

Basic concept

To live up to the trust placed in us by our customers and society, as well as to enhance our corporate value, the Daiei Kankyo Group is committed to improving fairness and transparency in management and enhancing the supervisory function of the Board of Directors and the Audit & Supervisory Committee. By doing so, we are working to improve our corporate competitiveness, ensure prompt and rational decision-making, and achieve transparent and sound management. We have also established the Basic Policies for Internal Control. Through the development of an internal control system, we have built a system to execute business legally and efficiently.

Form of institutional design and reason for adoption

The Company transitioned from the structure of a company with an audit and supervisory board to the structure of a company with an audit and supervisory committee on June 26, 2024. The Members of the Company's Audit & Supervisory Committee have voting rights on the Board of Directors, and the committee, the majority of which consists of Outside Directors, performs not only legality audits but also validity audits, thereby enhancing the supervisory function of the Board of Directors.

In addition, to strengthen our corporate governance structure, we have established the Risk Management & Compliance Committee and other committees as well as the Group Management Meeting to facilitate prompt decision-making, agile business execution, and Group management.

Corporate governance structure at a glance

Form of institutional design	Company with an audit and supervisory committee
Chair of the board of directors	President
No. of directors	4
Of which, outside directors	1
No. of outside directors designated as independent officers	1
No. of directors (audit and supervisory committee members)	3
Of which, outside directors (audit and supervisory committee members)	2

No. of directors (audit and supervisory committee members) designated as independent officers	2
Term of office of directors	1 year
Term of office of directors (audit and supervisory committee members)	2 years
Adoption of executive officer system	Adopted
Establishment of voluntary advisory committee	Nomination & Compensation Advisory Committee
Adoption of performance-linked remuneration system	Adopted
Accounting auditor	GYOSEI & Co.

Corporate governance report www.dinsgr.co.jp/english/csr/pdf/CorporateGovernanceReport20240703.pdf

Corporate governance structure

