



Corporate Governance

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Basic Approach

MIRARTH HOLDINGS Group has set "Our Purpose" as "To design sustainable environments for a happier future for both people and our planet." and recognizes that addressing issues related to sustainability is an important management issue. We will not only pursue profits, but also comply with laws, regulations, corporate ethics, fulfill our social responsibilities as a member of the corporate community, and aim to sustainably enhance our corporate value.

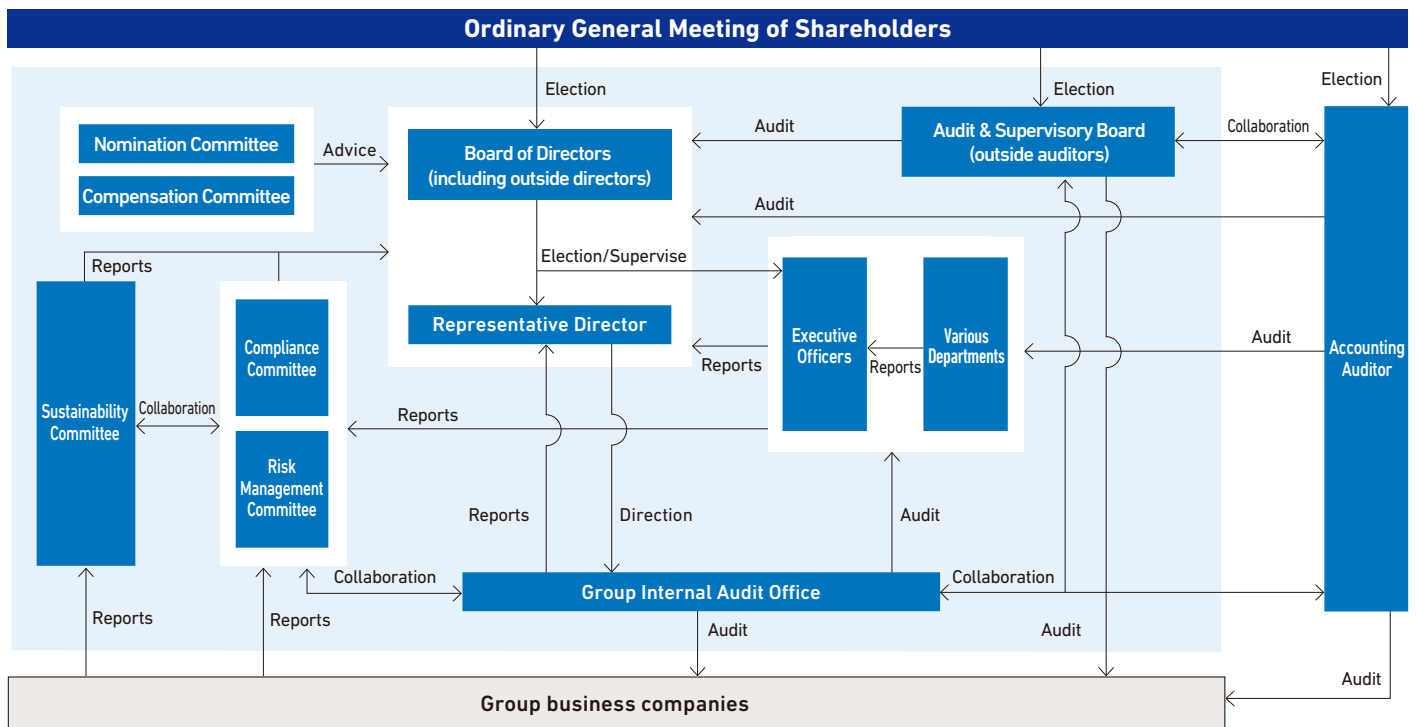
To this end, our basic approach to corporate governance is to always consider the happiness of all stakeholders, including customers, employees, business partners, local communities, and shareholders, and to promote sound corporate activities by making decisions quickly and responding flexibly to changes in the business environment, as well as ensuring thorough compliance and transparency in decision making.

Initiatives to Strengthen Corporate Governance

	Details of Initiatives
2010	Introduction of executive officer system
2012	Introduction of stock option plan for stock-based compensation for directors (excluding outside directors) and executive officers
2016	Start of evaluation of the effectiveness of the Board of Directors
2017	Term of office for directors changed from two years to one year
2019	Establishment of Nomination Committee and Compensation Committee
2020	Appointment of outside directors as chairpersons of the Nomination Committee and Compensation Committee
2021	Appointment of two female outside directors
	Ratio of outside directors increased to one-third (4 outside directors out of 12 directors)
	Revision of executive compensation system (introduction of non-financial indicators as evaluation items)
2022	Disclosure of the skills matrix
	Transition to a holding company structure
	Ratio of outside directors increased to two-third (4 outside directors out of 6 directors)

Corporate Governance System

MIRARTH HOLDINGS has established a system to ensure the appropriateness of management through careful and prompt decision-making by the Board of Directors, appropriate supervision of business execution by mutual directors, auditing and supervision of business execution by directors by corporate auditors. In addition, the Company has adopted an executive officer system to clarify the management oversight responsibilities of directors and the business execution responsibilities of executive officers.



Corporate Governance System Trends

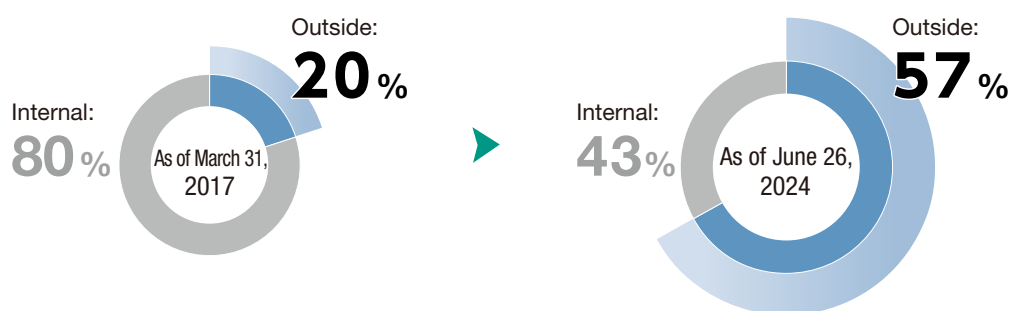
There are seven directors, four of whom are independent outside directors with diverse backgrounds. The term of office of directors expires at the close of the ordinary general meeting of shareholders relating to the last fiscal year ending within one year after their election. 16 meetings of the Board of Directors were held in FY2023.

The Company has three corporate auditors, all of whom are independent outside corporate auditors, and has established a system that enables it to adequately fulfill its management oversight function from the outside. The Audit & Supervisory Board works to improve the level of auditing by sharing issues and information among the corporate auditors and requesting information from the Directors and various departments as necessary. The Board held 12 meetings in FY2023.

Fiscal Year	Form of Organization	Total Number of Directors	Number of Outside Directors	Total Number of Auditors	Number of Outside Auditors
FY2016	Company with Audit & Supervisory Board	10	2	3	3
FY2017	Company with Audit & Supervisory Board	10	3	3	3
FY2018	Company with Audit & Supervisory Board	11	3	3	3
FY2019	Company with Audit & Supervisory Board	13	3	3	3
FY2020	Company with Audit & Supervisory Board	13	4	3	3
FY2021	Company with Audit & Supervisory Board	12	4	3	3
FY2022	Company with Audit & Supervisory Board	12	4	3	3
FY2023	Company with Audit & Supervisory Board	6	4	3	3
FY2024	Company with Audit & Supervisory Board	7	4	3	3

* Transferred to holding company structure as of October 1, 2022.

Ratio of Outside Directors on the Board of Directors



Board of Directors

MIRARTH HOLDINGS has seven directors, four of whom are outside directors. All outside directors are designated as independent directors. In principle, the Board of Directors meets once a month. Extraordinary Board of Directors meetings are held as necessary to ensure decisions are made both carefully and promptly, and that directors mutually supervise each other's business execution.

Corporate auditors attend these meetings and provide their opinions when necessary. They also collaborate closely with outside directors to audit and oversee both the functioning of the Board and the status of business execution. Additionally, executive officers, the head of the Group Internal Audit Department, and leaders of other departments attend Board of Directors meetings when requested, in line with internal regulations. They provide opinions on agenda items and reported issues as appropriate.

Furthermore, the Company conducts a Group Management Committee meeting once a month. This meeting serves to discuss and deliberate on significant plans and proposals related to group management policies, strategies, and overall group governance, thereby refining the decision-making process.

Executive Officer System

The Company has introduced an executive officer system to clarify the management oversight responsibilities of directors and the business execution responsibilities of executive officers, and to further accelerate decision-making and strengthen business execution.

Audit & Supervisory Board

As a check and balance system for decision-making, all three corporate auditors are outside corporate auditors, and all of them have sufficient professional experience, track record, and attitude to make objective judgments and checks. In addition to audits of the Company, audits of affiliated companies are also conducted by attending meetings of each company's board of directors and conducting interviews with directors, thus maintaining a tense relationship. In addition, we work with the accounting auditor to understand and coordinate each other's annual schedules, accompany each other on site visits and model room inspections, and exchange information as needed to further improve the effectiveness and efficiency of our audits.

Group Internal Audit Office

In order to enhance and strengthen internal audits, the Company has established Internal Audit Regulations and established the Group Internal Audit Office as an independent organization reporting directly to the President. In planning and conducting internal audits, the schedule and content of audits are fully coordinated with those of corporate auditors and accounting auditors to ensure the efficient operation of each function. Corporate auditors strive to build an effective and efficient audit system by accompanying and attending operational audits conducted by the Group Internal Audit Office, confirming the content of the audits, and hearing opinions as appropriate.

Director Skills Matrix

In order to make objective judgments based on diverse knowledge and experience, the Company has identified the combination of knowledge, experience, and abilities that the Board of Directors should possess, as shown in the table below.

Directors Skills Matrix (as of June 26, 2024)

Name	Position	Corporate Management	Finance/ Accounting	Legal/ Risk Management	Sales/ Marketing	Human Resources /Labor Relations	IT	Global Business	Nominating Committee	Compensation Committee
Kazuichi Shimada	Representative Director, Group CEO, President and Chief Executive Officer	◎	○	○	○	○		○	○	○
Daisuke Nakamura	Director, Group CFO, Managing Executive Officer		◎	○		○			○	○
Shoichi Akisawa	Director (Real Estate Segment)	◎	○	○	○	○			○	○
Keiko Yamahira	Outside Director	◎	○	○	○	○			○	○
Naohito Yamagishi	Outside Director			◎		○			○	○
Kaname Uchida	Outside Director			◎			○	○	○	○
Yuko Kanamaru	Outside Director			◎		○		○	○	○

* Each director has been given "◎" rating for items that he or she considers to be particular strengths.

Reasons for Appointment of Outside Directors and Number of Board Meetings Attended

Reasons for the appointment of each outside director and the number of board meetings attended in FY2023 are disclosed.

Reasons for Appointment of Outside Directors and Number of Board Meetings Attended

Name	Position	Reason for Appointment	Attendance at Board of Directors meetings in FY2023
Keiko Yamahira	Outside Director	The appointment is based on her extensive experience and broad insight as a manager in the real estate industry.	16/16
Naohito Yamagishi	Outside Director	He was appointed because of his expertise and wealth of experience gained at the National Police Agency over a long period of time, as well as his track record and experience at the Ministry of Construction (currently the Ministry of Land, Infrastructure, Transport and Tourism).	16/16
Kaname Uchida	Outside Director	He was appointed based on his extensive experience and broad insight in the real estate industry, as well as his track record and experience in his duties at the Ministry of Construction (now the Ministry of Land, Infrastructure, Transport and Tourism).	-
Yuko Kanamaru	Outside Director	She is qualified in Japan and the State of New York, U.S.A., and has been appointed because of her expertise and extensive experience and achievements as a lawyer in Japan and abroad.	-

Nomination and Remuneration Committees

The Company has established the Nomination Committee and the Remuneration Committee as voluntary advisory bodies to enhance objectivity and transparency in the decision-making process regarding personnel matters and compensation of directors, etc., and to further enhance and strengthen the corporate governance system.

Both committees are composed of at least three directors selected by resolution of the Board of Directors, at least half of whom are independent outside directors, thereby ensuring appropriate opportunities for involvement and advisory services by independent outside directors. Both committees, in consultation with the directors, deliberate and report primarily on the matters listed below.

Nomination Committee

- (1) Matters related to the composition and balance of the Board of Directors;
- (2) Matters related to the selection and dismissal of directors;
- (3) Matters related to the selection and dismissal of representative directors and executive officers;
- (4) Matters related to criteria for determining the independence of outside directors; and
- (5) Matters related to succession planning.

Remuneration Committee

- (1) Matters relating to the remuneration of directors and executive officers;
- (2) Matters relating to basic policies and criteria on the remuneration of directors and others; and
- (3) Other matters referred to the Remuneration Committee by the Board of Directors.

Executive Remuneration

Directors' remuneration is determined on the basis of the degree of each director's contribution to business expansion and improvement in corporate value towards sustainable growth. The limit of the annual amount of remuneration is deemed to be ¥600 million (not including, however, the employee portion of the salary), and the limitation of the special stock option remuneration to ¥600 million annually is decided by a resolution at the Ordinary General Meeting of Shareholders. Auditors' remuneration is limited to an annual amount of ¥60 million or less.

Evaluating the Effectiveness of the Board of Directors

In order to improve the functioning of the Board of Directors, we evaluate and analyze the effectiveness of the Board of Directors. With the cooperation of an outside consulting firm, we conducted an anonymous survey of all directors and corporate auditors, including outside directors. Based on the responses to the questionnaire, we analyze and evaluate the effectiveness of the Board of Directors. In addition, starting with the effectiveness evaluation in FY2023, the evaluation method was improved by conducting interviews to all directors and corporate auditors based on the results of a questionnaire by an outside consulting organization and receiving a report as a third-party evaluation.

The results of the questionnaire and interviews were generally positive, confirming that the Company's Board of Directors is functioning effectively to a considerable extent in terms of composition, operation, and discussions, but the organization of information to be included in the Board of Directors' meeting materials and the enhancement of discussions on medium- to long-term strategies were identified as issues to be addressed for improvement.

We will continue to fully consider issues and continue our efforts to improve the functioning of the Board of Directors.

Message from an Outside Director

Evaluation of MIRARTH HOLDINGS

Since becoming an outside director in 2017, I have witnessed efforts to strengthen governance. In particular, the transition to a holding company structure in October 2022 was a landmark reform that facilitated group management efficiency and business development. This clarified the management responsibility for each business portfolio, which has increased the efficiency of the group as a whole and at the same time facilitated the development of each business. Free and vigorous discussions are held at the Board of Directors meetings, where outside directors actively voice their opinions on solving social issues and corporate governance, providing a positive stimulus to the organization.


Reorganization was a major decision by top management and an important step in the expansion of group earnings. As we aim to become a “future environment design company,” we have redefined Our Purpose and Our Values, and are working to instill them in each department. Presenting a grand design to the corporate organization is a top management priority, and in this sense, Shimada CEO's management sensitivity is very encouraging.

On the other hand, human resource development is essential to strengthen governance. The challenge for MIRARTH HOLDINGS Group, which is focused on real estate, is to secure human resources capable of handling the energy and asset management businesses, which are the second and third pillars of the Group. There is a shortage of human resources throughout the energy industry, so people who can understand total energy policy are those who we want. This requires the awareness of all employees, led by the directors, and a further brushing up of human resource development efforts.

It is expected that the governance of each group company and group governance will be strengthened and evolved around the newly defined values and visions. Now that each operating company has reaffirmed its role and the foundations are in place for a fresh start, the moment of truth is just around the corner. The board of directors is required to draw up a growth story for the entire group and discuss and implement specific strategies to achieve it.


I am convinced that these initiatives will contribute significantly to the sustainable growth of MIRARTH HOLDINGS Group and the creation of social value. We would like to contribute to management that raises the expectations and satisfaction of all stakeholders.

Outside Director **Kenji Kawada**

- The full text can be found here.  311KB

Excerpt from Integrated Report 2023

Corporate Governance Report

- Corporate Governance Report  604KB



Policy

Management Structure

Internal Whistle-Blowing System (Help Line)

Personal Information Protection

Thorough Compliance Initiatives

Policy

Compliance Basic Policy

In MIRARTH HOLDINGS Group, in order to fulfill corporate social responsibility, each organization as well as its officers and employees are required to comply with laws, social norms, and separately established ethical guidelines, and establish a compliance basic policy that aims to become a norm in society.

Tax Policy

MIRARTH HOLDINGS Group Tax Policy

MIRARTH HOLDINGS Group (hereinafter referred to as "the Group") contributes to coexisting and prospering with society and achieving a sustainable society by conducting proper tax payment and corporate activities based on the Group Philosophy and Code of Conduct. In addition, the Group ensures fairness and transparency based on this tax Policy and carries out appropriate accounting and tax management.

1. Tax Compliance

The Group always complies with the Corporation Tax Law, the Consumption Tax Law, and other relevant laws and regulations, as well as adheres to the standards published by international organizations (such as OECD). The Group also keeps abreast of tax law revisions in a timely and appropriate manner to fulfill its tax payment obligations properly. Moreover, in international transactions, the Group complies with the laws and regulations of each country, tax treaties, and international taxation rules.

2. Tax Governance

The ultimate responsibility for establishment and maintenance of the Group's tax governance rests with its Chief Financial Officer (CFO). The accounting department manages tax and accounting matters, maintains a system and environment for adequate communication among Group companies, and strives to enhance training for officers and employees.

3. Tax Planning

The Group will engage in fair and proper tax planning in order to improve cash flow in its business activities but will not engage in tax planning with the intent to reduce taxes excessively.

4. Tax Risk Management

The Group strives to minimize tax risks by consulting with external experts and utilizing a system of prior inquiries to tax authorities when tax positions are uncertain.

5. Transfer Pricing Taxation System

In transactions with foreign affiliated parties, the Group strives to pay appropriate taxes in each country by conducting transactions at arm's length in accordance with the transfer pricing taxation systems of each country.

6. Tax Authorities

The Group strives to ensure transparency and build a relationship of trust related to taxation by maintaining fair relationships with tax authorities, providing tax authorities with timely and appropriate tax information, and responding to tax authorities in good faith.

Social Media Policy

The Group sees social media as an effective means of strengthening relationships with various stakeholders and has formulated a Social Media Policy as a guideline on proper use. We comply with laws, regulations, and rules established by individual Group companies, and, as a member of society with good judgment, we use social media with responsibility for our conduct and strive to engage in communications through effective information disclosure with an awareness and understanding of our responsibilities regarding the dissemination of information and responses on social media.

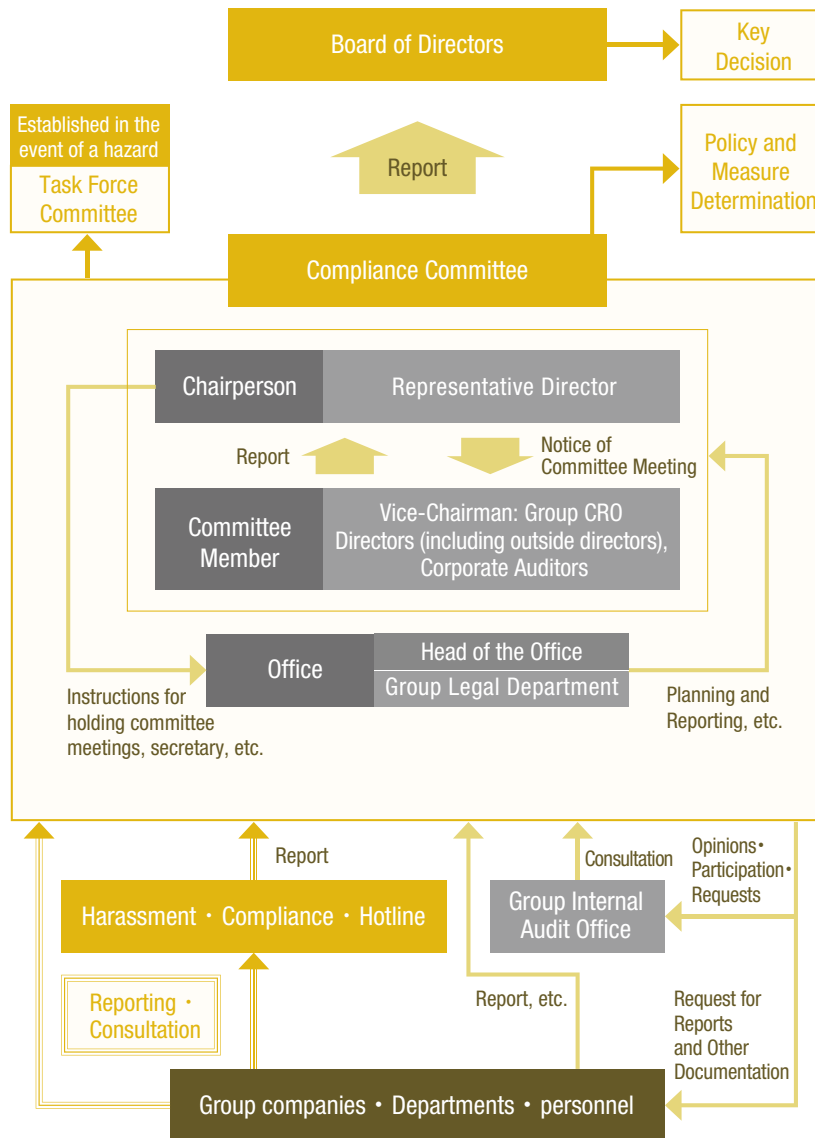
We have also established a Privacy Policy as a guideline for employees' business and personal use of social media.

- Social Media Policy
- Privacy Policy

Management Structure

MIRARTH HOLDINGS Group has established a system to promote and ensure compliance throughout the Group. The Compliance Committee determines the Company's compliance-related policies and measures, and when it receives a report of a compliance violation or potential violation, it directs and investigates.

A system is in place to monitor the status of compliance at each Group company through the establishment of a Harassment Compliance Helpline and collaboration between the Compliance Committee and the Group Internal Audit Office.

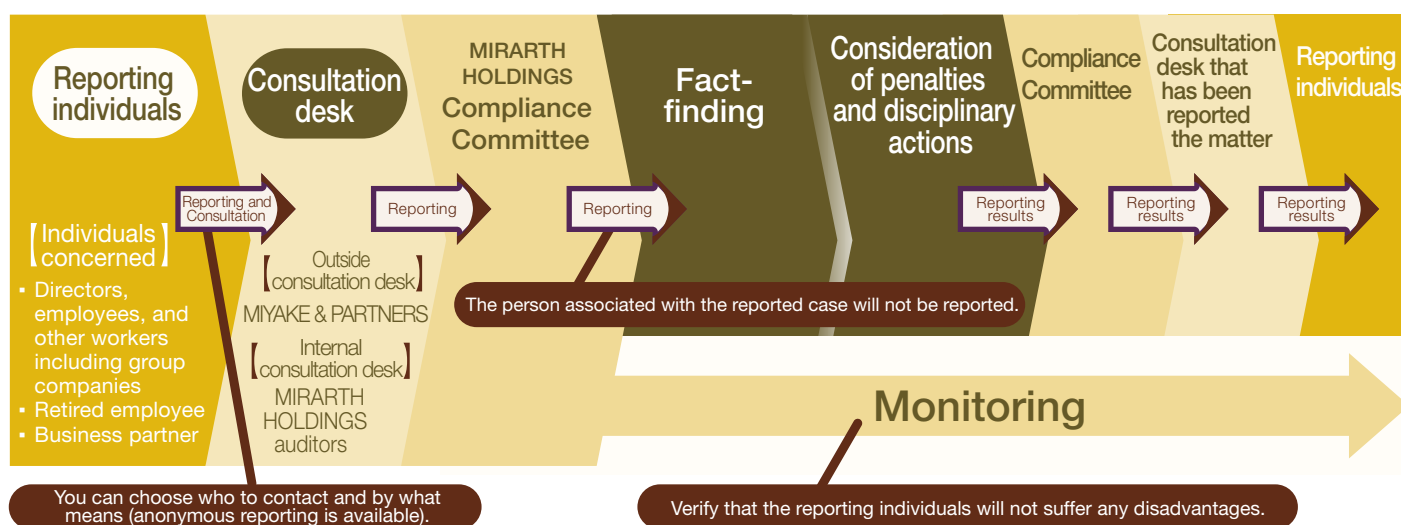


Internal Whistle-Blowing System (Help Line)

The Group has established an internal whistle-blowing system (helpline) as a means of reporting or consulting on issues such as harassment and compliance violations. The previous whistle-blowing system was reviewed in August 2018, and we outsourced responses to inquiries to a law firm with which the Group has not conducted business in the past to serve as an outside consultation desk; moreover, we established an independent internal consultation desk that directs inquiries to the corporate auditors. We reinforced the protection of reporting individuals, the subjects of reports, persons who cooperate with investigations, and others by establishing a mechanism to prevent access to information concerning consultations and reports by involved directors and taking other measures. We are working to strengthen compliance management through the early detection and rectification of improper conduct and other issues.



Pocket-size card

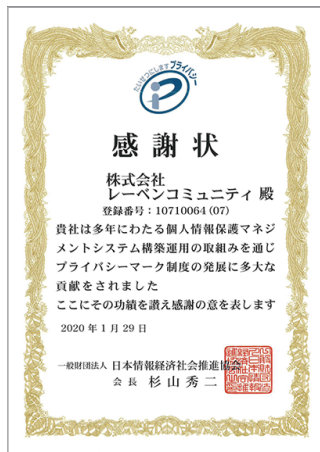


Personal Information Protection

We consider the protection of personal information to be part of our CSR, and we have established a management system for the appropriate protection of personal information. To ensure that all employees handle valuable personal information appropriately while carrying out their business duties, we have created a personal information protection manual, distribute a personal information usage and protection handbook, and make all employees thoroughly aware of basic knowledge and rules. We also provide internal training led by instructors that are legal experts.

Privacy Mark System Contributor

Leben Community was granted the Privacy Mark in January 2008 and has been working on and updating the management and operation of personal information. In January 2020, we received a letter of appreciation from the Japan Information Processing Development Corporation (JIPDEC) for our efforts over the years to maintain and improve our own personal information protection management system (PMS) and for our contribution to the promotion of the Privacy Mark System. The periodic renewal audit was completed in January 2024.



Thorough Compliance Initiatives

Preventing Unfair Business Dealings

We actively carry out specialized training to ensure that all transactions with customers are fair. The training, which addresses conflicts of interest, aims to ensure that basic principles are thoroughly implemented and introduces numerous case examples to expand the knowledge of attendees.

Furthermore, we strive to foster greater understanding of laws such as the Real Estate Brokerage Act, the Consumer Contract Act, and the Act against Unjustifiable Premiums and Misleading Representations.

Dealing with Anti-Social Forces

The Group basic policy against anti-social forces is to adopt a firm stance in dealing with them. In addition to actively participating in activities to eliminate organized crime under the guidance of our legal advisor, we collaborate with external specialized agencies, such as local police stations and legal advisors, to establish a system to deal with anti-social forces. With regard to our trading partners, we are also thorough in implementing measures for the elimination of anti-social forces through steps such as exchanging memoranda on severing ties with such forces and including clauses on their elimination in our various contracts and agreements.

Political Contributions

The MIRARTH HOLDINGS Group complies with the Political Funds Control Act and does not make political contributions.



Basic Risk Management Policy

Risk Management

Strengthening BCP

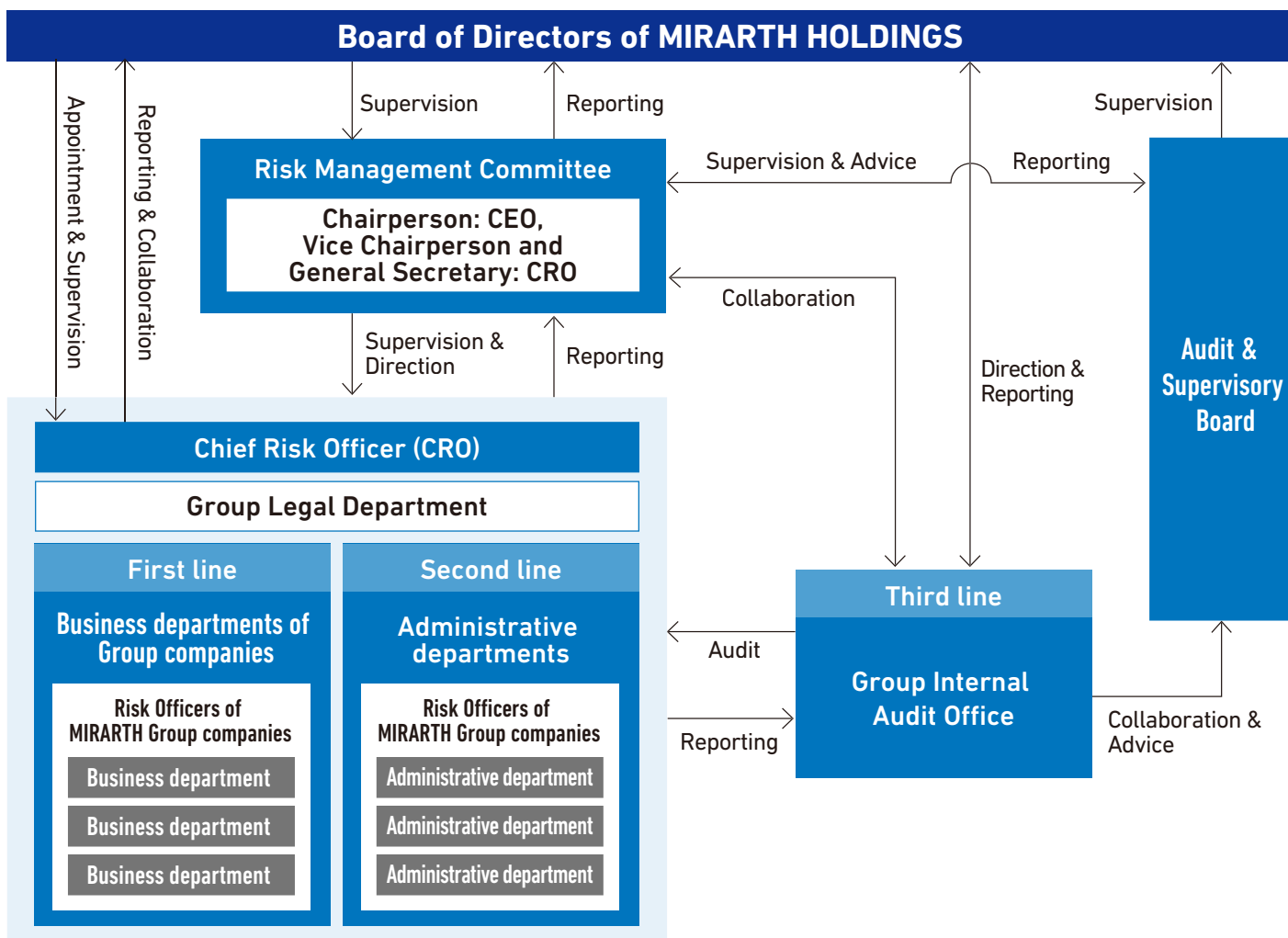
Basic Risk Management Policy

The MIRARTH HOLDINGS Group identifies and manages each risk based on its basic risk management policy of ensuring the safety of customers, partners, officers, employees, and their families, fulfilling our social responsibility, harmonizing with the global environment, sustaining sustainable business, and enhancing corporate value. In addition, the Risk Management Committee has been established as a promotion structure to ensure thorough risk management throughout the Group.

Risk Management

Risk Management System


MIRARTH HOLDINGS has established Risk Management Regulations to manage the risks of the Group and to continuously improve corporate value, and in accordance with these regulations, has set up the Risk Management Committee chaired by the President to examine and report on all risks related to overall management and to discuss or decide on measures and management to be implemented to avoid or reduce these risks. The committee examines and reports on all risks related to overall management, discusses and decides on measures and management to be implemented to avoid or reduce these risks, and ensures that internal controls are strengthened and misconduct and lack of compliance in overall operations, including financial reporting, are prevented. In order for the committee to develop and continuously improve the Group's risk management system, the Board of Directors appoints a Group CRO (Chief Risk Officer) from among the directors or executive officers, and subcommittees of the Risk Management Committee such as "Business Strategy," "Finance," "IT and Administration," and "Compliance" are established as necessary, so that the committee can make proactive proposals in response to individual risk management. In addition, the contents of discussions at each subcommittee meeting are reported and verified by the Risk Management Committee as appropriate based on the Risk Management Committee Regulations, and are reported to the Board of Directors according to the contents of the reports, thereby ensuring prompt decision-making in the event of risk occurrence.



Risks and Opportunities

As risks that may have a significant impact on corporate activities are becoming more diverse and complex every day, our group is working to predict possible future events, identify risks and opportunities, and use them to solve social issues and create value.

	Social issues and external environment	Risks	Opportunities	Response
Market environment	<ul style="list-style-type: none"> Changes in the direction of economic policy (Stricter laws and regulations, changes in legal interpretation and management policy) 	<ul style="list-style-type: none"> Decreased number of commercialization projects due to subsidy system revisions Lost business opportunities due to changes in FIT Stricter regulations for energy conservation Strengthening of regulations on building standards 	<ul style="list-style-type: none"> Increase in commercialization projects due to utilization of subsidy system Ongoing low-interest housing loans, eased tax reduction requirements Introduction of new systems to replace FIT 	<ul style="list-style-type: none"> Pursue new businesses such as PPA Strengthening of information-gathering activities
	<ul style="list-style-type: none"> Changes in lifestyles (Growth in DINKs, dual-income households, seniors relocating to condominiums, development of telework) Diversification of housing needs Political instability, economic recession Rising interest rates 	<ul style="list-style-type: none"> Obsolescence of products and/or services Deteriorating supplier operating conditions Decline in buyer sentiment due to increasing housing loan interest rates Increased funding costs due to changes in financial institution lending attitudes and financing market conditions Intensified competition including new entrants, and rapid environmental changes Decreasing demand for housing 	<ul style="list-style-type: none"> Capture demand generation/growth opportunities via new products and services Expansion in demand for compact condominiums Expansion of business areas Increase in opportunities to acquire land and properties Increase in M&A opportunities 	<ul style="list-style-type: none"> Reflection of purchaser needs Diverse product offerings Supply compact condominiums Redouble efforts to diversify financing methods Implement ongoing performance monitoring, countermeasures Strengthening of financial management Strengthening of overseas business
	<ul style="list-style-type: none"> Low birthrate coupled with an aging and declining population 	<ul style="list-style-type: none"> Decline in electricity sales revenue 	<ul style="list-style-type: none"> Increased demand for condominiums among seniors Increase in opportunities for proposing solutions to vacant house issues and aging buildings Development of compact cities 	<ul style="list-style-type: none"> Supply condominiums in the center of regional cities Supply compact condominiums Strengthening of overseas business
	<ul style="list-style-type: none"> Requests by power companies to control output 	<ul style="list-style-type: none"> Decline in electricity sales revenue 	<ul style="list-style-type: none"> Expansion of Corporate PPA 	<ul style="list-style-type: none"> Implementation of area strategies in energy business
	Business activities	<ul style="list-style-type: none"> Surge in land prices as well as raw material and construction (labor) costs 	<ul style="list-style-type: none"> Soaring procurement prices Decrease in profit Slower sales due to higher selling prices 	
<ul style="list-style-type: none"> Difficulty in recruiting human resources, shortage of labor, and decline in employee quality 		<ul style="list-style-type: none"> Lower product and service quality Incurring of compensation costs, brand image deterioration Occurrence of occupational accidents 		<ul style="list-style-type: none"> Implementation of activities designed to improve employee loyalty Personnel system reform, enhancement and upgrading of various training systems Implementation of branding penetration measures Housing performance evaluation report acquisition Holding Safety Conferences, building safe implementation management systems
Climate change, natural disasters, etc.	<ul style="list-style-type: none"> Increasingly serious global environmental issues 	<ul style="list-style-type: none"> Stricter regulations for greenhouse gas usage/emissions and energy conservation More stringent building standards due to stricter laws and regulations 	<ul style="list-style-type: none"> Invigoration of renewable energy market due to growing interest in environmental issues 	<ul style="list-style-type: none"> Development of renewable energy generation facilities Reduction of carbon dioxide emissions Formulation of climate change policy Building of internal system in compliance with external evaluation organization standards Acquisition of green certifications
	<ul style="list-style-type: none"> Incidence of natural disasters and accidents 	<ul style="list-style-type: none"> Raw materials/component supply shortages Asset damage Disruption to Group business facilities, supply chains, and customers 	<ul style="list-style-type: none"> Increased properties needing large-scale renovation Increased interest in disaster-resistant buildings 	<ul style="list-style-type: none"> Promote earthquake-proofing of buildings and facilities, implement countermeasures for tsunamis, torrential rain, and floods Stockpile emergency supplies necessary for disasters Conduct disaster preparation drills Introduction of safety confirmation system
	<ul style="list-style-type: none"> Acts of terrorism, riots, and war 	<ul style="list-style-type: none"> Disruption to Group business facilities, supply chains, and customers Geopolitical risk Supply chain fragmentation 		<ul style="list-style-type: none"> Conducting of credit checks on business partners Verification of geopolitical risk Stabilize procurement prices mainly by use of diversifying suppliers, decentralizing on a regional basis, and using long-term contracts
	<ul style="list-style-type: none"> Spread of infectious diseases 	<ul style="list-style-type: none"> Disruption to Group business facilities, supply chains, and customers Disruption to business operations Decline in hotel and tenant occupancy rates 	<ul style="list-style-type: none"> Creating demand for new products and services to meet changing lifestyles 	<ul style="list-style-type: none"> Promote teleworking and enhance workplace health management Differentiation of products and services (equipment, meeting of specifications, installation of telework spaces through renovation)
Governance, etc.	<ul style="list-style-type: none"> Incidence of unauthorized access and cyberattacks 	<ul style="list-style-type: none"> Leakage of confidential information and stoppages of production lines and logistics systems Payment of damages and fines, incurring countermeasures expenses 		<ul style="list-style-type: none"> Strengthening of insurance contracts and information security systems Ensuring of confidentiality Restrictions on external access
	<ul style="list-style-type: none"> Insufficient internal control function 	<ul style="list-style-type: none"> Improper conduct, leakage of confidential information Payment of damages and fines, incurring countermeasures expenses Delay in response to global environmental problems 		<ul style="list-style-type: none"> Establishment of internal regulations, conducting of training Identify issues and promote resolutions via Compliance Committee and Risk Management Committee Enhancement of in-house checking system Conducting thorough compliance education

• [Click here for a larger PDF.](#)  2.69MB

Strengthening BCP

MIRARTH HOLDINGS has established a group-wide information aggregation policy to ensure prompt and accurate information aggregation and decision-making in the event of a major earthquake or other large-scale natural disaster, infectious disease, or man-made disaster (war, terrorism, accident, etc.) risk. We have established specific rules regarding reporting standards and information aggregation, and are working to ensure that all group companies are fully aware of these standards and rules to quickly establish a business continuity system.

Responding to Infectious Diseases

Basic Stance on Response

Since the pandemic caused by Covid-19 in 2020, our group has been promoting the Basic Policy for Responding to Outbreaks of New Coronavirus Infections led by the Crisis Management Committee to protect the health, safety and security of our employees, their families and customers, and to continue our business.

We have prepared a response flowchart for cases of possible infection among employees and have been working to prevent the spread of infection. In the event that an infected person is confirmed, we have established a system to report to the competent public health center and promptly report to the general manager of the division to which the person belongs and to the General Affairs Department of MIRARTH HOLDINGS.

For employees and executives who are confirmed to be infected, rules were clarified until they were able to return to work after being hospitalized or staying at home under the direction of the public health center, and the details of measures such as taking PCR tests, staying at home, and working at home, are defined. In addition, offices where infected employees are found are disinfected as necessary, in accordance with the judgment of the health center with jurisdiction, the office administrator, and the Company.

Employee Measures

To reduce the risk of infection among employees, we continue to implement a variety of measures, including telework and flexible work schedules.

In FY2022, the mutant strain (Omicron strain) infection spread again, resulting in the sixth and seventh waves of outbreaks. We have established a system for promptly disseminating infection prevention measures to the Group by flexibly monitoring the domestic infection situation and establishing rules for working systems, and meetings and business dinners including stakeholders, as appropriate depending on the infection situation.

Measures in the Value Chain

Since August 2020, we have been working to alleviate customer concerns by requiring employees participating in previews and information sessions in rural areas from the Tokyo metropolitan area (Tokyo, Kanagawa, Saitama, Chiba), where the number of infected people is high, to prove negative by PCR or antigen testing.

In model rooms, which are the points of contact with customers, basic infection control measures such as "wearing masks and gloves," "regular ventilation," and "sterilization of equipment" were thoroughly implemented, and each staff member strictly followed "negative antigen test confirmation" and "prompt visit to a medical institution or PCR test in case of positive test results or symptoms."

In addition, in June 2021, the Group introduced "vaccination leave" to make it easier for employees to receive vaccinations, which not only improves their own health, but also gives their families and customers a sense of security. In addition, we also support the prevention of infection in the home, and have subsidized the cost of hotel accommodations and other expenses for voluntary quarantine in the event that an employee or a family member living with an employee tests positive for the disease.

These efforts have been partially suspended since May 2023, when the Covid-19 infection was moved to category 5 infectious diseases. However, in the event of another pandemic of an infection of its variants or similar infectious disease, we will take appropriate measures as needed to ensure the safety and security of our customers and employees.



Shareholders

[Policy and Past Performance Regarding Dividends](#)

[Shareholder Questionnaires](#)

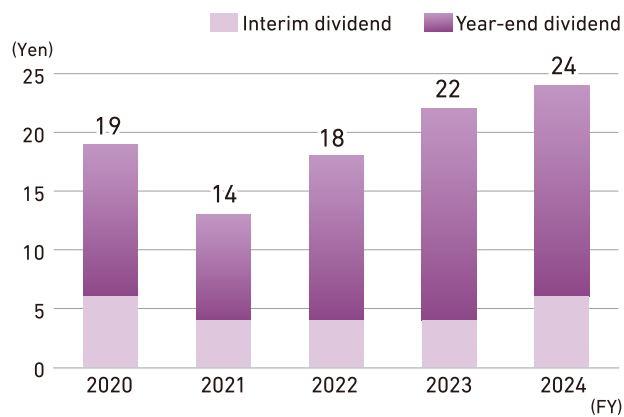
[Corporate Briefings for Individual Investors](#)

[Disclosure Policy](#)

Policy and Past Performance Regarding Dividends

Our basic decisions on dividends are not biased toward the dividend payout ratio, but are comprehensive and take into consideration factors such as dividend on equity (DOE) and dividend yield. We seek to be an appealing company by ensuring that shareholdings remain stable over the long rather than the short term and are not affected by fluctuations in share prices.

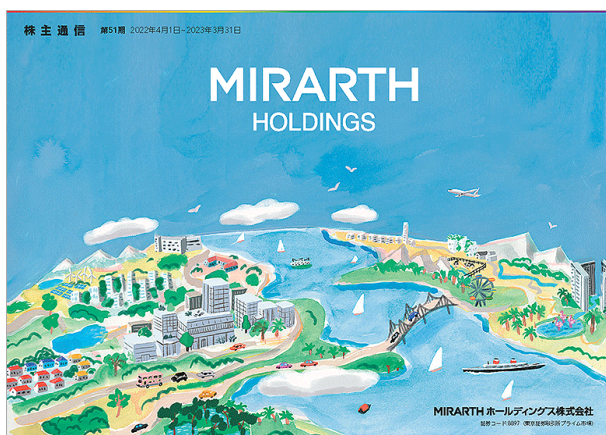
Dividend Per Share



- [Shareholder Returns Policy](#)

Shareholder Questionnaires

We conduct periodic surveys to promote two-way communication with our shareholders. The valuable opinions we receive from the surveys are introduced to our shareholders through the shareholder newsletters posted on our website and are reflected in our subsequent IR activities.



- Presentation Materials for Analysts Meeting

Corporate Briefings for Individual Investors

In order to actively communicate with individual investors, MIRARTH HOLDINGS regularly holds company information sessions for individual investors in various locations throughout Japan. In FY2023, we held a total of five briefings in Sapporo, Fukuoka, Tokyo, Osaka, and Nagoya to explain our business and medium- to long-term strategies.

- To Private Investors

Disclosure Policy

MIRARTH HOLDINGS is disclosing information to everyone based on the following information disclosure policy.

- Disclosure Policy