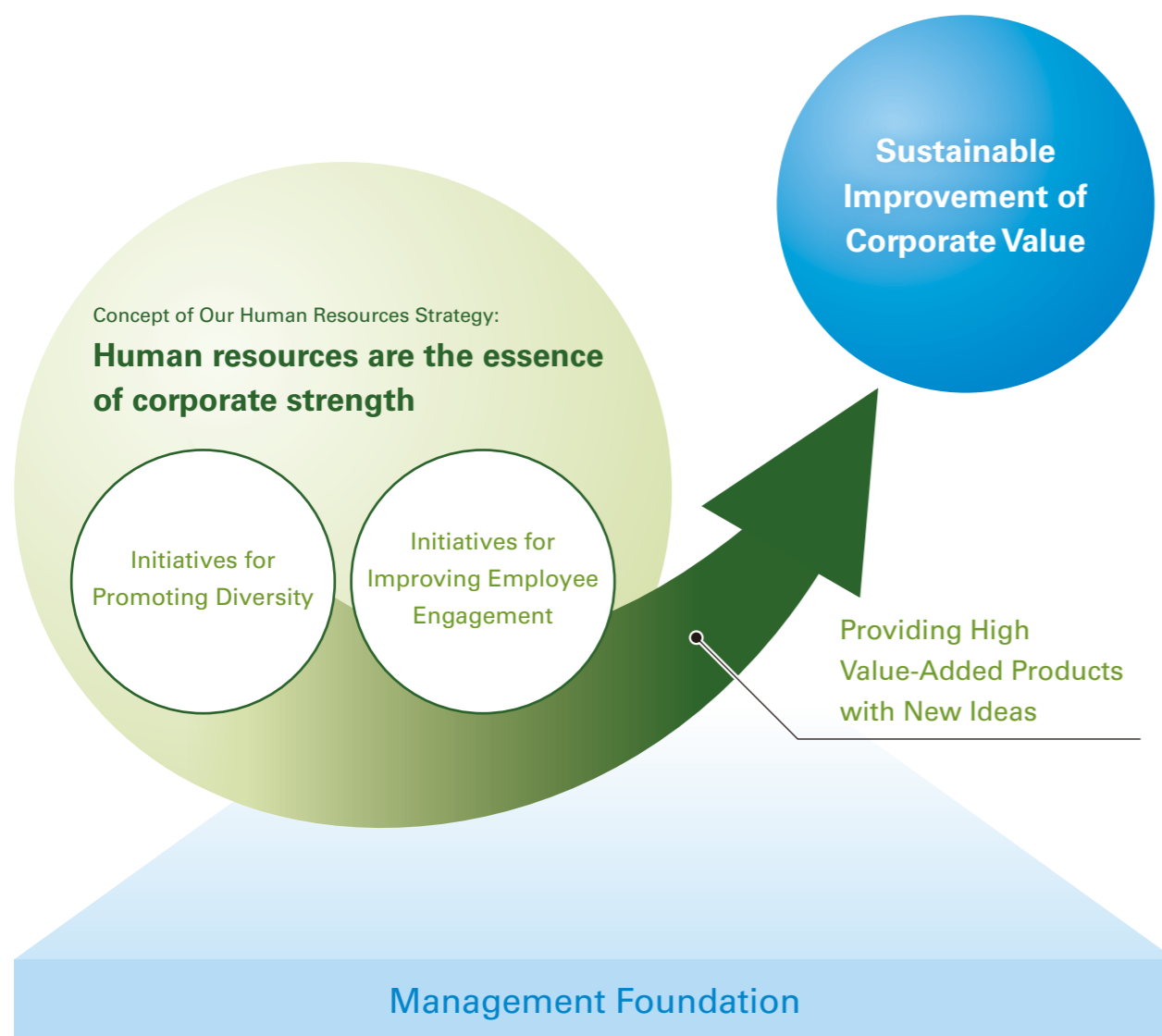


Human Resources

Basic Approach	Based on our Mission Statement of "Love," we conduct people-oriented management under a Management Philosophy that views human resources as the essence of corporate strength. We recognize human resources as an exceedingly important asset and a source of realizing the sustainable improvement of corporate value. Keeping individual employees highly motivated and challenging higher goals ambitiously will enable a corporation to grow sustainably. We believe that the basis for achieving sustainable growth is for a corporation to provide opportunities for the development of skills and careers of individual employees and to support them in achieving self-actualization so they can deliver their full potential, as well as develop a fair and convincing personnel system and pay.
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Promoting Diversity and Inclusion

The Company hires diverse human resources, regardless of age, gender, nationality, disability, or other such characteristics, and provides opportunities and environments where they can demonstrate their maximum strengths, individuality, and abilities. We pursue more comfortable and rewarding work environments and aim for the sustainable improvement of corporate value.



Promoting the Empowerment of Diverse Human Resources

The Company is promoting efforts to create an internal environment in which diverse human resources are empowered.

Improving the Ratio of Female and Foreign Nationals in Managerial Positions

As of March 31, 2023, the ratio of women and foreign nationals in managerial positions is 1.3%, and this is a major issue for the industry, as well. In order to increase this ratio going forward, we will hire women and foreign

nationals for career-track positions, and expand the population of candidates for managerial positions. At the same time, we will first expand the pool of section managers who are candidates for future managerial positions and promote the training of women and foreign nationals, and then promote them to managerial positions at an early stage in order to achieve our long-term goals.

Furthermore, as the ratio of mid-career hires in managerial positions already exceeds 60%, and management is carried out by managers with diverse experience, we will maintain this level going forward.

	As of March 31, 2021	As of March 31, 2022	As of March 31, 2023	Long-Term Targets
Number of female or foreign managers (ratio)	2 (1.5%)	2 (1.4%)	2 (1.3%)	(10.0%)
Number of female or foreign section managers (ratio)	4 (5.2%)	6 (8.0%)	7 (9.6%)	(20.0%)
Number of women or foreign nationals hired for career-track positions (ratio)	7 (22.6%)	5 (23.8%)	7 (20.6%)	(30.0%)

Occupational Track Change

With the aim of promoting self-motivated, autonomous career development, we provide opportunities to change occupational tracks from dedicated administrative positions to career-track positions, once every two years. Female employees who have been in dedicated administrative positions can expand their field of activity if they wish to do so. Employees can now freely choose the form, location, and occupational track of their work in accordance with their own career and life plans, which encourages them to take on new challenges.

Employment of Persons with Disabilities

As of March 31, 2023, our employment rate for persons with disabilities was 2.08%, which is lower than the legally mandated employment rate of 2.3%. In this regard, we are continuing our hiring activities with the aim of meeting the legally mandated employment rate. Our Gunma Factory promotes the employment of persons with disabilities in order to contribute to the local community. We also provide company training for current students at a special support school in Gunma Prefecture, as well as company information meetings in Kiryu City, with the aim of supporting employment for persons with disabilities. Going forward, the Company will continue to work with the community to employ persons with disabilities.

Achieving Diverse Workstyles

With our DX policy, our employees are realizing diverse ways of working, partly because we are improving our IT environment. As for remote working, not only administrative staff and the technology integration team, but also employees who are going through life stages such as child-rearing are practicing it. In addition, we encourage employees in sales positions to return directly home after work, and have implemented flexible working hours to allow employees to choose the workstyle that suits them best. Going forward, we will further promote DX and business process innovation. We will also introduce communication tools and platforms through which we can share our vision and measure results, regardless of where and when employees work.

As for the way employees are evaluated, to encourage employees who want to work, we are shifting to a system that emphasizes results such as improving efficiency or productivity rather than focusing on hours worked or how earnestly tasks are executed. The current situation where workstyle reform is progressing rapidly presents the optimum opportunity to defy conventional thinking. Through trial and error, the Company will promote workstyle reform that enables employees to choose workstyles and produce the best results.

Maternity Leave, Childcare Leave, and Shorter Work Hours for Childcare

In order to realize diverse work styles, we are expanding our systems for pre- and post-natal leave (“maternity leave”) and childcare leave (“childcare leave”), and are creating an environment that makes it easier for employees to take leave. In the fiscal year ended March 31, 2023, a male employee took childcare leave for the first time at the

Company. The number of male employees who took childcare leave has increased from one in the fiscal year ended March 31, 2023, to three in the fiscal year ending March 31, 2024. In the past five years, the return to work rate after taking maternity/childcare leave has stood at 100%, and we are creating an environment that makes it easy for employees to return to work, as employees are also able to take shorter work hours for childcare.

TOPICS

Coin System

This personnel system is intended to improve Company-wide productivity, by promoting mutual assistance utilizing differences between busy times and downtimes between regions and departments. Departments that receive help pay Coins that can be converted into rewards, as gratitude to the other departments. Expanding this circle of mutual assistance not only reduces overtime work, but also improves skills and standardizes operations. Expressing gratitude in the form of Coins will also increase employee motivation. In related industries, there are significant differences in workload between busy times and downtimes depending on the region. While we hear opinions such as “The busy season is approaching, I’ll have to work a lot of overtime” and “I want to have more staff even just for this month,” there are also people who are saying “I want to work more” at our bases during downtimes. Remote working has become popular due to the COVID-19 pandemic, and it is now possible to provide remote support regardless of work location or department. Using this opportunity, we started test operations of the Coin System from April 2022 in order to match bases. Beginning with simple tasks, the Coin System has spread steadily, through work flow reforms and standardization. With a focus on people, which is one of Takamiya’s strengths, this system serves as one of the pillars of our Corporate Philosophy of creating an environment in which employees care about one another, always work hard together, and can grow together.

Efforts to Enhance Engagement

In order to achieve corporate goals and implement management strategies, it is ideal that a corporation shares management vision with employees, based on which employees voluntarily act toward the goals while identifying and solving issues. On the other hand, if employees only deal with immediate tasks, it is difficult for them to sustain their motivation in the long run. Instead of a mere give-and-take relationship, we aim to establish a high-level relationship (engagement) where both management and employees can understand each other and benefit from a win-win situation.

In addition to the intranet, digital signage, and paper in-house newsletters, a “web in-house newsletter” was launched from the fiscal year ended March 2023 to enable employees to deepen their understanding of management conditions, Company policies, and other in-house information in real time. In addition, each department holds in-house seminars to disseminate information to other departments. We are laying the groundwork for individual employees to identify tasks to tackle and independently work toward the accomplishment of the tasks.

Capability Development and Development of Autonomous Employees

Development of autonomous employees requires an improved work environment. We are working on such matters as providing information to facilitate logical thinking, creating a corporate culture that encourages taking on challenges, establishing an appraisal system that rewards tangible results, developing measures to assist in creating ideas, and creating a mechanism to assist in self-improvement. These initiatives, coupled with the individual values of employees, will generate diverse ideas and lead to a respect for diversity that we promote.

Refresh Leave System

We have introduced various leave systems as part of our efforts to create an environment in which employees want to keep working at the Company. The refresh leave system allows employees who have been with the Company for four years or longer to take up to four weeks of vacation, from their birthday, which is a milestone. Employees aged 25, 35, 45, and 55 will receive a week off including their birthday as “Refresh 5,” while those aged 30, 40, 50, and 60 will receive one to four weeks off from their birthday as “Refresh 10.” Employees taking Refresh 10 will also receive an allowance if they travel during that period.

Office Reforms

Transforming Offices from Workspaces to Places of Rest and Healing

We are creating a more comfortable work environment, in order to increase the engagement of our employees.

Remote work has become increasingly popular since the spread of COVID-19. However, while remote working is free from burdens related to commuting and allows one to work flexibly, we have identified increased occasions for employees to feel stressed, such as insufficient consultation and communication on work, difficulty in switching between work and private life, and lack of change in the scenery because one stays at home for a significantly longer period of time. This has led to the opportunity to review the value of offices. Consequently, we believe that the office needs to perform the function of a communication and rest platform more than ever.

We are renewing the offices of each business under the concept of “a place to rest and heal.” In order to activate communication among employees, which is lacking with remote working, we have increased the proportion of open spaces and refreshment spaces, such



as cafés and sofa-style living rooms, and have kept office spaces to a minimum. We have eliminated the factors that fix where and when employees work by introducing a flexible working hours system in addition to a free-address system. Furthermore, we have introduced a cloud system and installed multiple monitors to remotely connect with our offices across the country to enable close communication without being restricted by distance. We have also created an environment in which individual achievements can be visualized and evaluated fairly, even if workstyles change. Open spaces and a small, modern Japanese-style room have been set up for casual exchanges of ideas, creating an office where flexible ideas can emerge without being restricted by conventional thinking.

TOPICS

Incentive System for Employee Stock Ownership Plan

Since April 2021, we have raised the incentive amount for stock purchase through the employee stock ownership plan from 5% to 10%. We support the asset formation of employees through the employee stock ownership plan, and at the same time, we aim to enhance the engagement of employees by having them hold Company stock. We believe it is vital that employees and the Company are aligned in the same direction for the sake of respecting individual values and improving corporate value. We are promoting initiatives so that the success of the Company translates into the happiness of employees.

Human Resource Investment

The Company actively invests in human resources based on a people-oriented Management Philosophy. With the purpose of improving skills and reskilling our employees, we are not only implementing various training programs and enhancing our education system, but are also implementing initiatives to maximize employee performance, such as introducing our own incentive system.

Training and Education System

The Company provides training in accordance with each employee’s career plan, including new employee training, follow-up training for young employees, and training for new managers. In addition, we have a variety of measures to assist the growth of our employees, such as skill improvement projects and a mentor system initiated by young employees.

Incentive System

The Company has introduced an incentive system that is different from regular bonuses. We provide incentives according to the degree to which each employee achieves

the goals they have set for themselves. From the fiscal year ended March 31, 2023, we have started a DX incentive system with the aim of accelerating DX promotion within the Company, and we will provide incentives based on the evaluation of efforts toward targets. In the fiscal year ending March 31, 2024, we will increase our DX incentives, with the aim of further promoting DX and developing DX human resources.

	FY Ended March 31, 2022	FY Ended March 31, 2023	FY Ending March 31, 2024
		DX incentives	DX incentives
Incentives		Incentives	Incentives
Regular bonuses	Regular bonuses	Regular bonuses	Regular bonuses

Environment

Basic Approach	When we founded the business, the majority of scaffolding used at construction sites in Japan was made of wood. The idea of a rental business came about from our thoughts on how we can utilize wooden scaffolding, which is normally disposed after being used several times. Our start to the rental business was triggered by the import of steel scaffolding from abroad. The Group's underlying ideal is to use limited resources effectively and help realize a sustainable society.
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Supporting Infrastructure

Our products contribute to the development of infrastructure. In order to continue using aging infrastructure, it is necessary to perform regular maintenance. We provide a lineup of products that can be used for maintenance and repair work on buildings, highways, bridges, etc.

In addition, we also have a lineup of products that minimize damage to infrastructure caused by natural disasters, such as building materials with earthquake resistance and damping functions, and Tiger Dam water bags, a flood prevention system that does not require the use of sandbags and is suitable for preventing flooding from torrential downpours caused by the occurrence of large typhoons and linear rainbands.



Reducing Greenhouse Gas Emissions Iq System Next-Generation Scaffolding

Compared to conventional scaffolds, the Iq System is more efficient in terms of loading and transportation, thereby enabling transport using fewer vehicles and reduction of greenhouse gas emissions. Lightweight high-tensile steel pipes are used as the material for the support columns, enabling a weight reduction of up to 2 kg per column. It also saves storage area space by 50%, significantly increasing the loading capacity of trucks

along with the weight reduction. The number of vehicles used for transportation can be reduced by approximately 30%, which contributes to the reduction in greenhouse gas emissions.

Equipment Bases

With Equipment Bases, we strive to reduce greenhouse gas emissions that are generated during the shipping process, such as when loading products onto vehicles. At conventional equipment storage sites, it takes up to a maximum of two hours to complete loading procedures. At some Equipment Bases, by installing fast lanes that allow priority loading and introducing truck scales, loading times can be shortened to roughly 30 minutes, thereby reducing greenhouse gas emissions from vehicles that are waiting to be loaded. In addition, with Equipment Bases we have introduced electric forklifts that do not rely on fossil fuels, as well as solar power generation installed within the facility, enabling self-production and self-consumption of electricity.

Photovoltaic-Related Products

We promote power generation with renewable energy by manufacturing and selling photo-voltaic related products. We manufacture solar panel installation frames using the metalworking technologies we have cultivated through the development of temporary equipment. The cumulative contract record for POGERO, a next-generation solar carport that can generate electricity from sunlight, has exceeded 4,428 kW (12,059 panels, parking for 1,536 vehicles) on a DC (direct current) installation capacity basis. This product can be installed at parking spaces where it would be difficult to install solar panels.



Safety

Basic Approach	At construction sites, our basic concept is safety first. Safety is given top priority in the development and manufacturing process of products that are used on-site. We support the foundation of social life by ensuring quality, value, and safety in each process from product development and manufacturing to usage.
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Initiatives for the Improvement of Safety Our Own Quality Control Standard

A certain quality control standard formulated by the industry applies to temporary equipment provided in the rental business. In addition to following the quality control standard of the industry, we adopt and operate our own quality control standard that is a level higher than the industry standard. We also regularly conduct performance tests by a third-party organization and strive to control the quality of our temporary equipment with the goal of preventing product-related problems, thereby always providing our customers with safe and reliable equipment.

Thoroughly Implement Safe Installation

We consider on-site safety to be an important element of quality just like product quality. At scaffolding installation sites we manage, we set our safety control indicators, and

provide high-quality construction with the goal of zero accidents based on thorough safety control.

In addition, to improve safety awareness, we conduct scaffolding safety and health workshops as well as legally mandated education for our employees and customers. Our training programs allow participants to acquire not only basic knowledge in the use of scaffolding, but also specialized knowledge.

Number of Education Courses Implemented in the Fiscal Year Ended March 31, 2023

4 special education courses such as scaffolding assembly
7 courses on special education on full-harness type fall prevention equipment
3 training courses for foremen and health and safety managers
1 course on training to improve the ability (such as in scaffolding assembly) of work chiefs
1 course on special education on slinging operations
3 courses on special education on oxygen deficient/hydrogen sulfide hazardous work
2 courses on special education for workers handling asbestos

Trust of Customers

Basic Approach	Staying worthy of the trust of customers is the most important theme of the Company. Customer needs are becoming sophisticated day by day in such aspects as safety, efficiency, and response to DX in construction. In order to satisfy these needs, we provide services from our platform. We continue to improve and evolve our platform and aim to be a company that is always chosen by our customers based on the relationships of trust gained through these efforts.
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Initiatives to Earn the Trust of Customers Joint Product Development

We receive inquiries on products and services every day. Feedback received through the Sales & Marketing Division is shared with related departments in the Company, and reflected in the process of improving our products and services. Some customers bring us requests and ask for consultation related to the development and improvement of products. In order to materialize customer requests, the Sales & Marketing Division implements interviews in detail to unearth information including the background of requesting development, key attributes required for the products, and preferred prices, and shares this information with the Product Development Division to reflect in product design. We pursue the commercialization of products through repeated dialogue with customers, with

participation by the Product Development Division. In the process, we also make related proposals to our customers regarding easy-to-stow or easy-to-handle features, packing style in transportation, and mass production for supply as rental products.

Visualization of Equipment Management

At the Equipment Base attached to Takamiya Lab. West, we have installed truck scales to manage shipment return data as they enter and exit the facility, in order to reduce unloading errors. In addition, significantly more cameras have been installed than at a typical Equipment Base, and we accumulate evidence regarding the number of personnel, management, acceptance inspections, and maintenance, and conduct issue and data analysis to prevent human error and increase reliability.

Dialogue between Outside Directors



We will support Takamiya's sustainable growth while fulfilling management oversight and supervision functions.

In June 2022, Takamiya transitioned to a Company with an Audit and Supervisory Committee. Under this new structure, the Company is currently working to improve the effectiveness of governance and implement management strategies from a medium- to long-term perspective. In this discussion, three outside directors (Audit and Supervisory Committee members), Yoshihiro Sakatani, Teiji Joko, and Sachie Kato, held an open exchange of opinions on Takamiya's management structure and growth strategy.

Looking back since taking up our posts

Mr. Sakatani: Since June 2022, all three of us have played a role in Takamiya's management as outside directors (Audit and Supervisory Committee members). I have been a corporate auditor since 2005, while Mr. Joko has been a corporate auditor since 2017. Ms. Kato joined Takamiya's management as an outside director (Audit and Supervisory Committee member) in June 2022. Today, I would like to have an open exchange of opinions on Takamiya's governance and growth strategies based on the initiatives undertaken since we took up our posts.

Mr. Joko: In June 2022, Takamiya transitioned from a Company with a Board of Corporate Auditors to a Company with an Audit and Supervisory Committee. However, I do not think there has been any significant change in the actual state of governance since the transition. The Takamiya Group operates under the strong leadership of Representative Director, President and Chairman Kazumasa Takamiya (hereinafter, "President Takamiya"), with all information being gathered by President Takamiya. I believe that most corporate governance issues arise from the failure to share and communicate information properly. From this perspective, we can say that governance is fully effective at Takamiya.

Mr. Sakatani: Of course, governance will not function properly if top management acts arbitrarily on their own authority. However, President Takamiya calls on each director to have an even stronger commitment to management, and listens earnestly to the opinions of outside directors and Audit and Supervisory Committee members. Since my appointment as a corporate auditor, I have spoken freely about the appropriateness and issues of the Company's governance and business strategies. As long as a free and open corporate culture is not lost, I believe Takamiya's governance will continue to be effective.

Ms. Kato: I have only been serving as an Audit and Supervisory Committee member for about a year. As such, I am currently working to deepen my understanding of the current state and issues of the Company. With regards to Takamiya's governance system, as Mr. Joko stated, I have the impression that President Takamiya is making swift and appropriate decisions. However, based on my experience as a director and a corporate auditor at several other companies, I feel that there are many issues that need to be addressed going forward, such as exchanging opinions on the development and selection of President Takamiya's successor, and developing closer communication between directors and Audit and Supervisory Committee members and each division within the Company.

Takamiya's medium- to long-term vision and growth strategy

Mr. Sakatani: Because outside directors (Audit and Supervisory Committee members) have voting rights on important management issues, it is necessary for us to carry out our duties with a greater sense of responsibility and mission than ever before. Going forward, we shall have a deeper discussion about the successor issue and the strengthening of cooperation between management and the executive side that Ms. Kato has pointed out. Now, could you both tell us about your perspectives and views toward Takamiya's medium- to long-term growth strategy?

Mr. Joko: I believe that a business model transformation is essential for Takamiya to continue achieving sustainable growth going forward, and that market penetration of the high-value-added Takamiya Platform is needed as a step toward achieving this. I think we will be able to establish a stronger earnings base by having all employees, from

management to each and every worker at our worksites, share the Company's vision and strategies and work to expand the platform business, a new growth driver.

Ms. Kato: When I was approached about becoming an outside director (Audit and Supervisory Committee member), I had the opportunity to speak directly with President Takamiya. I vividly remember President Takamiya speaking passionately about the future potential of the Takamiya Platform. One of the most important requirements for a company to fulfill its mission is that top management has a clear vision and presents it throughout the company in an easy-to-understand manner. I believe that Takamiya will be able to pioneer a new stage of growth if all employees working within the Group fully accept President Takamiya's view and work together toward achieving their goals.

Mr. Sakatani: As you pointed out, a key to achieving medium- to long-term growth is how to unify the awareness of employees and how to collect the Company's management resources. Human resources are the source of a company's growth potential. In order to drastically reform its business structure and earnings structure, the Company needs to fundamentally change the awareness of employees, including their understanding of changes in the business environment.



Mr. Joko: I believe that the Takamiya Platform is extremely important and an appropriate concept for Takamiya's value creation. The challenge the Company faces going forward is laying the foundation to make this new business vision a reality. The Company needs to build and strengthen its infrastructure in order to actively develop the platform business, including securing and training personnel and implementing R&D in the automation field.

Ms. Kato: As both of you have mentioned, the enhancement of human resources, technology, intellectual property, and digital transformation (DX) is essential to achieving sustainable growth. I would like to keep an eye on Takamiya's efforts on this front to see how the Company handles these issues and how it leverages them to develop new businesses.

Contribution to the sustainability of the environment and industrial society

Mr. Sakatani: From a medium- to long-term view, contributing to the sustainability of the environment and to the industry and society will also become an important management theme. Takamiya's greatest contribution to society is the provision of optimal solutions to various issues in industrial society through its core businesses, such as the temporary equipment-related business and agriculture businesses. I also believe that the expansion of new services that combine hardware and software, as



well as efforts to save manpower and labor through digitalization, will increase the productivity of various industries and, as a result, lead to energy conservation and a reduction in environmental impact.

Mr. Joko: I agree. In order for the Company's contributions to sustainability to be effective to a certain degree, I believe a certain level of corporate scale is needed. By expanding its operations through its own efforts, Takamiya will also expand the social value that it can provide. I believe that the Company can contribute to the realization of a more prosperous society by developing new technologies that contribute to reducing labor and conserving energy, as well as by steadily promoting workstyle reforms and office reforms, which are the basic policies set forth in the Medium-Term Management Plan.

Ms. Kato: I strongly feel that President Takamiya's management stance encompasses society at large. Considering what Takamiya can do to provide greater benefits to society as a whole is at the core of management judgment and decision-making. I would also like to emphasize Takamiya's focus on promoting diversity with a focal point on supporting diverse human resources taking a more active role, and on fostering an open and fair corporate culture.

Mr. Sakatani: Another one of Takamiya's strengths is the high level of transparency in management. In companies where a president and owner demonstrates strong leadership, there are cases where the stance toward reflecting the ideas of stakeholders into management and company operations has weakened. However, Takamiya is committed to providing information to its stakeholders in a timely and accurate manner, and is striving to establish a highly transparent governance system. As there is currently strong demand for private companies to fulfill their social responsibilities, I think Takamiya's stakeholder-focused management will prove to be a major strength.

Mr. Joko: I believe that the transparent management both of you mentioned will also lead to appropriate valuations by the capital market. Takamiya was originally a niche business entity, and temporary equipment, its main product, is not familiar to the general public. I think disseminating its medium- to long-term vision, growth strategies, and initiatives for creating social value through appropriate information disclosure is an effective method

to boost investors' interest and enhance their understanding of Takamiya.

Ms. Kato: While investors already understand that Takamiya is not just a "scaffolding provider," I think its attempts at company reforms centered on transformation, innovation of the Takamiya Platform, and its influence on industrial society have not yet been fully communicated. I think the Company needs to fully utilize a variety of media, including financial results briefings, integrated reports, and its website, to further exhibit Takamiya's future potential.

Working toward further evolution of the Takamiya Group

Mr. Sakatani: Even before ESG management started gaining attention, Takamiya had achieved steady growth while focusing on business development with an emphasis on safety, environment, and workability, and the enhancement of its governance structure. Moreover, in recent years, under President Takamiya's policies to allocate more funds to human resource development rather than to expanding its lineup of materials, we have continued to strengthen human capital, a crucial foundation in achieving company growth. These efforts have resulted in further improvement in the employee retention rate and fostered a more broad-minded and open corporate culture in these few years.

Mr. Joko: Takamiya is currently breaking away from its old image of being a scaffolding company that supports the construction industry, and is establishing a reputation as an advanced corporate group that offers unique value proposals to industrial society. Employees share the Company's new corporate vision, strategies, and goals, while also taking pride in their daily duties. This has led to a stronger sense of unity throughout the organization.

Mr. Sakatani: Hearing the opinions of both of you has further clarified Takamiya's competitive edge as well as its management issues that need to be addressed more quickly. Finally, I would like to ask you about your ambitions for the future, including Takamiya's future prospects. As for myself, I believe that the most important role of outside directors and Audit and Supervisory Committee members is to thoroughly supervise whether top management's decision-making is appropriate. The decisions of top management have a significant impact on



the success of growth strategies and on earnings performance, especially for companies like Takamiya that are operating under exceptional leaders. I will continue to support Takamiya going forward while working to improve the effectiveness of its governance.

Mr. Joko: I will leave the formulation and implementation of specific business initiatives to the executive officers with deep knowledge of the market and Takamiya's products and services. My role is to check at major turning points, such as the execution of large-scale investment projects and business model reforms, whether the direction of the Company is in the interests of stakeholders. I will keep an eye on industry trends as well as economic and social trends on a daily basis so that I can provide appropriate advice in such cases.

Ms. Kato: Under the Medium-Term Management Plan that was launched in May 2021, Takamiya has carried out various initiatives related to the enhancement of its business structure and steadily produced results. Meanwhile, there are also issues that need to be addressed, such as the active promotion of diverse human resources to managerial and executive positions, the development of personnel who will be responsible for implementing DX, and the establishment of a new department that will comprehensively oversee the Company's strategies. As an Outside Director (Audit and Supervisory Committee member), I have high expectations for Takamiya's future initiatives, and I will supervise and monitor them closely.

Directors, Audit and Supervisory Committee Members, and Executive Officers

Directors and Audit and Supervisory Committee Members

Name	Kazumasa Takamiya	Akiyoshi Takamiya	Tsutomu Abe	Hideki Yasuda	Yuki Mukaiyama	Tomoya Tatsumi	Kazunori Kawakami	Kouji Shimokawa	Noboru Furuichi	Yasushi Shimizu	Yoshihiro Sakatani	Teiji Joko	Sachie Kato
Position	Representative Director, President and Chairman	Representative Director, Executive Vice President, Division General Manager of Takamiya Lab. Division	Director and Senior Managing Executive Officer	Director and Managing Executive Officer, Division General Manager of Corporate Strategy Division and Deputy Division General Manager of Takamiya Lab. Division	Director and Executive Officer, Division General Manager of Manufacturing Division and Deputy Division General Manager of Takamiya Lab. Division	Director and Executive Officer, Division General Manager of Business Management Division and Deputy Division General Manager of Takamiya Lab. Division	Director and Executive Officer, Division General Manager of Sales & Marketing Division and Deputy Division General Manager of Takamiya Lab. Division	Outside Director	Outside Director	Director (Full-Time Audit and Supervisory Committee Member)	Outside Director (Audit and Supervisory Committee Member)	Outside Director (Audit and Supervisory Committee Member)	Outside Director (Audit and Supervisory Committee Member)
Career summary	<p>Mar. 1992 Joined the Company</p> <p>Nov. 1995 Director and General Manager of Build Techno Rental Department</p> <p>Jun. 1997 Executive Director and Division General Manager of Build Techno Rental Division</p> <p>Jun. 2000 Director and Executive Vice President</p> <p>Jan. 2001 Representative Director and Executive Vice President</p> <p>Jun. 2002 President and Representative Director</p> <p>Jun. 2017 Representative Director, President and Chairman (current position)</p> <p>Jun. 2019 Supervisor of Scaffolding Management Division (current position)</p> <p>Apr. 2021 Supervisor of Product Development Division (current position)</p>	<p>Mar. 1995 Joined the Company</p> <p>Jun. 1997 Executive Officer and General Manager of Standby Multimedia Business Department and Retail Marketing Department</p> <p>Jun. 2000 Director and Senior General Manager of Management Division</p> <p>Jun. 2001 Executive Director, General Manager of Finance Department and Supervisor of Management Division</p> <p>Jun. 2002 Director and Executive Vice President, General Manager of Finance Department and Supervisor of Management Division</p> <p>Jun. 2013 Director of HIRAMATSU Co., Ltd. (current position)</p> <p>Apr. 2014 Director of ASAHU KOUGYOU Co., Ltd. (currently TOTAL TOSHISEI Co., Ltd.)</p> <p>May 2021 Representative Director and Chairman of ADMORI ATOM Co., Ltd. (current position)</p> <p>Apr. 2022 Senior Managing Executive Officer of the Company (current position)</p> <p>Apr. 2012 Representative Director and President of Hory Corporation</p> <p>Jun. 2012 Director and Executive Vice President of the Company</p> <p>Jun. 2016 Representative Director and Executive Vice President (current position)</p> <p>Apr. 2019 Supervisor of Sales & Marketing Division and Supervisor of Product Development Division (current position)</p> <p>May 2020 President and Representative Director of TOTAL TOSHISEI Co., Ltd.</p> <p>Apr. 2021 Supervisor of Scaffolding Management Division of the Company (current position)</p> <p>Apr. 2022 Division General Manager of Takamiya Lab. Division (current position)</p>	<p>Mar. 1991 Joined the Company</p> <p>Jun. 2005 Executive Officer and General Manager of Sales & Marketing Department II, Sales & Marketing Division</p> <p>Oct. 2008 Representative Director and President of ADMORI ATOM Co., Ltd.</p> <p>Feb. 2010 Executive Officer and Division General Manager of Sales & Marketing Division of the Company</p> <p>Jun. 2010 Director (current position)</p> <p>Apr. 2014 Director of ASAHU KOUGYOU Co., Ltd. (currently TOTAL TOSHISEI Co., Ltd.)</p> <p>May 2021 Representative Director and Chairman of ADMORI ATOM Co., Ltd. (current position)</p> <p>Apr. 2022 Senior Managing Executive Officer of the Company (current position)</p>	<p>Mar. 1990 Joined the Company</p> <p>Apr. 2008 Executive Officer and General Manager of Finance & Accounting Department</p> <p>Feb. 2010 Executive Officer and General Manager of Corporate Planning Department</p> <p>May 2011 Corporate Auditor of IWATA Co., Ltd. (current position)</p> <p>May 2011 Corporate Auditor of HIRAMATSU Co., Ltd. (current position)</p> <p>Jun. 2011 Director of the Company (current position)</p> <p>Jun. 2015 Managing Executive Officer and General Manager of Corporate Planning Department of the Company</p> <p>Apr. 2017 Managing Executive Officer and Division General Manager of Business Management Division</p> <p>Apr. 2021 Managing Executive Officer and Division General Manager of Corporate Strategy Division (current position)</p> <p>Apr. 2022 Deputy Division General Manager of Takamiya Lab. Division and Supervisor of Global Logistics Department Preparation Office (current position)</p> <p>Sep. 2022 Division General Manager of Overseas Business Division of the Company</p> <p>Oct. 2022 Director of DIMENSION ALL INC. (current position)</p> <p>Apr. 2023 Supervisor of Overseas Business Division (current position)</p>	<p>Mar. 1993 Joined the Company</p> <p>Jun. 2013 General Manager of Finance & Accounting Department</p> <p>Apr. 2015 Executive Officer and Division General Manager of Business Development Division of the Company</p> <p>Jun. 2015 Director (current position)</p> <p>Apr. 2019 Executive Officer and Division General Manager of Overseas Business Division of the Company Supervisor of Business Development Division and Global Procurement Division</p> <p>Apr. 2020 Executive Officer and Supervisor of Overseas Business Division and Business Development Division</p> <p>Apr. 2021 Managing Executive Officer and Supervisor of Global Procurement Division</p> <p>Apr. 2021 Executive Officer and Division General Manager of Manufacturing Division and Supervisor of Global Procurement Division</p> <p>Apr. 2022 Deputy Division General Manager of Takamiya Lab. Division (current position)</p> <p>Jun. 2022 Division General Manager of Global Procurement Division</p> <p>Apr. 2023 Executive Officer and Division General Manager of Manufacturing Division (current position)</p>	<p>Jul. 1995 Joined the Company</p> <p>Jun. 2013 General Manager of Finance & Accounting Department</p> <p>Mar. 2016 Director of IWATA Co., Ltd. (current position)</p> <p>Apr. 2017 Executive Officer of the Company</p> <p>Jun. 2017 Corporate Auditor of Hory Korea Co., Ltd. (current position)</p> <p>Jan. 2018 Corporate Auditor of Cadian Co., Ltd. (current position)</p> <p>May 2018 Corporate Auditor of Nakaya Kizai Co., Ltd. (current position)</p> <p>May 2019 Corporate Auditor of TOTAL TOSHISEI Co., Ltd. (current position)</p> <p>Corporate Auditor of ADMORI ATOM Co., Ltd. (current position)</p> <p>May 2020 Corporate Auditor of ECO-TRY Co., Ltd. (current position)</p> <p>Apr. 2021 Senior Executive Officer and Division General Manager of Business Management Division of the Company</p> <p>Jun. 2021 Director, Executive Officer and Division General Manager of Business Management Division (current position)</p> <p>Apr. 2022 Deputy Division General Manager of Takamiya Lab. Division (current position)</p> <p>May 2022 Corporate Auditor of Yame Kaisei Co., Ltd. (current position)</p>	<p>Apr. 1990 Joined the Company</p> <p>Apr. 2005 General Manager of Tokyo Branch</p> <p>Jun. 2005 Executive Officer and General Manager of Tokyo Branch</p> <p>Feb. 2010 Executive Officer and General Manager of Scaffolding Construction Department</p> <p>May 2013 President and Representative Director of ECO-TRY Co., Ltd. (current position)</p> <p>Apr. 2016 Senior Executive Officer, Deputy Division General Manager of Sales & Marketing Division and General Manager of Scaffolding Construction Department</p> <p>Apr. 2021 Senior Executive Officer, Regional Manager of Sales & Marketing Division, General Manager of Scaffolding Construction Department and General Manager of Tokyo Branch</p> <p>Apr. 2022 Division General Manager of Sales & Marketing Division and Deputy Division General Manager of Takamiya Lab. Division (current position)</p> <p>May 2022 Director of ADMORI ATOM Co., Ltd. (current position)</p> <p>Director of HIRAMATSU Co., Ltd. (current position)</p> <p>Director of Nakaya Kizai Co., Ltd. (current position)</p> <p>Jun. 2022 Director and Executive Officer, Division General Manager of Sales & Marketing Division and Deputy Division General Manager of Takamiya Lab. Division (current position)</p> <p>Oct. 2022 Director of TOTAL TOSHISEI Co., Ltd. (current position)</p> <p>Apr. 2023 Director and Executive Officer, Regional Manager of Sales & Marketing Division, General Manager of Scaffolding Construction Department and General Manager of Sales Force Department of the Company (current position)</p>	<p>Apr. 1985 Joined The Fuji Bank, Limited (currently Mizuho Bank, Ltd.)</p> <p>Aug. 1996 Established Shimokawa Accounting Office (currently Shimokawa & Partners Accounting Corporation)</p> <p>Feb. 2002 Representative Director of Shimokawa Accounting Office (currently Shimokawa & Partners Accounting Corporation)</p> <p>Jun. 2002 Corporate Auditor of the Company</p> <p>Jun. 2005 Director (current position)</p> <p>Dec. 2005 President of GLOBAL CORPORATE CONSULTING, INC.</p> <p>Apr. 2007 President of GLOBAL HUMAN COMMUNICATIONS, INC.</p> <p>Apr. 2016 Representative Partner of Shimokawa & Partners Accounting Corporation (current position)</p> <p>Sep. 2017 Chairman of the Board of GLOBAL CORPORATE CONSULTING, INC. (current position)</p> <p>Jun. 2018 Director of Mitsubishi Co., Ltd.</p>	<p>Apr. 1972 Joined New Japan Securities (currently Mizuho Securities Co., Ltd.)</p> <p>May 1997 General Manager of Corporate Planning Department</p> <p>Apr. 2000 Executive Officer and General Manager of Fukuoka Branch</p> <p>May 2002 Managing Executive Officer in charge of Investment Banking Department I, II</p> <p>Apr. 2005 Senior Managing Executive Officer, General Manager of Osaka Corporation Division and in charge of West Japan IB Sales Department</p> <p>May 2007 Representative Director and President of Shinko Investment Co., Ltd.</p> <p>Feb. 2008 Representative Director and President of Neostella Capital Co., Ltd.</p> <p>Jun. 2008 Advisor of Shinko Securities Business Services Co., Ltd.</p> <p>Jun. 2010 Audit & Supervisory Board Member of NIOHA STEEL WORKS, LTD.</p> <p>Jun. 2017 Director of the Company (current position)</p>	<p>Mar. 1988 Joined the Company</p> <p>Apr. 2017 General Manager of Information Systems Department, Business Management Division</p> <p>Jun. 2020 Corporate Auditor</p> <p>Jun. 2022 Director (Full-Time Audit and Supervisory Committee Member) (current position)</p>	<p>Oct. 1979 Joined Nishin Joint Corporation (currently Ernst & Young ShinNihon LLC)</p> <p>Jun. 2004 President and Representative Director of Japan Management Consulting K.K. (current position)</p> <p>Jul. 2004 Corporate Auditor of Pressance Corporation Co., Ltd.</p> <p>Jun. 2005 Corporate Auditor of the Company</p> <p>Feb. 2008 Auditor of KITAKEI CO., LTD. (current position)</p> <p>Nov. 2010 Corporate Auditor of Watts Co., Ltd.</p> <p>Mar. 2011 Corporate Auditor of SHO-BI Corporation (currently SHOBIDO Corporation)</p> <p>Jun. 2015 Director (Audit and Supervisory Committee Member) of Pressance Corporation Co., Ltd. (current position)</p> <p>Nov. 2015 Director (Audit and Supervisory Committee Member) of Watts Co., Ltd. (current position)</p> <p>Dec. 2015 Director (Audit and Supervisory Committee Member) of SHO-BI Corporation (current position)</p> <p>Mar. 2022 Director (Audit & Supervisory Committee Member) of KURIYAMA HOLDINGS CORPORATION (current position)</p> <p>Jun. 2022 Director (Audit and Supervisory Committee Member) of the Company (current position)</p>	<p>Apr. 1993 Registered as Attorney-at-law (Osaka Bar Association)</p> <p>Apr. 1993 Joined Yodoyabashi LPC (currently Yodoyabashi & Yamagami LPC)</p> <p>Jun. 2001 Outside Corporate Auditor of G-7 HOLDINGS Inc. (current position)</p> <p>Mar. 2016 Outside Corporate Auditor of Onamba Co., Ltd. (current position)</p> <p>Mar. 1983 Joined Chumo Sogo Law Office (currently Chuo Sogo Law Office, P.C.)</p> <p>Apr. 2014 Corporate Auditor of DyDo DRINCO, Inc. (currently DyDo Group Holdings, Inc.) (current position)</p> <p>Jun. 2015 Director of YAMAZEN CORPORATION</p> <p>Jun. 2015 Director of HESAKA WORKS, LTD.</p> <p>Jun. 2016 Director (Audit and Supervisory Committee Member) of YAMAZEN CORPORATION</p> <p>Apr. 2017 Corporate Auditor of DyDo GROUP HOLDINGS, INC. (current position)</p> <p>Jun. 2022 Director and Audit and Supervisory Committee Member of the Company (current position)</p>	
Skills matrix			Representative Director and Chairman of ADMORI ATOM Co., Ltd.				President and Representative Director of ECO-TRY Co., Ltd.	Representative Partner of Shimokawa & Partners Accounting Corporation			President and Representative Director of Japan Management Consulting K.K.	Representative Partner of Yodoyabashi & Yamagami LPC	Representative Partner of Professional Corporation, Chuo Sogo Law Office
Corporate management	●	●						●				●	●
Sales and marketing	●	●	●		●		●	●					
Engineering and manufacturing	●	●	●		●		●						
Global operations	●			●	●								
Finance and accounting				●	●			●		●			
Legal affairs and risk management				●	●					●		●	●
Experience in other industries	●	●			●			●		●		●	●
DX	●	●		●						●			
Sustainability	●			●				●		●		●	●

Executive Officers

Name	Takahiro Shozaki	Takashi Masuno	Hiroyuki Okamoto	Hidehiko Yamashita	Takashi Nagumo	Mitsunori Yamato	Tetsuya Aoki	Hiroshi Koda	Shinri Ueda	Takashi Kawabata	Eizo Aihara
Position	Senior Executive Officer, General Manager of Sales & Marketing Planning Department, Sales & Marketing Division	Senior Executive Officer, General Manager of Global Production Engineering Department, Manufacturing Division	Senior Executive Officer, General Manager of Overseas Business Division and Deputy Division General Manager of Takamiya Lab. Division, General Manager of Agribusiness Development Department, Corporate Strategy Division	Executive Officer, General Manager of Sales Department, Sales & Marketing Division	Executive Officer, Division General Manager of Product Development Division, Deputy Division General Manager of Takamiya Lab. Division, General Manager of Technology Development Center Preparation Office	Executive Officer, Division General Manager of Scaffolding Management Division, Deputy Division General Manager of Takamiya Lab. Division and General Manager of Scaffolding Yard Operating Department and Scaffolding Purchasing Department	Executive Officer, Division General Manager of Sales & Marketing Division and General Manager of Tokyo Branch and Supervisor of Business Development Division	Executive Officer, General Manager of Manufacturing Division and Vietnam Factory General Manager	Executive Officer, General Manager of Global Quality Assurance Department, Manufacturing Division	Executive Officer, General Manager of Corporate Planning Department, Corporate Strategy Division and General Manager of PR & IR Department	Executive Officer, General Manager of HR Department, Business Management Division

Corporate Governance

Basic Approach

The Takamiya Group believes that the basic foundation for sound corporate governance centers on thoroughly enforcing compliance, ensuring the transparency and efficiency of management, and working to maximize corporate value for all stakeholders, including shareholders and investors. With the stable supply of safe, high-value-added temporary equipment as our base axis, we will conduct high-quality corporate activities, and focus on efforts to improve the status of the industry, not just for the development of our own group, but for the benefit of customers and the industry as a whole. We will build a temporary equipment industry that is clearly recognized for its excellence by both the general public and investors, and aim for sustainable development in a highly transparent business environment.

Takamiya's Corporate Governance System

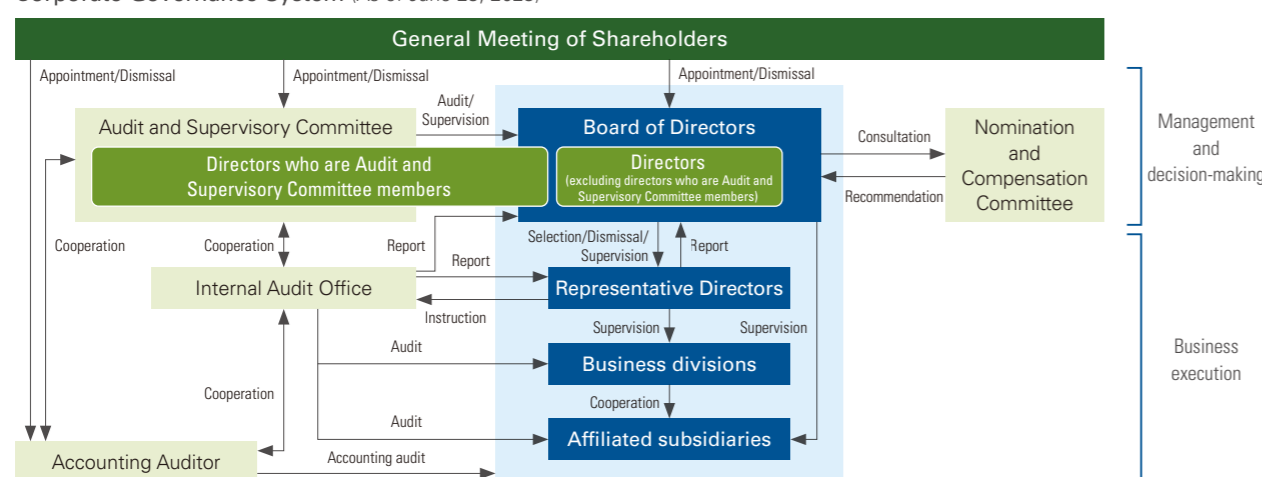
To strengthen the supervisory function of the Board of Directors and realize highly transparent management, thereby building a system that can better meet the expectations of domestic and overseas stakeholders, the Company, with the approval of the 54th Ordinary General Meeting of Shareholders held on June 23, 2022, made the necessary changes to its Articles of Incorporation and transitioned to a Company with an Audit and Supervisory Committee. The Company has in place a system under which the Board of Directors provides strategic guidance and management supervision and the Audit and Supervisory Committee audits directors' execution of duties by attending and giving their opinions at various important meetings, such as those of the Board of Directors. The Board of Directors makes decisions on important managerial matters and supervises the execution of duties by directors. In addition, by appointing outside directors, we have created a system that enables important decisions to

be made while incorporating diverse viewpoints, as well as appropriate supervision over the Company's management from the objective positions of the outside directors.

The Company has also introduced an executive officer system, under which executive officers are appointed separately from directors who are elected in accordance with the Companies Act. The Company believes that this will enable business operations determined by the Board of Directors to be executed in a prompt and efficient manner.

The Company's Board of Directors consists of 13 Directors of outstanding character, possessing insight, capabilities, abundant experience, and high ethical standards. Factors such as expertise in management, sales and marketing, technology, overseas business, finance and accounting, and law, as well as diverse backgrounds and experience, were taken into consideration when selecting members of the Board of Directors. We recognize that securing human resources with an emphasis on diversity, such as appointing female directors, is our ongoing task.

Corporate Governance System (As of June 23, 2023)



Board of Directors (FY Ended March 31, 2023)

1. Independent Directors 2. The Company transitioned to a Company with an Audit and Supervisory Committee on June 23, 2022.

Number of members: 13 [of which, outside directors: 5]

Number of meetings		Attendance rate ²	
Ordinary:	17	Directors	99%
Extraordinary:	5	Corporate auditors	85%

The Board of Directors is comprised of Representative Director, President and Chairman Kazumasa Takamiya, six inside directors, two outside directors, and four directors who are Audit and Supervisory Committee members for a total of 13 members, with terms of office of one year for directors who are not Audit and Supervisory Committee members in order to ensure flexible, responsive corporate management. In addition to the monthly regular meeting of the Board of Directors, extraordinary meetings are held when necessary. Furthermore, when making decisions on matters specified by laws and regulations and important matters involving management, the Board of Directors constantly monitors the execution of management duties.

Audit and Supervisory Committee (FY Ended March 31, 2023)

1. Independent directors 2. The Company transitioned to a Company with an Audit and Supervisory Committee on June 23, 2022.
3. The total includes the number of meetings of the Board of Corporate Auditors (four times).

Number of members: 4 (of which, outside directors who are Audit and Supervisory Committee members: 3)

Board of Corporate Auditors and Audit and Supervisory Committee number of meetings	Board of Corporate Auditors and Audit and Supervisory Committee meeting attendance rate ³
Ordinary: 15 Extraordinary: 3	90%

The Audit and Supervisory Committee is comprised of one full-time Audit and Supervisory Committee member and three outside Audit and Supervisory Committee members for a total of four members, and meets once a month, in principle. In accordance with the policies determined by the Audit and Supervisory Committee, the Audit and Supervisory Committee members audit and supervise the directors' execution of business by attending various important meetings such as those of the Board of Directors, inspecting important documents and investigating business affairs and asset conditions.

Nomination and Compensation Committee

In order to strengthen the independence, objectivity, and accountability of the functions of the Board of Directors, the Company established the Nomination and Compensation Committee on April 21, 2021 as an advisory body to the Board of Directors. It makes recommendations on matters related to the nomination and compensation of the Company's senior management and directors. The Committee consists of six members: two outside directors, two outside directors who are Audit

and Supervisory Committee members, and two inside directors, and is chaired by an outside director. Outside directors and outside directors who are Audit and Supervisory Committee members provide unreserved opinions, advice, and comments from an independent and objective perspective regarding matters not limited to the nomination and remuneration of the Company's senior management and directors. As such, we believe the transparency and objectivity of the Company's Board of Directors are ensured.

Status of Directors and Audit and Supervisory Committee Members (As of June 23, 2023)

Structure of the Board of Directors

Name	Board of Directors meeting attendance/attendance rate	Expertise
Kazumasa Takamiya	17 times/100%	Management
Akiyoshi Takamiya	17 times/100%	Management and sales and marketing
Tsutomu Abe	17 times/100%	Sales and marketing
Hideki Yasuda	16 times/94%	Finance and accounting
Yuki Mukaiyama	17 times/100%	Overseas operations, management and new business
Tomoya Tatsumi	17 times/100%	Finance and accounting
Kazunori Kawakami	13 times/100%	Sales and marketing and manufacturing technology
Kouji Shimokawa	17 times/100%	Taxes and accounting
Noboru Furuichi	17 times/100%	Financing, finance and management

Structure of the Audit and Supervisory Committee

Name	Board of Directors meeting attendance/attendance rate	Board of Corporate Auditors meeting attendance rate ³
Yasushi Shimizu	16 times/94%	15 times/100%
Yoshihiro Sakatani	17 times/100%	15 times/100%
Teiji Joku	13 times/76%	12 times/80%
Sachie Kato	9 times/69%	9 times/82%

* The total includes the number of meetings of the Board of Corporate Auditors (four times).

Criteria for the Appointment of Directors and Audit and Supervisory Committee Members

The appointment and dismissal of candidates for directors and directors who are Audit and Supervisory Committee members is determined by a meeting of the Board of Directors after consulting with and receiving recommendations from the Nomination and Compensation Committee, based on relevant regulations including the Regulations for Professional Organization of Officers and the Nomination and Compensation Committee Regulations. Comprehensive consideration is given to the career history, track record, knowledge, experience, and capabilities of each candidate. Furthermore, the consent of the Audit and Supervisory Committee is obtained in advance for the appointment of candidates for directors who are Audit and Supervisory Committee members.

contribute to the growth and improvement in the corporate value of the Company and the Group. The candidates must have high levels of knowledge and judgment capabilities in each business field. Outside director candidates are required to have a high level of expertise in a field such as taxation, accounting, law, or management. They must be able to actively state opinions from an objective and external viewpoint, reflecting a diverse background.

2. Audit and Supervisory Committee Members

The basic requirements for Audit and Supervisory Committee member candidates are having high ethical standards and objective, fair, and impartial judgment capabilities. The candidates must also have the appropriate experience and capabilities as directors who are Audit and Supervisory Committee members and a high level of expertise in a field such as taxation, accounting, law, or management. In addition to the above requirements, candidates for outside directors are required to have no conflicts regarding their independence.

For the dismissal of officers, if an officer has deviated from the above appointment criteria and it is deemed reasonable to dismiss them from an objective viewpoint, a resolution shall be made at a meeting of the Board of Directors after the Board has sufficient discussions, and consults with and receives recommendations from the Nomination and Compensation Committee.

Selection Criteria

1. Directors (excluding directors who are Audit and Supervisory Committee members)

The basic requirements for director candidates are having outstanding character and insight, as well as being such individuals that will

Succession Plan

The Company does not currently have a specific plan for successors for positions such as chief executive officer. However, we recognize succession planning as an important management issue and we are nurturing candidates from the management team (directors and executive officers). We will continue to engage in constructive discussions on the approach to the appropriate implementation and supervision of succession planning at meetings of the Board of Directors and its advisory body, the Nomination and Compensation Committee, which was established on April 21, 2021.

Evaluations of the Effectiveness of the Board of Directors

The Company has conducted questionnaires with directors regarding the effectiveness of the Board of Directors in the fiscal year ended March 31, 2023. We analyze and evaluate the structure and operations of the Board of Directors as well as the role of the Board of Directors in management strategy decisions and the supervisory function.

In the fiscal year ended March 31, 2023, while there was room for improvement, such as discussions on the successor development plan and the opinion that it is necessary to further enhance the training of directors, it was deemed that the Board largely maintains its effectiveness. Going forward, we will further improve the effectiveness of the Board of Directors based on these analyses and evaluations.

Remuneration for Directors and Audit and Supervisory Committee Members

Remuneration System for Directors and Audit and Supervisory Committee Members

The Company has established a policy regarding the determination of the amount of remuneration for officers and its calculation method, which states that officer remuneration consists of fixed remuneration according to position, performance-linked remuneration (bonuses) as a short-term incentive linked to single-year performance, and stock-based remuneration stock options positioned as a medium- to long-term incentive. Through thorough evaluation based on the interests of shareholders, we are working to ensure the long-term sustainable growth of the entire Group and enhance corporate value. Meanwhile, the remuneration of outside officers consists only of basic remuneration from the perspective of their roles and independence.

Bonuses, which are short-term, performance-linked remuneration, are paid (when the consolidated operating income target for a single year is achieved) within the limit of the total amount of remuneration for directors resolved at the General Meeting of Shareholders. Stock-based remuneration stock options, which are a medium- to long-term incentive, are granted based on the position factor set in the Company's regulations within the limit of the total amount of stock options provided for in a resolution by the General Meeting of Shareholders. The respective proposals for bonus payment and for the granting of stock options are submitted to the Board of Directors, which determines and grants the bonuses and stock options after consulting with and receiving recommendations from the Nomination and Compensation Committee.

For the fiscal year ended March 31, 2023, remuneration for directors and corporate auditors was as follows.

Category	Total remuneration (¥ million)	Total remuneration by type (¥ million)			Number of eligible individuals (Persons)
		Fixed remuneration	Performance-based remuneration	Medium- to long-term incentive (stock options)	
Directors (excluding Audit and Supervisory Committee members and outside directors)	304	253	—	50	7
Audit and Supervisory Committee members (excluding outside directors)	7	7	—	—	1
Corporate auditors (excluding outside corporate auditors)	2	2	—	—	1
Outside officers	18	18	—	—	5

Notes:
 1. The total remuneration for directors who concurrently serve as officers of consolidated subsidiaries does not include the officer remuneration from the consolidated subsidiaries.
 2. The Company transitioned from a Company with a Board of Corporate Auditors to a Company with an Audit and Supervisory Committee on June 23, 2023.
 3. It was resolved that the limit on directors' remuneration (excluding directors who are Audit and Supervisory Committee members) shall be up to an annual amount of ¥500 million (up to ¥50 million for outside directors; not including employee salaries for directors) at the 54th Ordinary General Meeting of Shareholders held on June 23, 2022 (number of officers in relation to the said resolution: 9).
 In addition, it was resolved that the limit on separate remuneration as stock options shall be up to an annual amount of ¥150 million (excluding directors who are Audit

and Supervisory Committee members and outside directors) at the 54th Ordinary General Meeting of Shareholders held on June 23, 2022 (number of officers in relation to the said resolution: 7).
 4. It was resolved that the limit on remuneration for directors who are Audit and Supervisory Committee members shall be up to an annual amount of ¥50 million at the 55th Ordinary General Meeting of Shareholders held on June 23, 2023. Remuneration for individual Audit and Supervisory Committee members is determined by discussion of Audit and Supervisory Committee members (number of officers in relation to the said resolution: 4).
 5. It was resolved that the limit on corporate auditors' remuneration before the transition to a Company with an Audit and Supervisory Committee shall be up to an annual amount of ¥50 million at the 25th Ordinary General Meeting of Shareholders held on May 18, 1994 (number of officers in relation to the said resolution: 3).

Details of Audit Fees

For the fiscal year ended March 31, 2023, audit fees paid to certified public accountants and others were as follows:

Category	Fiscal Year Ended March 31, 2022		Fiscal Year Ended March 31, 2023	
	Fees paid for audit certification work (¥ million)	Fees paid for non-audit certification work (¥ million)	Fees paid for audit certification work (¥ million)	Fees paid for non-audit certification work (¥ million)
The Company	32	—	36	—
Consolidated subsidiaries	—	—	—	—
Total	32	—	36	—

For the fiscal year ended March 31, 2023, fees paid to Ernst & Young member firms, which are members of the same EY network of the Company's certified public accountants, were as follows:

Category	Fiscal Year Ended March 31, 2022		Fiscal Year Ended March 31, 2023	
	Fees paid for audit certification work (¥ million)	Fees paid for non-audit certification work (¥ million)	Fees paid for audit certification work (¥ million)	Fees paid for non-audit certification work (¥ million)
The Company	—	0	—	16
Consolidated subsidiaries	5	1	6	1
Total	5	1	6	18

Non-audit certification work paid for by the Company is tax consultation. Non-audit certification work paid for by consolidated subsidiaries is preparation of corporate tax returns, tax consultation, and others.

Communications with Shareholders and Investors

The Company has designated the PR & IR Department as the department in charge of investor relations (IR) and the Division General Manager of the Corporate Strategy Division, who is responsible for IR affairs, as the contact person. In addition, the PR & IR Department works together with the General Affairs Department, Accounting Department, Legal & Compliance Department, and other related departments to share information and prepare

disclosure materials. As opportunities for dialogue with our shareholders and investors, we hold General Meetings of Shareholders, Company information meetings, financial results briefings, etc., as needed, and enhance our website to facilitate their understanding of our business. Moreover, we release the videos and materials of our financial results briefing to the public in Japanese and English. We also publish our convocation notices in Japanese and English on the internet, and are enhancing the content of briefing sessions for individual investors.

For individual investors	For analysts and institutional investors	IR website
Briefings for individual investors <ul style="list-style-type: none"> March 11, 2023, Tokyo (hosted by NIKKEI RADIO BROADCASTING CORPORATION & PRONEXUS Inc.) 	<ul style="list-style-type: none"> Video distribution of financial results briefings: Twice a year (year-end and the second quarter) Individual meetings: Conducted online 	Our website for investors in Japanese https://www.takamiya.co/ir/ Our website for investors in English https://www.takamiya.co/en/ir/
We hold briefing sessions both online and offline with speakers such as the Company's officers. The date and time of each event are announced on our website.	We distribute a video presentation of our financial results twice a year. The president and chairman and other Company officers provide briefings on our performance and earnings forecasts. Materials and videos are available on our IR website.	We have set up a page for investors on our website to provide timely disclosure information such as the financial results summary and other information for investors such as financial results briefing materials, the annual report, and historical data.

Risk Management, Internal Control, and Compliance

The Group has established the basic policy and other matters concerning risk management in the Basic Rules for Risk Management. In addition, we have established the Risk and Compliance Committee, with the Legal & Compliance Department acting as the administrative office. The Committee discusses issues and measures regarding the promotion of Company-wide risk management in order to appropriately manage and respond to the variety of risks that our businesses face.

For internal control, we have developed a system in which internal checking operates between departments and clarifies the division of duties based on internal regulations and other rules. In addition, the Basic Policy for Internal Control and the Basic Policy for Financial Reporting

outline systems to ensure that the directors comply with laws and the Articles of Incorporation when conducting operations, and also to ensure the propriety of other operations of the Company.

For the compliance system, we have outlined the Compliance Standards and the Code of Conduct in the *Compliance Manual*. We have established the Risk and Compliance Committee, with the Legal & Compliance Department acting as the administrative office, to discuss specific compliance initiatives to be implemented internally and to identify at an early stage legal issues emerging in the Company. Through these efforts, we aim to further raise and promote compliance awareness. Additionally, we seek advice and guidance as needed from our corporate lawyers regarding our daily operations and managerial decisions.