

Our Sustainability

Introducing the Board of Directors

Director



President

**Masazumi
Hasumi**

August 1983 Joined Aoyama Audit Corporation (currently PricewaterhouseCoopers Japan LLC)
November 1991 Yamada Certified Public Accountant and Tax Accountant Office (now Yamada & Partners Tax Co.)
December 1996 President of Proggest Co., Ltd. (company name changed to Proggest Holdings, Ltd. in July 2005)
July 2005 President of Proggest Co., Ltd. (current: Aoyama Zaisan Investments Co., Ltd.)
September 2008 Director of the Company
October 2008 President of the Company (current position)
August 2016 Business Succession Navigator Co. (currently Next Navi Inc.), President
June 2017 PT Aoyama Zaisan Networks Indonesia, Director (current position)
March 2018 Chairman of Nihon Shisan Soken Co., Ltd. (current position)
January 2021 Aoyama Family Office Service Co., Ltd. President (current position)
May 2024 Aoyama Financial Service Co., Ltd. President (current position)



Director,
Managing Executive Officer

**Takeshi
Matsuura**

April 1991 Joined Daiwa House Industry Co., Ltd.
May 1995 Joined Nissho Iwai Real Estate Corp. (current: Sojitz Corporation)
October 2000 Joined the Company
January 2005 Executive Officer, Manager of Real-estate Department
January 2006 Funai Estate Co., Ltd. (currently Aoyama Estate Co., Ltd.) President
March 2007 Director, Executive Officer, and Manager of Business Division 6
March 2016 Director and Managing Executive Officer of the Company General Manager, Real Estate Division
June 2017 Director of Shinsei Aoyama Partners Co., Ltd. (current position)
January 2022 Director and Managing Executive Officer of the Company General Manager, Real Estate Division (current position)
March 2023 Director of Aoyama Financial Service Co., Ltd. (current position)
May 2024 Director of Aoyama Zaisan Networks Kyushu Co., Ltd. (current position)
December 2024 Director of Chester Co., Ltd. (current position)
December 2024 Director of Urban Crest, Co. (current position)



Director,
Managing Executive Officer

**Takaomi
Ogawa**

September 1992 Joined Takano Yasuo Zeirishi Jimusho (current: Zeimu Sogo Tax Corporation)
August 2003 Funai Zaisan Consultants Keiyo Co., Ltd. (currently Nihon Shisan Soken Co., Ltd.), Director
December 2009 President of the company
October 2013 Executive Officer, General Manager of NSS Division of the Company
March 2016 Director, Executive Officer, General Manager of NSS Division
June 2017 Nihon Shisan Soken Co., Ltd. (formerly Nihon Shisan Soken Consultant Inc.) President (current position)
April 2020 Representative Director of Nitto Fudosan Co., Ltd. (current position)
January 2022 Director and Managing Executive Officer of the Company Consulting Business Supervisor and General Manager of NSS Division (current position)
March 2022 Aoyama Financial Service Co., Ltd. Director (current position)



Director,
Managing Executive Officer

**Shintaro
Hashiba**

April 1987 Joined The Kyowa Bank, Ltd. (current: Resona Bank, Limited)
November 2015 Joined the Company
January 2017 Executive Officer, General Manager of Management Planning Division
March 2020 Director, Executive Officer, General Manager of Administration Division
July 2020 Director, Executive Officer, General Manager of Management Planning Division
January 2021 Director, Aoyama Family Office Service Co., Ltd.
January 2022 Director, Managing Executive Officer of the Company General Manager of Corporate Planning Division
March 2022 President, Aoyama Financial Service Co.
March 2022 Director of Aoyama Zaisan Networks Kyushu Co., Ltd.
May 2023 Director and Managing Executive Officer of the Company General Manager, Corporate Finance Division
February 2025 Managing Executive Officer and General Manager of Osaka Branch
March 2025 Director and Managing Executive Officer of the Company General Manager, Osaka Branch (current position)



Director,
Managing Executive Officer

**Toshiyuki
Chosokabe**

April 1995 Joined Sabu Hiromori Inc.
May 2002 Joined The Prudential Life Insurance Company, Ltd.
January 2007 Joined the Company
January 2021 Executive Officer, General Manager of Consulting Business Division 3
December 2024 President, Chester Consulting, Co. (current position) Managing Executive Officer
January 2025 General Manager, Consulting Business Division Director and Managing Executive Officer of the Company
March 2025 General Manager, Consulting Business Division (current position)



Director

**Michihiro
Nagasaka**

April 1985 Joined Wakabayashi Law Office
March 1992 Joined Nihon M&A Center Inc.
December 2010 Manager of Business Promotion Department
March 2014 Outside Director of the Company
April 2015 Manager of Sales Support Department, General Planning Division of Nihon M&A Center Inc.
July 2021 Business Succession Navigator Co. (currently Next Navi Inc.), Director (current position)
March 2022 Director of the Company (current position)

Outside Director



Director Outside Independent

Haruo Shimada

April 1975 Associate professor of Faculty of Economics, Keio University
May 1978 Visiting Senior Researcher, Economic and Social Research Institute

April 1982 Professor of Faculty of Economics, Keio University
March 1986 Visiting Professor, Massachusetts Institute of Technology
June 2000 Visiting Professor, Research Center for Advanced Science and Technology, University of Tokyo

March 2007 Outside Director of the Company (current position)
April 2007 President of Chiba University of Commerce
May 2015 Outside Director of Okaya & Co., Ltd. (current position)
January 2016 President of Shimada Sogo Kenkyujo (current position)
January 2017 President, The Japan Forum on International Relations
Chairperson of the Board of Trustees of Tokyo Metropolitan Public University Corporation

April 2017
February 2021 Outside Director of Tech I.S. Co., Ltd.



Director Outside Independent

Keiji Watanabe

July 1987 Aoyama Audit Corporation
(currently PricewaterhouseCoopers Japan LLC),
Representative Partner Tohmatsu & Co.
(current: Deloitte Touche Tohmatsu LLC), Representative Partner

April 1996
June 2000 Outside Director of Ichiyoshi Securities Co., Ltd.
July 2003 Deloitte Touche Tohmatsu Global Middle Markets Leader
June 2008 Outside Director of ASAHI KOGYOSHA CO., LTD.
June 2010 Outside Director of SBI Holdings, Inc.
March 2011 Outside Director of the Company (current position)
June 2017 Outside Director of SBI Insurance Group Co., Ltd. (current position)
June 2017 Outside Audit & Supervisory Board Member,
Hokuetsu Kishu Paper Co., Ltd.
(currently Hokuetsu Corporation Ltd.)

June 2018 Outside Director of UKAI Co., Ltd.



Director Outside Independent

Madoka Mori

April 1994 Joined Commercial Broadcasting Television Corporation Relay Line Operations Center
(current: The Japan Commercial Broadcasters Association)

April 1996 Became independent as a freelance announcer
July 2000 Joined Medical Welfare Research Institute, Inc.
(current: IHW Media Service, Inc.)

July 2003 General Manager, Business Management Division,
Medical Welfare Research Institute, Inc. and Sky Perfect TV!
Head of Announcement, Medical Welfare Channel 774

July 2007 Became independent as a medical journalist
April 2013 Director, NPO Sienjyuku 21 (current position)
January 2022 Specified Nonprofit Corporation
Director, Regional Team Medicine Promotion Council
(TeamNET) (current position)

March 2022 Auditor of Shosagi-kai Medical Corporation (current position)
April 2023 Hedgehog MedTech, Inc.
Member, Ethics Review Committee (current position)
March 2024 Outside Director of the Company (current position)



Director Outside Independent

Shiro Uchida

October 1980 Joined Peat Marwick Mitchell & Company, Tokyo Office
January 1993 Head of US-Japan Business, Pricewater house Chicago Office
October 1999 Director, Managing Executive Officer,
Pricewaterhouse Coopers Consulting

October 2002 Director, IBM Business Consulting Services, Inc.
October 2005 President and Representative Director, BearingPoint Co.
May 2009 President, PwC Consulting, Inc.
January 2010 President, PwC Japan
July 2012 Chair and President of the company
January 2015 Chairman and President, SAP Japan

April 2022 Outside Director, SNK Corporation (current position)
April 2023 President, Community Mesh Co. (current position)
May 2024 Outside Director, SUGI Holdings Co., Ltd. (current position)
March 2025 Outside Director of the Company (current position)

Audit & Supervisory Board Members

Hiroyuki Fujita Full-time Audit & Supervisory Board Members Outside Independent

April 1989 Joined Mitsui Bank Limited (current: Sumitomo Mitsui Banking Corporation)
August 1995 Joined Yamazaki Certified Tax Accountant Office
October 2000 Joined Tohmatsu & Co. (current: Deloitte Touche Tohmatsu LLC)

April 2004 Registered as a CPA
March 2018 Outside Audit & Supervisory Board Member of the Company (current position)
March 2018 Audit & Supervisory Board Member of Nihon Shisan Soken Co., Ltd. (current position)
March 2018 Business Succession Navigator Corporation (currently Next Navi)
Audit & Supervisory Board Member (current position)

December 2019 Audit & Supervisory Board Member of Aoyama Zaisan Networks Kyushu Co., Ltd. (current position)
October 2020 Audit & Supervisory Board Member of Aoyama Financial Service Co., Ltd. (current position)
December 2024 Audit & Supervisory Board Member, Chester Co., Ltd. (current position)
December 2024 Audit & Supervisory Board Member, Urban Crest Co. (current position)
December 2024 Audit & Supervisory Board Member, Chester Life Partners, Co. (current position)
December 2024 Audit & Supervisory Board Member, Chester Consulting Co. (current position)

Hisao Nakatsuka Audit & Supervisory Board Members

April 1970 Joined The Tokai Bank, Limited (current: MUFG Bank, Ltd.)
April 1994 General Manager of Fujisawa Branch
January 1996 General Manager of Chofu Branch
January 1999 General Manager of Takenotsuka Branch
November 2001 Joined the Company
March 2002 Director, General Manager of Consulting Department
August 2002 Director, General Manager of Administrative Department
April 2006 Managing Director of the Company
September 2008 Joined Proggest Co., Ltd. Audit & Supervisory Board Member
(currently Aoyama Zaisan Investments Co., Ltd.)

October 2010 Director of Aoyama Estate Co., Ltd.
October 2013 Audit & Supervisory Board Member of Nihon Shisan Soken Co., Ltd.
March 2014 Director (concurrent)
March 2015 Advisor of the Company
March 2016 Audit & Supervisory Board Member (current position)

Hiroaki Rokugawa Audit & Supervisory Board Members Outside Independent

April 1997 Registered as Attorney (Dai-Ichi Tokyo Bar Association)
April 1997 Joined Hori & Partners
June 2002 Joined Barack Ferrazzano Kirschbaum & Nagelberg LLP (Chicago)
March 2007 Joined Tokyo Aoyama, Aoki, Komae Baker & McKenzie Law Office
April 2007 Lecturer, Advanced Institute of Industrial Technology (current position)
June 2008 Representative Attorney of Ogasawara Konno & Rokugawa
March 2009 Outside Audit & Supervisory Board Member of the Company (current position)
December 2016 Tsunagu Group Holdings, Inc. Outside Director (current position)
April 2022 Managing Partner, Tokyo Uchisaiwaicho Law Firm (current position)
June 2022 Outside Director of Meiji Machine Co., Ltd. (current position)
September 2023 Outside Director of Open Up Group Inc.

Our Sustainability Corporate Governance

Basic Concept

Ever since our founding, we have seen ourselves as a corporate entity that constantly evolves to achieve its management objectives, and we have been actively expanding our business with an eye to the future development of the Japanese economy. In order to protect our clients' assets, and based on our corporate policy of always making proposals from the client's standpoint with a fair and neutral attitude, we firmly believe it is essential to establish corporate governance to ensure compliance-oriented management and to practice this policy. The Board of Directors and the Audit & Supervisory Board of the Company recognize that the corporate governance framework should primarily fulfill the following roles.

- To protect and encourage the exercise of shareholders' rights
- To ensure equal treatment of all shareholders
- To ensure timely and accurate disclosure regarding all important matters related to the company, including its financial conditions, operating results, shareholder composition, and governance
- To ensure the strategic orientation of the company, effective supervision of management executives, and clear accountability

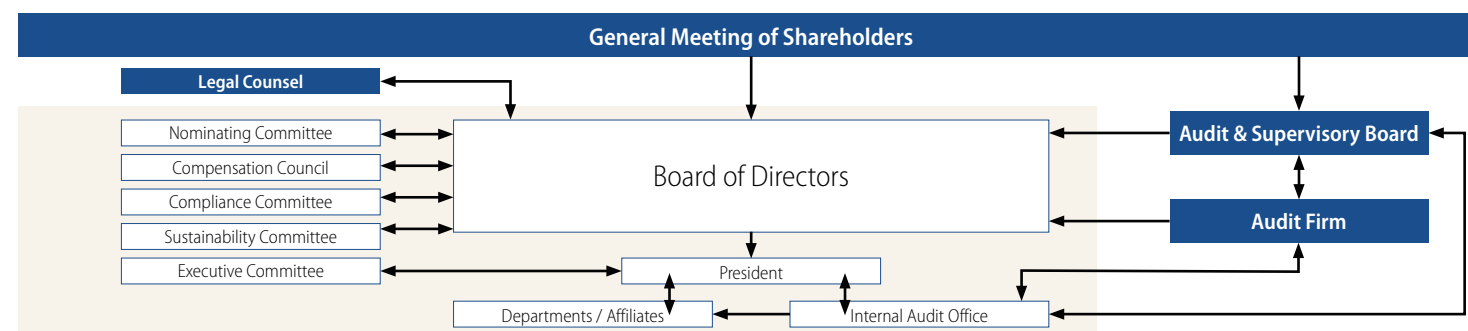
Corporate Governance System

The Company ensures the effectiveness of audits of Directors' performance of their duties by maintaining the independence of its Auditors and Audit & Supervisory Board Members from the Board of Directors, and by collaborating with auditing firms and its in-house audit-

ing department. Moreover, to increase the transparency and objectivity of the Board of Directors' deliberation process, the Company has established the Compensation Council and the Nominating Committee, at least two of whose members must be Outside Directors.

The Compliance Committee also has been established as a forum for deliberations on risk management and compliance of the Company.

① Board of Directors	The Board of Directors deliberates and makes decisions on important matters concerning the Company's management, and oversees the Company's business and general management. Each of the two Outside Auditors has an advanced level of expertise, and they provide reliable management oversight from their professional perspectives.
② Executive Officers	In light of the segregation of management and implementation, AZN has instituted an Executive Officer system. Executive Officers execute the operations of the divisions or departments under their control, in accordance with organizational regulations and rules on the segregation of duties set forth by the Board of Directors.
③ Executive Committee	The Executive Committee, consisting of the President, full-time Directors, and Executive Officers, meets on a weekly basis to verify management policies and discuss management strategies and business execution for the purpose of sharing problem awareness and having smooth communication among all members.
④ Compensation Council	Remuneration for directors, within the total scope of remuneration approved by the General Meeting of Shareholders, is determined by the Compensation Council, which is composed of Directors selected by resolution of the Board of Directors. The Compensation Council is composed of three or more Directors, at least two of whom must be outside Directors as a rule for the purpose of raising the transparency and objectivity of the review process.
⑤ Nominating Committee	The Nominating Committee, a voluntary advisory body to the Board of Directors, deliberates on the selection and dismissal of senior management and Directors and recommends candidates to the Board of Directors, which are decided by the Board of Directors. Also, the Nominating Committee is composed of three or more Directors, at least two of whom must be outside Directors as a rule for the purpose of raising the transparency and objectivity of the review process.
⑥ Compliance Committee	The Compliance Committee, consisting of the President, full-time Directors, Executive Officers/General Managers of the divisions, and external legal counsels (attorneys), has been established in conjunction with the Board of Directors as a forum for deliberation on risk management and legal compliance by the Company.
⑦ Sustainability Committee	The Sustainability Committee, consisting of the President and full-time Directors, was established to build a foundation for sustainable growth, to oversee and monitor sustainability policies, strategies, and measures, and to manage and evaluate the progress of objectives resolved by the Board of Directors.



Compensation for officers

AZN's Board of Directors has adopted a policy for determining the details of compensation for individual Directors.

Compensation for individual Directors for the fiscal year in question is determined by the Compensation Council, which is composed of 3 or more Directors (at least 2 of whom must be Outside Directors) selected

by the resolution of the Board of Directors to increase the transparency and objectivity of the review process. Its methods of determining the details of compensation and the compensation so determined shall be consistent with the decision-making policy resolved by the Board of Directors.

● Compensation for officers

Category of officer	Total amount of compensation, etc. (million yen)	Total amount per type of compensation (thousand yen)					Number of eligible officers (persons)
		Basic compensation	Performance-linked		Other	Of the following, non-monetary compensation, etc.	
			Bonus	Restricted stock compensation			
Director (excluding Outside Directors)	194	94	70	17	11	28	6
Audit & Supervisory Board Members (excluding Outside Audit & Supervisory Board Members)	5	5	0	—	—	—	1
Outside Officer	55	43	11	—	—	—	5

Evaluation of the effectiveness of Board of Directors

AZN strives constantly to improve the effectiveness of its Board of Directors. AZN undertakes an annual questionnaire survey of all Directors and Audit & Supervisory Board Members regarding the effectiveness of the Board of Directors, using the evaluation points listed at right. The results are then discussed and reported to the Board of Directors. See right for a summary of the survey results.

Questionnaire evaluation items

- Composition of the Board of Directors and Executive Officers
- Operation of the Board of Directors
- Agendas of meetings of the Board of Directors
- Supervisory framework by the Board of Directors
- Supervisory framework by shareholders

Summary of questionnaire results

The Company's Board of Directors did not identify any significant matters in any of the items evaluated, but did identify several issues related to the operation of the Board of Directors. We will continue to make improvements to achieve a more effective Board of Directors.



Risk management

Based on its Crisis Management Regulations, AZN defines external crises, internal crises, disasters, and other crises as described below, and defines how to respond to crises when they occur. In the event of a

crisis that seriously threatens corporate operations, a task force is immediately formed and company-wide action is taken to resolve the problem.

① External risks	<ul style="list-style-type: none"> ① Information leaks ② Problems involved in business operations (including customer consulting services) ③ Civil violent incidents, contact/problems with anti-social forces ④ Criminal acts by employees (fraud etc.) ⑤ Other risks/incidents associated with AZN's credit
② Internal risks	<ul style="list-style-type: none"> ① Traffic accidents by employees (property/personal damage) ② Internal troubles (sexual harassment etc.) ③ Mishaps of employees and their families, other work accidents ④ Other cases constituting a crime by employees
④ Disasters etc.	<ul style="list-style-type: none"> ① Extraordinary disasters including natural disasters

Information security management

In order to continuously maintain and strengthen our information security management system, including personal information management, we obtained certification under the Information Security Management System (ISMS) Conformity Assessment Scheme (JISQ 27001:2006 [ISO/IEC 27001:2005]), an inter-

national certification standard, in May 2009.

In June 2014, we migrated to the revised JISQ 27001:2014 (ISO/IEC 27001:2013) standard, and in addition to developing a system based on this standard, we are further strengthening our management system for confidential information.

Compliance initiatives

For the purpose of practicing fair and bona fide management in compliance with laws, a Compliance Committee consisting of the President, full-time Directors, Executive Officers/General Managers of the divisions, and outside legal counsels (attorneys) has been established. In conjunction with the Board of Directors, the Compliance Committee performs the following operations:

- ① To recognize potential risk of losing trust from the securities market and clients in business operations, and draft countermeasures
- ② To review if there is any compliance issue with specified joint real estate venture operations, and give approval of their execution
- ③ To review and report preventive measures against serious compliance violations
- ④ To examine/check suspicious compliance activities (potential compliance violations)

Our Sustainability Message from Outside Directors



Outside Director

Haruo Shimada

Haruo Shimada

Developing human resources capable of facing the challenges of high-net-worth individuals

Aoyama Zaisan Networks focuses on recruiting and developing human resources, building relationships with partners, and utilizing DX and AI in order to achieve sustainable growth. As investors around the world grow increasingly interested in Japan, we intend to become more active in investor relations activities.

Recently, investors around the world have begun to pay increasing attention to Japan. The balance of direct investment from abroad to Japan was about 1–2% of GDP in the early 2000s, but it hit 7% in the 2020s. Although the environment surrounding the Japanese economy is not entirely optimistic, interest in Japanese equities is growing, and we are beginning to see some movement that may shake off Japan's decades-long mood of stagnation. In Japanese companies, more and more managers are able to use financial indicators as their own language, communicating with investors all around the world. At AZN, we intend to double down on our efforts in investor relations activities in order to respond to the high level of interest from investors around the world.

In recent years, asset prices, including stock prices and real estate, have risen considerably. Compared to many other countries, Japan is distinctive for the depth of its high-net-worth population. Although there are only a few “ultra” wealthy people with assets in the billions of yen, Japan has tens or hundreds of thousands of people with assets that could be described as “high-net-worth.” While they naturally want to increase the value of these assets, many people are seeking the right advice and guidance. For our company, which serves high-net-worth clients, this modern era has tested our abilities more than ever before.

Our Vision for 2027 is to be recognized as a “leading authority in the high-net-worth business.” The key to ensuring this path is human resources. Recruiting and training consultants who have strong interpersonal skills and passion and are capable of building long-term relationships of trust with

clients will continue to be a major theme. Many clients consult with their spouses when making major decisions. In this sense, we need to make further efforts to train female consultants. We are also moving forward with a more holistic HR strategy that includes the training and appointment of personnel responsible for creating new services that meet the changing needs of the times.

We recognize digital transformation (DX) and AI as significant issues, and we are redoubling our efforts to boost success in the field of human resources. I myself use generative AI, and am often amazed at the speed and precision of the process. The company, too, has entered the testing phase for an AI agent capable of performing multiple tasks autonomously. Within a year or two, we hope to introduce it into our consulting and corporate practices. For example, if this AI agent works as a “junior” to our consultants, significant improvements in operational efficiency can be expected. We expect that DX and AI will change the way we do business in the near future.

In order to improve capital efficiency, we have started to consider ROIC (Return on Invested Capital) by department, and each department operates with an awareness of capital efficiency. We recognize that foreign investors are particularly interested in whether our profit margins are sufficient in relation to our ample cash flow, and whether or not we are using capital efficiently. As we utilize ROIC as a management indicator to measure the results of the HR strategy and utilization of DX/AI outlined above, as an Outside Director I will strongly support the management team as it aims for further growth.

Maintain competitive advantage and pursue growth

Under the Medium-Term Management Plan, which aims to see AZN recognized as the leading authority in the high-net-worth business by 2027, we will secure and train consultants, promote more active roles for women, and further advance our back-office operations, while reinforcing our marketing activities and the functions of the Sustainability Committee.

In our 2025–27 Medium-Term Management Plan, we set ourselves the goal of “becoming recognized as a leading authority in the high-net-worth business” by 2027. In the high-net-worth business, the competitive environment is expected to become even tougher, as major financial institutions have been strengthening their wealth management portfolios in recent years. The Board of Directors is actively discussing ways to maintain our competitive advantage and achieve growth in this environment.

The most serious challenge we currently face is the lack of qualified, experienced consultants. We take this matter very seriously. After having announced a downward revision of our financial results in FY2024, we did achieve our numerical targets following subsequent efforts. However, we still lack a sufficient number of consultants and have yet to achieve satisfactory results in terms of HR development.

We believe that to achieve sustainable growth, we need to further invest in the acquisition of consultant personnel as well as capacity building. Back-office operations, including our administrative departments, are also becoming busier and busier, and there is an increasing need to improve their efficiency and sophistication. The same applies to the further promotion of active roles for women in our organization. In addition to actively promoting female consultants, we need to create an environment in which women can demonstrate their capabilities in non-consulting positions.

The undertaking of digital transformation (DX) is essential to resolving all the issues described so far. However, our DX measures have not been sufficient at this time, and we clearly need to take rapid and simultaneous action on a company-wide basis. In light of this situation, as an Outside Director, I have been emphasizing the importance of developing a system

to strengthen our DX and create a framework to continuously improve consulting skills by integrating them with cutting-edge technology on an ongoing basis.

Raising our profile in society also represents a major challenge. How can we emphasize our presence as a collection of experts in the high-net-worth business? Traditionally, our main focus has been on reaching out to our client base through financial institutions and other partners, but for further growth, it is important that more and more people are aware of our company. In addition to enhancing our marketing activities, we will further focus on IR and PR efforts.

We also need to further invigorate our sustainability activities. We are committed to strengthening the functions of the Sustainability Committee, which plays a central role on a wide range of fronts, including human capital management, active roles for women, and corporate governance. From the human capital management perspective, we aim to establish a virtuous circle in which an understanding of employee awareness and the current reality of the workplace environment helps us formulate and implement appropriate measures for improvement, creating an environment in which each employee feels motivated to work, ultimately leading to business growth.

These sustainability initiatives represent a shift from a shareholder equity approach to a multi-stakeholder approach. This shift was discussed by the Board of Directors and is clearly positioned in the current Medium-Term Management Plan. In order to sustainably raise our corporate value, we have set forth a vision for each of our five major stakeholders, and we are committed to creating value in a balanced manner.



Outside Director

Keiji Watanabe



Outside Director

Madoka Mori

We aim to be a pleasant workplace in which employees are healthy

Creating a workplace where women can keep playing active roles is a major theme, and we have been gradually building systems and structures to this end.

Step by step, we are making progress toward creating an environment that supports the realization of individual career plans from multiple directions, regardless of gender.

It has been a little more than a year since I was appointed as an Outside Director of AZN in March 2024. I have always strived to bring fresh perspectives to the Board, whether from my background in the medical field or in media or my personal qualities as a woman. Several examples indicate how these perspectives have been developed into measures. For example, an in-house seminar held on “Health Issues Specific to the Working Generation” helped to improve health literacy and emphasize the importance of health management. Not only this, but the Board of Directors’ flexibility in accepting new ideas and the speed with which they put them into action gives me confidence that our company has the potential for continuous evolution.

Active roles for women is one of the themes I want to focus on. At present, the company has a single female executive officer. I am the only female member on the Board. Developing female managers and creating an environment that supports long-term career growth from multiple directions presents a major challenge. Although often discussed at board meetings, there is no easy solution. Steady, gradual efforts will need to be continued, which include changes in awareness and behavior.

While I hope that female consultants will come to exert a greater presence, I also believe it is important to implement measures aimed at our administrative departments, which have a large number of female employees. Our goal is to create a workplace in which all employees can show their potential. They may choose to master a specialty such as human resources or accounting, improve their management skills, or transfer to a consulting team to hone their skills further. Regardless of gender, we need to be more creative in supporting individuals over the mid- to long-term to help them realize their own career plans.

In discussions with employees, the topic of taking paid leave has come up. This led us to change the system so that employees can take paid leave in one-hour increments instead of one-day increments. This has been a significant step forward, especially for those raising children. We believe that in the future, the departure of middle-level employees to act as caregivers could present major issues for our company. In order to prepare for these sorts of risks, we need to establish a framework based on a flexible approach, not constrained by existing rules.

In formulating the 2025–27 Medium-Term Management Plan, the Board of Directors discussed the matter multiple times. What impressed me was the attention to detail paid to how this was expressed. Beyond the actual content of the plan, the Board also spent a great deal of time choosing words that truly convey the company’s direction and values, and that are consistent with what we are trying to achieve.

The Medium-Term Management Plan also emphasizes marketing strategy. As we transition into the next stage of our company’s consistent growth, marketing and branding will be crucial. In order to continue good relationships with stakeholders, what kinds of messages must we send, and to whom? I hope to be able to brainstorm with the marketing team.

Sustainability strategy is another key pillar of the Medium-Term Management Plan. As a rather multifaceted concept, the SDGs are perceived in different ways by different people. After identifying the significance of our commitment to this theme, we need to continue to engage in activities that contribute to the development of our clients and local communities. I look forward to furthering such discussions.

Moving to the next stage through structuring, visualization, and teamwork

We are approaching the threshold of our next stage of growth.

In order to graduate to the next stage, we require a system that raises the level of each individual's abilities and an attitude that seeks to provide higher value through teamwork. While encouraging DX initiatives, I hope to contribute to the establishment of a new management style.

In March 2025, I was appointed as an Outside Director of the Company. I aim to contribute to the company's further development by utilizing my experience in the management of consulting firms and software companies across Japan.

Before my appointment, when I was looking at the company through the eyes of an external consultant, I was impressed by its excellent positioning. Its business model is truly unique in that it focuses on a narrow target group of high-net-worth individuals, digs deeply into their needs, and provides comprehensive consulting services. For other companies, imitating this success is not easy.

I believe that AZN's successful development to date has been largely due to the leadership of President Masazumi Hasumi. However, now that the company has grown to more than 360 employees on a consolidated basis, with more than 800 employees in the Group as a whole, including affiliated corporations, I believe we need to take our management style to the next stage. The keywords are structuring, visualization, and teamwork.

For example, a system capable of instantly retrieving knowledge if there is something you want to know, or a system capable of further refining recommendations made to clients. The system needs to be designed to provide easy access to past and present knowledge, and to clearly show who is doing what. Backed by such a system, when those who have specialist expertise work in tandem with each other, they will be able to provide higher value to clients.

Consulting firms, by the very nature of their work, tend to tend toward being "a collection of individual businesses." However, we believe that honing our team play is crucial, and we aim to provide value in a way that individuals simply cannot.

At the end of that path, we are sure to accomplish our vision to be recognized as a leading authority in the high-net-worth business. To achieve this, our company needs to be a place where everyone can work with pride and enthusiasm, and where they can experience true growth. Even if they end up transferring to other companies, those "alumni" who appreciate how we nurtured them are sure to maintain positive future relationships with us. In this way, our circle of community expands.

Of course, it is essential for a company to remain a presence that clients can rely on; however, it is difficult to earn genuine trust by simply doing whatever the client wants. Sometimes, you need to offer a different perspective on what you believe is right. When this leads to a breakthrough in client awareness, their trust in the consultant becomes more assured.

I think one of the major things expected of me is my involvement in our DX initiatives. I've been able to participate in the management of this company at a very good time, as we are undertaking DX measures in earnest. Today, business strategy simply cannot ignore the digital aspect. I believe that the most important thing is for everyone—from management to front-line workers—to see digital as their own business, and to be willing to work toward change on their own.



Outside Director

Shiro Uchida

Our Sustainability Sustainable management

Message from the Sustainability Committee

As a comprehensive property consulting company that supports the enduring development of our clients' valuable assets and businesses, we are committed to realizing our management objective of "Contributing to the happiness of our clients through the succession, operation, and management of property" by providing environmentally friendly products and services to resolve property-related concerns, as well as our efforts to reduce environmental impact in response to climate change.

As an advocate of 100-year property consulting, AZN needs to build on the foundation of human resource development, the source of our consulting services, to ensure its own sustainable growth. Led by the Sustainability Committee, newly established in February 2022 to work in collaboration with the Board of Directors, we are committed to company-wide efforts to realize a more sustainable society. The Sustainability Committee manages and evaluates the progress of targets set by the

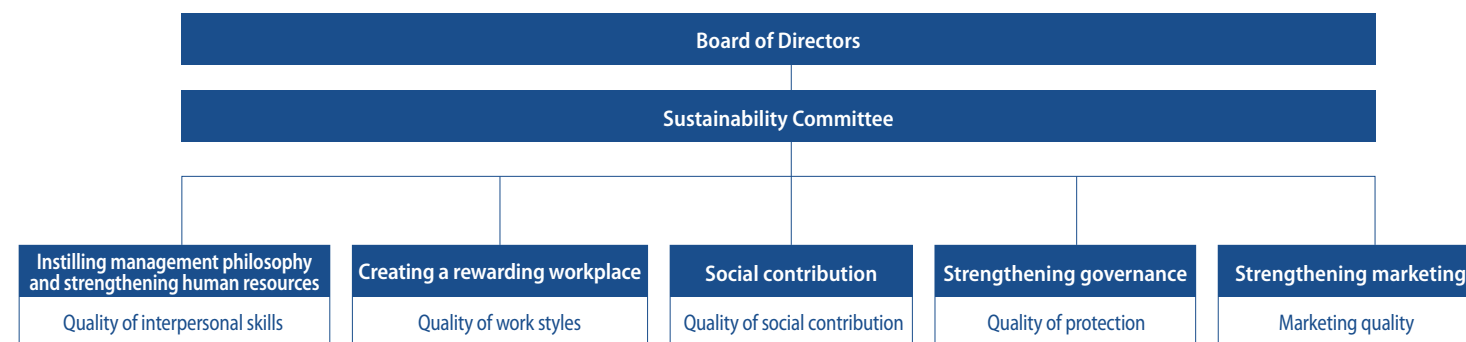
Board of Directors, while at the same time overseeing and monitoring sustainability policies, strategies, and actions. Its members are made up of the President and Managing Executive Officers of the Company.

The Sustainability Committee has established five segments including "Instilling Management Philosophy

and Strengthening Human Resources," "Creating A Rewarding Workplace," "Social Contribution," "Strengthening Governance," and "Strengthening Marketing," with multiple subcommittees established for each segment. Based on these themes, it recommends and promotes specific actions for improvement from

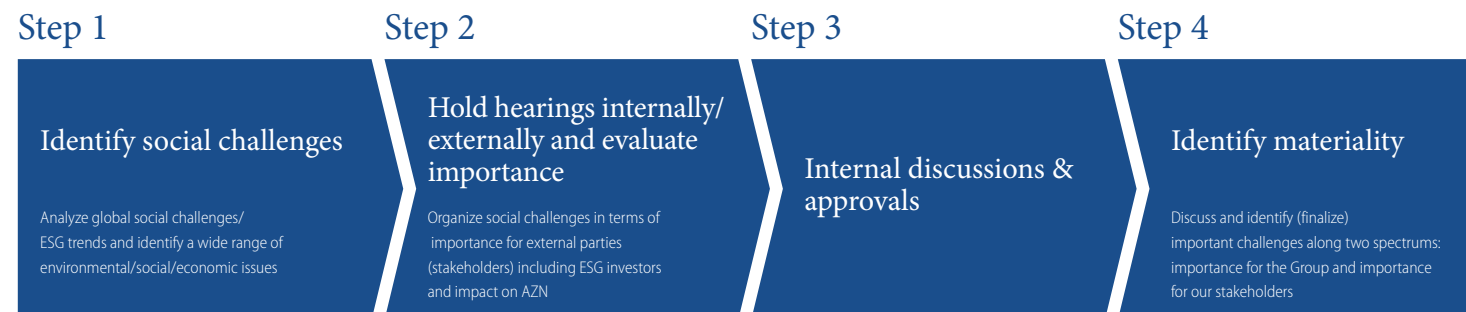
diverse perspectives. The members of each subcommittee are selected by the Executive Director from among personnel at related departments. Each subcommittee sets goals and plans for achieving these goals, and undertakes activities through a process of repeated discussion and verification.

● System for promoting sustainability







A process of identifying materiality

In 2020, the Group identified as high-priority issues both project-related materialities such as reducing the environmental impact of buildings, and business infrastructure-related materialities such as human resource development and corporate governance. In identifying materialities, we identify social issues likely to exert significant impact on our company and on society, based on the steps shown in the diagram at right.



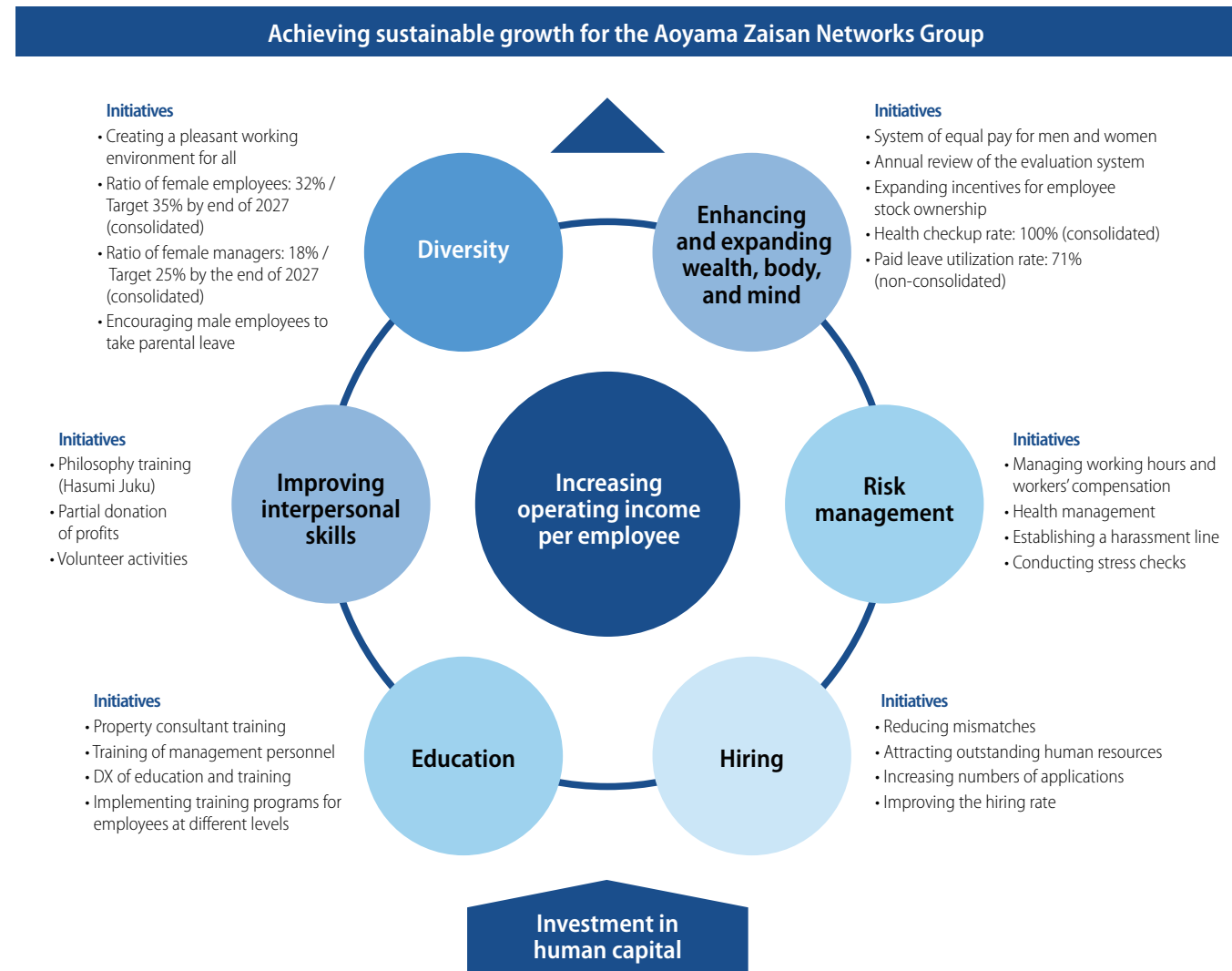
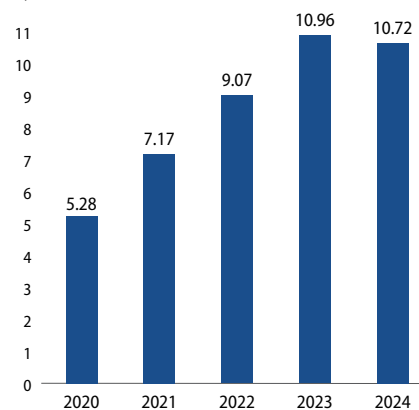
Three areas of materiality and initiatives of the Group

	2024–25 initiatives	Current initiatives	Future initiatives	Relevance to the SDGs
E Environmental Realizing a decarbonized, recycling-based society	<p>We recognize that addressing climate change is an important management issue that affects business continuity. In particular, we view CO₂ emissions from real estate-related business activities as a major risk impacting climate change. To this end, we prioritize environmentally friendly initiatives for their ability to contribute to enhancing asset value and resolving social issues.</p>	<ul style="list-style-type: none"> Promote use of 100% renewable energy at ADVANTAGE CLUB properties Endorsement and disclosure of the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) 	<ul style="list-style-type: none"> Promoting water conservation and waste reduction in conjunction with Advantage Club tenants Promoting the use of environmentally friendly materials, paints, equipment, etc. by incorporating ESG perspectives into our analysis of current situations and recommendations for land use and construction support Promoting buildings and urban development that are considerate of water environment conservation Reducing waste and greenhouse gas emissions 	
S Social Realizing a society that supports (the success of) diverse talents	<p>In addition to reinforcing employees' own efforts to improve their interpersonal skills through social contribution, the Group is committed to promoting diversity and establishing a pleasant work environment for women and other diverse human resources, which is crucial to accepting the diverse values of customers and resolving property issues.</p>	<ul style="list-style-type: none"> Instilling our management philosophy through morning meetings and corporate philosophy training conducted by President Hasumi himself Promoting the use of parental leave Expanding the contract employee system (eliminating restrictions) to allow employees to continue working after the mandatory retirement age of 65 In addition to organizations that aim to eliminate pet euthanasia and support children's cafeterias, a portion of profits are donated as material support to organizations that support children from poorer households, including single-parent families. Support is also conducted by employees themselves through volunteer activities. Strengthening management training through the use of external educational institutions Implementing a health management declaration and 100% health checkup rate Implementing volunteer activities for clean-ups in the Minato City area Cultivating managerial personnel Sharing examples of employees adopting diverse work styles (promoting understanding) Setting up holiday pay in hourly units 	<ul style="list-style-type: none"> We continue to donate and provide supplies to organizations that aim to eliminate pet euthanasia, support children's cafeterias, and organizations that support children from poorer families, including single-parent households. We are also expanding our volunteer activities. Promoting advancement of women (increasing the percentage of female employees from approximately 30% to 35%, and the percentage of female managers from approximately 19% to 25%) Workplace culture reform focusing on employees' opinions through workplace surveys, etc. Further strengthening and promoting consultant training through collaboration with external educational institutions, DX, and CEC (Consulting Education Center) Further health management, including promoting opportunities to exercise and offering dietary guidance Ongoing career development support training (focused on women and younger employees) Establishment of benefits to support the workplace during leaves of absence and returns to work Further strengthening and promotion of anti-harassment measures Promoting employment of persons with disabilities 	
S Social Business activities with emphasis on partnerships	<p>We regard local communities as a foundation for the life of all people including our clients, their families, and the companies and employees they value, as well as a foundation for social and economic activities and for leading happy lives. To ensure that our customers can live happily and that the value of their assets in local communities continues to increase, we are committed to engaging with local communities.</p>	<ul style="list-style-type: none"> Contributing to social welfare through use of real estate for nursing care facilities such as hospices and group homes, facilities for the disabled, clinics, and other facilities of high public interest, as well as helping revitalize local communities through use of real estate by attracting commercial facilities, etc. Creating mechanisms to give back to society by supporting the establishment of foundations Contributing to urban development and regional job creation by collaborating with partners such as public organizations, financial institutions, and companies on regional development projects 		
G Governance Continuing improvement in governance	<p>The Group recognizes corporate governance as an important management mechanism to make transparent, fair, rapid, and decisive decisions. Director candidates are determined by the Nominating Committee, executive compensation is deliberated upon by the Compensation Council, and the effectiveness of the Board of Directors is evaluated. We have also established the Compliance Committee consisting of the President, full-time Directors, Executive Officers/General Managers of the divisions, and external legal counsels (attorneys) as a structure to further compliance with laws and corporate ethics.</p>	<ul style="list-style-type: none"> Establishment of appropriate managerial structures for the Group by instituting a Nominating Committee to deliberate on director candidates, as well as succession planning, etc. Establishment of Compliance Committee to practice fair and honest management The Compensation Council operates to discuss matters related to the Company's basic policy on compensation, etc., received by the Company's directors. 		

Approach to human resources strategy and investment in human capital

In our Group, human assets, from which our consulting services stem, are an extremely important form of management capital. By improving the interpersonal skills of our employees and their capabilities to provide high-quality services, as well as increasing the diversity of our employees, we can respond to the diverse values and requests of our clients and offer further value-added property consulting services. Investing in human capital means investing in our business base and its foundation of sustainable management, which is essential for the Group's ongoing sustainable growth. We monitor operating profit per employee as an overall measure of return on investment in human capital. We seek to improve operating profit per employee by making progress in various measures related to human capital.

● Operating income (consolidated) per employee
(million yen)



Endorsement of TCFD

The Group has declared its support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The Group is engaged in business activities utilizing energies from land and other natural resources, and we recognize that addressing climate change is an important management challenge with a considerable impact on our business continuity. We prioritize environmentally friendly initiatives for their ability to contribute to enhancing asset value and resolving social issues, and we aim to meet the needs of both clients and tenants.



Governance

The Group's Board of Directors deliberates and decides on policies and important issues related to the overall issue of addressing climate change.

Strategy

We conduct analysis of risks and opportunities in the value chain in the real estate industry (small-lot real estate products), taking into account business characteristics and the surrounding environment, including political, economic, and social conditions, and we conduct scenario analysis of the impact of each risk on business.

Risk management

The Sustainability Committee oversees climate change risks and opportunities from a medium- to long-term perspective for the entire Group, and performs supervision and monitoring in cooperation with the Board of Directors, with the results reflected in management strategy.

Additionally, for high-priced real estate in urban areas handled through our real estate solutions services, we have established a Real Estate Project Advisory Council and a Compliance Committee to individually manage risks, including climate change risks and opportunities, for projects that meet certain conditions.

● Risk management system for TCFD

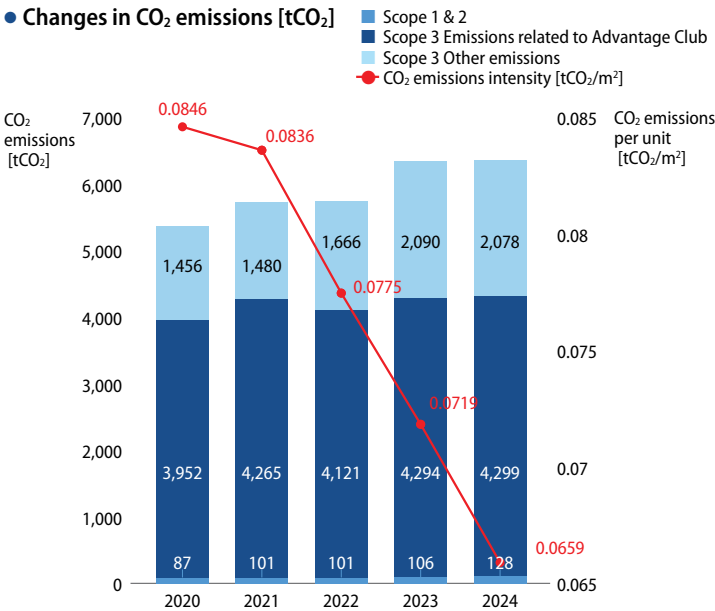
Risk management system	Targeted climate change risks	Summary
Sustainability Committee	Physical risks Transition risks	As well as aiming to build a foundation for sustainable growth, the Sustainability Committee performs oversight and monitoring functions for our sustainability policies, strategies, and measures, with the purpose of managing and evaluating the progress of goals resolved by the Board of Directors.
Real Estate Project Advisory Council	Physical risks Transition risks	Deliberates on the selection of properties eligible for purchase and the method and terms of sale of real estate for sale held by AZN or real estate investment funds formed by AZN. In this context, it also discusses climate change risks related to the asset quality of real estate (yield, management, exit strategies, etc.).
Compliance Committee	Transition risks (regulatory)	Consists of the President, Managing Director, the General Manager of each executive officer's business division, and an attorney who serves as an external legal expert. With the aim of practicing fair and honest management that is compliant with the law, this entity recognizes management risks, prepares draft countermeasures, and deliberates and reports on measures to prevent recurrence of such risks.

Indicators and targets

The total CO₂ emissions of our Group have been increasing due to the expansion of our business and increases in the number of employees. However, by introducing energy-saving equipment and changing power contracts to a carbon-free plan, we have been reducing CO₂ emissions per square meter (CO₂ emission intensity).

Our CO₂ emission reduction targets for 2030 and 2050 are currently under consideration. We will continue to address climate change risks by extending and expanding measures to curb emissions through ongoing TCFD disclosures.

● Changes in CO₂ emissions [tCO₂]



● Total CO₂ emissions ratio (2024)

