name	Number of Shares Owned	Percentage (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	35,607,900	24.56
Custody Bank of Japan, Ltd. (Trust Account)	16,478,700	11.37
Daiwa Securities Group Inc.	8,050,400	5.55
Suruga Bank, Ltd.	7,497,700	5.17
STATE STREET BANK AND TRUST COMPANY 505301	3,810,175	2.63
STATE STREET BANK AND TRUST COMPANY 505001	3,346,048	2.31
HSBC-FUND SERVICES HSBC - 006 MF EFM	3,150,000	2.17
Mizuho Bank, Ltd.	3,000,000	2.07
JPMorgan Securities Japan Co., Ltd.	2,219,388	1.53
HSBC HONG KONG-TREASURY SERVICES A/C ASIAN EQUITIES DERIVATIVES	1,700,288	1.17

Controlling Shareholder (except for Parent Company)	—

Parent Company	Nil
Listed Stock Market of Parent Company	Nil

Supplementary Explanation

1) Major Shareholders are as of the end of March 2026. The Company holds 40,452,459 shares of treasury stock, which is excluded from the above list of major shareholders. In calculating the percentage of major shareholders, treasury stocks are excluded from the denominator number.

2) The following corporations have submitted a Large Shareholding Report (Amendment Report), and the Company has received reports of their shareholdings as follows. However, as the number of shares held in the name of such corporations cannot be confirmed as of the end of March 2026, these are not included in the above-mentioned “Major Shareholders”.

・ Sompo Asset Management Co., Ltd. and 1 other company

(Shares held) 7,033,000 shares (Percentage of total shares issued) 3.79%

・ Asset Management One Co., Ltd. and 3 other companies

(Shares held) 14,096,000 shares (Percentage of total shares issued) 7.60%

・ Nomura Asset Management Co., Ltd. and 2 other companies

(Shares held) 14,710,000 shares (Percentage of total shares issued) 7.93%

・ M&G Investment Management Limited and 1 other company (Shares held) 7,315,000 shares (Percentage of total shares issued) 3.95% ・ Amova Asset Management Co., Ltd. And 1 other company (Shares held) 10,346,000 shares (Percentage of total shares issued) 5.58%

3. Corporate Attributes

Listed Stock Market and Market Section	Tokyo Stock Exchange Prime Market
Fiscal Year-End	March
Type of Business	Other Financing Business
Number of Employees (consolidated) as of the End of the Previous Fiscal Year	Equal to or more than 1,000
Sales (consolidated) as of the End of the Previous Fiscal Year	From ¥100 billion to less than ¥1 trillion
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	10 or more to less than 50 companies

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

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

Among the companies belonging to the Company Group, the listed equity method affiliate is Saison Technology Co., Ltd., Broad-minded Co., Ltd., and Suruga Bank Ltd. The Company recognizes the importance of effectively functioning the internal control system within our group, respecting the management independence of each Group company. Based on these premises, the Company has made specific arrangements with each Group company for the purpose of smooth operation the group business management. Furthermore, each Group company conducts appropriate risk and compliance management and internal audits in accordance with the spirit of the Companies Act and other laws, as well as the intentions of the regulatory authorities related to their businesses. The Company is responsible for confirming the status of the implementations.

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

1. Organizational Composition and Operation. etc.

Organization Form	Company with an Audit & Supervisory Board

[Directors]

Maximum Number of Directors Stipulated in Articles of Incorporation	25
Terms of Office Stipulated in Articles of Incorporation	1 year
Chairman of the Board of Directors	President
Number of Directors	12
Appointment of Outside Director	Appointed
Number of Outside Directors	4
Number of Independent Directors designated 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 Yokokura	Attorney at law								○			
Yumiko Hoshiba	From another company											○
Kozo Makiyama	From another company								△			
Nobuyuki Fuji	From another company								○			

* Categories for "Relationship with the Company"

a. Executive of the listed company or its subsidiary

b. Non-executive Director or executive of a parent company of the listed company

c. Executive of a fellow subsidiary company of the listed company

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

e. Major client or supplier of the listed company or an executive thereof

f. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the listed company besides compensation as a Director/Audit & Supervisory Board Member

g. Major shareholder of the listed company (or an executive of the said major shareholder if the shareholder is a legal entity)

h. Executive of a client or supplier company of the listed company (which does not correspond to any of d, e, or f) (the Director himself/herself only)

i. Executive of a company, between which and the Company outside Directors/Audit & Supervisory Board Member are mutually appointed (the Director himself/herself only)

j. Executive of a company or organization that receives a donation from the listed company (the Director himself/herself only)

k. Others

Outside Directors' Relationship with the Company (2)

Name	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons for Appointment
Hitoshi Yokokura	○	Attorney at law, Waseda Legal Commons, LPC (Partner) Outside Director (Audit and Supervisory Committee Member), ITO EN, LTD. Outside Audit & Supervisory Board Member, YOSHINOYA HOLDINGS CO., LTD. He serves as Attorney at law (Partner) at Waseda Legal Commons, LPC. Although there is a corporate credit card issuance transaction between the Company and Waseda Legal Commons, LPC, the annual transaction amount is less than 0.1% of the Company's annual consolidated transaction volume. He also serves as Outside Director of ITO EN, LTD. Although there is a corporate credit issuance transaction, etc., between the Company and ITO EN, LTD., the annual transaction amount is less than 0.1% of the Company's annual consolidated transaction volume. Therefore, the Company concluded that he satisfies the requirements for an independent Director.	As a certified public accountant and an attorney, he has a high level of specialized knowledge and extensive experience in financial, accounting and legal affairs. Although he has not been involved in corporate management, other than being an outside officer of the Company or other companies, the Company believes that he can provide useful advice and guidance on its management from his objective and neutral stance based on his expertise and business experience, and has selected him as an Outside Director and designated him as an independent officer.
Yumiko Hoshiba	○	Representative of Yumiko	She has been involved in

		Hoshiba Office Representative Director and President of BOW & PARTNERS Inc. She serves as the Representative of Yumiko Hoshiba Office and Representative Director and President of BOW & PARTNERS Inc. However, since there are no special relationships between the Company and the aforementioned office and company, the Company concluded that she satisfies the requirements for an independent Director.	the establishment of a publishing company and has 35 years of management experience as its Director and President, developing it into an industry-leading publishing company through direct transactions with bookstores. The Company expects her to provide supervision, advice, etc. from a professional perspective mainly with respect to management and branding, through her accumulated experience in branding of the publishing company as a publisher of business books, etc., that are also popular with women, and her active efforts in the global expansion of Japan’s publishing industry. Based on her expertise and business activities, the Company believes that she can provide useful advice and guidance on its management from her objective and neutral stance, and has selected her as an Outside Director and designated her as an

			independent officer.
Kozo Makiyama	○	He served as Director (and) Managing Executive Officer of J. FRONT RETAILING Co., Ltd., but retired from these positions in May 2022. Although there was a business relationship between the Company and J. FRONT RETAILING Co., Ltd. regarding affiliated card issuing services, the affiliated card services were terminated in May 2024, and the annual transaction amount between the Company and J. FRONT RETAILING Co., Ltd. for each of the past three fiscal years was less than 0.1% of the Company’s annual consolidated transaction volume. He also served as President and Representative Director of PARCO CO., LTD. until March 2023 and as Executive Officer of PARCO CO., LTD. until May 2023, but retired from all these positions. The Company and PARCO CO., LTD. have a business relationship related to affiliated card issuing services, etc., and the annual transaction amount between the Company and PARCO CO., LTD. for the fiscal year ended March 2023 within the past three fiscal years, was more than 2% but less than 3% of the Company’s annual	As President and Representative Director of PARCO CO., LTD., he has extensive experience in and broad insight into PARCO CO., LTD.'s business management and store operations. The Company expects that he will utilize this insight to provide supervision, advice, etc., mainly on management strategy and business management from a professional perspective. Based on his expertise and business experience, the Company believes that he will provide useful advice and guidance on the Company's management from an objective and neutral stance, and therefore has selected him as an Outside Director of the Company.

		consolidated transaction volume, so he falls under the category of a major business partner, or executive person thereof, of the Group in the past three years, which is provided in the Company's Standards for Independence for Outside Directors and Outside ASB Members. However, the Company and PARCO CO., LTD. terminated the affiliated card service in February 2024, and the annual transaction amount between the company and PARCO CO., LTD. in the most recent 2 fiscal years was less than 1% of the Company's annual consolidated transaction volume, and this percentage is not expected to increase in the future, therefore he does not constitute a person who can be significantly controlled by or exert significant control over the management team of the Company, and the Company believes that there is no risk of a conflict of interest with general shareholders, and concluded that he satisfies the requirements for an independent Director.	
Nobuyuki Fuji	○	Representative Director & Chairman of Yasuda Logistics Corporation Outside Audit & Supervisory	Based on his experience in holding senior positions at major financial institutions, as well as his

		Board Member of Kuraray Co., Ltd. He currently serves as Representative Director and Chairman of Yasuda Logistics Corporation. Although there is a corporate credit card issuance transaction between the Company and Yasuda Logistics Corporation, the annual transaction amount is less than 0.1% of the Company's annual consolidated transaction volume. Accordingly, the Company concluded that he satisfies the requirements for an independent Director.	achievements in leading corporate management as Representative Director and President and subsequently as Representative Director & Chairman of Yasuda Logistics Corporation, he possesses extensive experience and broad insight in the financial business. The Company expects him to utilize such expertise to provide supervision and advice from a professional perspective, particularly in relation to management strategy and corporate governance. Based on his expertise and business experience, the Company believes that he will provide useful advice and guidance on the Company's management from an objective and neutral stance, and therefore has selected him as an Outside Director of the Company.

[Voluntary Establishment of Committee(s)]

Voluntary Establishment of Committee(s) Corresponding to a Nomination Committee or	Established

Compensation Committee	

Committee's Name, Composition, and Designated Status of Chairperson

Committee Corresponding to Nomination Committee

Committee's Name			Nomination & Remuneration Committee			
All Committee Members	Full-time Members	Internal Directors	Outside Directors	Outside Experts	Others	Chairperson
5	0	2	3	0	0	Internal Director

Committee Corresponding to Remuneration Committee

Committee's Name			Nomination & Remuneration Committee			
All Committee Members	Full-time Members	Internal Directors	Outside Directors	Outside Experts	Others	Chairperson
5	0	2	3	0	0	Internal Director

Supplementary Explanation

The Nomination & Remuneration Committee is composed of Directors elected by the resolution of the Board of Directors. It is chaired by the representative Director, chairman CEO, and composed of 5 members, of which majority are independent outside Directors. At least once a year, the Board of Directors shall discuss matters deemed necessary by the Nomination & Remuneration Committee based on the perspective of gender diversity and skills, including: (i) proposal at a General Meeting of Shareholders with respect to the appointment and dismissal of Directors; (ii) formulation of policies regarding remuneration, etc. to be received by Directors and formulation of standards for individual remuneration, etc. to be received by Directors; (iii) other matters consulted by the Board of Directors to the Nomination & Remuneration Committee; (iv) formulation, amendment, and abolishment of basic policies, etc. necessary for deliberating the preceding items; and (v) other matters, and report the results thereof to the Board of Directors. In FY2025, 5 meetings were held with all committee members attending. The meeting is consulted, deliberates and reports back on the process of selecting Directors and the overview of Policy on Determining Individual Directors' Compensation. Our Nomination & Remuneration Committee bears both functions of nomination committee and remuneration committee.

[Audit & Supervisory Board]

Establishment of Audit & Supervisory Board	Established
Maximum Number of Audit & Supervisory Board	5

Members Stipulated in Articles of Incorporation	
Number of Audit & Supervisory Board Member	3

Cooperation Among Audit & Supervisory Board Members, Accounting Auditors and the Internal Audit Department

In FY2025, the Company held 8 meetings with Deloitte Touche Tohmatsu LLC, an accounting auditor, and the Audit & Supervisory Board. These meetings included explanations of outline of audit and mid-term review plan, mid-term review reports, discussion with the accounting auditor, and FIEA audit reports, etc., to exchange opinions. Attendance at the year-end accounting audit is also held once.

The Internal Audit Department regularly exchanges opinions with Audit & Supervisory Board members and reports directly to them on current internal problems. This ensures cooperation with Audit & Supervisory Board members and establishes a system that enables Audit & Supervisory Board members to make appropriate decisions on the necessity of audits by Audit & Supervisory Board members.

The results of internal audits, including Group company audits, conducted by the Internal Audit Department and the status of improvements concerning items pointed out are reported to the Audit & Supervisory Board members in a timely manner.

Appointment of Outside Audit & Supervisory Board Members	Appointed
Number of Outside Audit & Supervisory Board Members	2
Number of Independent Audit & Supervisory Board Members	2

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

Name	Attributes	Relationship with the Company *											
		a	b	c	d	e	f	g	h	i	j	k	l	m
Hiroaki Igawa	From another company													○
Chie Kasahara	Attorney at law													○

* 1 Categories for "Relationship with the Company"

a. Executive of the listed company or its subsidiary

b. Non-executive Director or executive of a parent company of the listed company

c. Executive of a fellow subsidiary company of the listed company

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

e. Major client or supplier of the listed company or an executive thereof

f. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the listed company besides compensation as a Director / Audit & Supervisory Board Member

g. Major shareholder of the listed company (or an executive of the said major shareholder if the shareholder is a legal entity)

h. Executive of a client or supplier company of the listed company (which does not correspond to any of d, e, or f) (the Director himself/herself only)

i. Executive of a company, between which and the Company outside Directors/Audit & Supervisory Board Member are mutually appointed (the Director himself/herself only)

j. Executive of a company or organization that receives a donation from the listed company (the Director himself/herself only)

k. Others

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

Name	Designation as Independent Audit & Supervisory Board Member	Supplementary Explanation of the Relationship	Reasons for Appointment
Hiroaki Igawa	○	Auditor, SAISON COLLECTION SERVICE CO., LTD.	He had served in Ministry of Finance and the National Tax Agency for many years and experienced Director General in Finance Bureau and Customs. Although he had not involved in management of company directly, he has extensive experience in and broad insight into finance and accounting. The Company believes that he is an appropriate person to execute audit services for the Company in an objective and neutral manner, and has selected him as an Outside Audit

			& Supervisory Board member and designated him as an independent officer (Audit & Supervisory Board member).
Chie Kasahara	○	Attorney at law, Senior Partner of Atsumi & Sakai Outside Audit & Supervisory Board Member, MTI Ltd. Outside Director (Audit and Supervisory Committee Member), ACHILLES CORPORATION Although she serves as Senior Partner of Atsumi & Sakai, the Company has no special relationship with Atsumi & Sakai. She also serves as Outside Director of ACHILLES CORPORATION and the Company has business relationship with ACHILLES CORPORATION on the issuance business of corporate cards. However, the annual transaction amount is less than 0.1% of the Company's annual consolidated transaction volume. Therefore, the Company concluded that she satisfies the requirements for an independent officer (Audit & Supervisory Board Member).	She has extensive experience and broad insight by virtue of her long experience as a lawyer, and has play an important role in auditing legality of duty execution of Directors of the Company and corporate governance. Although she had not involved in management of company directly, the Company believes that she is an appropriate person to execute audit services for the Company in an objective and neutral manner, and has selected her as an Outside Audit & Supervisory Board member and designated her as an independent officer (Audit & Supervisory Board member).

[Independent Officers (Directors/Audit & Supervisory Board Members)]

Number of Independent Officers	6

Other matters concerning independent officers

All 6 outside Directors who meet the qualifications of independent officers are designated as independent officers.

[Incentives]

Incentive Policies for Directors	Introduction of Performance-linked Remuneration

Supplementary Explanation

Bonuses paid to internal Directors are based on performance and contribution, etc. To heighten management awareness of the increase in corporate value over the long term, at the 70th Ordinary General Meeting of Shareholders held on June 18, 2020, a resolution of Determination of Remuneration for the Granting of Restricted Stock to Directors excluding Outside Directors was passed, so “Restricted Stock Compensation” is adopted to Directors (excluding Outside Directors).

Recipients of Stock Options	—

Supplementary Explanation

—

[Compensation for Directors]

Disclosure of Individual Directors’ Compensation	Individual disclosure for certain Directors.

Supplementary Explanation

In the Business Report (in the Notice of Convocation of the Ordinary General Meeting of Shareholders), the Company discloses the total amount of compensation by type for Internal Directors and Outside Directors, and for Internal ASB members and Outside ASB members. In addition to this, the Annual Securities Report discloses individual compensation for Directors whose total amount of compensation is 100 million yen or more. Details are posted on the Company's website. [https://corporate.saisoncard.co.jp/en/ir/meeting/] [https://corporate.saisoncard.co.jp/ir/securities_report/]

Policy on Determining Compensation Amounts and Calculation Methods	Established

Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods

The contents of Policy on Determining Individual Directors' Compensation are as follows.

■Basic Policy

(1) Basic Policy on the system of remuneration for Directors and Individual Directors' Compensation is to set the level of remuneration for Directors in accordance with their position and existence of representative rights, etc. while taking into consideration the level of remuneration in other companies and industries of similar size and the balance with employee salaries, etc.

(2) The remuneration for inside Directors consists of basic remuneration, performance-based remuneration (bonus), and Restricted Stock Compensation. The remuneration for outside Directors consists of basic remuneration only.

■Policy on Determining Individual Directors' Remuneration Amounts (including policies on determining the timing and conditions for granting remuneration)

1. Policy on basic remuneration (monetary remuneration)

- The basic remuneration is a fixed monthly remuneration, and the annual remuneration level by position is set and the amount is calculated after taking into account existence of representative rights, etc.
- Fringe benefits such as housing allowance, child allowance, and temporary return allowance, etc. may be paid to Directors posted overseas.

2. Policy on determining the content and the amount or the method of calculation for performance-based remuneration

- The performance-based remuneration (bonus) is calculated by multiplying the amount of the basic bonus by position, etc., taking into account the retention rate, etc., by the performance-based coefficient for quantitative indicators (based on a 50:50 weighting of the growth rate of quantitative performance indicators and the achievement rate of plans, respectively, and comprehensively taking into account the occurrence of large-scale disasters, pandemics, etc.) and the performance-based coefficient for qualitative evaluation, and will be paid at a certain time each year.
- The performance indicators for the performance-based remuneration (bonus) are the growth rate of non-consolidated ordinary income (excluding one-time factors, etc.) and the achievement rate of plans in order to enhance corporate value. In addition, the Company uses as qualitative performance indicators the results of evaluation of each Director by all Directors, including such Director, regarding each director's contribution to the Company's performance and enhancement in corporate value.
- From FY2026, with the aim of enhancing medium- to long-term corporate value and improving the effectiveness of the Company's climate transition plan, the Company has introduced a climate-related performance indicator as part of the performance-based remuneration (bonus) of the Representative, Executive President and COO, as well as the executive officers in charge of the Sustainability Promotion Department. This indicator evaluates the level of achievement in reducing greenhouse gas (GHG)

emissions (Scope 1 and Scope 2) based on the Company's targets set toward net zero by 2050.

The indicator is assessed on a single fiscal year basis, and the payment and amount of the portion of the performance-based remuneration (bonus) for the relevant officer related to climate metrics are determined in accordance with predefined achievement levels. No payment will be made if the target is not achieved, while if achieved, the amount will be determined within the range of 100% to 120% of the base amount, depending on the level of achievement.

The specific evaluation criteria, weighting and operation of the climate-related indicator have been determined following deliberation by the Nomination & Remuneration Committee.

3. Policy on non-monetary remuneration

- Non-monetary remuneration shall be paid at a certain time each year as Restricted Stock Compensation, with the annual remuneration level set by position and the amount calculated by taking into consideration such factors as existence of representative rights.
- The following conditions have been set for the Restricted Stock Compensation.

(1) Eligible Directors shall not transfer, create a security interest on, or otherwise dispose of (hereinafter referred to as "Transfer Restriction") the restricted stock that is allotted as such compensation (hereinafter referred to as "Allotted Shares") during the period from the day when the Eligible Directors are allotted the Allotted Shares up to the day when such Eligible Directors retire or leave any of their position as Director or any other position specified by the Board of Directors (hereinafter referred to as "Transfer Restriction Period").

(2) In the event that the Eligible Directors retire or leave any of the positions of (1) above prior to the expiration of the period specified separately by the Company's Board of Directors (hereinafter referred to as "Period of Service"), excluding in the case of reasons acknowledged as justifiable by the Board of Directors, the Company shall acquire the Allotted Shares rightfully without contribution.

(3) The Company shall lift the Transfer Restriction on all of the Allotted Shares at the expiration of Transfer Restriction Period, on the condition that the Eligible Directors have continuously served as Director and in any other position specified by the Company's Board of Directors during the Period of Service. However, in the event that the Eligible Directors retire or leave any of the positions specified in (1) above prior to the expiration of the Period of Service, for the reasons stipulated in (2) above that are acknowledged as justifiable by the Company's Board of Directors, the number of Allotted Shares for which the Transfer Restriction is to be lifted and the timing of lifting the Transfer Restriction shall be reasonably adjusted as necessary.

(4) Pursuant to the stipulation in (3) above, at the time of expiration of the Transfer Restriction Period, the Company will acquire the Allotted Shares for which the Transfer Restriction has not been lifted, rightfully without contribution.

(5) Notwithstanding the stipulation in (1) above, in the case where an agreement of a merger with the Company as the disappearing company, share exchange agreement or share transfer plan through which the Company becomes a wholly-owned subsidiary, or a matter concerning other organizational restructuring, etc. is approved at the Company's General Meeting of Shareholders (or at the Company's Board of Directors meeting in the case where approval of the General Meeting of Shareholders is not required for the said organizational restructuring, etc.) during the Transfer Restriction Period, the Transfer Restriction will be lifted by the resolution of the Company's Board of Directors prior to the effective date of the said organizational restructuring, etc., with regard to the number of the Allotted Shares reasonably set forth in light of the period from the start date of the Transfer Restriction Period to the approval date of the said organizational restructuring, etc.

(6) In the case prescribed in (5) above, pursuant to the stipulation in (5) above, at the time immediately after the lifting of the Transfer Restriction, the Company will acquire the Allotted Shares for which the Transfer Restriction has not been lifted, rightfully without contribution.

(7) The Company has set forth a provision (Malus clause) wherein the Company shall acquire all or part of the restricted stock without contribution in the event that the Company's Board of Directors acknowledges that the Eligible Directors has materially violated laws and regulations, or the Group's internal rules during the Transfer Restriction Period, or in the event that the Company's Board of Directors otherwise determines it appropriate for the Company to acquire all or part of the restricted stock without contribution.

4. Policy on determining the ratio of the amount of monetary remuneration, the amount of performance-based remuneration, or the amount of non-monetary remuneration, to the amount of remuneration of individual Directors

- The Nomination & Remuneration Committee considers the ratio of remuneration by type for Executive Directors based on the remuneration levels in other companies and industries of similar size to the Company. The approximate ratio of each type of remuneration is as follows: basic remuneration: performance-based remuneration (bonus): non-monetary remuneration (Restricted Stock Compensation) = 6: 2: 2, and in the case of Directors posted overseas, it is the ratio of each type of compensation, etc., excluding fringe benefits. Restricted Stock Compensation may not be paid to Directors posted overseas, and in such cases, the approximate ratio of each type of remuneration, etc. is as follows: basic remuneration: performance-based remuneration (bonus) = 8:2 (however, excluding fringe benefits).

5. Matters concerning decisions on the content of remuneration for each individual Director

- The decision authority of the amount of remuneration for each individual Director may be delegated to the Chairman of the Board of Directors based on a resolution of the Board of Directors, and the scope of such authority are the amount of basic remuneration for each Director, the allocation of evaluation of performance-based remuneration (bonus) for each Director, and the allocation of monetary remuneration receivables for the acquisition of restricted stock.

- As a measure to ensure that such authority is properly exercised by the Chairman of the Board of Directors, the Nomination & Remuneration Committee formulates the criteria for the remuneration to be received by Directors, and the Chairman of the Board of Directors makes decisions based on such criteria and in accordance with the scope delegated by the Board of Directors.

The remuneration for Audit & Supervisory Board members is fixed remuneration only, and the amount of remuneration for each Audit & Supervisory Board member is determined by discussion of the Audit & Supervisory Board within the total amount resolved at the General Meeting of Shareholders.

[Support System for Outside Directors and/or Outside Audit & Supervisory Board Members]

The Corporate Auditor Assistant employees are in charge of communicating information to outside Audit & Supervisory Board members. The materials for resolutions of Board of Directors are sent in advance and explanations of such materials are provided in advance at the request of outside Audit & Supervisory members in order to convey information necessary for deliberations. In addition, the Corporate Planning Department and the Corporate Auditors Assistant employees serve as the contacts for requests from outside Audit & Supervisory members to collect information on matters related to resolutions of Board of Directors.

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

(1) Business operation function

The Company manages the Board of Directors at which substantive discussions are held for the purpose of making decisions on important matters and checking the status of business execution of Directors. In FY2025, the meetings of Board of Directors were held 20 times. In addition, the Company has established the Management Committee as an advisory body related to important matters on business execution. The Management Committee is composed of Directors and Audit & Supervisory Board members. In addition to deliberating individual matters, there are also active discussions on overall management direction. In FY2025, the Management Committee were held 1 time.

In March 2020, the Company introduced an executive officer system and established Committee of Executive Officers to deliberate and report matters related to general management and matters to be resolved by the Board of Directors in advance. In FY2025, Committee of Executive Officers were held 15 times.

In April 2023, the Company established “business strategy committee”, which makes resolutions to the extent delegated by the Board of Directors, for the purpose of efficient operations of the Board of Directors and to improve discussions on management strategy and corporate governance, and business strategy committee meetings with resolutions were held 22 times (including 4 meetings held in writing) in FY2025.

(2) Nominating and Remuneration Determination Functions

The Board of Directors discusses and determines the contents of proposals for the election of Directors to be submitted to the General Meeting of Shareholders based on the results of the hearing of all Directors. Individual remunerations of each Director are determined, based on the results, etc. of the evaluations made by all Directors, including the evaluated Director, of the degree of contributions of each Director to our business performance, by the Representative Director, Chairman and CEO who is delegated by the Board of Director, to the extent of the scope of such delegation.

The individual remunerations of each Director in and after FY 2020 are determined, based on the remuneration standards established by the Nomination & Remuneration Committee, by the representative Director and CEO who is delegated by the Board of Director, to the extent of the scope of such delegation. The overview of Policy on Determining Individual Directors' Compensation are described in the Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods of "II-1" [Compensation for Directors] of this report.

In addition, the Nomination & Remuneration Committee have been established as an advisory body to the Board of Directors. The status of the establishment of Nomination & Remuneration Committee are described in the supplementary explanations of Voluntary Establishment of Committee(s) Corresponding to a Nomination Committee or Compensation Committee of "II-1" [Voluntary Establishment of Committee(s)] of this report.

(3) Audit and Oversight Function

In accordance with the auditing policies established by the Audit & Supervisory Board, each Audit & Supervisory Board members attends important meetings, including meetings of the Board of Directors, listens to business reports from Directors, inspects important resolutions and other documents, and conducts strict audits by examining the status of operations and assets.

In addition, the Company strives to improve and operate the Group's internal control system by, for example, holding group company Auditors' meetings with the Auditors of major subsidiaries as members.

At the 57th Ordinary General Meeting of Shareholders held on June 23, 2007, Deloitte Touche Tohmatsu LLC was appointed as an accounting auditor. The continuous audit period is 19 years.

(Name of Certified Public Accountants who Executed Services in FY2025 and Auditing Corporations to which they belong)

Motohiro Shimizu, Takahisa Kudo [Deloitte Touche Tohmatsu LLC]

In order to ensure compliance with laws and regulations, risk management, appropriateness and timeliness of information disclosure, an internal control system audit by the Audit & Supervisory Board members and a business audit by the Audit Department are conducted.

The Company has concluded an agreement to limit liability for damages as set forth in Clause 1 of Article 423 of the Companies Act with Kosuke Kato, Hitoshi Yokokura, Yumiko Hoshiba, Kozo Makiyama, and Nobuyuki Fuji who are 5 of the Directors, and Hideo Suzuki, Hiroaki Igawa and Chie Kasahara, who are 3 of

the Audit & Supervisory Board members, pursuant to the provisions of Clause 1 of Article 427 of the Companies Act.

3. Reasons for Adoption of Current Corporate Governance System

At present, the Company has adopted the ASB model, with the ASB members. The Company has established the Board of Directors, the ASB, and the accounting auditor as the corporate's organization. To ensure the Company retains the confidence of our shareholders and other investors, the Company strives to improve and strengthen corporate governance by nominating outside Directors and the outside ASB members. The Board of Directors and Nomination & Remuneration Committee receive advice and recommendations from outside Directors to ensure the appropriateness of business decision-making. This enables Directors, who are well versed in business matters, to maintain and improve management efficiency. In addition, the ASB is strengthening its management oversight function by coordinating with Directors, executive officers and others from the Internal Audit Office and the unit responsible for supervision of internal controls. In March 2020, the Company reviewed the composition of the Board of Directors and introduced an executive officer system in order to further strengthen our corporate governance system through the separation of business execution and management oversight. Thus, the Company achieved more appropriate management and supervisory functions and establish an efficient business execution system. For reasons, roles, and functions of the appointment of outside Directors, see "I-1" (Disclosure Based on the Principles of the Corporate Governance Code) Chapter 4 [Principle 4-9], and "II-1" Relationship with the Company with regard to matters related to organization structure, organization management, etc. (1) (2).

III. Implementation of Measures for Shareholders and Other Stakeholders

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

	Supplementary Explanations
Early Notification of Convocation of General Shareholder Meeting	The Company has long endeavored to dispatch convocation notices at an early stage in order to ensure that shareholders have enough time to consider the agenda. In addition, with respect to measures for electronic provision on our website and TDnet, the Company adopts a policy of disclosing information prior to the mandatory deadlines and strives to ensure timely and appropriate disclosure.
Scheduling the General Shareholders Meeting Avoiding the Peak Day	76th Ordinary General Meeting of Shareholders held on June 17, 2026
Allowing Electronic Exercise of Voting Rights	The Company has been accepting the exercise of voting rights via the Internet (including PCs and smartphones).

Participation in Electronic Voting Platform and other measures to enhance the environment for Institutional Investors to exercise voting rights	The Company has participated an electronic voting platform for Institutional Investors operated by ICJ, Inc.
Providing Convocation Notice in English (Summary)	The Company discloses it on our website and TDnet.
Other Matters	—

2. IR Activities

	Supplementary Explanations	Explanation by Representative
Preparation and Publication of Disclosure Policy	The Company will continue to strive to provide our shareholders and investors with corporate information in a fair, easy-to-understand and timely manner and to enhance our information disclosure. Our disclosure of information is conducted in accordance with the Financial Instruments and Exchange Act and the "Rules on the Timely Disclosure of Corporate Information by Issuers of Listed Securities" set forth by the Tokyo Stock Exchange. In addition, the Company will continue to actively disclose information on business results, financial conditions, strategies, and other matters that the Company believes it would be effective in gaining a better understanding of us. [https://corporate.saisoncard.co.jp/en/disclosure_policy/]	
Regular Investor Briefings for Individual Investors	The Company holds company information briefings for individual investors and explains the Company and our business performance.	No
Regular Investor Briefings for Analysts and Institutional Investors	The Company holds briefing sessions for institutional investors and securities and bond analysts four times a year. The Representative Director or the CFO explains the financial results, business strategy, and business progress for the period.	Yes

	As of the end of September 2026, approximately 38% of our outstanding shares were held by foreign shareholders, and the Company is actively and continuously working to build relationships with overseas investors through IR activities, such as the Representative Director, CFO, and the Director in charge of the Global Business Department visiting local institutional investors overseas to meet with them individually, in addition to participating in conferences in Japan and overseas.	
Regular Investor Briefings for Overseas Investors	—	No
Posting of IR Materials on Website	The Company is working to improve the layout of our web site and expand posted information that enables to quickly access the latest financial information, placing emphasis on timeliness and fairness. The Company is enhancing our IR-related content, such as providing audio of top management's presentations at results briefings, in an effort to ensure that a wide range of investors, including individual investors, understand our corporate activities. [https://corporate.saisoncard.co.jp/en/ir/]	Yes
Establishment of Department and/or Manager in Charge of IR	The Corporate Planning Department is in charge of IR.	
Other	The Company is actively engaged in IR activities led by the Executive Officer and CFO, who oversees the Corporate Planning Department responsible for IR, with the participation of the Representative Director . The Corporate Planning Department conducts smooth IR activities and dialogues with shareholders by the management team in cooperation with the Public Relations Office, the Finance and Accounting Department and other related departments. In addition, Corporate Planning Department and the General Affairs Department serve as contact points for meetings with shareholders. Based on the purpose of meetings with shareholders, the Board of Directors (including outside	

	Directors), executive officers, and Audit & Supervisory Board members provide appropriate responses within a reasonable range. The status of implementation of dialogue with shareholders, etc. is available on our website. [https://corporate.saisoncard.co.jp/en/ir/stockholder/dialogue/]	

3. Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanations
Stipulation of Internal Rules, etc. for Respecting the Position of Stakeholders	Our management philosophy is leading-edge service company, and the Company regards customers, business partners, employees, shareholders and society as our stakeholders. The Company believes that it is essential to realize our management philosophy that the Company rewards our shareholders and fulfill our social responsibilities by creating customer satisfaction, respecting the mutual interests of our business partners, and earning the empathy of our employees. "Credit Saison Group's Sustainability" is posted on our website as an effort for sustainable growth while gaining the trust of stakeholders. [https://corporate.saisoncard.co.jp/en/sustainability/esg/]
Implementation of Environmental Activities, CSR Activities, etc.	The Company believes that CSR is not only about fulfilling our responsibility as a corporate citizen to comply with laws and regulations and to contribute to profits, but also about developing our business in a manner and content which responds to, or even exceeds the actual and potential demands of citizens, local communities, and society. Based on this philosophy, the Company is working on CSR from the following 3 perspectives. (1) The Company exists as a company and bring benefits to our customers, shareholders, employees and other stakeholders. (2) The Company fulfills our responsibilities and contribute to society through our main businesses, credit cards and financial business activities. (3) The Company makes Credit Saison's own unique contribution to society. The details of our efforts from three perspectives are posted on our website. [https://corporate.saisoncard.co.jp/en/sustainability/csr/]
Development of Policies on Information	The Company has established the Information Disclosure Rules and the Disclosure Committee, and conducted checks to ensure that accurate information is provided to stakeholders while complying with the rules of the regulatory authorities and the Stock

Provision to Stakeholders	Exchange. In FY2025, meetings of the Disclosure Committee were held 25 times. In disclosing information, the Company gives due consideration to fair disclosure and also discloses information that does not fall under the rules of timely disclosure on its website in a fair and equitable manner. In addition, information on financial results and explanatory meetings are posted on the website in Japanese and English, and videos and questions and answers are posted on the presentation.
Other	The Company has published an Integrated Report (Credit Saison Integrated Report) in both Japanese and English. The Company is striving to disclose accurate, prompt and fair information to our customers, shareholders, investors, and a wide range of other stakeholders. The Integrated Report (Credit Saison Integrated Report) is compiled with the aim of deepening understanding of our medium-to long-term value creation. This report includes not only our financial information, but also non-financial information such as environmental, social, and governance. The objective of this report is to help stakeholders understand our sustainable development. The Integrated Report (Credit Saison Integrated Report) is posted on our website. [https://corporate.saisoncard.co.jp/en/ir/integrated_report/]

IV. Matters Related to the Internal Control System, etc.

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

■Basic Views on Internal Control System

The Board of Directors has determined the basic policy for the purpose of constructing a system for ensuring the appropriateness and efficiency of business operations of the Company and our corporate group, including subsidiaries, in compliance with laws and the Articles of Incorporation.

In constructing our internal control system, the Company aims to build an efficient and highly effective system in order to contribute to the maximization of stakeholders' profits by improving our business performance and increasing profits while maintaining the appropriateness of our operations.

■Standard Policies of Internal Control Systems

(1) Systems to Ensure Directors Perform Duties in Accordance with Laws and Articles (Companies Act, Article 362, paragraph (4), item (vi))

To ensure operational execution at the Company as a whole is proper and sound, the Board of Directors shall work to establish compliance systems that ensure overall adherence to relevant laws, regulations and the Company’s articles of incorporation by our corporate Group and build effective internal control systems from the standpoint of further strengthening corporate governance. The ASB shall monitor the functioning and effectiveness of these internal control systems in an effort to identify problems early and improve our

precision in addressing them.

(2) Systems for Managing and Storing Information on Performance of Duties by Directors (Regulation for Enforcement of the Companies Act, Article 100, paragraph (1), item (i))

(a) Information on the performance of duties by directors (minutes for Board of Directors meetings, documents circulated to Directors to obtain their approval, written approvals, etc.) shall be recorded in writing, etc. and shall be stored and managed based on "information management basic rules" and other internal rules.

(b) A system enabling prompt responses has been established for cases where Directors or ASB members request to view the aforementioned information.

(3) Systems for Rules on Loss Risk Management and Other Matters (Regulation for Enforcement of the Companies Act, Article 100, paragraph (1), item (ii))

(a) Concerning risk management, the Company has stipulated "Risk Management Rules" and "Rules Concerning Loss Risk Management," and the Company shall work to restrain risks from materializing and minimize the effects on the Company when risks materialize, centering on the Risk Management Committee and the organization with jurisdiction over risk management. In the event risks requiring responsive measures materialize or concerns that risks will manifest become evident, the aforementioned committee and department shall work to respond quickly and swiftly restore the Company's functions to working order based on "crisis management rules."

(b) To the aforementioned end, the Company shall conduct regular internal education and training for those involved based on our "risk management rules," "rules concerning loss risk management" and "crisis management rules." The Board of Directors shall regularly review such initiatives and instruct relevant parties on how to correct or improve them in an effort to maintain and improve risk management systems.

(c) In preparation for the emergence of emergency situations such as a large-scale natural disaster, the Company shall strive to ensure the safety of our management foundation in emergencies by adopting countermeasures to reduce to the extent possible business continuity risks and business interruption risks for key operations.

(4) Systems to Ensure Directors Efficiently Perform Duties (Regulation for Enforcement of the Companies Act, Article 100, paragraph (1), item (iii))

(a) Meetings of the Board of Directors shall be administered based on the "Board of Director's rules" so Directors can properly discharge their duties.

(b) Directors and executive officers shall properly manage and supervise based on "rules for demarcation of operations and organizations", "rules on the authorities of specific job functions" and "Rules of Business Strategy Committee", etc. to ensure efficient operational execution at the departments and divisions for

which they are responsible or in charge.

(c) In order to respond more swiftly to changes in the business climate and further enhance corporate governance by creating an environment in which the Board of Directors are able to concentrate exclusively on management and supervisory functions, the Company has introduced an executive officer system and established the Meeting of Executive Officers to deliberate and report on general management issues and resolutions of the Board of Directors in advance.

(d) The Company establishes "business strategy committee", which makes resolutions to the extent delegated by the Board of Directors, for the purpose of efficient operations of the Board of Directors and to improve discussions on management strategy and corporate governance.

(e) The operations and resolution matters of the "business strategy committee" are defined by "Rules of Business Strategy Committee" to ensure the proper execution of duties.

(5) Systems to Ensure Employees Perform Duties in Accordance with Laws and Articles (Regulation for Enforcement of the Companies Act, Article 100, paragraph (1), item (iv))

(a) To ensure execution of duties are in compliance with laws, regulations, our articles and internal rules such our compliance basic rules, etc., the Company shall promote employee awareness about the compliance system and various rules employees are to observe through periodic internal education, led by the Compliance Committee organization with jurisdiction over compliance.

(b) The compliance consultation desk accepts reports and calls as a contact channel in cases where potential violation of laws, regulations, our articles and internal company rules, etc. have been discovered. The Compliance Committee shall inform the Board of Directors and the ASB without delay about reports of such incidents to promote early-stage resolution of alleged violations.

(c) To protect against harm from anti-social forces that threaten social order and safety, the Company specifies in its standards of conduct its resolve to stand for justice and face undaunted anti-social forces and strives to inform all its employees of its stance so they will all comply with its standards of conduct. With the organization with jurisdiction over general affairs at the fore, the Company shall respond with resolve to inappropriate demands from antisocial forces through our membership in Tokubouren (the special violence prevention association for the Tokyo metro area) and our close cooperation with law enforcement, police and other related public institutions.

(d) The rules and regulations for executive officers and the Meeting of Executive Officers rules, etc. shall be developed to ensure the proper execution of duties by executive officers.

(6) Systems to Ensure Operational Appropriateness for the Group from Parent to Subsidiaries (Regulation for Enforcement of the Companies Act, Article 100, paragraph (1), item (v))

(a) Systems for Reporting to the Parent on Matters Concerning Execution of Duties by Directors at Subsidiaries

Based on the "written agreement on Group management" concluded with subsidiaries and "rules for affiliates" the parent has prescribed, the Company, centering on the organization with jurisdiction over affiliates, shall receive reports without delay on attendance at Board of Directors meetings of subsidiaries and minutes of those meetings and related materials, and other important matters from a management perspective.

(b) Systems on Rules Concerning Loss Risk Management at Subsidiaries and Other Matters

Concerning risk management at subsidiaries, the organization with jurisdiction over affiliates is responsible for maintaining an environment for loss avoidance and optimization involving subsidiaries based on "rules concerning loss risk management" and "risk management rules." The organization with jurisdiction over risk management shall work closely with subsidiaries to coordinate a risk management posture in an effort to restrain risks from materializing and to minimize the effects on the Company when risks materialize.

(c) Systems to Ensure Directors at Subsidiaries Efficiently Perform Duties

Based on the principle of developing the business of subsidiaries, in order to realize management that gives top priority to contributing to the corporate value of the group, considering the profits and optimization of the entire group based on the group strategy, the Company has prescribed in advance matters for discussion in the "written agreement on Group management" and "rules for affiliates" with regards to important matters relating to management of subsidiaries, and it conducts decision-making when necessary based on "rules on the authorities of specific job functions" and other rules. Also, the organization with jurisdiction over affiliates shall also oversee and share information on the business execution status of subsidiaries in an effort to ensure efficiency in operational execution at subsidiaries.

(d) Systems to Ensure Directors and Employees at Subsidiaries Perform Duties in Accordance with Laws and Articles

The organization with jurisdiction over internal audit shall cooperate with the audit department of subsidiaries and implements audits when necessary while monitoring the appropriateness of operational execution. Established to accept reports and calls in cases where potential violations of laws, regulations, our articles and/or internal company rules have been discovered, the Group hotline shall strive as a contact channel to be useful to the swift resolution of reported violations and to ensure operational appropriateness at subsidiaries.

(7) Matters on Assistants to ASB Members Requiring Support in Performing Duties (Regulation for Enforcement of the Companies Act, Article 100, paragraph (3), item (i))

(a) Persons who support ASB members (the "Assistants") shall assist them in performing their duties.

(b) The specific number of persons serving as the aforementioned Assistants and the content of their duties shall be determined based on discussions with the ASB.

(8) Matters Concerning Independence of Said Assistants from Directors, and Matters on Ensuring

Effectiveness of ASB Member Instructions to Said Assistants (Regulation for Enforcement of the Companies Act, Article 100, paragraph (3), items (ii) and (iii))

(a) Personnel decisions concerning assistants (reassignment, evaluations, etc.) shall require the consent of the ASB.

(b) The aforementioned assistants shall not be assigned to concurrent roles involving operational execution at the Company beyond the scope of internal audit functions. Also, the authority of ASB members to offer instructions and issue orders to assistants shall not be unfairly restricted by the Company.

(9) Systems for Reporting to Parent ASB Members (Regulation for Enforcement of the Companies Act, Article 100, paragraph (3), item (iv))

(a) Systems for Directors and Employees to Report to ASB Members

1. Directors and employees must promptly report to the ASB material violations of the law, our articles or illegal conduct relating to the performance of their duties as well as when they discover facts that could cause serious harm to the Company.
2. Directors and employees shall report without delay through the relevant reporting line to the ASB decisions and the occurrence of events, accidents, and/or operational troubles that could materially affect business operations and organizations as well as the results of the audit implemented.

(b) Systems for Subsidiary Directors, ASB Members, Employees, or Persons They Debriefed to Report to Parent ASB Members

1. The organization with jurisdiction over affiliates shall report the minutes for meetings of the Board of Directors and related materials and other important matters from a management perspective it receives from subsidiaries to ASB members. Also, Directors, executive officers and employees of subsidiaries can when necessary report to the Company's ASB members.
2. Directors, executive officers and employees of subsidiaries can report to the Group hotline or the organization with jurisdiction over affiliates material violations of the law, our articles or illegal conduct relating to the performance of duties as well as when they discover facts that could cause serious harm to the Company. The organization with jurisdiction over compliance and/or the organization with jurisdiction over affiliates shall report the information they receive to ASB members while accurately processing it in the Compliance Committee.

(10) Systems for Ensuring Whistleblowers Are Not Treated Unfairly for Reporting the Aforementioned Matters (Regulation for Enforcement of the Companies Act, Article 100, paragraph (3), item (v))

The Company prohibits unfair treatment of whistleblowers who report to ASB members on the basis of their reporting such matters, as stated in the previous clause. Our "Whistleblowing Rules" stipulate that those providing information to the aforementioned contact channel will not be disadvantaged in any way, and the Company strives to promote awareness about this protection among our employees through "our

compliance" messages.

(11) Matters on Policy for Processing Liabilities and Expenses Arising from Operational Execution by ASB Members, and Systems for Ensuring Effective Audits by Parent ASB Members (Regulation for Enforcement of the Companies Act, Article 100, paragraph (3), items (vi) and (vii))

(a) ASB members shall attend important meetings so they may ascertain important decision-making processes and the status of operational execution, and they can request investigations and briefings, as necessary.

(b) The ASB exchanges opinions with the president and representative Director as necessary, and shall meet regularly with the public company accounting (PCA) auditor to exchange opinions.

(c) To ensure an ongoing exchange of information with the ASB, the organization with jurisdiction over corporate planning, the organization with jurisdiction over risk management and the organization with jurisdiction over internal audit shall cooperate closely with each other.

(d) Regarding cases where ASB members request pre-payment of expenses for performance of duties, such expenses shall be processed swiftly after deliberation and assessment on their validity, primarily by the organization with jurisdiction over corporate planning, which is the budget management division.

■Status of the Internal Control System

The Corporate Risk Management Department plays a central role in establishing internal regulations to ensure legal compliance and the effectiveness and appropriateness of business operations, and implementing education. The Corporate Risk Management Department also strives to further strengthen the system by identifying potential risks, taking measures to reduce risks, and sharing information company-wide.

Legal compliance, risk management, and ensuring the appropriateness and timeliness of information disclosure are realized by the audit of the internal control system by the Audit & Supervisory Board members and the audit of operations by the Audit Department.

The Company also collects risk information from employees through our internal reporting system, which helps to detect improprieties at an early stage and prevent conflicts.

Internal control over financial reporting (J-SOX response) strives to develop and operate more efficient and effective internal control in accordance with the "Internal Control Regulations for Financial Reporting."

Internal rules to enhance corporate governance include (1) Compliance Basic Regulations, (2) Crisis Management Regulations, (3) Risk Management Regulations, (4) personal Information Management Regulations, (5) insider trading management rules, and (6) Internal Audit Regulations, etc. Among these, as for personal information management, the Company implemented the Privacy Policy which was formulated to supplement the regulations in (4).

2. Basic Views on Eliminating Anti-Social Forces and Progress of Development

The Company has clearly stated in our basic policies on internal control systems and our Behavioral Standards

that “the Company will never give in but will face, with the principles of justice, to anti-social forces that threaten social order and safety”, and the Company will strive to ensure that all executives and employees comply with this basic policy and Behavioral Standards.

The General Affairs Department will play a central role in responding to unreasonable demands made by anti-social forces, and will resolutely respond to such demands by joining Federation of Special Measures Against Violence and Tokyo Citizens' Center for the Promotion of Boryokudan Exclusion Movement and cooperating with the police and other related organizations.

V. Other

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not Adopted

Supplementary Explanation

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2. Other Matters Concerning the Corporate Governance System

Overview of the Timely Disclosure System

The status of internal systems related to the timely disclosure of Company information is described below.

1. Basic approach to timely disclosure of Company information

As a publicly listed entity, the Company is obligated to disclose corporate information in a timely and appropriate manner in accordance with laws and regulations related to financial products and securities listing regulations prescribed by the Tokyo Stock Exchange, Inc. The Company also believes that timely and appropriate disclosure of corporate information forms the basis of a sound financial product market.

In order to fulfill these obligations, the Company has established “Information Disclosure Rules” and intends to disclose corporate information promptly, accurately, and fairly from the perspective of investors.

2. Internal systems for timely disclosure of Company information

To ensure the completeness, appropriateness, and timeliness of information collection and disclosure, the Company sets up an Information Disclosure Committee, which collects information on the Group, determines the necessity of information disclosure, and discusses various relevant documents based on the aforementioned Information Disclosure Rules.

The Information Disclosure Committee is chaired by the president and representative Director or a person appointed by the president and representative Director and consists of officers and employees from the Group Strategic Management Department, Corporate Planning Department, Treasury and Accounting Department, Corporate Risk Management Department, and the like. In addition, the Corporate Planning Department and the Treasury and Accounting Department have jointly established an Information Disclosure Committee Secretariat,

into which Company information collected by each Committee member is channeled.

In principle, disclosure of information on Group Companies collected by Committee members is first discussed with the Information Disclosure Committee Secretariat, which decides whether or not to make proposals or reports to the Committee.

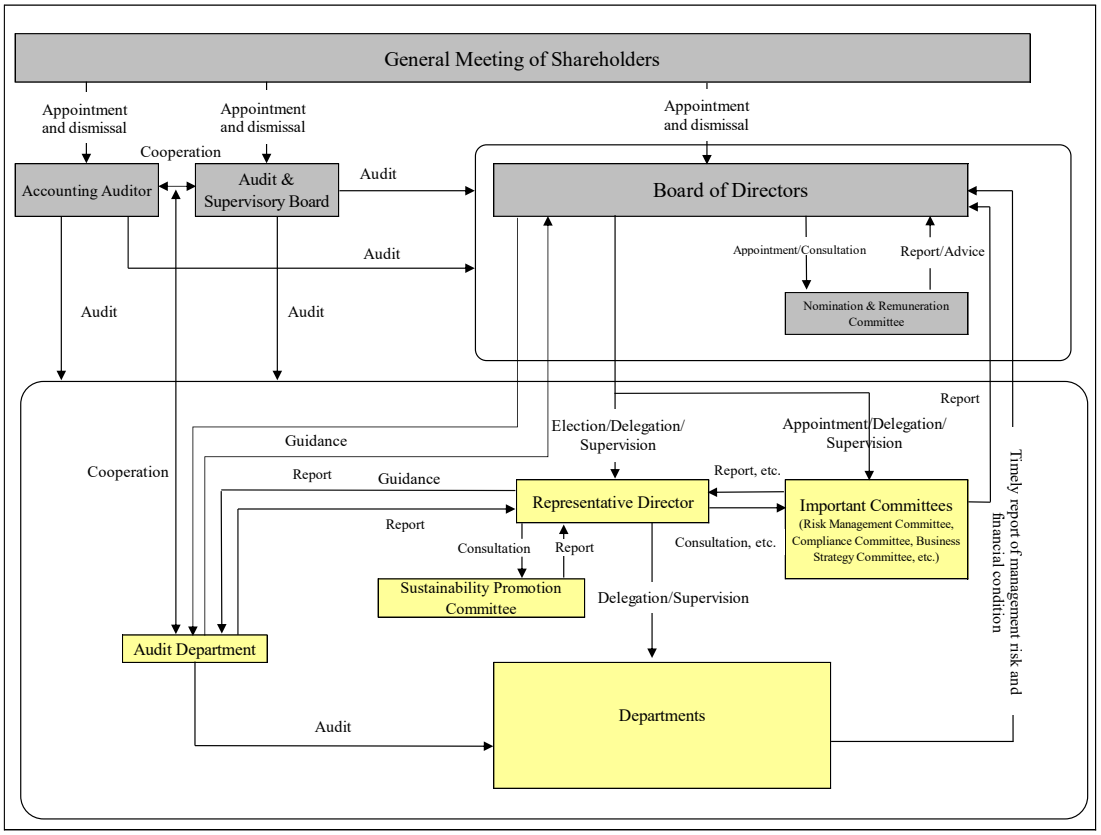
The Information Disclosure Committee discusses whether or not to make timely disclosures of information submitted to it, and also discusses materials to be disclosed and makes resolutions on disclosure, following which disclosure is made promptly according to established protocols.

Information that requires urgent disclosure is first deliberated and resolved at a meeting of the Emergency Information Disclosure Committee, held at the discretion of the chairman of the Information Disclosure Committee, then disclosed.

The Corporate Risk Management Department maintains and promotes disclosure controls, which are monitored by the Audit Department.

【Diagram（Reference Material）】

[Diagram of Corporate Governance Structure (Reference Material)]



[Diagram of Timely Disclosure System (Reference Material)]

