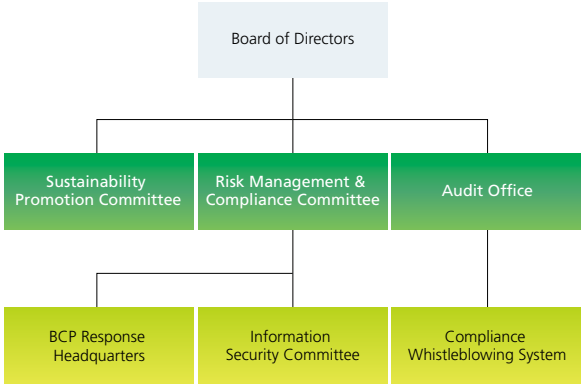
## Risk management

The Company has established the Sustainability Promotion Committee, chaired by the President and Representative Director / Executive Officer, which identifies and evaluates risks and opportunities to address sustainability issues such as climate change and human capital. Other risks for the Daiei Kankyo Group as a whole are identified and assessed by the Risk Management & Compliance Committee, chaired by the President and Representative Director / Executive Officer. Each committee determines materiality based on uniform judgment criteria and make additional changes to risk items or revise their materiality in response to changes in the external environment such as laws and regulations. Risks deemed to be of high materiality by each committee are reported or brought to the Board of Directors for discussion, thereby ensuring integrated management of risks for the Group as a whole.

Diagram of risk management structure




## Information security measures

The Group has established "thorough information management" as a key policy in the Daiei Kankyo Group Business Conduct Guidelines, which serve as the code of conduct for all officers and employees within the Group, and ensures that this policy is effectively communicated and understood throughout the organization. The Group has also developed and applies internal rules, including rules for the management of confidential information, rules for the protection of personal information, and detailed rules for the implementation of electronic information security, thereby building the foundation of our information security system.

## Establishment of Information Security Committee

On April 1, 2025, we established the Information Security Committee to strengthen our ability to respond to increasing security risks. The committee promotes Companywide initiatives based on the following objectives and expected outcomes.

Information security organizational chart


Cross-Shareholdings, Compliance Education, Tax Affairs, and Business Continuity Plan (BCP)
https://www.dinsgr.co.jp/english/csr/governance/

| | |
|---|---|
| Purpose | • Address the increasing security risks and protect the Company's information assets<br>• Enhance security awareness among all employees and strengthen the security framework |
| Expected outcomes | • Prevent information leaks and cyberattacks<br>• Establish a rapid response system for incident management<br>• Develop and implement information security policies |
| Medium-term initiatives (FY2026/3 to FY2028/3) | To further advance the information security system, we will systematically implement the following priority measures:<br>• Identify information assets and extract, assess, and mitigate risks<br>• Implement measures to prevent and respond to security incidents<br>• Conduct security education, including onboarding and hands-on training<br>• Carry out security incident drills |
| KPIs for improving information literacy (Through FY2028/3) | • Internal security training attendance rate: 95% or more annually<br>• Targeted phishing email training: Twice a year<br>• Information Security Committee meetings: Four times a year |