

Compliance

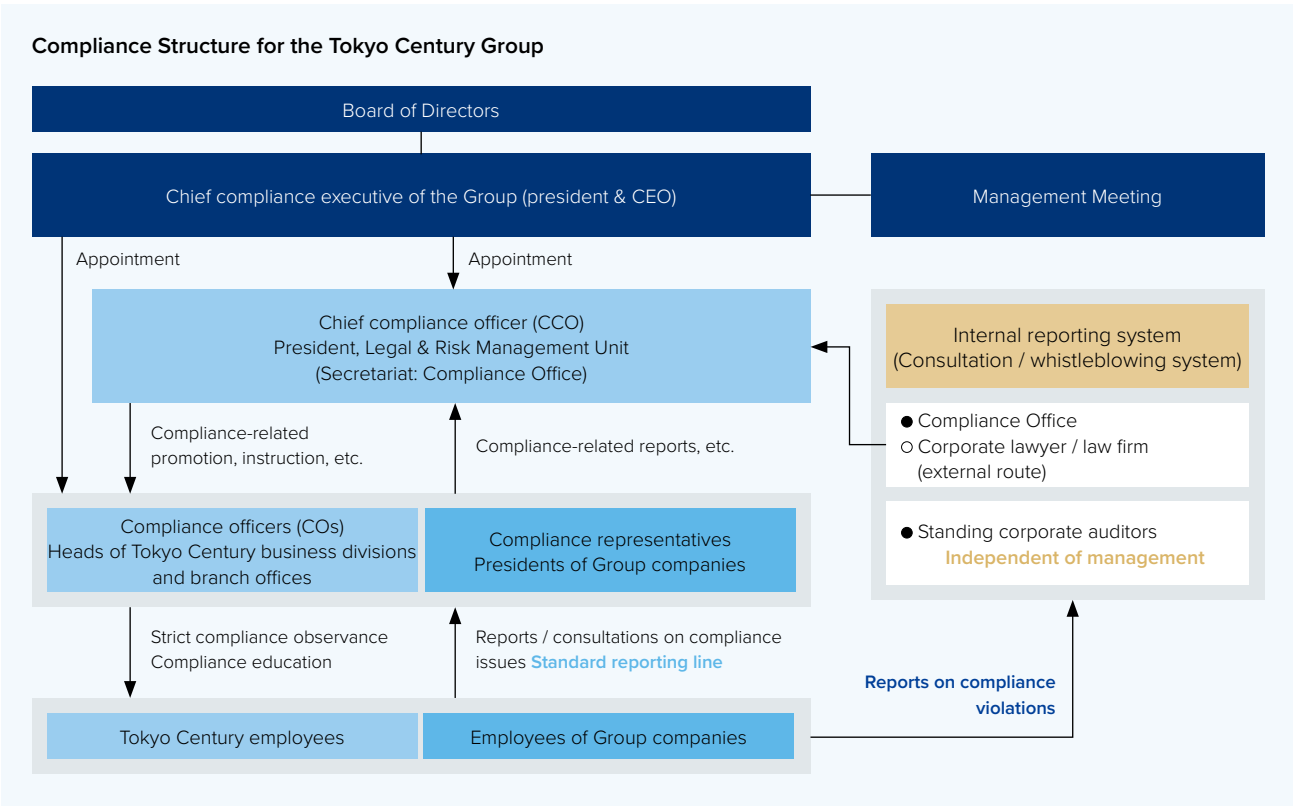
Compliance Structure

At the Tokyo Century Group, the Compliance Office promotes compliance measures under the supervision of the chief compliance officer (CCO). The CCO is appointed by the president & CEO, who serves as the chief compliance executive.

The heads of each business division and branch office, along with the presidents of Group companies, serve as compliance officers (COs). They are responsible for ensuring legal and regulatory compliance and aligning business activities with social norms while coordinating with the Compliance Office. Compliance activity plans are formulated through

discussions by the Management Meeting at the beginning of each fiscal year, and these plans are reported to the Board of Directors. The adequacy of the progress of these plans is reviewed every six months by the Management Meeting and the Board of Directors.

Specific compliance activities include e-learning programs, face-to-face and online training sessions, distribution of compliance-related information, and compliance awareness surveys. We also arrange Groupwide forums for sharing compliance information.



Internal Reporting System

The Tokyo Century Group implements clear and exhaustive whistleblower protection measures in its internal reporting system in accordance with Japan's Whistleblower Protection Act. Personnel responsible for handling whistleblower reports, as described in the act, are designated and trained. These individuals are bound by strict confidentiality obligations regarding all information obtained during their duties. We will continue to adhere to the highest standards in operating our internal reporting system based on the belief that it is an important tool for effective compliance management.

We offer three reporting contact points, including both internal and external channels, which handle a wide range of consultations on compliance and other matters. We continuously promote the use of the system by explaining its purpose, significance, and report-handling procedures through training opportunities, conducting regular awareness surveys on the recognition and use of the system, and disclosing its operational status. The ratios of reports and consultations from domestic and overseas Group companies indicate that this system is well entrenched and functioning appropriately.

Human Rights Initiatives

The Tokyo Century Group recognizes that promoting respect for human rights is an important management issue. Based on this recognition, we have established the Human Rights Policy and included provisions related to respect for human rights in our Corporate Code of Conduct and Our Action Guidelines to instill these principles in our business activities. We also expect our stakeholders to exercise respect for human rights.

Human Rights Risk Management

Human rights-related risks are tracked and assessed through the Group's ERM framework, and related information is regularly reported to the Management Meeting and the Board of Directors.

Human Rights Training and Education

To foster a culture of respect for human rights, we provide ongoing training and education for all officers and employees. The training themes include the relationship between business and human rights, the Group's human rights initiatives, and prohibition of harassment.

Grievance Mechanism

The Tokyo Century Group has established contact points for consultations on human rights violations. These channels are available to all Group officers and employees as well as external

stakeholders and can accommodate consultations in both Japanese and English. Remedial frameworks are in place to rectify the damages suffered by victims of any verified violations.

Human Rights Due Diligence

• Tokyo Century Corporation and Group Companies

Human rights due diligence activities are implemented at Tokyo Century Corporation and all of its consolidated subsidiaries in Japan and overseas. Human rights risks closely related to the Group's businesses are identified. Surveys and interviews are then conducted at Group companies to understand issues pertaining to the identified risks and pursue ongoing improvements.

• Investees

Tokyo Century assesses human rights risks during the decision-making process for large investments and financing and when monitoring those that have been implemented. These assessments focus on the frameworks for addressing human rights risks and any incidences of past violations at the target of investment. They also evaluate human rights risks that may arise because of a given investment or financing and measures to prevent and mitigate such risks. Decisions to conduct investments or financing are informed by these assessments.

For more information on the following topics, please refer to the Company's corporate website.

- Compliance Structure of the Tokyo Century Group
- Internal Reporting System
- Compliance Handbooks
- Compliance Education
- Preventing Money Laundering
- Preventing the Transfer of Criminal Proceeds
- Preventing Corruption
- Policy on Political Funds

<https://www.tokyocentury.co.jp/en/sustainability/esg/governance/compliance.html>

- Human Rights Initiatives

<https://www.tokyocentury.co.jp/en/sustainability/esg/social/humanrights.html>

Information Security

The Tokyo Century Group views information security as one of its most important management issues. As part of its efforts, the Company has obtained certification under ISO 27001, the international standard for information security management systems. Under the leadership of the Information Security Committee, we periodically revise regulations and rules regarding information management, conduct regular risk assessments to address information security risks, and provide information security training for employees and officers.

The TC-CSIRT, a computer security incident response team, has been set up within the IT unit as a dedicated cybersecurity organization. The TC-CSIRT is responsible for preventing the recurrence of past incidents and the occurrence of new incidents by monitoring security systems, assessing the security of cloud services, and educating officers and employees.

To respond to increasingly sophisticated and complex cyberattacks, we are enhancing our response capabilities by sharing information with external organizations through membership in the Nippon CSIRT Association and participating in practical exercises.

We are also further strengthening our cybersecurity measures by participating in a cybersecurity framework operated by a major shareholder and collaborating on assessments and practical exercises.

In addition, we conduct drills for the Company and domestic and overseas Group companies, simulating email attacks in Japanese and other languages multiple times a year. These drills have led to an increase in information security awareness among our officers and employees.

Our global business expansion requires us to take robust action to protect personal information and strengthen information security considering various cultures and regulatory environments. To address this, we are strengthening our global security governance by identifying and responding to issues through assessments of our overseas subsidiaries. In addition, we encourage closer collaboration across the entire Group by strengthening management of outside subcontractors, providing information to Group companies, and holding regular liaison meetings.

To utilize generative AI, we have formulated usage guidelines and developed an appropriate infrastructure environment, allowing us to respond to new risks related to information security.

For the following items, please also refer to our website.

- ISO 27001 Certification
- Basic Information Security Policy

<https://www.tokyocentury.co.jp/en/csr/governance/security.html>