

The state of corporate governance of Fast Fitness Japan, Inc. (“the Company”) is described below.

## **I. Fundamental Views on Corporate Governance, Capital Structure, Corporate Attributes, and Other Key Information**

### **1. Basic Views**

The Fast Fitness Group has established “Get to a healthier place!” as its corporate philosophy and understands it is important to maximize its corporate value sustainably, contribute to society, and build sound, sustainable trust-based relationships with all of its stakeholders.

Based on this understanding, the Company has set up an Audit & Supervisory Committee and strives to ensure the transparency of its management decision-making and the supervision of its execution of business.

The Company will continue to ensure that information is appropriately disclosed and that its management decision-making and supervision of the execution of business is highly transparent in its efforts to maintain and improve the effectiveness of its corporate governance.

### **[Reasons for Non-compliance with the Principles of Japan’s Corporate Governance Code] Renewal**

[Supplementary Principle 2-4-1]

Recognizing the importance of ensuring the diversity of human resources in corporate management, the Company actively promotes the appointment of women and non-Japanese employees. With regard to the appointment of women to management positions, given the overall young age of our staff, we are striving to create a workplace environment in which women and non-Japanese employees can play an active role, with a medium-term target of 20%.

The current results of female and non-Japanese employees appointed to management positions is as follows. (As of March 31, 2024) Number of female managers: 5 Ratio of female managers: 12.5% Number of non-Japanese managers: 2 Ratio of non-Japanese managers: 5

On the other hand, as mid-career hires are recruited as managers when necessary, we do not recognize any particular differences in their promotion and we have not set targets for their promotion to manager positions.

[Principle 4-9]

The Company has not established any particular criteria or policy regarding independence for the appointment of Outside Directors; however, in making appointments, the Company makes determinations based on the assumption that the Outside Director has sufficient independence to perform their duties as Outside Director independently of the Company’s management team, taking into consideration their career history and relationship with the Company.

### **[Disclosure Based on the Principles of Japan’s Corporate Governance Code] Renewal**

[Principle 1-4]

The Company’s basic policy is not to hold investment stocks (cross-shareholdings) other than for pure investment purposes. However, the Company will hold such stocks only when it believes that building a good relationship of trust with a business partner will strengthen our business foundation and business relationships, and contribute to the sustainable enhancement of our corporate value. As of March 31, 2024, the Company maintains only one cross-shareholding, which is held through a business partner shareholding association for the purpose of maintaining or strengthening the relationship with the Company. The rationale for the continued holding of cross-shareholdings is comprehensively reviewed by the Board of Directors, etc., taking into consideration the transaction amount, the possibility of future business, the benefits and risks associated with the holdings and the cost of capital, and other factors. Based on this review, the Company’s basic policy is to sell stocks that are not reasonable to hold, while taking into consideration market conditions and other factors. Specific details of the verification of shareholdings are provided in Annual Securities Reports.

As mentioned above, the Company has not established criteria for exercising voting rights because it currently does not have voting rights due to the shares being held through a Business Partners Shareholding Association. However, the Company plans to establish and disclose criteria for exercising voting rights in the event it holds shares with voting rights.

[Principle 1-7]

In principle, the Group’s policy is not to engage in related party transactions. However, when it is necessary to do so in the course of business operations, the Board of Directors makes decisions on the rationality of transactions and the appropriateness of transaction terms based on objective and fair determinations. In addition, in order to monitor the status of related party transactions, the Company has established a system to manage related party transactions by conducting periodic investigations into their status.

[Principle 2-6]

Since the Company has adopted a defined contribution pension plan and not a corporate pension fund, this principle is not applied.

[Principle 3-1]

(i) The Group’s corporate philosophy is “Get to a healthier place!” and the Group’s mission (Purpose) is to “Extend healthy life expectancy by expanding fitness habits to create a prosperous society.” The Group conducts its business activities with the aim of proactively connecting with society and people.

Specific management strategies are explained at financial results briefings and in financial results presentation materials in a timely manner.

(ii) Basic views on corporate governance are described in “I. 1 Basic Views” of this Report.

(iii) Regarding determination of the calculations for remuneration amounts, etc. for officers, the Company has a policy of determining the total amount of remuneration for directors (excluding directors who are Audit & Supervisory Committee members) by a resolution of the General Meeting

of Shareholders. Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors then establishes the Remuneration Regulations for Officers and Performance-Linked Remuneration Regulations by a resolution of the Board of Directors. The Company's policy is to determine the amount of remuneration in accordance with the role and position of each director. In the resolution of the Board of Directors, the Company will determine the remuneration of directors, respecting the report of the Nomination and Remuneration Committee to the maximum extent possible.

The remuneration of Directors who are Audit & Supervisory Committee members is not linked to business performance to ensure their independence, but is a fixed base remuneration, which is stipulated in the Officer Remuneration Regulations.

Remuneration, etc. of part-time directors is determined individually by the Board of Directors at the time of their appointment.

(iv) Candidates for directors and Audit & Supervisory Committee members shall be selected without distinction as to gender, age, or nationality, and with due consideration of their personalities and insights, and those who can fulfill their duties and contribute to the enhancement of corporate value over the medium to long term.

(v) The reasons for the election of individual directors are disclosed in the notice of convocation. Reasons for dismissal of individual directors will be disclosed as appropriate.

[Supplementary Principle 3-1-3]

(1) Sustainability Initiatives

Under the corporate philosophy "Get to a healthier place!" and based on the code of conduct to achieve sustainability, the Group aims to contribute to the realization of a sustainable society by having all employees work to solve social issues through its business activities.

Specifically, in order to contribute to the achievement of each of the SDGs goals through an ESG perspective, we have published an "Open Fitness Declaration" since 2018 so that fitness can become more connected to society and we can solve various social issues together.

In addition, in order to further accelerate our sustainability efforts, an ESG Committee chaired by the CEO and Representative Director was newly established in September 2021, and a system has been established to appropriately promote reporting and discussion of important ESG-related issues while managing the progress of each initiative.

(2) The Company conducts analysis and discloses information based on the framework of TCFD recommendations regarding the impact of climate change-related risks and opportunities on its business activities, earnings, etc.

Please refer to our website for the results of the scenario analysis based on the TCFD framework.

<https://fastfitnessjapan.jp/esg/tcfd/>

(3) Investment in Human Capital and Intellectual Property, etc.

We have built a human capital database to visualize human capital, and are working to understand each individual's distinct qualities and utilize them in personnel policies, as well as to create an environment where each individual can grow.

Regarding intellectual property, we ensure the registration of trademarks, etc., and also work with the Anytime Fitness Headquarters in the U.S. to prevent the outflow of intellectual property, including various technologies.

[Supplementary Principle 4-1-1]

The Company has introduced an executive officer system for the purpose of building a system that can respond quickly and appropriately to changes and challenges in the management environment, and to more clearly separate the decision-making and supervisory functions of management.

The Board of Directors is building a stronger governance structure by separating its role as a management supervisory function.

[Supplementary Principle 4-8-3]

The Company has a controlling shareholder. In order to further protect the interests of minority shareholders, the Board of Directors has appointed seven of the nine directors as independent outside directors to ensure independence from the controlling shareholder and strengthen corporate governance.

[Supplementary Principle 4-10-1]

The Company has established a voluntary Nominating and Compensation Committee. The committee consists of five or more directors selected by a resolution of the Board of Directors, with a majority of Independent Outside Directors, and its independence is ensured by having an Outside Director as its chairperson.

The Nomination and Compensation Committee, in consultation with the Board of Directors, has the role and responsibility to deliberate mainly on the following matters and report back to the Directors, ensuring fairness, transparency and objectivity of the procedures. (1) Matters regarding the appointment and dismissal of Directors

(1) Matters regarding the selection and dismissal of Representative Directors

(2) Matters regarding remuneration, etc. of Directors

(3) Succession planning (including training) for directors

Matters related to succession planning (including training) of directors, etc.

[Supplementary Principle 4-11-1]

Candidates for directors and Audit & Supervisory Committee members are selected without distinction as to gender, age, or nationality, and with due consideration of their personalities and insight.

We select individuals who can fulfill their duties and contribute to the enhancement of corporate value over the medium to long term. We believe that our current executive structure is well-balanced in terms of personnel with qualifications in each field, and is capable of appropriately handling future company operations.

The details of the knowledge, experience, and abilities (skill matrix) that the Company's directors should possess in light of the management strategy are disclosed in the "Notice of the 14th Ordinary General Meeting of Shareholders in 2024 and Materials for the General Meeting of Shareholders".

<https://contents.xj-storage.jp/xcontents/AS08582/aa6fb3ff/6854/47b5/b8ba/6dcbe0425dce/140120240603519651.pdf>

[Supplementary Principle 4-11-2]

Concurrent positions with officers of other companies are limited to those that do not affect the execution of the Company's duties. The status of important concurrent positions is disclosed in the Notice of Convocation of the General Meeting of Shareholders and in the Annual Securities Report.

[Supplementary Principle 4-11-3]

With the aim of improving the effectiveness of the Board of Directors, the Company conducts an evaluation of the effectiveness of the Board of Directors and utilizes a third-party organization to analyze and assess the effectiveness of the Board of Directors. These activities are carried out to identify substantive issues, clarify the Board's issues and policies, and to resolve them through analysis of the current situation.

In March 2024, we conducted a questionnaire survey of all directors to assess their effectiveness in the five areas of “board composition and operation,” “management and business strategy,” “corporate ethics and risk/crisis management,” “performance monitoring and management evaluation,” and “dialogue with shareholders and other stakeholders” in fiscal 2023. Based on the results of this analysis, opinions were exchanged at the Board of Directors meeting held in May 2024.

In the results of the effectiveness evaluation, the Board of Directors of the Company was highly evaluated as being composed of members with diverse backgrounds, and each director actively participated in discussions, asking necessary questions and making constructive suggestions based on their knowledge and experience, thereby contributing to the functioning of the Board of Directors. In addition, a sufficient ratio of independent outside directors was ensured, and the Board’s supervisory function with regard to conflict-of-interest risks was highly evaluated.

The composition of the Nominating and Compensation Committee was reviewed with respect to deepening deliberations on the skills and diversity required for the Board of Directors and reviewing the number of members, which were issues identified in the previous fiscal year. Based on the deliberations of the Nominating and Compensation Committee, the composition of the Board of Directors was reviewed, which resulted in an improved assessment of the composition of the Board of Directors, including from the perspective of the Board’s supervisory function with respect to conflict-of-interest risks.

With regard to the revitalization of Board of Directors’ discussions on business portfolio management and other management strategies with a view to growth strategies, and oversight of efforts to ensure diversity of core human resources, the evaluation showed improvement, mainly due to repeated discussions based on the above perspective when the new medium-term management plan was formulated.

Future challenges included operating an objective and transparent nomination and evaluation process for management, including succession planning, promoting communication with stakeholders, including general shareholders, and setting the agenda and allocating time for board meetings in light of their importance.

In response to the above issues, we will continue our efforts to improve the effectiveness of the Board of Directors by clarifying the skill sets and evaluation criteria of the management team, further promoting initiatives for local communities and investor relations activities based on ESG management, monitoring the Board of Directors, and delegating authority to the executive side to ensure time for discussion of important proposals, among other measures.

[Supplementary Principle 4-14-2]

When appointing directors and Audit & Supervisory Committee members, the Company considers their experience and insight, and appoints those who can appropriately fulfill the roles and responsibilities expected of them. In addition, the Company provides directors (including Audit & Supervisory Committee members) with opportunities for training and other necessary studies to enable them to fully fulfill their roles and responsibilities.

[Principle 5-1]

IR operations and reception of dialogue with shareholders are handled by the Public Relations & Investor Relations Office. We strive to disclose appropriate information to shareholders and investors by holding financial results briefings at least twice a year on a regular basis, and by posting financial results presentation materials and archived videos of the briefings on our website as a means of providing information.

The CEO and Representative Director has established an IR system to ensure constructive dialogue with shareholders, and in order to gain their understanding of the Company’s management strategies and plans, the CEO and Representative Director actively responds to individual meetings, financial results briefings, participation in IR events sponsored by securities companies, and interviews with institutional investors, in addition to individual meetings.

Opinions and other information obtained through dialogue with shareholders and investors and through IR activities are reported to the Board of Directors for information sharing.

Management of Insider Information

In terms of management of insider information, the period from the date of quarterly settlement of accounts to the date of announcement is designated as a silent period during which dialogue with investors is restricted, and internal education and reminders are provided to ensure thorough information management within the Company.

[Principle 5-2]

Measures to realize management that is conscious of the cost of capital and stock price [disclosed in English]

In our Medium-Term Management Plan, we measure our cost of capital using the weighted average cost of capital (WACC).

For capital efficiency indicators, ROE and ROIC are used as measures of profitability relative to invested capital.

“Action to Implement Management that is Conscious of Cost of Capital and the Stock Price” (released June 26, 2024).

<https://contents.xj-storage.jp/xcontents/AS08582/fbc5a6cd/844c/462c/9c11/8e0f36234ea3/140120240626537702.pdf>

We will work to maintain and improve ROE above the cost of shareholders’ equity and ROIC above WACC by implementing growth investments that achieve sustainable growth with an awareness of capital efficiency, and by enhancing IR activities such as proactive information disclosure and practicing ESG management to obtain an appropriate market valuation.

The Company will continue to deepen the discussion on return on capital based on the cost of capital and focus on management that is aware of cost of capital and stock price to enhance corporate value.

## 2. Capital Structure

Percentage of Foreign Shareholders	10% or more and less than 20%
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### [Status of Major Shareholders] **Renewal**

Name	Number of shares owned (shares)	Percentage (%)
OAK Co., Ltd.	9,108,900	48.60
RM Japan, LLC	1,443,000	7.70
The Master Trust Bank of Japan, Ltd. (Trust account)	797,300	4.25
Trustee for specified securities trust: Nomura Trust and Banking Co., Ltd. (Trust Account 2052248)	702,000	3.74
Trustee for specified securities trust: Nomura Trust and Banking Co., Ltd. (Trust Account 2052249)	702,000	3.74
Jun Takashima	428,680	2.28
Akira Okuma	398,900	2.12
Morgan Stanley MUFG Securities Co., Ltd.	294,324	1.57
Custody Bank of Japan, Ltd. (Trust Account)	246,600	1.31
JP JPMSE LUX RE JEFFERIES INTL LTD EQ CO	242,100	1.29

Controlling Shareholder (except for Parent Company)	Akira Okuma
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Parent Company	None
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### Supplementary Explanations

- (1) The “Status of Major Shareholders” is the status of the shareholders’ register as of March 31, 2024.
- (2) OAK Co., Ltd. is an asset management company in which all voting rights are owned by Akira Okuma, Chairman of the Board of Directors of the Company, and Shota Okuma and Ayako Okuma, close relatives of Akira Okuma.
- (3) Akira Okuma is listed as a controlling shareholder because he holds a majority of the Company’s voting rights when the number of shares held by OAK Co., Ltd. are included.

## 3. Corporate Attributes

Listed Exchange and Market Division	Tokyo Stock Exchange, Prime Market
Fiscal year end	March
Type of Business	Services
Number of Employees (consolidated) as of the End of the Previous Fiscal Year	From 100 to less than 500
Revenue (consolidated) for the Previous Fiscal Year	From ¥10 billion to less than ¥100 billion
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	Less than 10

## 4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder **Renewal**

As for the Company’s executive structure, all of the seven independent outside directors are appointed by the Company and have no relationship with the controlling shareholder or its surroundings, and the Company has established a system that provides checks and balances related to transactional activities.

In the event of a transaction with a controlling shareholder, the Board of Directors shall fully deliberate on the details of the transaction and the appropriateness of the transaction before making a decision, taking into consideration compliance with laws and regulations and that the transaction terms do not differ significantly from those of ordinary transactions with third parties, so that the Company and its minority shareholders will not be disadvantaged. Furthermore, the Company strives to ensure the fairness of transactions and protect the rights of minority shareholders by seeking the opinions of outside experts, such as lawyers and accounting auditors, as necessary.

In addition to the business relationship between the Company and the controlling shareholder in the granting of restricted stock awards, on April 1, 2024, the Company acquired shares in Saya Pte. Ltd. held by a company (Okuma Corporation) of which the controlling shareholder is a major shareholder and representative. This transaction was properly executed in accordance with the above policy. For details, please refer to the “Notice Concerning Overseas Expansion Following Acquisition of Shares in Saya Pte. Ltd. (Making it a Subsidiary)” released on March 14, 2024.

## 5. Special Circumstances which may have Material Impact on Corporate Governance

## II. Business Management Organization and Other Corporate Governance Systems regarding Decision Making, Execution of Business, and Oversight

### 1. Organizational Composition and Operation

Organization form Company with an Audit & Supervisory Committee

#### [Directors]

Number of Directors as set forth in the Articles of Incorporation	No upper limit on the number of employees
Term of office of the Director as set forth in the Articles of Incorporation	1 year
Chairperson of the Board of Directors	President
Number of Directors	9
Appointment of Outside Directors	Appointed
Number of Outside Directors <b>Renewal</b>	7
Number of Outside Directors designated as independent officers <b>Renewal</b>	7

Relationship with the Company (1) **Renewal**

Name	Type	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Mitsuhiko Uehira	From another company											
Sachiko Oi	From another company											
Maki Imura	From another company											
Hirofumi Kubota	Certified Public Accountant											
Masami Hamaoka	From another company											
Daisuke Sakai	Lawyer											
Masahiro Tanida	From another company											

\* Categories for "Relationship with the Company"

\* "○" indicates that the director currently falls under the category, or did so recently, and "△" indicates that the director fell under the category in the past.

\* If a close relative falls under each item in the "current/recent" category, the answer is "●"; if a close relative falls under each item in the "past" category, the answer is "▲".

a. An executive of the listed company or its subsidiary

b. An executive or non-executive director of the parent company of the listed company

c. An executive of a brother company of the listed company

d. A person whose main customer is the listed company or its executive

e. A major business partner of the listed company or its executive person

f. A consultant, accounting professional or legal professional who receives a large amount of money or other assets from the listed company other than remuneration as a director

g. A major shareholder of the listed company (if such major shareholder is a corporation, an executive person of such corporation)

h. A business partner of the listed company (not falling under d, e or f) (not falling under any of d, e, and f) (only the person himself/herself)

i. An executive of a party with which the listed company has a relationship of mutual appointment of outside officers (only the person himself/herself)

j. An executive of a party to which the listed company makes a donation (only the person himself/herself)

k. Other

Relationship with the Company (2) **Renewal**

Name	Audit & Supervisory Committee Members	Independent Director	Supplementary explanation of the relationship	Reasons for appointment
Mitsuhiko Uehira		○	_____	Mr. Mitsuhiko Uehira has a wealth of knowledge and experience as a corporate manager, and we expect that he will provide useful insights to the Company from his position as Outside Director, and have therefore decided to appoint him as Outside Director. There are no personal, capital, or significant business relationships or other interests between the Company and Mr. Uehira, and there is no risk of a conflict of interest with general shareholders; therefore, he is positioned as an "independent director" with independent status.

Sachiko Oi		○	-----	<p>Having many years of experience in investment banking, asset-backed securities credit rating, and bond markets in Japan and the United States, Ms. Sachiko Oi has a wide range of connections in financial, economic and political circles in Japan and the United States and is well versed in international financial information. Expecting her to provide useful knowledge to the Company from a broad perspective, we have therefore decided to nominate her as an Outside Director. There are no personal, capital, or significant business relationships, or other interests between the Company and Ms. Oi, and there is no risk of a conflict of interest with general shareholders; therefore, she is positioned as an “independent director” with independent status.</p>
Maki Imura	○	○	-----	<p>Ms. Maki Imura has abundant insight in corporate communications and a wealth of experience as a manager and Audit &amp; Supervisory Committee member. We have brought her on as Outside Director in the expectation that she will contribute to the strengthening of our audit system and provide advice and recommendations to our overall management from a neutral standpoint. There are no personal, capital, or significant business relationships or other interests between the Company and Mr. Imura, and there is no risk of a conflict of interest with general shareholders; therefore, she is positioned as an “independent director” with independent status.</p>
Hirofumi Kubota	○	○	-----	<p>We have determined that Mr. Hirofumi Kubota will appropriately perform his duties properly as an Outside Director based on his extensive knowledge and experience at an auditing firm. We have also appointed him with the expectation that he will work to audit and supervise management from an objective perspective independent of the management team that executes business operations. There are no personal, capital, or significant business relationships, or other interests between the Company and Mr. Kubota, and there is no risk of a conflict of interest with general shareholders; therefore, he is positioned as an “independent director” with independent status.</p>
Masami Hamaoka	○	○	-----	<p>We have determined that Mr. Masami Hamaoka will appropriately perform his duties properly as an Outside Director based on his experience and knowledge gained at the Bank of Japan and extensive experience as a corporate executive and an auditor. We have also appointed him with the expectation that he will work to audit and supervise management from an objective perspective independent of the management team that executes business operations. There are no personal, capital, or significant business relationships, or other interests between the Company and Mr. Hamaoka, and there is no risk of a conflict of interest with general shareholders; therefore, he is positioned as an “independent director” with independent status.</p>

Daisuke Sakai	○	○	----	We believe that Mr. Daisuke Sakai will be able to appropriately perform his duties as Outside Director based on his extensive experience and professional insight as an attorney at law in Japan and abroad. We have also appointed him with the expectation that he will work to audit and supervise management from an objective perspective independent of the management team that executes business operations. There are no personal, capital, or significant business relationships, or other interests between the Company and Mr. Sakai, and there is no risk of a conflict of interest with general shareholders; therefore, he is positioned as an “independent director” with independent status.
Masahiro Tanida	○	○	----	Mr. Masahiro Tanida has extensive experience and knowledge of capital markets and international deals and also has a wealth of experience as a manager, primarily in the finance, accounting and administrative departments of franchise businesses and prime listed companies. Expecting him to help improve our governance and promote appropriate risk taking based on such a knowledge. There are no personal, capital, material business, or other interests between the Company and Mr. Tanida. Although he is from a financial institution with which the Company has business dealings, he has been retired for more than 20 years and does not meet the “independence criteria” established by the Tokyo Stock Exchange, and there is no risk of a conflict of interest with general shareholders; therefore, he is positioned as an “independent director” with independent status.

### [Audit & Supervisory Committee]

#### Member Composition and Chairperson’s Attribute **Renewal**

	All Committee Members (Persons)	Full-time Members (Persons)	Internal Directors (Persons)	Outside Director (Persons)	Chairperson
Audit & Supervisory Committee	5	1	0	5	Outside Director
Directors or Employees Responsible for Assisting the Audit & Supervisory Committee in Fulfilling Its Duties <b>Renewal</b>	None				

#### Reasons for Adoption of Current System **Renewal**

If the Audit & Supervisory Committee Member requests that an employee be assigned to assist him or her in the performance of their duties, the Company will assign an employee to assist him or her in the performance of those duties. ■ Supplementary Explanations  
The Audit & Supervisory Committee is chaired by an Outside Director (Audit & Supervisory Committee Member) and consists of five Outside Directors (Audit & Supervisory Committee Members), including a full-time Audit & Supervisory Committee Members.

#### Cooperation among the Audit & Supervisory Committee, Accounting Auditors and Internal Audit Department

The Internal Audit Office and the Audit & Supervisory Committee hear audit policies and plans from the accounting auditors, receive reports and explanations of audit results from time to time, and otherwise cooperate with the accounting auditors. In addition, the Internal Audit Office, the Audit & Supervisory Committee, and the accounting auditor meet regularly to exchange information and communicate with each other. In conducting internal audits, audits by the Audit & Supervisory Committee, and accounting audits, the Company holds regular meetings with the Internal Audit Dept. to hear necessary information and receive reports, thereby conducting appropriate audits.

## [Voluntary Committees]

Voluntary Establishment of Committee(s) Corresponding to Nominating Committee or Compensation Committee	Yes
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### Voluntary Establishment of Committee(s), Composition of Committee Members and Attributes of Committee Chairpersons

	Committee's Name	All Committee Members (Persons)	Full-time Members (Persons)	Outside Director (Persons)	Outside Director (Persons)	Outside Experts (Persons)	Others (Persons)	Chairperson
Committee Corresponding to Nominating Committee	Nominating and Compensation Committee	5	1	2	3	0	0	Outside Director
Committee Corresponding to Compensation Committee	Nominating and Compensation Committee	5	1	2	3	0	0	Outside Director

### Supplementary Explanations

The Nominating and Compensation Committee shall consist of at least five directors selected by resolution of the Board of Directors, with the Outside Directors (including directors who are a member of the Audit & Supervisory Committee) constituting the majority, and the chairperson shall be selected by resolution of the Nominating and Compensation Committee from among its members who are Independent Outside Directors. As of June 2024, the Committee consists of a total of five members: the CEO and Representative Director, Chairman and Director, and three Outside Directors (including Audit & Supervisory Committee Members). The purpose of the Committee is to ensure the fairness, transparency, and objectivity of procedures related to the nomination and compensation of directors and to further enhance corporate governance.

## [Independent Directors/Auditors]

Number of Independent Directors/Auditors <b>Renewal</b>	7
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### Matters Related to Independent Directors/Auditors

The Company designates all outside directors and auditors who satisfy the requirements for independent directors and auditors as independent directors and auditors, with reference to the criteria for determining the independence of independent directors and auditors stipulated by the Tokyo Stock Exchange.

## [Incentives]

Implementation of Measures to Provide Incentives to Directors and/or Executive Officers	Performance-linked Remuneration, Other
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### Supplementary Explanation

#### Introduction of a Performance-linked Compensation System

The Company has introduced a performance-linked compensation system for its directors to motivate them to improve the Company's performance and corporate value.

#### Other

#### (Introduction of a restricted stock compensation plan)

The Company reviewed its compensation system for directors and auditors, and at the Ordinary General Meeting of Shareholders held on June 24, 2021, the Company introduced a restricted stock compensation plan for directors (including outside directors and directors who are Audit & Supervisory Committee members). The purpose of the plan is to provide incentives for the sustainable enhancement of the Company's corporate value and to promote greater value sharing with shareholders.

Recipients of Stock Options	Internal Director, Outside Director, Others
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### Supplementary Explanation

Stock options have been granted in the past to internal directors, outside directors and external collaborators, but no stock options have been introduced in the current compensation plan.

## [Remuneration for Directors]

Disclosure of Individual Directors' Remuneration	No individual disclosure
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### Supplementary Explanation

The information is omitted because no officers receive remuneration, etc. of 100 million yen or more.  
The total amount of remuneration, etc. of directors is disclosed for each director category.

Policy on Determining Remuneration Amounts and Calculation Methods	Yes
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### Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods

With respect to determining remuneration amounts and calculation methods, etc. for directors and auditors of the Company, the total amount of remuneration for directors (excluding directors who are Audit & Supervisory Committee members) and the total amount of remuneration for directors who are Audit & Supervisory Committee members are determined by a resolution of the General Meeting of Shareholders. The Company's policy is to determine the amount of remuneration in accordance with the role and position of each director by establishing the Remuneration Regulations for Directors and the Performance-Linked Remuneration Regulations by a resolution of the Board of Directors based on the report of the Nominating and Remuneration Committee.

In the resolution of the Board of Directors, the Company will determine the remuneration of directors, respecting the report of the Nomination and Remuneration Committee to the maximum extent possible.

## [Supporting System for Outside Directors]

In order to establish a system that allows part-time outside directors to supervise and audit from a neutral standpoint and to strengthen the management oversight function, the following environment and systems have been established.

1. The Corporate Planning Dept. and the Legal Dept. are responsible for disseminating information to Outside Directors, including the distribution of materials and explanations in advance of Board of Directors meetings, to ensure that Outside Directors have sufficient time to consider the information.
2. Advance briefing sessions are held in accordance with the details of the agenda items for the Board of Directors meetings.
3. At Board of Directors meetings, executive directors provide detailed explanations based on materials and engage in lively discussions and exchanges of opinions.
4. At meetings of the Audit & Supervisory Committee, full-time Audit & Supervisory Committee members provide detailed explanations based on materials and exchange information and opinions.

## 2. Matters on Functions of Business Execution, Auditing, Oversight, Nomination, and Compensation Decisions (Overview of Current Corporate Governance System)

The following is a summary of the meetings and other activities undertaken to fulfill the Company's business execution functions.

a. Board of Directors: The Board of Directors makes decisions on matters stipulated by laws and regulations and important matters related to the Company's management and business operations, and supervises the execution of duties by the Directors. The Board of Directors holds extraordinary meetings as necessary in addition to the regular monthly meetings to enable prompt decision-making.

b. In principle, the Audit & Supervisory Committee meets once a month. Audit & Supervisory Committee members attend meetings of the Board of Directors, inspect important documents based on the audit plan, and audit the execution of duties by directors through on-site inspections of each department.

To strengthen the audit and supervisory functions of the Audit & Supervisory Committee, the Company has appointed one full-time member to the committee. This full-time member facilitates thorough communication and coordination between the directors (excluding Audit & Supervisory Committee members) and the Internal Audit Department, which is the Company's internal audit division. Centered around this full-time member, the committee strives to establish effective communication and a robust information-gathering and auditing environment with the directors, administrative departments, and other internal control divisions.

c. The Nominating and Compensation Committee is composed of at least five directors selected by resolution of the Board of Directors, and is chaired by an Outside Director, with Outside Directors including directors who are members of the Audit & Supervisory Committee constituting a majority of committee members. The purpose of the Committee is to ensure the fairness, transparency, and objectivity of procedures related to the nomination and compensation of directors and to further enhance corporate governance.

d. Internal Audits

In accordance with the internal audit plan, the Company conducts audits of the overall operations of the Company and its subsidiaries to ensure the appropriateness of business operations.

e. Accounting Auditors

The Company has entered into an audit contract with PwC Japan LLC.

## 3. Reasons for Adoption of Current Corporate Governance System Renewal

The Company has established a Board of Directors, Audit & Supervisory Committee, and independent auditors to ensure transparency in management decision-making and supervision of business execution. In addition, a voluntary Nominating and Compensation Committee has been established under the Board of Directors, and an Executive Officer System has been introduced to more clearly separate the decision-making and supervisory functions of the Board of Directors.

The Company will continue to ensure that information is appropriately disclosed and that its management decision-making and supervision of the execution of business is highly transparent in its efforts to maintain and improve the effectiveness of its corporate governance.

## III. Implementation of Measures for Shareholders and Other Stakeholders

### 1. Measures to Vitalize the General Shareholders Meeting and Smooth Exercise of Voting Rights Renewal

	Supplementary Explanations
Early Notification of General Meeting of Shareholders	The Company endeavors to send out the convocation notices at the earliest possible date. The Company discloses the information by electronic means on the TDnet service of the Tokyo Stock Exchange and on the Company's website prior to the dispatch of convocation notices.
Scheduling the General Meeting of Shareholders Avoiding the Peak Day	The Company endeavors to schedule General Meetings of Shareholders by avoiding days on which many such meetings are held. The 14th Ordinary General Meeting of Shareholders was held on June 26, 2024.
Allowing Electronic Exercise of Voting Rights	Exercise of voting rights by electromagnetic means was introduced starting with the General Meeting of Shareholders held in June 2022.
Participation in Electronic Voting Platform and Other Initiatives to Enhance the Environment for Institutional Investors to Exercise Their Voting Rights	The Company has participated in the Electronic Voting Platform starting with the General Meeting of Shareholders held in June 2022.
Providing Convocation Notices in English	The Company has provided convocation notices in English starting with the General Meeting of Shareholders held in June 2022.

### 2. IR Activities Renewal

	Supplementary Explanations	Explanation by Representative
Preparation and Publication of Disclosure Policy	This information is also displayed on the Company website. <a href="https://fastfitnessjapan.jp/ir/policy/">https://fastfitnessjapan.jp/ir/policy/</a>	
Regular Investor Briefings for Individual Investors	Videos of the financial results briefings for institutional investors and analysts are made available on the Company's website. For the fiscal year ended March 31, 2024, the briefings were held twice and the Company continued to distribute the archived videos.	None
Regular Investor Briefings for Analysts and Institutional Investors	The Company holds financial results briefings at least twice a year, and also engages in dialogue through individual interviews and other means.	Yes
Regular Investor Briefings for Overseas Investors	The Company believes that holding such briefings is a matter to be considered, depending on the status of the investor base in the future. Individual interviews are available at any time.	None
Posting of IR Materials on Website	The Company has established an IR section on its website, where financial results, timely disclosure information, IR news, and other information is posted. <a href="https://fastfitnessjapan.jp/ir/">https://fastfitnessjapan.jp/ir/</a>	
Establishment of Department and/or Manager in Charge of IR	Investor Relations/Public Relations.	

### 3. Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanations
Internal Rules Stipulated for Respecting the Position of Stakeholders	The Company has established the "Group Timely Disclosure Rules" for the purpose of providing timely and appropriate corporate information to all shareholders, investors, and other stakeholders of the Group, to deepen their understanding of the Group, to enhance public trust, and to facilitate appropriate evaluation.
Implementation of Environmental Activities, CSR Activities, etc.	To realize our corporate philosophy, "Get to a healthier place!" the Public Relations & Investor Relations Office which is responsible for ESG activities is playing a central role in efforts to reduce the environmental impact of our business activities and to engage proactively in CSR activities. With regard to CSR activities, we actively donate machines to municipalities and universities where it is difficult for us to conduct business due to their potential customer base, and conduct support activities through external organizations. ESG Website <a href="https://fastfitnessjapan.jp/esg/">https://fastfitnessjapan.jp/esg/</a>
Development of Policies on Information Provision to Stakeholders	Our basic policy is to provide corporate information in a timely and appropriate manner to all shareholders, investors, and other stakeholders of the Group.

## **IV. Matters Related to the Internal Control System**

### **1. Fundamental Views on Internal Control System and the Progress of System Development**

The Company has established various internal rules and regulations to clarify the responsibilities of officers and employees. Not only do directors and managers themselves take the initiative in complying with the internal rules and regulations, but they also ensure that all other employees are informed of their duties in accordance with the internal rules and regulations.

In addition, the Board of Directors has adopted a resolution to establish a "System for Ensuring the Appropriateness of Operations and the Status of its Implementation," and the Company operates in accordance with this basic policy.

a. System to ensure the adherence to laws, regulations, and the articles of incorporation by directors and employees in their execution of duties  
Board of Directors meetings are held in accordance with the Board of Directors Regulations, and resolutions are made on matters stipulated by law and the Articles of Incorporation, as well as on important business matters such as basic management policies.

b. System for storage and management of information related to the execution of duties by directors  
Information related to the execution of duties by directors is recorded in documents and stored in accordance with the Document Management Regulations. The Human Resources Dept. and the Legal Dept. appropriately record information related to the execution of duties by directors, and store and manage such information strictly for the period stipulated in accordance with the retention periods required by laws and regulations. In addition, the documents are available to the directors and Audit & Supervisory Committee members at all times.

c. Regulations and other systems concerning management of risk of loss  
Directors and employees execute their duties within the scope of their authority in accordance with the Regulations on Administrative Authority, and manage the respective risks inherent in each duty.

The Administration Division, which is responsible for internal control functions, monitors the risks of each department, promptly reports any increase in risk to the directors and Audit & Supervisory Committee members, and implements countermeasures.

d. System to ensure the efficient execution of duties by directors  
The Board of Directors establishes the division of duties for each director, clarifies where responsibilities and authority lie, and ensures the efficient execution of duties in accordance with the Regulations on Administrative Authority. In addition, the Board of Directors manages the progress of the business plan in comparison with the monthly financial statements in order to monitor the achievement of the business plan, and analyzes and evaluates the efficiency of operations in order to achieve the goals of the business activities.

e. System to ensure that the execution of duties by employees complies with laws and regulations and the Articles of Incorporation  
Employees faithfully execute their duties within the scope stipulated by internal regulations. Authority and responsibility for the execution of duties are clearly stipulated in the Regulations on Division of Duties, Regulations on Administrative Authority, and other internal regulations, and duties are executed in a timely and appropriate manner.

f. System to ensure the appropriateness of operations of the corporate group consisting of the Company and its subsidiaries  
The Board of Directors makes decisions to ensure the soundness, legal compliance, and transparency of the operations of the entire Group, thereby ensuring the appropriateness of operations.

g. Matters concerning employees to assist Audit & Supervisory Committee Members in the event that they request the appointment of employees to assist them in their duties, and matters concerning the independence of such employees from Directors  
In the event that Audit & Supervisory Committee members request that employees be assigned to assist them in their duties, the Company will assign such employees to assist them in their duties.  
Assistant employees may serve concurrently, but shall not be subject to the direction and orders of directors or other employees when performing such duties.

h. Matters concerning ensuring the effectiveness of instructions given by Audit & Supervisory Committee Members to employees who are to assist them in the performance of their duties  
Directors (excluding Directors who are Audit & Supervisory Committee Members) and employees shall cooperate in the development of the audit environment to facilitate the smooth performance of the duties of assistant employees.

i. System for Directors and Employees to Report to Audit & Supervisory Committee Members of the Company  
Audit & Supervisory Committee members may attend meetings of the Board of Directors and other important meetings, hear from Directors and employees about the status of business execution, and inspect related materials. Directors and employees promptly report to Audit & Supervisory Committee Members any violations of laws, regulations, and the Articles of Incorporation, as well as any facts that may have a significant impact on the Company's operations or business performance.

j. System to ensure that a person who makes a report as described in the preceding item will not be treated disadvantageously because of such a report  
With respect to the transfer, evaluation, and disciplinary action imposed on employees who have made a report, the Company may request disclosure of the reasons for such action.

k. Matters concerning procedures for prepayment or reimbursement of expenses incurred in the performance of Audit & Supervisory Committee Member's duties and other matters concerning policies for the treatment of expenses or liabilities incurred in the performance of said duties  
When an Audit & Supervisory Committee Member requests advance payment of expenses incurred in the performance of their duties, reimbursement of expenses paid or reimbursement of debts incurred, the Company shall comply with such request, unless it can be demonstrated that such expenses are not incurred in the performance of their duties as an Audit & Supervisory Committee Member.

l. Other systems to ensure that the audits of Audit & Supervisory Board Members are conducted effectively  
The Audit & Supervisory Board Members maintain close contact with the Internal Audit Office, and may request the Internal Audit Office to conduct investigations as necessary. An Audit & Supervisory Committee Member may, at their discretion, engage attorneys or other outside experts other than the Company's legal counsel when deemed necessary to conduct an audit.

m. System for preventing damage caused by antisocial forces  
The Company firmly rejects antisocial forces that threaten the order and safety of civil society and takes resolute company-wide action against such forces. In addition, the Legal Office has been designated as the department responsible for handling legal risks, and a system is in place to cooperate with legal counsel on a regular basis. In the unlikely event of unreasonable demands from antisocial forces, the Company will consult with the police department or other relevant authorities with jurisdiction at an early stage and respond with appropriate guidance.

n. System to ensure the reliability of financial reporting

To ensure the reliability of financial reporting, the Company takes necessary corrective measures while receiving reviews from auditing firms and tax accountants.

## 2. Fundamental Approach to Eliminating Anti-Social Forces and State of Related Efforts

a. Fundamental Approach to Eliminating Anti-Social Forces

The Company has established a “Basic Policy for the Elimination of Antisocial Forces” in the “Group Regulations to Eliminate Relationships with Antisocial Forces” and has declared that no director or employee of the Group shall engage in business negotiations or transactions with a party that they know to be an antisocial force, nor shall they provide funds or other benefits to such party.

b. Basic Approach to the Elimination of Antisocial Forces and State of Readiness

(a) Status of Internal Regulations

The Group has established the “Group Regulations to Eliminate Relationships with Antisocial Forces” and the “Antisocial Forces Check Manual,” and all officers and employees comply with these regulations and work to eliminate antisocial forces.

(b) Department in Charge of Responses to Antisocial Forces and Person in Charge of Preventing Unjustified Demands

The department in charge of responding to antisocial forces (department in charge of general affairs) is the General Affairs Department, and the person in charge of responding (person in charge of general affairs) is the General Manager of the General Affairs Department.

In the event of an unreasonable demand by antisocial forces, the person or department that has received the unreasonable demand shall not be left to deal with it; the general manager of a department who has received a report to that effect shall immediately report the matter to the CEO and Representative Director as well as Audit & Supervisory Committee Members. The general manager, under the direction of the CEO and Representative Director, shall take necessary measures to ensure the safety of personnel who may come into contact with antisocial forces, and shall provide necessary support, such as cooperation with outside professional organizations.

(c) How to eliminate antisocial forces

(i) Regarding officers, employees, new business partners, and shareholders, the Group conducts investigations to eliminate antisocial forces when appointing all officers, when employees join the Group, when dealing with new customers, and for shareholders, and no special interested parties, shareholders, or business partners of the Group have any relationship with antisocial forces.

(ii) In addition to paying attention to existing business partners, etc., as is normally considered necessary, the Company conducts annual surveys and checks with a certain scope.

(iii) In the event that an officer, employee, or existing business partner is found to be an antisocial force, the Company has a system in place to promptly terminate any delegation, employment, or business relationship with such forces.

(d) Status of Cooperation with External Experts

When necessary, a general manager shall promptly consult with an external expert organization of the Special Violence Prevention Measures Association (Tokubouren) under the control of the Tokyo Metropolitan Police Department in order to take appropriate measures with regard to information on antisocial forces obtained or reported by the general manager.

(e) Status of collection and management of information on antisocial forces

The department in charge of supervision shall strive to build a relationship of trust with external organizations, actively participate in workshops, etc., and collect information.

## V. Other

### 1. Adoption of Anti-Takeover Measures

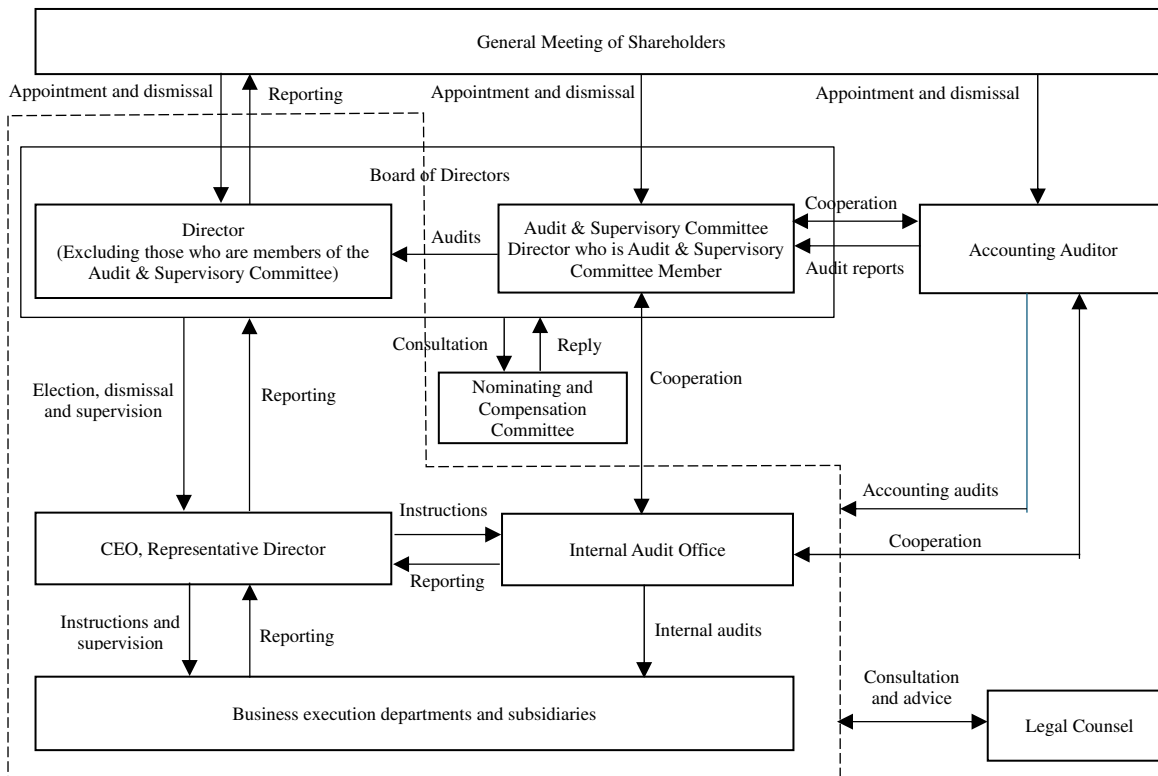
Adoption of Anti-Takeover Measures      None

Supplementary Explanation

### 2. Other Matters Concerning the Corporate Governance System

A schematic diagram of the Company's corporate governance system and timely disclosure system is attached for reference.

[Corporate Governance System Chart]



## Overview of the Timely Disclosure System (Diagram)

