

Corporate Governance

Corporate Governance Policies and Approach

Based on our corporate philosophy of “Trust beyond the era,” Tokyo Tatemono is striving to build optimal corporate governance, with the primary aim of enhancing efficiency while ensuring the soundness and transparency of management, in order to achieve sustainable growth and increase corporate value over the medium to long term. In addition, we actively and appropriately disclose information to ensure that shareholders and other stakeholders are able to gain an accurate understanding of the Company’s business activities.

We have also identified the advancement of governance as a material issue to achieve the Group’s long-term vision. We are promoting measures to improve profitability and the objectivity of management, such as further enhancing the governance framework, in order to achieve the vision.

Enhancing Functions under Medium-Term Business Plan (FY2025-FY2027)

Increase in percentage of external directors	<ul style="list-style-type: none"> • Increase in the number of external directors by one, from four to five
Selection of the Head External Director	<ul style="list-style-type: none"> • Selection of Head External Director through mutual selection by external directors (In addition, a new meeting entity composed only of external directors to be established)
Reorganization of the Nomination and Remuneration Advisory Committee	<ul style="list-style-type: none"> • The Nomination and Remuneration Advisory Committee to be divided into the Nomination Advisory Committee and the Remuneration Advisory Committee, and each committee to be chaired by an external director
Partial revision of the remuneration system for directors (excluding external directors)	<ul style="list-style-type: none"> • Business profit, ROE, and shareholder returns to be among additional factors considered when determining performance-based remuneration • The proportion of performance-based remuneration and stock-based compensation in total remuneration to be increased for the Chairman and the President and Chief Executive Officer

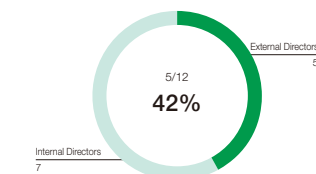
Corporate Governance Structure (As of March 26, 2025)

Tokyo Tatemono has selected the Company with Audit & Supervisory Board format as its corporate governance system. In addition to establishing a Board of Directors and an Audit & Supervisory Board, we have also set up a Nomination Advisory Committee and a Remuneration Advisory Committee, which act as advisory bodies to the Board of Directors. Our executive officer system clarifies the separation of functions between management and business execution. Furthermore, we appoint external directors and external Audit & Supervisory Board members who help us operate under stronger management supervision and ensure transparency. This system ensures effective monitoring and supervision of both management and the execution of duties by directors of the Company.

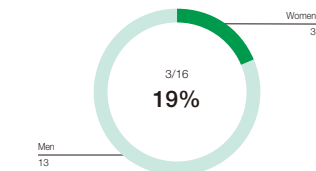
Regarding Group governance, we are working to reinforce Group headquarters functions and clarify our engagement guidelines with each Group company. To heighten the efficiency of Group management and achieve synergies among all members, we have concluded contractual agreements with each Group company based on the Group Business Management Standards. These agreements set out and communicate conditions such as items subject to prior approval and items to be reported to the Company.

Governance Highlights

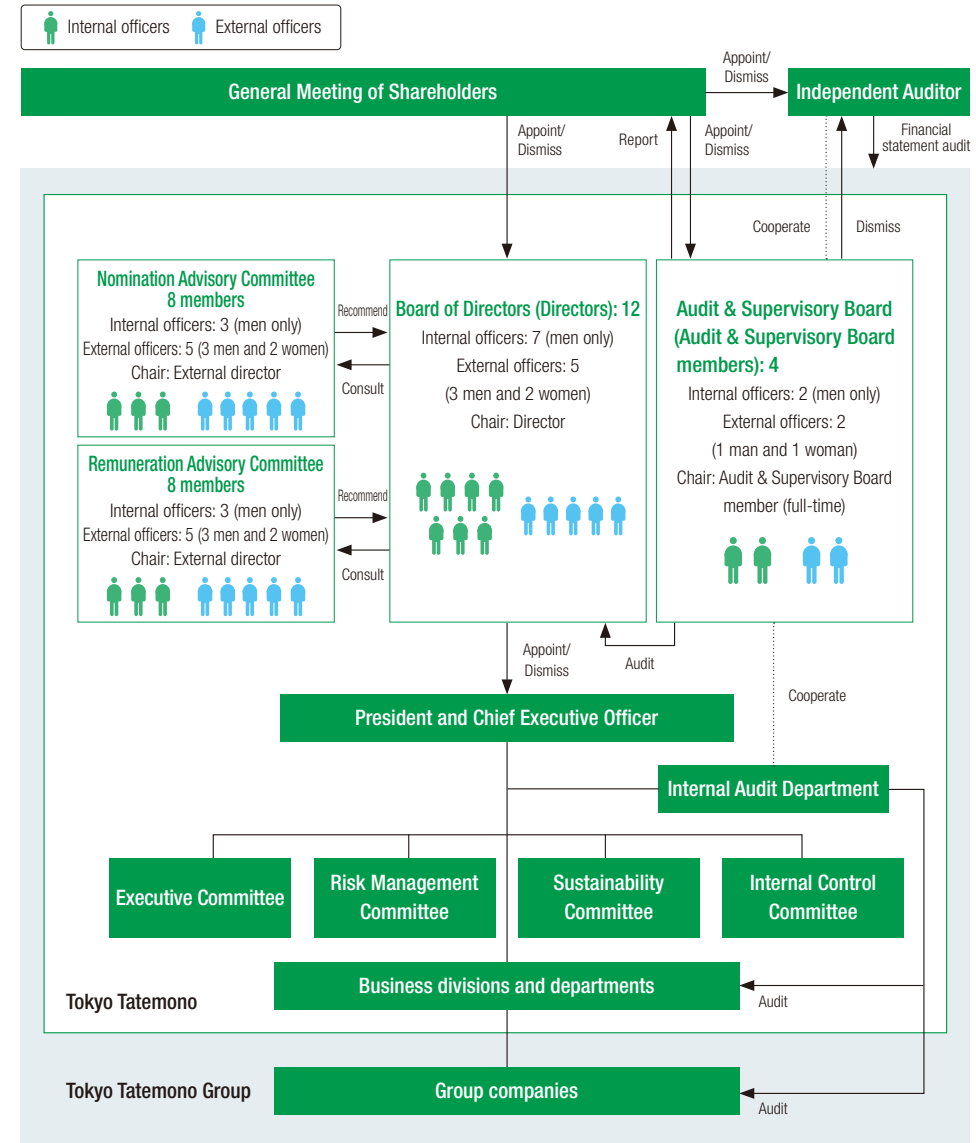
Percentage of External Directors



Percentage of Officer Positions Held by Women



Corporate Governance Structure (As of March 26, 2025)



Corporate Governance

Structures and Roles of Main Organizational Bodies

Board of Directors

The Board of Directors makes decisions on key matters related to business execution, such as management policies and the policy on taking on large-scale investment projects, and supervises the execution of duties by directors.

Chair	Composition	Meetings held (FY2024)
Makio Tanehashi Director and Chairman of the Board	12 directors (incl. 5 external directors and 2 women)	16 (incl. monthly and special meetings)

Established in 2025

Nomination Advisory Committee

The Nomination Advisory Committee was established as a body that deliberates matters such as the nomination of director candidates and the appointment or dismissal of the representative directors, based on consultations from the Board of Directors. To leverage the insights and advice of external directors and to ensure the objectivity and transparency of proceedings, the committee is chaired by an external director and a majority of its members are also external directors.

Chair	Composition	Meetings held (FY2024)
Shuichi Hattori External Director	8 directors (includes 5 external directors and 2 women)	7 (Nomination and Remuneration Advisory Committee until fiscal 2024)

Established in 2025

Remuneration Advisory Committee

The Remuneration Advisory Committee was established as a body that deliberates on matters such as director remuneration, based on consultations from the Board of Directors. While committee members are selected from among directors, to leverage the insights and advice of external directors and to ensure the objectivity and transparency of proceedings, the committee is chaired by an external director and a majority of its members are also external directors.

Chair	Composition	Meetings held (FY2024)
Yoshimitsu Onji External Director	8 directors (incl. 5 external directors and 2 women)	7 (Nomination and Remuneration Advisory Committee until fiscal 2024)

Audit & Supervisory Board

The Audit & Supervisory Board receives reports, holds discussions, and makes decisions on key matters related to audits. Audit & Supervisory Board members attend Board of Directors meetings and Executive Committee meetings, offer opinions as needed, regularly receive reports from the independent auditor, departments, and other relevant bodies, and exchange opinions and information with them from time to time, as appropriate.

Chair	Composition	Meetings held (FY2024)
Takashi Yoshino Audit and Supervisory Board Member (full-time)	4 Audit & Supervisory Board members (including 2 external members and 1 woman)	14

Executive Committee

The Executive Committee deliberates key matters related to the management of the Company and its subsidiaries and associates. In addition, full-time Audit & Supervisory Board members attend committee meetings and offer opinions as appropriate.

Chair	Composition	Meetings held (FY2024)
Katsuhito Ozawa Representative Director, President and Chief Executive Officer	Senior and managing executive officers	36

Internal Control Committee

The Internal Control Committee evaluates and enhances the internal control system of the Group. In addition, full-time Audit & Supervisory Board members attend committee meetings and offer opinions as appropriate.

Chair	Composition	Meetings held (FY2024)
Katsuhito Ozawa Representative Director, President and Chief Executive Officer	Chairman, Executive Vice President and Executive Officer, officers of the Corporate Planning Department, and officers of the Legal & Compliance Department	2

Risk Management Committee

The Risk Management Committee oversees risk management and compliance for the Group. Full-time Audit & Supervisory Board members attend committee meetings and offer opinions as appropriate. Matters deliberated or reported in committee meetings are reported to the Board of Directors, and matters requiring resolution are submitted to the board for deliberation.

▶ P. 60 Risk Management

Chair	Composition	Meetings held (FY2024)
Katsuhito Ozawa Representative Director, President and Chief Executive Officer	Chairman, Executive Vice President and Executive Officer, division directors, vice division directors, officers of the Corporate Planning Department, officers of the Legal & Compliance Department, and general managers of the corporate departments	1

Sustainability Committee

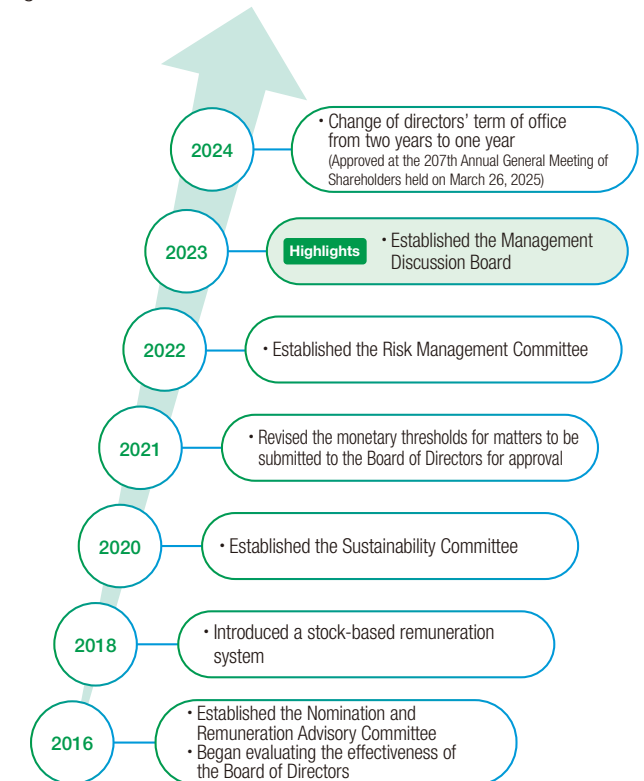
The Sustainability Committee discusses, coordinates and reports on matters related to the Group's sustainability efforts, including the formulation of policies, establishment of systems, setting of indicators and targets, and monitoring and evaluation of progress. In addition, full-time Audit & Supervisory Board members attend committee meetings and offer opinions as appropriate. Important matters discussed or coordinated by the Sustainability Committee are brought up for discussion or reported to the Board of Directors, which makes decisions on important sustainability-related matters, monitors the status of initiatives, and supervises related activities.

▶ P. 33 The Tokyo Tatemono Group's Sustainability Management

Chair	Composition	Meetings held (FY2024)
Katsuhito Ozawa Representative Director, President and Chief Executive Officer	Representative directors, senior and managing executive officers, general managers of the corporate departments, and the general manager of the Technology Department in the Commercial Properties Division	2

Timeline of Strengthening Functions at Board Meetings

Tokyo Tatemono has incrementally upgraded its governance structure to strengthen corporate governance functions. We will continue promoting initiatives aimed at building optimal corporate governance.



Highlights

Management Discussion Board

A unique Company initiative, the Management Discussion Board was established to enhance the effectiveness of the Board of Directors. It provides a forum for a broad range of substantive discussions and exchanges of opinion on key management issues and medium-to-long-term themes. The Management Discussion Board comprises 12 directors, five of whom are external directors, and four Audit & Supervisory Board members, two of whom are external. Relevant officers and employees from departments related to the topics under discussion also attend, as appropriate. In fiscal 2024, the Management Discussion Board met a total of nine times. Internal and external directors engaged in frank exchanges of opinions, with emphasis on discussions regarding the current medium-term business plan.

Corporate Governance

Director Skill Matrix

Regarding the implementation of management strategies, the Board of Directors passes resolutions on key matters related to the Company's business execution, and is required to oversee the execution of duties by directors. With regard to the composition of the Board of Directors, we strive to maintain balanced diversity in terms of knowledge, experience, skills, and other factors to ensure that discussions held at board meetings are useful and multifaceted. Also, we ensure the Board of Directors functions effectively by maintaining an appropriate number of members. To facilitate the realization of initiatives to address the Company's material issues, fulfill its long-term vision, and achieve the targets and goals of the medium-term business plan, we have compiled a skill matrix that delineates the skills (expertise and experience) that directors should possess to ensure that the Board of Directors functions effectively.

Expertise and Experience of Directors (Skill Matrix)

Name	Position in the Company	Gender	Corporate Management	Finance and Accounting	Legal, Compliance and Risk Management	Sustainability	Real Estate Business and Urban Development	Overseas Business	ICT and Digital	Human Resources and Human Resource Development
Makio Tanehashi	Director and Chairman of the Board	Male	●	●			●	●		
Hitoshi Nomura	Representative Director and Chairman	Male	●	●	●		●			●
Katsuhito Ozawa	Representative Director, President and Chief Executive Officer	Male	●	●		●	●	●	●	
Akira Izumi	Representative Director, Executive Vice President and Executive Officer	Male	●	●	●	●	●		●	●
Hideshi Akita	Senior Managing Executive Officer and Director	Male				●	●			●
Takeshi Jinbo	Senior Managing Executive Officer and Director	Male				●	●			
Shinjiro Kobayashi	Managing Executive Officer and Director	Male				●	●			
Yoshimitsu Onji	External Director	Male	●	●	●			●		
Shuichi Hattori	External Director	Male		●	●					●
Yumiko Kinoshita	External Director	Female			●			●		●
Junichi Nishizawa	External Director	Male	●	●	●	●		●	●	●
Naoko Tanouchi	External Director	Female		●	●			●		

Note: The above matrix does not represent the full scope of each individual's knowledge, experience or skill set.

Selection and Nomination of Directors and Audit & Supervisory Board Members

Policies and Term of Office

The Company nominates candidates for director and Audit & Supervisory Board member based on a comprehensive assessment of their character, abilities, expertise, experience, and other factors, selecting individuals who possess the qualities needed to contribute to enhancing the Group's corporate value over the medium to long term. Under the Articles of Incorporation, the term of office is set at one year for directors and four years for Audit & Supervisory Board members.

To ensure the appropriate involvement of external directors in the nomination process, the Board of Directors makes decisions based on deliberations by the Nomination Advisory Committee, which is chaired by an external director and has a majority of external directors as members.

Criteria for the Independence of Independent External Directors

Tokyo Tatemono deems external directors to be independent when, in addition to meeting the criteria for independence stipulated by Tokyo Stock Exchange, Inc.* they do not fall under any of the categories shown below:

1. A business partner of Tokyo Tatemono that accounts for 2% or more of the Company's consolidated net sales in the most recent fiscal year or a person executing business on behalf of such partner
2. A shareholder of the Company that holds more than 10% of the total number of voting rights of the Company or a person executing business on behalf of such shareholder
3. A representative, member, or employee of an auditing firm employed as the independent auditor for the Company
4. A consultant, accounting professional, or legal professional who has received remuneration (excluding director remuneration) of more than 10 million yen from the Company in the most recent fiscal year

* Rule 436-2 under Section III 5. (3)-2, "Examination to Ensure Effectiveness," of Tokyo Stock Exchange's *Guidelines Concerning Listed Companies, etc.*

Corporate Governance

Status of External Officers (As of March 26, 2025)

Significant Concurrent Positions Outside the Company and Reasons for Selection

Title	Name	Concurrent Organization	Concurrent Position	Reasons for Appointment
Director	Yoshimitsu Onji	OZ Corporation	CEO	Mr. Yoshimitsu Onji was appointed as an external director with the expectation that he will leverage his wealth of experience and wide-ranging insight as a manager to help strengthen the governance system, including overseeing the execution of duties by directors from an independent point of view.
		NIHON CHOUZAI Co., Ltd.	External Director	
		United Foods International Co., Ltd.	External Audit & Supervisory Board Member	
		Sotetsu Holdings Co., Ltd.	External Director	
		Sanyu Appraisal Corporation	External Director	
Director	Shuichi Hattori	Hattori General Law Firm	Lawyer	Mr. Shuichi Hattori was appointed as an external director with the expectation that he will leverage his expertise and experience as a lawyer to help strengthen the governance system, including overseeing the execution of duties by directors from an independent point of view.
Director	Yumiko Kinoshita	The Chiba Kogyo Bank, Ltd.	External Director	Ms. Yumiko Kinoshita was appointed as an external director with the expectation that she will leverage the international experience she developed working overseas and her diverse business experience in public-trust corporations to help strengthen the governance system, including overseeing the execution of duties by directors from an independent point of view.
Director	Junichi Nishizawa	Joban Kosan Co., Ltd.	Representative Director and President	Mr. Junichi Nishizawa was appointed as an external director with the expectation that he will leverage his wealth of experience and wide-ranging insight as a manager to help strengthen the governance system, including overseeing the execution of duties by directors from an independent point of view.
		Fuyo Auto Lease Co., Ltd.	External Audit & Supervisory Board Member	
		Joban Joint Power Co., Ltd.	External Director	
		Onahama Kairiku Unso Kaisha, Ltd.	External Director	
		Tokyo Small and Medium Business Investment & Consultation Co., Ltd.	External Director	
Director	Naoko Tanouchi	Shoel Foods Corporation	External Director	Ms. Naoko Tanouchi was appointed as an external director with the expectation that she will leverage her broad business experience at a global enterprise, ranging from corporate planning and new business development to internal auditing, to help strengthen the governance system, including overseeing the execution of duties by directors from an independent point of view.
		Sapporo Holdings Limited	External Director (Audit & Supervisory Committee Member)	
Audit & Supervisory Board Member	Sayaka Hieda	OMOTESANDO SOGO LAW OFFICE	Lawyer	Ms. Sayaka Hieda was appointed as an external Audit & Supervisory Board member with the expectation that she will help strengthen the Company's audit operations from an independent point of view by leveraging her expertise and experience as a lawyer.
		Institution for a Global Society Corporation	Audit & Supervisory Board Member (Independent)	
		SAN-AI OBBLI CO., LTD.	External Audit & Supervisory Board Member	
Audit & Supervisory Board Member	Naohiro Chikada	AOHATA CORPORATION	External Audit & Supervisory Board Member	Mr. Naohiro Chikada was appointed as an external Audit & Supervisory Board member with the expectation that he will help strengthen the Company's audit operations from an independent point of view by leveraging his expertise and experience as a CPA and tax accountant.
		Chikada Certified Public Accountant Office	Certified Public Accountant (CPA), Tax Accountant	
		Chiyoda Accounting Corporation	Representative Director	
		Mitsubishi Research Institute DCS Co., Ltd.	External Corporate Auditor	
		FEED ONE CO., LTD.	External Director (Audit & Supervisory Committee Member)	

Support System for External Directors and External Audit & Supervisory Board Members

The Corporate Planning Department, which serves as the secretariat for the Board of Directors, provides necessary explanations and information to support external directors. For the purpose of ensuring smooth proceedings and lively debate at board meetings, we conduct pre-meeting briefings for all external directors and external Audit & Supervisory Board members regarding board meeting agenda items. In addition, we strive to promote greater understanding of our business in part by regularly conducting property tours.

At the request of the Audit & Supervisory Board, we assign personnel to serve as staff for external board members to encourage the smooth execution of audit procedures. To enable full-time Audit & Supervisory Board members to acquire information needed to perform their duties, we have established a system that ensures they can attend Board of Directors and Executive Committee meetings, receive regular reports from the independent auditor and various departments, and exchange opinions with these parties whenever necessary.

Highlights

Selection of the Head External Director and Initiation of the External Directors Meeting

Under the new medium-term management plan, external directors mutually selected a head external director to strengthen communication and coordination with management and collaboration with the Audit & Supervisory Board and its members. Furthermore, we decided to regularly convene the External Directors Meeting, comprised exclusively of external directors, to facilitate independent and objective information exchange, shared understanding, and the acquisition of necessary knowledge. The meeting provides external directors with opportunities for discussion, site visits, and interaction with executive officers and general managers who are candidates for future management roles, with the aim of contributing to the enhancement of corporate value over the medium to long term.

Corporate Governance

Working to Enhance the Effectiveness of the Board of Directors

Evaluation of the Effectiveness of the Board of Directors

We conduct an annual survey of all directors and Audit & Supervisory Board members regarding the composition, agenda items, and operation of the Board of Directors, with the support of a third-party organization. Below is an overview of the effectiveness evaluation for fiscal 2024.

Evaluation Process and Criteria

Evaluation Process	(1) Administer questionnaire survey to all directors and Audit & Supervisory Board members (2) Aggregate, analyze, and share results with the Board of Directors (3) Discuss future issues and corresponding measures
Criteria	Composition: Ratio of external directors, total number of directors, areas of expertise, and diversity Agenda items: Number of proposals, content, and monetary thresholds Operation: Number of meetings, length of meetings, provision of pre-meeting briefings, explanatory materials used, time taken for explanation, and content of reports Other: Support systems for external officers and approach to training

Results of Evaluation

As a result of our evaluation, we confirmed that the effectiveness of the Board of Directors has been adequately ensured. In fiscal 2024, we made effective use of frameworks such as the Management Discussion Board to invigorate discussions on medium-to-long-term management issues and enhance the support system for external directors. The results of the fiscal 2024 evaluation and ongoing issues are as follows.

Main Evaluation Criteria	Evaluation	Ongoing Issues
Composition	The number of directors and the ratio of internal to external directors are generally appropriate.	Improvement is desirable with respect to ensuring the expertise and diversity of board members.
Agenda items	The number of agenda items is generally appropriate.	Review of the monetary threshold for agenda submissions is desirable, and additional discussion of medium-to-long-term management issues is needed.
Management	The frequency and the length of meetings are generally appropriate. The support system for external directors improved from the previous fiscal year.	The timing of pre-meeting briefings requires improvement, as do explanatory materials and time allotted for explanation.

Major Agenda Items for the Board of Directors

In fiscal 2024, the Board of Directors received reports on and deliberated various key matters. Among them were efforts to strengthen governance, including the disposal of cross-shareholdings. The following is a list of those matters.

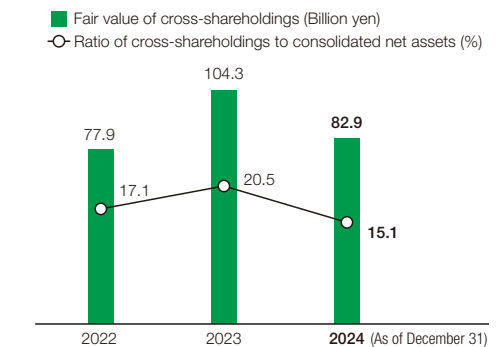
Classification	Main Agenda Items
Matters related to management strategy	Business and finance <ul style="list-style-type: none"> Approval of annual accounts and budget, funding plans and investment policies Approval of business plans for the fiscal year Approval of medium-term business plan update
	ESG <ul style="list-style-type: none"> Verification of the rationale for cross-shareholdings, confirmation of the policy on their reassessment, and approval of disposals Confirmation of the results of the evaluation of the effectiveness of the Board of Directors and consideration of measures for further improvement Approval of risk management policy and implementation report
	Other <ul style="list-style-type: none"> Approval of measures to address the request from Tokyo Stock Exchange to take "action to implement management that is conscious of cost of capital and stock price"
Stock-related matters	<ul style="list-style-type: none"> Convocation of the General Meeting of Shareholders and determination of proposals to be submitted Approval of appropriation of surplus and dividend policy
Other matters	<ul style="list-style-type: none"> Progress report on major projects and other key initiatives

Cross-Shareholdings

We acquire and hold shares in other companies as cross-shareholdings for purposes other than pure investment when we determine that maintaining and strengthening business relationships will contribute to the medium- to long-term enhancement of the Group's corporate value. Each year, we assess the appropriateness of individual cross-shareholdings from the standpoint of whether they contribute to increasing the Group's corporate value. This assessment is based on factors such as past and projected transaction activity in areas including real estate, joint ventures, construction and equipment, and finance, as well as dividend performance.

In addition, at least once each year, we report to the Board of Directors on the results of cross-shareholding assessments and status of disposals. For holdings deemed to be no longer strategically significant, we proceed to reduce them while considering potential impacts on the stock market and other factors. We disposed of several blocks of shares in fiscal 2024. We will continue to reduce cross-shareholdings in line with our medium-term business plan target of less than 10% of consolidated net assets by the end of fiscal 2027.

Fair Value of Cross-Shareholdings and Ratio to Consolidated Net Assets



Corporate Governance

Remuneration of Directors

Regarding the remuneration of directors (excluding external directors), we aim to instill awareness among them of their responsibility to contribute to increasing corporate value not only in the short term but also over the medium to long term. To this end, a portion of their remuneration is linked to business performance and stock price under the system we have adopted.

Basic Policy

The remuneration of directors (excluding external directors) comprises fixed remuneration, performance-based remuneration, and stock-based remuneration. The allocation among these elements is appropriately determined based on the policy for determining the allocation of payment by remuneration type for directors. The total amount of remuneration for each director is decided by the Board of Directors following consultation with the Remuneration Advisory Committee. The remuneration of external directors and Audit & Supervisory Board members is limited to fixed remuneration in consideration of their duties.

To clarify the link between director remuneration, corporate performance and shareholder value, the Company determines performance indicators and the calculation method for performance-based remuneration by comprehensively considering factors such as business profit for the current fiscal year, ROE, shareholder returns, ESG initiatives, progress under the medium-term business plan, economic conditions, and the business environment.

Policy for Determining the Allocation of Payment by Remuneration Type for Directors

		Fixed Remuneration	Performance-Based Remuneration	Stock-Based Remuneration
Positioning		Basic remuneration	Short-term incentive	Medium-to-long-term incentive
Variability		—	Linked to single-year performance	Linked to stock price
Proportion of total remuneration (approx.)	President and Chief Executive Officer Chairman of the Board	40%	40%	20%
	Other directors	50%–60%	30%–40%	5%–10%
Timing of payment		Monthly	Monthly	Upon retirement, in principle

System for Decision-Making

Having been delegated by the Board of Directors, the Representative Director, President and Chief Executive Officer prepares proposals each fiscal year for fixed and performance-based remuneration amounts for individual directors in line with their rank and responsibilities. Following consultation with the Remuneration Advisory Committee, the Representative Director, President and Chief Executive Officer determines the final amounts.

Remuneration Structure

Fixed Remuneration (For All Directors)

Up to 35 million yen per month (420 million yen per year)¹

Performance-Based Remuneration (For Directors, Excluding External Directors)

Capped at 1% of consolidated ordinary profit and 2% of profit attributable to owners of parent for the previous fiscal year²

Stock-Based Remuneration (For Directors, Excluding External Directors)

Based on the stock-based remuneration system using a board benefit trust scheme, directors are awarded a maximum of 40,000 points per fiscal year (equivalent to 40,000 shares). Upon retirement, directors are awarded Company shares and/or a cash amount corresponding to the market value of the shares, based on the total number of points accumulated.³

Audit & Supervisory Board Member Remuneration

Remuneration of Audit & Supervisory Board members is limited to fixed remuneration, determined according to whether the member serves in a full-time or part-time position, and is capped at 8 million yen per month (equivalent to 96 million yen per year).¹

1. Based on a resolution of the 190th Ordinary General Meeting of Shareholders held on March 28, 2008

2. Based on a resolution of the 195th Ordinary General Meeting of Shareholders held on March 28, 2013

3. Based on a resolution of the 200th Ordinary General Meeting of Shareholders held on March 28, 2018

Total Amount of Remuneration, Total Amount of Remuneration by Type, and Number of Eligible Individuals (FY2024)

Officer Classification	Number of Eligible Individuals	Total Amount of Remuneration by Type			Total Remuneration (Million yen)
		Fixed Remuneration (Million yen)	Performance-Based Remuneration (Million yen)	Stock-Based Remuneration (Million yen)	
Directors (Excluding external directors)	8	348	203	86	638
Audit & Supervisory Board members (Excluding external members*)	2	55	—	—	55
External officers	7	60	—	—	60
Total	17	464	203	86	754

* Two external members