

Creating Innovative Businesses “for the Good of Society and for the Good of People”

Since our founding, it has been our constant desire to capture current trends to create innovative businesses “for the good of society and for the good of people.” At the same time, a company is a part of society and exists only because it belongs to society. In line with this concept, we have strived to contribute to the sustainability and development of society. In accordance with this policy, we are developing businesses based on the Fundamental Business Building Concepts and originating from the SBI Group's Five Corporate Missions. Moreover, by contributing to the resolution of social issues through our businesses, we strive to secure the sustainable growth of both society and the Group, which we regard as the foundation of the SBI Group's sustainability.

Whether Profit Aligns with Social Justice

Stakeholders surrounding a business are more than just its customers, shareholders, and employees. They also consist of general consumers, business partners, and the society at large.

Indeed, the SBI Group, with a keen awareness of the sociality of companies, is obliged to contribute to maintain and develop the society. Contribution to society through core business activities as a primary goal is a matter of course, and we believe that by developing and implementing strategies that contribute more directly to society, the sociality of the company can be sustainably enhanced. It is essential that we earn the social trust through running our businesses with this awareness. Since its founding, the SBI Group has been committed to the Fundamental Business Building Concept on Thorough Pursuit of the “Customer-centric Principle” and has thoroughly engaged in customer-oriented businesses, taking a stand against various social issues that can be considered irrational, particularly in the financial sector, creating new added value in the process.

SBI Group will continue to develop business strategies in the financial and non-financial fields that take into account the social issues of the near future, based on the idea that “a business must truly be virtuous and keep up with the times to continue to offer convenience to our customers over the long term, while achieving harmony with our various stakeholders as a corporation.”

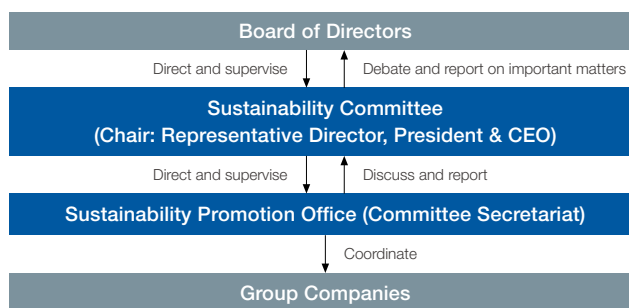
SBI Group's Approach to Materiality

Based on its philosophy (Corporate Missions, Fundamental Business Building Concepts, and the Corporate Culture DNA), the SBI Group identified the priority issues that must be addressed as its materiality in 2022, set corresponding targets (KPIs) in 2023, and has since been implementing each of these initiatives, in order to continue to

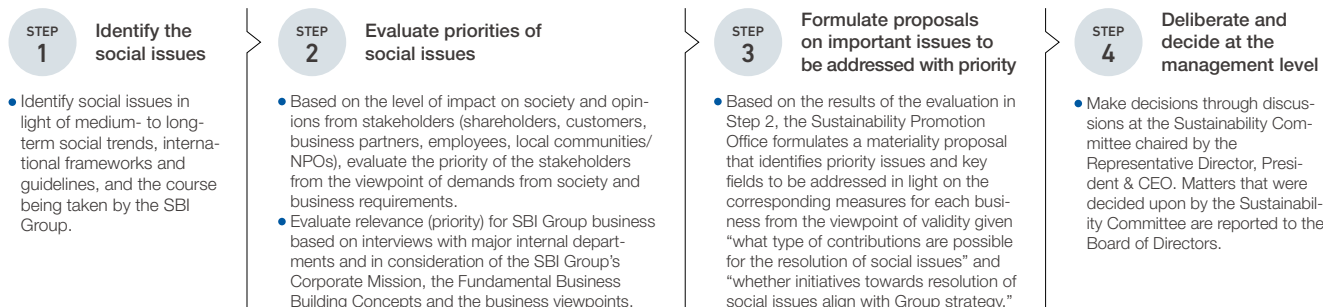
be a corporate group that continuously creates new value for society.

Framework for Promoting Sustainability

SBI Holdings has established a Sustainability Committee under the Board of Directors, composed of Senior Managing Directors and chaired by the Representative Director, President & CEO. In principle, the committee meets at least twice a year, and as part of the SBI Group's management strategy, it deliberates and decides upon strategic initiatives related to sustainability. In addition, it verifies and examines the status of such efforts and reports on the details to the Board of Directors on as needed basis but no less than twice a year. Furthermore, with the cooperation of each Group company, the sustainability measures decided upon through discussions by the committee are implemented across the entire Group through the Sustainability Promotion Office that serves as the secretariat of the committee. In this way, the Company has established an appropriate framework to realize a sustainable society with the resolution of social issues and the enhancement of sustainable corporate value, and has ensured the further effectiveness of its initiatives. The Sustainability Committee met twice in FY2024.



Process for Specifying Materiality



Materiality	Specific Initiatives	KPI	Results up to FY2024
Create Added Value Reflecting the New Tide of Society and Customers' Needs	<ul style="list-style-type: none"> Provide opportunities for asset formation in line with each individual's lifestyle Present financial services that enhance customers' convenience Develop a business ecosystem based on digital assets 	<ul style="list-style-type: none"> Maintain high quality in customer service as measured by third-party evaluations, such as customer satisfaction ratings Endeavor to achieve ¥20 trillion in AUM by the end of FY2027 by diversifying its products in line with social trends and needs 	<ul style="list-style-type: none"> Highly valued by outside evaluation organizations (➡ P.52) SBI Group's AUM was ¥10.5 trillion as the end of March 2025
Develop New Industries and Contribute to Technological Innovation	<ul style="list-style-type: none"> Create and incubate the 21st century's core industries Provide innovative financial services Spread technologies in a cross-industry manner 	<ul style="list-style-type: none"> To promote the use of ST as the next generation of financial products, Osaka Digital Exchange targets a market capitalization of ¥100 billion for its ST-related distribution market by March 2026 	<ul style="list-style-type: none"> The market capitalization of secondary security token (ST) market "START," which Osaka Digital Exchange began operating in December 2023, is approximately ¥18.6 billion (as the end of March 2025)
Resolve Social Issues and Revitalize the Economy in Cooperation with Stakeholders	<ul style="list-style-type: none"> Promote businesses to support regional revitalization Expand and deepen alliances with partner companies Encourage innovation through the co-creation of value 	<ul style="list-style-type: none"> Increase the cumulative total of investment commitments to ¥100 billion by 2025 for funds established and managed to support business successions throughout Japan Develop a next-generation banking system to reduce and equalize system costs for regional financial institutions, with the goal of introducing the system at ten regional financial institutions by FY2030 	<ul style="list-style-type: none"> SBI Regional Business Investment established two funds with a total commitment amount of approximately ¥40 billion IT System implemented at FUKUSHIMA BANK and it started operations using the new IT system on July 16, 2024. Shimane Bank has also decided to introduce this IT system (Operation started July 22, 2025)
Achieve a Sustainable Society That Is Abundant and Healthy	<ul style="list-style-type: none"> Provide sustainable finance Impact investments with focus on green innovation and ESG awareness as well as investments targeting promising ventures in science and health Continuous support towards health through the 5-Aminolevulinic Acid (5-ALA) business, etc., as a response to the super-aged society Contribute to the sophistication of healthcare through digitalization of healthcare data and use of big data 	<ul style="list-style-type: none"> Originate a cumulative total of ¥5 trillion in sustainable finance by the end of FY2030 Towards realizing the national target of carbon neutrality by 2050, the SBI Group targets net zero GHG emissions (Scope 1 and Scope 2) by FY2050 with an interim target of a 33% reduction by FY2030, compared to FY2018 	<ul style="list-style-type: none"> As of the end of FY2024, SBI Shinsei Bank Group originated a total of ¥2,654.1 billion in sustainable finance GHG emissions of the SBI Group (➡ P.36)
Support the Generation that Bears the Future	<ul style="list-style-type: none"> Contribution to the enhancement and improvement of child welfare through the SBI Children's Hope Foundation Foster individuals who will lead the next generation through SBI University 		<ul style="list-style-type: none"> Cumulative assistance by the SBI Children's Hope Foundation totaled approximately ¥1.25 billion SBI Graduate School has graduated a cumulative total of 694 students
Develop an Organizational Climate to Respect and Embrace Diverse Values	<ul style="list-style-type: none"> Promote diversity and inclusion Continue to enhance the value of human resources through the development of potential of employees Enable flexible workstyles that respect individualities and differences among individuals 	<ul style="list-style-type: none"> SBI Holdings will maintain the ratio of female managers at 20% or higher continuously by 2025 SBI Group targets 40% or higher ratio of employees with foreign nationality by 2025 	<ul style="list-style-type: none"> Ratio of female managers at SBI Holdings at the end of FY2024 reaches 26.0% Ratio of employees with foreign nationality at the SBI Group at the end of FY2024 reaches 37.0% (Excluding SBI Shinsei Bank Group)
Strengthen and Improve Corporate Structure for Achieving Sustained Growth	<ul style="list-style-type: none"> Establish a decision-making process in which transparency and independence are secured Formulate management strategies on the assumption of business opportunities and risks and perform risk management Develop and effectively use internal control systems 	<ul style="list-style-type: none"> Regularly hold meetings to establish a Group-wide compliance system and compliance training for officers and employees Conduct analysis and evaluation of the effectiveness of the Board of Directors at least once a year and disclose the results 	<ul style="list-style-type: none"> Compliance trainings held in FY2024: nine times for new employees, once for all employees Conducted self-assessment of the effectiveness of the Board of Directors and released the result accordingly

For details on Basic Sustainability Principles & the SBI Group's Materiality, please visit the Company's website at the following URL:



<https://www.sbigroup.co.jp/english/sustainability/policy.html>

Addressing Climate Change (Initiatives Based on TCFD Recommendations)

The SBI Group considers climate change as a critical issue confronting society and has identified climate-related risks and opportunities using the two scenarios of the global mean temperature rising 4°C and 1.5°C compared to before the Industrial Revolution. For the banking business, a core business of the SBI Group, SBI Shinsei Bank has estimated its cumulative financial impact up to FY2050. For the securities business and the investment (private equity) business, we have estimated the financial impact in FY2030.

Governance

SBI Holdings has established a Sustainability Committee under the Board of Directors, composed of Senior Managing Directors and chaired by the Representative Director, President & CEO. [▶ P.34](#)

Risk Management

The SBI Group identifies risks and opportunities related to climate change, recognizing inadequate response to issues of climate change, among others, as a key strategic business risk that could significantly impact its operations. As a regular framework for risk management, in order to understand and to properly assess and manage risks including climate change, which has the possibility of obstructing business activities, the Company has designated an officer in charge of risk management at the Group level and has established a Group Risk Management Department, so that it can carry out integrated risk management. [▶ P.50](#)

Strategy

In the scenario analysis, the SBI Group analyzed and examined the risks and opportunities and financial impacts under two scenarios, assuming global mean temperature increases of 4°C and 1.5°C respectively by 2100 compared to before the Industrial Revolution.

Financial Impact Forecast for FY2050 (Cumulative up to FY2050/Banking Business)

SBI Shinsei Bank estimates the financial impact as follows.

Physical risk: Cumulative credit costs impact of around ¥5.5 billion to ¥9 billion

Transition risk: Cumulative credit costs impact of around ¥8.5 billion to ¥32 billion

Note 1: Target business for the physical risk is domestic real estate non-recourse loans, domestic project finance, housing loans, and personal unsecured loans from Shinsei Financial.

Note 2: Target business for the transition risk is electric power utilities, oil and gas, and shipping.

Financial Impact Forecast for FY2030 (Compared to FY2020/Securities Business and Investment Business)

4°C scenario: ¥66 million

1.5°C scenario: ¥169 million

(For reference) SBI Holdings' profit before income tax expense was ¥282,290 million in FY2024.

Note: The total amount of predicted financial impact includes additional costs from the introduction of decarbonization and emissions trading; cost increases due to electric power rates and zero energy buildings (ZEBs); air conditioning costs due to rising temperatures; annual loss from floods and high tides; and annual loss of interrupted operations through the securities business and investment (private equity) business.

Examples of SBI Group Initiatives to Resolve Environmental and Social Issues

- Support for the issuance of social impact bonds, including green bonds (SBI SECURITIES and SBI Shinsei Bank)
- Sustainable finance and impact finance (SBI Shinsei Bank)
- Selecting investee companies in consideration of SDGs (SBI Investment)
- Agricultural solar power generation development business (SBI Smart Energy)

Metrics and Targets

Towards realizing the national target of carbon neutrality by 2050, the SBI Group targets net zero GHG emissions (Scope 1 and Scope 2) by FY2050. Its interim target is a 33% reduction by FY2030 (compared to its FY2018 levels). In addition, we have begun calculating Scope 3 emissions for each category in order to understand the scale of the Group's Scope 3 emissions.

Change in GHG Emissions (Units: t-CO₂)

	FY2022	FY2023	FY2024
Scope 1	1,482	1,206	1,071
Scope 2	12,030	10,367	9,797
Total	13,512	11,573	10,868
Scope 3	1,286	5,496	5,921

Note 1: Scope of collected data: Disclosed are emissions at SBI Holdings' and its main Group companies' domestic facilities. Disclosures respectively cover Scope 1 (direct emissions from use of fossil fuels, etc.), Scope 2 (indirect emissions from use of purchased power and heat), and Scope 3 (emissions of others related to the operator's activities) as defined by the GHG Protocol.

Note 2: Scope 3 covers business travel (Category 6) and employees' commutation (Category 7). SBI Shinsei Bank Group has been included from FY2023.

For full disclosure in accordance with the TCFD,
please refer to the following website:

<https://www.sbigroup.co.jp/english/sustainability/environment/tcf.html>

SBI Group's Human Resources Strategy for Execution of Its Management Strategies

Katsumi Shiragami

Executive Officer, in Charge of Human Resources and General Affairs at SBI Holdings



Ideal Human Resources and Our Portfolio

In expanding its business fields based on its management strategy, the SBI Group has secured human resources with the necessary knowledge and ability to create new business opportunities, mainly through mid-career recruitment. As a result, the SBI Group has a distinctive feature that more than 90% of its human resources are mid-career hires. At SBI Holdings alone, 87.5% of management positions are made up of mid-career hires, who play a central role as core personnel. These mid-career hires are able to work successfully alongside new graduates thanks to continuous training activities that help disseminate the SBI Group's management philosophy and corporate culture while allowing employees to acquire a broad overview of the Group as a whole. Furthermore, active communication by the CEO via books and other publications on management and business, is helping the Group to raise employees' knowledge in fields such as humanities and business administration. We believe that these efforts are also contributing to the development of a sense of unity within the Group. Moreover, to promote thorough immersion of the Corporate Missions and Corporate Culture DNA etc., and to permanently pass them on, we have introduced an original app covering the SBI Group officers and employees. In July 2025, the Group instituted a "Pledge between the Company and its

Progress on the Human Resources Strategy

The Group has achieved rapid growth by pursuing its constantly evolving stance of "self-denial," "self-transformation," and "self-evolution." Human resources give rise to creativity, and we thus position them as a major factor behind the differentiation that underlies our competitive strengths. Our human resources strategy seeks to get an accurate grasp of what those within the Company are saying as well as changes in the external environment, in addition to staying attune to the trend of the times. We are also planning to build out the structures and initiatives that enable employees to fully exercise their talents.

- 2005** Started new college graduate hiring program
- Oct. 2009** Corporate dispatch system started for the MBA course at SBI Graduate School
- Mar. 2015** Upper-age limit removed on post-retirement re-employment
- Oct. 2016** Certification-acquisition support system introduced
- Aug. 2018** Health Management Declaration instituted
- Oct. 2018** Highly Specialized Professionals System established (A system that certifies personnel who are responsible for work requiring specialized expertise or who have certain qualifications, and to allow flexible working styles and evaluation methods)
- Apr. 2022** Major increase in salary table for new graduate employees up to their third year
- June 2022** Compensation system introduced in which Group consolidated earnings are reflected in all officers' and employees' compensation
- Oct. 2022** Fully embedded shorter hours regular employee system introduced and staggered working hours formalized
- Mar. 2023** Applicable certificates expanded for certification support system (Nineteen new certifications were added to the 33 certifications that were covered by the previous system, and the number of certifications eligible for an examination fee subsidy was expanded to 52. As of end of June 2025, 57 certifications are covered)
- Apr. 2023** Employment referrals started
- Apr. 2023** Engagement survey started at SBI Holdings (conducted annually)
- Apr. 2024** Increased the salary table focusing on junior to mid-level employees
- June 2024** Increase the incentive payment rate for employee stock ownership plans from 10% to 30%
- July 2024** Introduced an original app for the SBI Group officers and employees to permeate the management philosophy
- Apr. 2025** Significantly increased salary levels for employees. Additionally, the salary table for new graduate employees raised by 10% for up to their third year
- July 2025** Instituted the "Pledge between the Company and its employees"

employees" based on the Five Corporate Missions, Fundamental Business Building Concepts and the Corporate Culture DNA for mutual growth between the company and its employees through clearly articulating the Group's wished-for image of its employees and the value it provides to them.

We recognize that securing talented, global human resources is even more important in executing our management strategies. In addition to actively recruiting employees from overseas universities, we have reconsidered evaluation, training, and compensation systems and are promoting Group-wide efforts to secure talented employees. In 2018, we established the Highly Specialized Professionals System, which enables us to respond differently from the existing framework in terms of salary treatment and working style, and we are focusing on securing human resources who can play strategi-

cally important roles. In April 2022, we implemented an increase in starting salary for new graduates as well as in the salary table up to the third year of employment. In April 2024, we increased the salary table focusing on junior to mid-level employees in order to secure talented employees. In April 2025, another update was made to significantly increase the starting salary for new graduates and the salary table for those up to their third year of employment. The SBI Group will form an appropriate human resources talent pool in light of its management strategy, including use of M&A and other methods to recruit talented and ready-to-work people.

Diversity and Inclusion Towards Sustainable Value Creation

The SBI Group recognizes human rights as fundamental rights that all human beings equally and universally have, and that respecting these rights is inevitable in corporate operations. In 2021, we clearly stated this belief in our “Human Rights Policy.” We also believe that to remain as a company that innovates without getting caught up in preconceived notions requires fostering of an environment in which diverse people can fully demonstrate their potential and stimulate each other to grow, regardless of age, race, nationality, gender, sexual orientation, presence/absence of a disability, or other attributes, and that people of such diversity should be embraced and utilized.

To enable diverse people to fully demonstrate their potential, the Company has introduced a shorter hours regular employee system, not limited to specific reasons or period, allowing for diverse work styles adapted to the lifestyles and life stages of officers and employees. In addition, with respect to superior talent of this sort, the Group is adopting a thorough approach to actively hiring and promoting people regardless of these characteristics. It has also removed the upper-age limit for re-employment, and is raising awareness of discrimination and harassment prevention through human rights training that includes contents related to harassment and establishment of a harassment consultation desk.

As an indicator of diversity, the SBI Group has set goals of increasing the ratios of female managers and employees with foreign nationality to at least 20% and 40%, respectively, by 2025 and will work to maintain and improve the current ratios (26.0% and 37.0%*, respectively, as of March 31, 2025). In addition, the Company and its Group companies are making efforts to comply with the Act on Promotion of Women’s Participation and Advancement in the Workplace and the Act on Advancement of Measures to Support Raising Next-Generation Children. We are also formulating target figures and action plans based on these acts.

Furthermore, we plan to review our “Human Rights Policy” at least once a year and to revise it whenever necessary in response to issues regarding human rights.

* Excluding the SBI Shinsei Bank Group

For more information on the “SBI Group Human Rights Policy,” visit our website.



https://www.sbigroup.co.jp/english/sustainability/social/human_rights.html

Developing Human Resources for the Next Generation of Management

The SBI Group is training future generations of skilled workers through a combination of on-the-job-training and courses at the SBI Graduate School, which opened in 2008 with the full support of the SBI Group. Employees who aspire to become senior managers must complete the SBI Group Senior manager training program as a requirement for promotion. We have also established a program for employees wanting to study a wider range of management subjects to study at the SBI Graduate School. As of March 31, 2025, 188 individuals have obtained MBA degrees through this program. In addition to the SBI Graduate School, new graduate employees are trained by submission of assignments, which is unique to the Company, to help them acquire knowledge and management perspectives as executives of the SBI Group from their early careers. New graduate employees are required to submit a report every two weeks which is then evaluated by management executives, including the CEO. In this way, the Group focuses its efforts on human resources development with training time per employee standing at 10 hours 30 minutes per year* and training expenses (non-consolidated) totaling ¥101 million, resulting in average training expenses per employee of ¥281,430.

* Employees of domestic consolidated subsidiaries (excluding the SBI Shinsei Bank Group) are covered.

Improving Work Environments to Enhance Productivity

We believe that good physical and mental health is important for employees to always perform at their maximum potential. The SBI Group has instituted the Health Management Declaration stating the need to actively promote the creation of an environment that encourages employees to maintain and promote their health. Established in 2007, SBI Wellness Bank supports the health of the SBI Group officers and employees through its partnership with TOKYO INTERNATIONAL CLINIC, a medical corporation it supports and partners with. Additionally, the Group offers services such as individual health consultations with occupational health professionals and treatment by physical therapists as well as providing employees with health management benefits. Starting in 2024, we began offering a program to prevent lifestyle diseases from worsening for employees who wish to participate and have been promoting secondary health check-ups under workers’ accident insurance as a follow-up to regular health check-ups.

Because long working hours can lead to poor mental health of employees, we have been actively implementing Company-wide measures to reduce them since 2015. For example, we strive to monitor overtime working hours and the status of paid leave by regularly notifying employees and their supervisors through an alert system. Since 2016, we have been conducting legally mandated stress checks for our employees and plan to consider more effective measures to maintain the health of our employees by utilizing obtained quantitative data.

In addition to providing opportunities for self-actualization, we are striving to make effective use of employees and to put

the right people in the right jobs through our career open program. Under this system, employees request to transfer to their desired operating companies within the SBI Group, and in FY2024, 154 employees took advantage of this program.

We are also working towards creating a comfortable working environment and expanding our systems, including a parental and childcare leave system, a shorter hours regular employee system, and a staggered working hours system. The Company on its own has a 100% rate for mothers and a 60% rate for fathers taking childcare leave. Furthermore, to improve work efficiency and productivity, the entire Group is promoting the introduction of robotic process automation (RPA) and artificial intelligence (AI) to automate various routine tasks, allowing us to achieve a total reduction of approximately 4,000 hours of work across the Group in FY2024.

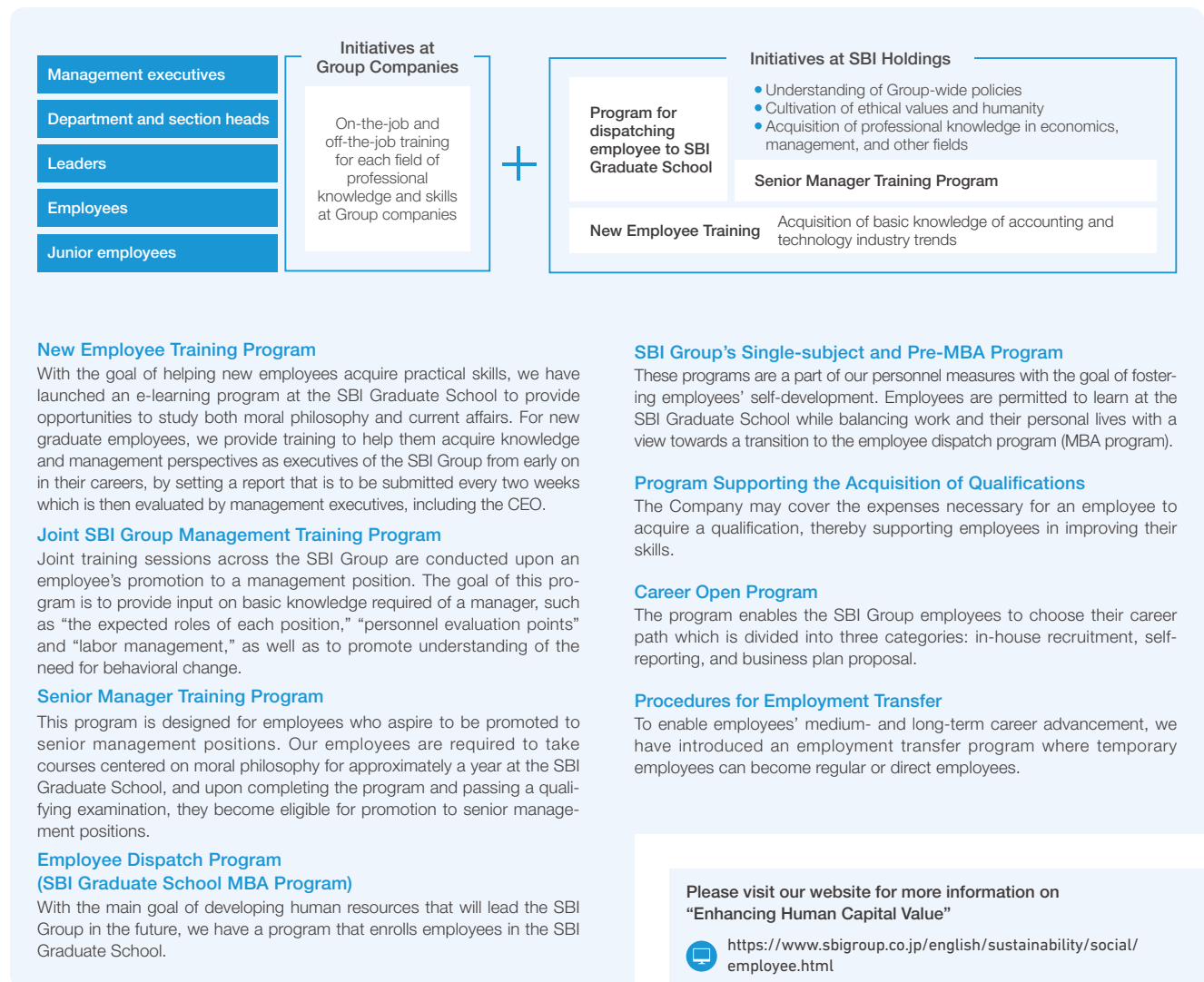
We have been conducting an annual engagement survey from 2023 in order to strengthen the corporate ties with employees even more than before. The survey results are used

to improve employees' engagement with the goal of putting in place an even more comfortable working environment.

Recognition of Employees and Rewards towards Performance

Since our founding, we have maintained a policy of "giving a stipend to those with merit and a position to those with good judgment and insights," emphasizing not only results but also the process that leads to those results. In addition, in order to ensure fair and impartial evaluations, we conduct 360-degree evaluations, in which employees are evaluated not only by their superiors, but also by their subordinates and colleagues. In addition, in order to further enhance the cohesiveness of the Group and to additionally increase motivation and morale towards delivering consolidated performance, the Company issues paid stock options to Directors of the Company and its subsidiaries and tax-qualified stock options to employees without cost.

The SBI Group's Human Resource Development Process



Strengthening and Enhancing the Management Base to Support Sustainable Growth

SBI Group is actively engaged in constructing an organizational framework that can swiftly adapt to changes in the business environment, while ensuring the transparency and fairness of decision-making. Our focus lies in enhancing appropriate corporate governance practices to drive the improvement of corporate value.

Results of Main Efforts for FY2024

Number of Ordinary Board of Directors' meetings held per year	13
Average attendance rate at Board of Directors' meetings for Independent Outside Directors	100%
Average attendance rate at Board of Directors' meetings for Outside Statutory Auditors	100%
Number of Board of Statutory Auditors' meetings held per year	16
Average attendance rate at Board of Statutory Auditors' meetings for Outside Statutory Auditors	100%

Major Issues Discussed at the Board of Directors

- Issuance of domestic straight bonds
- Concluding the "Agreement on Definitive Repayment Scheme" for repayment of public funds
- Updating the "Basic Policy on the Corporate Governance"
- Revisions to certain "Rules for Information System Administration" and "Group Information Security Policy"
- Status reports on investor communications
- Status reports on initiatives related to sustainability

Corporate Governance System

SBI Holdings adopted an organizational structure incorporating the establishment of a Board of Statutory Auditors, which led to the formation of both a Board of Directors and a Board of Statutory Auditors. The Company's Board of Directors, consisting of 15 Directors, with 7 Independent Outside Directors (as of June 27, 2025), is strengthening its oversight of the appropriateness of the Company's management. The Board of Directors meets monthly, in principle, to decide important matters and to oversee the status of business execution. Notably, in addition to Executive Directors, including the President, Senior Executive Vice Presidents, and the Senior Managing Director, 18 Executive Officers with expertise and insights aligned with the Directors are in charge of business execution. The Company clearly defines the functions and responsibilities of the Executive Directors, Executive Officers, and the Board of Directors, and has put in place an organizational structure capable of promptly and flexibly responding to sudden changes in the business environment.

At the same time, Statutory Auditors are responsible for establishing a solid corporate governance system worthy of public trust, by means including auditing the Directors' performance of

duties. Statutory Auditors ensure collaboration with Independent Outside Directors and Accounting Auditors and endeavor to realize a more effective corporate governance system.

The Board of Directors and the Board of Statutory Auditors are to be composed of diverse individuals, irrespective of race, nationality, gender, etc., who possess a high level of expertise and will contribute to the strengthening of the Company's corporate governance system. [➤ P.42](#)

Improving the Effectiveness of the Board of Directors

1. Method of Analysis and Evaluation

Between February and March 2025, SBI Holdings conducted a self-assessment for all Directors and Statutory Auditors regarding the effectiveness of the Board of Directors. The Company analyzed and evaluated the effectiveness of the Board of Directors based on the results of the self-assessment and the discussions held at the Board of Directors meeting in March 2025.

Items Included in Evaluation of Effectiveness

- | | |
|---|--|
| ■ Structure and composition of organizations such as the Board of Directors | ■ Supervisory system of the Board of Directors |
| ■ Operation of the Board of Directors | ■ Relationships with shareholders and other stakeholders |
| ■ Agenda, deliberation, and decision-making of the Board of Directors | ■ All others |
| | ■ Self-evaluation |

Overview of Organization (As of June 27, 2025)

Configuration	Company with Board of Statutory Auditors
Number of Directors (Independent Outside Directors)	15 (7)
Term of Directors	1 year
Average age of Directors	59.5
Number of Statutory Auditors (Outside Statutory Auditors)	4 (2)
Number of Directors registered as Independent Executives	9
Number of Management Advisory Committee members (Independent Outside Directors)	9 (7)
Involvement of Independent Outside Directors in remuneration decisions (Yes/No)	Yes

2. Overview of Results of the Analysis/Evaluation

The Board of Directors was evaluated on whether they function effectively with an appropriate balance between execution of work and their supervisory functions. It was judged that they ensure such effectiveness.

On the other hand, amid progress on strategy discussions concerning the incorporation of ESG and SDGs, there has

been a recent shift in the way these perspectives are viewed. Given such circumstance, the evaluators expressed their opinions for the need to formulate a response while keeping a close eye on this trend.

In addition, we received feedback that the increased risk resulting from greater diversification and internationalization of the SBI Group businesses highlights the importance of increasing risk management across the Group and making it more comprehensive, particularly risk management in the form of information security measures that respond to the evolution of AI and other technologies, as well as risk management related to post-merger integration (PMI). Additionally, the evaluators also mentioned the need to pay attention to human capital management.

The Board of Directors is continuing to strengthen its effectiveness based on the outcome of this analysis and evaluation and will ensure that it contributes to the enhancement of sustainable corporate value.

Director Training

SBI Holdings maintains a training environment in which each Director and Statutory Auditor can acquire and update knowledge required for effective management. In FY2024, we con-

ducted training on the theme of corporate governance as expected by institutional investors, with Mr. Takeshi Fujita, Senior Consultant of Japan Investor Relations and Investor Support, Inc., as our invited speaker on this topic in January, 2025.

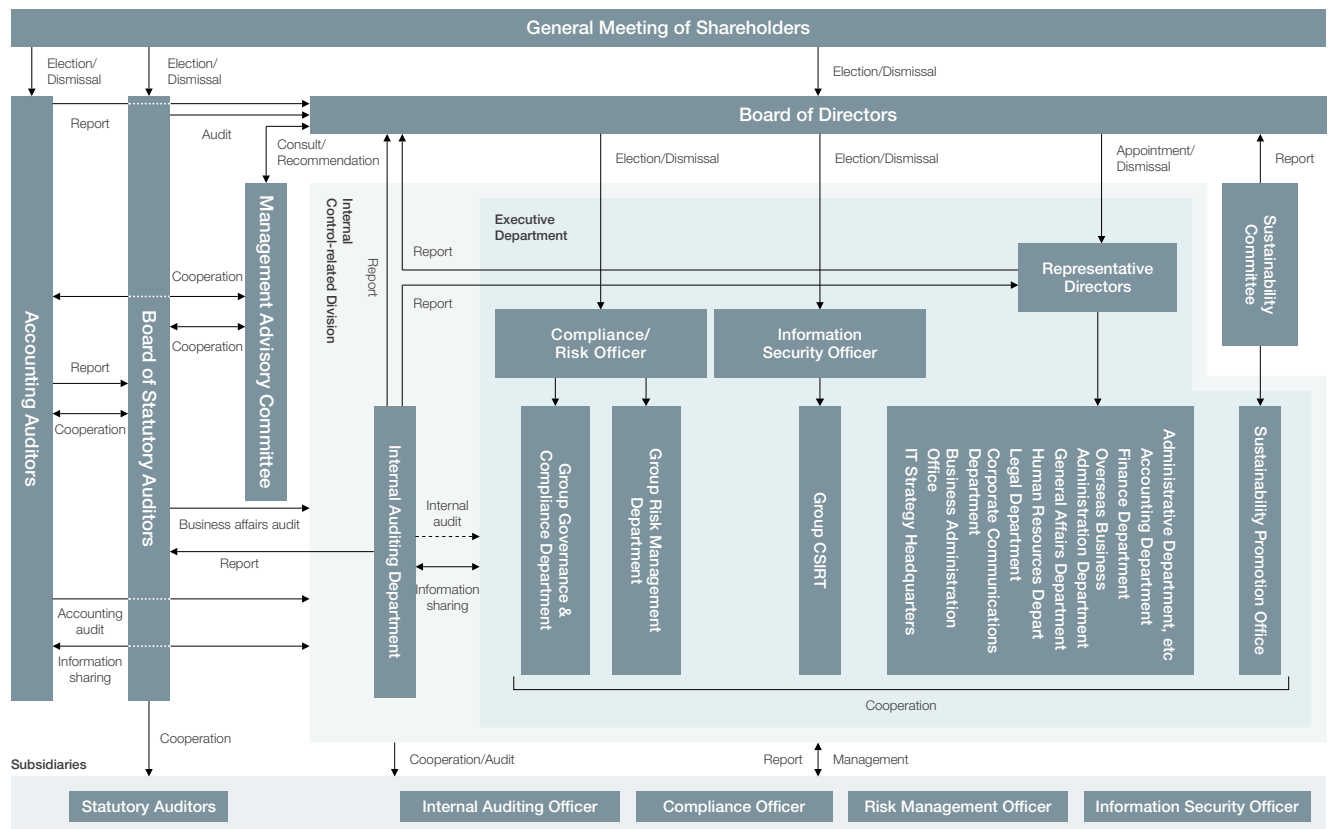
Key Themes Discussed During the Director Training

- Examples of corporate governance deficiencies at other companies
- Guidelines and outlook for exercise of voting rights by major institutional investors
- Points to keep aware of at the General Meeting of Shareholders from 2025 and beyond



Attendees of Director training

Outline of Corporate Governance Structure



Non-financial Activities

Board of Directors and Statutory Auditors (As of June 27, 2025)

Directors

① Attendance at Board Meetings ② Number of Company's shares owned ③ Main fields of expertise ④ Reasons for selection

Name/Position	Principal responsibilities and concurrent offices held	Other information
Yoshitaka Kitao Representative Director, Chairman, President & CEO 	Representative Director, Chairman & President of SBI Investment Co., Ltd. Representative Director & Chairman of SBI SECURITIES Co., Ltd. Representative Director & President of SBI Pharmaceuticals Co., Ltd. Director of SBI VC Trade Co., Ltd. Director & Chairman of SBI FINANCIAL SERVICES Co., Ltd. Representative Director & President of SBI Capital Management Co., Ltd. Director & Chairman of SBI Asset Management Group Co., Ltd. Representative Director & President of Regional Revitalization Partners Co., Ltd. Representative Director & Chairman of SBI NEO MEDIA HOLDINGS Co., Ltd.	① 13/13 ② 4,327,960 ③ General management (financial assets and biotechnology) ④ Mr. Yoshitaka Kitao has demonstrated excellent management capabilities as Representative Director, President & CEO since the Company's establishment, building a financial conglomerate focused on Internet-based financial services for the Financial Services Business, which covers a broad range of business activities including securities brokerage business, banking services business, insurance business, and a wide range of financial services businesses. He has also helped establish a strong business foundation for the SBI Group by leading business expansion in Japan and abroad.
Masato Takamura Representative Director, Senior Executive Vice President & COO 	Representative Director & President of SBI SECURITIES Co., Ltd. Representative Director & President of SBI FINANCIAL SERVICES Co., Ltd. Director of SBI NEO FINANCIAL SERVICES Co., Ltd. Director of The Global Ltd. Director of SBI Regional Revitalization Services Co., Ltd. Representative Director of SBI PTS Holdings Co., Ltd.	① 13/13 ② 600,000 ③ General management (financial assets) ④ Mr. Masato Takamura has served as Representative Director and President of SBI SECURITIES Co., Ltd., and has greatly contributed to the growth of the securities businesses and has a wealth of experience and broad knowledge as a manager. In addition, he has been responsible for the Financial Services Business as Representative Director and President of SBI FINANCIAL SERVICES Co., Ltd. since June 2018.
Tomoya Asakura Representative Director, Senior Executive Vice President 	Representative Director & President of SBI Asset Management Group Co., Ltd. Representative Director & President of SBI Global Asset Management Co., Ltd. Representative Director, Chairman & CEO of SBI Asset Management Co., Ltd. Representative Director & President of Wealth Advisor Co., Ltd. Director of SBI Insurance Group Co., Ltd. Director of SBI RHEOS HIFUMI Inc. Director of SBI-Man Asset Management Co., Ltd. Chairman of SBI Digital Asset Holdings Co., Ltd.	① 13/13 ② 355,000 ③ General management (financial assets) ④ Mr. Tomoya Asakura, who has served as Representative Director & President of SBI Global Asset Management Co., Ltd., has greatly contributed in growing the overall asset management business, including the information service business and the investment management business, and has a wealth of experience and broad knowledge as a manager.
Satoe Kusakabe Managing Director 	Managing Director and in charge of Risk Management Department of SBI SECURITIES Co., Ltd. Director of SBI VC Trade Co., Ltd. Director of Japannext Co., Ltd. Director of SBI Remit Co., Ltd.	① 13/13 ② 2,000 ③ Risk management ④ Ms. Satoe Kusakabe has been engaged in corporate internal control and audit-related tasks as a certified public accountant and has a wealth of experience in that field. In addition, she has conducted duties mainly in the audit and risk management departments at the Company, as well as at SBI SECURITIES Co., Ltd. With the importance of Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) on the rise, it can be expected that she will utilize her wealth of experience in the field to further strengthen and enhance the SBI Group's risk management function.
Shinji Matsui Director 	Representative Director of SBI AutoSupport Co., Ltd. Representative Director & President of SBI Benefit Systems Co., Ltd. Representative Director of SBI Africa Co., Ltd. Director of SS Trading Co., Ltd.	① 13/13 ② 115,050 ③ General management (financial assets), overseas experience ④ Mr. Shinji Matsui has a wealth of experience and broad insight as a manager in the Financial Services Business, including serving as Representative Director & President of SBI Benefit Systems and Representative Director of SBI AutoSupport for several years. He is also driving new business development in new overseas markets as Representative Director of SBI Africa.
Motoaki Shiino Director 	Director & Head of Corporate Communications Dept. of SBI Holdings, Inc. Representative Director of SBI Non-Bank Holdings Co., Ltd. Director of SBI Digital Community Co., Ltd.	① 13/13 ② 10,000 ③ Finance and accounting, public relations ④ As General Manager of Corporate Communications at SBI Holdings, Mr. Motoaki Shiino has deep familiarity with Group strategy from being in charge of public relations and investor relations at the SBI Group. Also, as a result of these efforts, he has gained a wealth of practical experience and a high level of expertise.
Masashi Okuyama Director 	Director, Legal and Intellectual Property Administration, General Manager of Digital Space Officer, SBI Holdings, Inc. Representative Director & CEO of SBI Ripple Asia Co., Ltd. Member, Board of Directors of Ripple Labs Inc. Member, Board of Directors of Zodia Custody Limited Member, Supervisory Board of Solaris SE Representative Director and President of SBI Digital Asset Holdings Co., Ltd. Representative Director of SBI Security Solutions Co., Ltd. Director of SBI Crypto Co., Ltd. Director of SBI Digital Investment Inc.	① — ② 2,000 ③ Legal affairs and compliance ④ Mr. Masashi Okuyama has served as officer in charge of legal and compliance as an attorney at law admitted to the Ohio Bar (U.S.), and has a wealth of practical experience and highly ethical outlook.
Yasuo Nishikawa Director 	Director & Group CFO of SBI Holdings, Inc. Corporate Auditor of SBI Liquidity Market Co., Ltd. Representative Director of SBI Incubation Co., Ltd. Statutory Auditor of SBI Pharmaceuticals Co., Ltd. Director of SBI Capital Management Co., Ltd. Director of SBI FINANCIAL SERVICES Co., Ltd. Director of SBI Asset Management Group Co., Ltd. Director of SBI Digital Asset Holdings Co., Ltd. Director of SBI Security Solutions Co., Ltd.	① — ② — ③ Finance and accounting ④ Mr. Yasuo Nishikawa has provided support in relation to the accounting and financial aspects of the SBI Group's management strategy. In addition to his high ethics, he possesses considerable professional knowledge regarding finance and accounting.

Policy and Procedures Concerning the Nomination of Director Candidates and Statutory Auditors

Please refer to the "Basic Policy on the Governance System" III-1-(3) and III-2-(3) on our Company website.
https://www.sbigroup.co.jp/english/sustainability/governance/pdf/governance_policy250114.pdf

Independent Outside Directors

① Attendance at Board Meetings ② Number of Company's shares owned ③ Main fields of expertise ④ Reasons for selection

Name/Position	Principal responsibilities and concurrent offices held	Other information
Heizo Takenaka Independent Outside Director	Emeritus Professor at Keio University Director of XICA CO., LTD. Non Executive Chairman of Investcorp Japan, LLC Outside Director of Forum Engineering Inc.	①13/13 ②— ③General management (financial assets), finance and accounting ④Mr. Heizo Takenaka has served successively as the Minister of State for Economic and Fiscal Policy, the Minister of State for Financial Services, the Minister of State for Internal Affairs and Communications, and in other posts and teaching at Keio University, while also serving as an outside director in private companies.
Yasuhiro Suzuki Independent Outside Director	Representative Director & President of digitalshiftwave Co., Ltd. President of Japan Omni Channel Association Outside Director of Vertex Co., Ltd Professor at Tokyo City University, Gotoh Educational Corporation	①13/13 ②— ③General management (advanced technology) ④Mr. Yasuhiro Suzuki has served successively as Representative Director and President of Seven & i Netmedia Co., Ltd., Director & Executive Officer, CIO of Seven & i Holdings Co., Ltd., and in other posts, and has a wealth of experience in a wide range of fields, including Internet businesses.
Hiroshi Ito Independent Outside Director	Advisor of SBI Insurance Group Co., Ltd. Member of the Finance Committee of Tokyo American Club	①13/13 ②— ③General management (financial assets), risk management ④Mr. Hiroshi Ito has served successively in important positions such as Representative Director of Marsh Japan, Inc., which is a global-leading company that provides services related to insurance and risk management, and has expert knowledge in insurance fields that the SBI Group focuses on.
Kanae Takeuchi Independent Outside Director	Freelance Announcer Outside Director of dip Corporation	①13/13 ②— ③Public relations ④One of the Company's most important challenges is to ensure that the Board of Directors heeds women's perspectives and strengthens its approach in this regard. Moreover, Ms. Kanae Takeuchi has played active roles, both in the past and presently, particularly in the media, and is well-suited to reflect the opinions of the stakeholders of the Company, including many individual shareholders, at Board meetings.
Junichi Fukuda Independent Outside Director	Commissioned Lecturer at SBI Graduate School Attorney-At-Law and Of Counsel at URYU & ITOGA	①13/13 ②— ③Financial sector in general ④Mr. Junichi Fukuda has served successively as Vice-Minister of Finance and has extensive experience in the field of finance. He can be expected to bring constructive opinions to the SBI Group's financial business in general, especially in the fields of regional revitalization and expanding cooperation with regional financial institutions.
Hiroyuki Suematsu Independent Outside Director	Project Professor at Research Institute of Tokyo University of Agriculture Outside Director (Audit & Supervisory Committee Member) of TRE HOLDINGS CORPORATION	①13/13 ②— ③Agriculture, forestry and fisheries, and the food industry ④Mr. Hiroyuki Suematsu has successively served as Vice-Minister of Agriculture, Forestry and Fisheries and has extensive experience in agriculture, forestry and fisheries industry, and the food industries. He can be expected to bring constructive opinions to the SBI Group in many fields including the use of supply chain management with blockchains and operating the Osaka Dojima Exchange, Inc., which handles commodities futures.
Takao Ochi Independent Outside Director	Chairman of the Institute for International Strategy, The Japan Research Institute, Limited Senior Fellow of Japan Productivity Center	①— ②— ③Financial sector in general ④After having work experience at a bank, Mr. Takao Ochi was active as an elected member of the House of Representatives for many years and has a wealth of experience as well as insight in politics and economics. In addition, he has served as Parliamentary Secretary to the Minister of the Cabinet Office, Senior Vice-Minister of the Cabinet Office, Chairperson of the Committee on Finance of the House of Representatives, and a Director of the Budget Committee of the House of Representatives. He has a wealth of experience and broad insight in policy making and deliberation on legislation.

Statutory Auditors

① Attendance at Board Meetings/Attendance at Statutory Auditor Meetings
 ② Number of Company's shares owned ③ Main fields of expertise ④ Reasons for selection

Name/Position	Principal responsibilities and concurrent offices held	Other information
Toru Ichikawa Outside Standing Statutory Auditor	Outside Statutory Auditor of The Shimane Bank, Ltd.	①13/13・16/16 ②1,000 ③Finance, accounting, internal control, legal affairs, compliance, and risk management ④Mr. Toru Ichikawa has served successively as chief inspector of the Financial Services Agency and has extensive experience in the financial field.
Masayuki Yamada Standing Statutory Auditor	Corporate Auditor, SBI SECURITIES Co., Ltd. Corporate Auditor, SBI NEO MEDIA HOLDINGS Co., Ltd.	①—/— ②39,030 ③Internal control, legal affairs and compliance ④Mr. Masayuki Yamada has served as an officer in charge of legal affairs and compliance in the SBI Group as an attorney at law admitted to the New York Bar (U.S.), and has a wealth of practical experience and a highly ethical outlook.
Akemi Mochizuki Statutory Auditor	Outside Director & Audit & Supervisory Committee member of TSUMURA & CO. Outside Statutory Auditor of Asahi Kasei Corporation	①13/13・16/16 ②— ③Finance and accounting ④Ms. Akemi Mochizuki has a wealth of experience and a high level of knowledge as a certified public accountant over many years, as well as a high degree of professional knowledge and a wealth of experience regarding finance and accounting, in addition to auditing of companies.
Tetsutaro Wakatsuki Outside Statutory Auditor	Representative Partner of Murata & Wakatsuki Law Offices Supervisory Officer of Dream Hospitality REIT Inc.	①—/— ②— ③Legal affairs and compliance ④Mr. Tetsutaro Wakatsuki has a wealth of experience as an attorney and expert knowledge of legal affairs in general.

Note: The number of shares owned is as of March 31, 2025.

Non-financial Activities

Skills Matrix for Directors

Position	Name	Management/ Business Strategy	Financial Industry	Experience in Other Industries	Global Experience	Technology	Finance/ Accounting	Legal affairs/ Compliance/ Risk Management	Sustainability
Representative Director, Chairman, President & CEO	Yoshitaka Kitao	●	●	●	●	●	●		
Representative Director, Senior Executive Vice President & COO	Masato Takamura	●	●						
Representative Director, Senior Executive Vice President	Tomoya Asakura	●	●	●	●		●		
Managing Director	Satoe Kusakabe		●	●			●	●	
Director	Shinji Matsui	●	●	●	●	●			
Director	Motoaki Shiino		●	●			●		●
Director	Masashi Okuyama	●	●	●	●			●	
Director	Yasuo Nishikawa	●	●	●		●	●	●	
Independent Outside Director	Heizo Takenaka	●	●	●	●				●
Independent Outside Director	Yasuhiro Suzuki	●		●		●			
Independent Outside Director	Hiroshi Ito	●	●		●			●	
Independent Outside Director	Kanae Takeuchi			●	●				●
Independent Outside Director	Junichi Fukuda		●	●	●		●	●	
Independent Outside Director	Hiroyuki Suematsu			●		●		●	●
Independent Outside Director	Takao Ochi		●	●	●			●	●

Messages from Independent Outside Directors

Improving Corporate Value in the Medium- to Long-Term by Strengthening the Functions of the Board of Directors

Heizo Takenaka

Under the skillful operation of its chairperson, the current Board of Directors is one where energetic and effective discussions are taking place, yet I believe the Board must show greater awareness of the need to raise corporate value from a medium- to long-term point of view. One example would be to augment the composition of the Board of Directors with more women and foreign nationals as an effective way to deepen the discussion of strategy from diverse perspectives. The Board also recognizes that succession planning will also be an important challenge over the medium- to long-term. In addition, I am looking forward to the increasing opportunities for discussion at the Management Advisory Committee, which will effectively complement the discussions of the Board of Directors.



The Need for Measures Addressing Security Risk in Light of Current Trends

Yasuhiro Suzuki

As the digital era has advanced in recent years, the security risks related to information systems have taken on mounting importance. The SBI Group operates an online financial business and is also undertaking business expansion in the digital field making it essential that we engage in more in-depth discussions on future measures and that we ensure that the Board of Directors includes members who are well versed in technology sector. In my case, I would like to put my experience to date in IT to good use and offer proactive advice from the two aspects of management and technology.



A Transformation in Risk and Compliance Awareness

Hiroshi Ito

On top of its organic growth, the SBI Group has employed M&A and other methods to further its discontinuous growth. Given the expansion of its businesses, it is essential that the Group be fully prepared in terms of internal controls and compliance, while also fostering a shift in awareness among its officers and employees. Those of us who serve as Outside Directors also feel the need to constantly update our awareness. I feel that we are disclosing risks surrounding our Group, after sufficient discussion, to internal and external stakeholders in a timely manner. However, if we can enhance the quality of disclosure even more in the future, it would lead, in my view, to building greater trust with stakeholders.



The Need to Secure Suitable, Talented Employees and Strengthen Employee Development

Kanae Takeuchi

I believe that the SBI Group has built a pleasant working environment that responds to changes in society and lifestyles, and that it is actively developing its human resources through the SBI Graduate School and other various types of training, study groups, etc. Through discussions at the Board of Directors, we have come to recognize the necessity of securing talented employees and strengthening employee development in Group companies, especially small ones, right after they join the Group. But looking ahead, it will also be beneficial, in my view, to increase opportunities for exchanging views on human capital after working to understand the actual situation of the Group by using human resources data.



To Capture Stakeholders' Expectations for Sustainable Growth

Junichi Fukuda

Today's society is in a state of rapid transition, and more than ever before, companies are being asked to proactively communicate to the world their initiatives, current status, and future vision. For the SBI Group to be recognized as a transparent and financially sound company with well-functioning governance and one that earns the trust of stakeholders, it is vital that the twin roles of business execution and supervision function in a balanced manner and increase their effectiveness. I also believe that enhancing information disclosure to stakeholders to the next level is linked to capturing their expectations for growth.



Striving for Highly Effective Governance as Outside Directors

Hiroyuki Suematsu

The Company recognizes that the role of an Outside Director at the Board of Directors is to discover issues lurking below the surface as topics for discussion and to urge the Board to discuss them proactively. The Board currently includes Outside Directors who bring a variety of skills to the table, with the CEO Mr. Kitao, who serves as chairperson, considering and reacting to individual opinions with skillful precision, leading to energetic debates. To raise the effectiveness of the Board of Directors, it would be beneficial for the Management Advisory Committee, which is composed mainly of Independent Outside Directors and serves as an advisory body to the Board, to fulfill its role fully and to provide future opportunities for communicating with the outside world.



Envisioning a Corporate Group that Dramatically Expands the Possibilities of Finance

Takao Ochi

The SBI Group is a corporate group that pursues business development based on innovative ideas, guided by a long-term, global perspective on the ideal state of society centered on finance from a high-level point. By continuing to be ahead of the times in providing services attuned to customers' latent needs, I believe the Group can dramatically expand the possibilities of finance in society. I would like to contribute to the growth of the Group by joining the discussion about the ideal future state of finance, drawing on my practical experience in banking and securities as well as my involvement in creating government policies related to financial services.



Management Advisory Committee

SBI Holdings is strengthening the supervisory function of the Board of Directors by increasing the transparency of the Company's management from outside perspectives by utilizing the efforts of several Independent Outside Directors. From June 27, 2019, it was decided to appoint at least one-third of the Board of Directors as the Independent Outside Directors in accordance with the Company's independence standards and to establish the "Management Advisory Committee" as the voluntary advisory body to the Board of Directors in which majority of the Directors are Independent Outside Directors to further strengthen the Company's supervisory function, and to ensure an appropriateness of management through increased management transparency. This facilitates sharing information and opinions from an objective perspective for this committee, while maintaining an environment in which Independent Outside Directors may engage appropriately and actively discuss matters pertaining to the Board of Directors.

The committee places greater focus on enhancing the Company's corporate governance framework, by increasing the objectivity and transparency of the Board of Directors decisions through appropriate involvement in the Board's functions and deliberation processes, which include the selection of potential candidates for Directorship and Statutory Auditors positions, appointment and dismissal of management executives (President, Senior Executive Vice Presidents, Senior Managing Directors, Managing Directors) and the determination of compensation for Directors, as well as the development of the next generation of management executives.

The Management Advisory Committee met four times in FY2024. At its third meeting, held in December 2024, the committee discussed the Group's stance on cybersecurity management. The meeting featured a wide-ranging exchange of views on the Group's cybersecurity measures in the Crypto-asset Business as well as on securing of human resources in the cybersecurity field.

Members of the Management Advisory Committee (As of June 27, 2025)

Chairman of the Management Advisory Committee	Heizo Takenaka*
Member of the Management Advisory Committee	Teruhide Sato
Member of the Management Advisory Committee	Yoshitaka Asaeda
Member of the Management Advisory Committee	Yasuhiro Suzuki*
Member of the Management Advisory Committee	Hiroshi Ito*
Member of the Management Advisory Committee	Kanae Takeuchi*
Member of the Management Advisory Committee	Junichi Fukuda*
Member of the Management Advisory Committee	Hiroyuki Suematsu*
Member of the Management Advisory Committee	Takao Ochi*

* Independent Outside Directors of the Company

Compensation for Directors

In principle, the compensation for Directors is decided by the Board of Directors within the total compensation amount approved at the General Meeting of Shareholders after receiv-

ing feedback from the Management Advisory Committee, in order to secure fairness and clarity.

A compensation system that includes restricted stock units was introduced from June 2019 for Directors (excluding Outside Directors), as an incentive to continue to grow corporate value and to further share value with all Group shareholders. The recipient Directors under this system exchange their monetary compensation received as property in kind to receive a specified number of common shares or treasury shares.

Policy on Determining the Amount of Ways to Calculate the Compensation for Directors

- 1) SBI Holdings established the Management Advisory Committee, the majority of which is composed of Independent Outside Directors, in order to secure fairness and clarity in the processes for determining executive remuneration, etc. The policy for determining the amount and calculation method of executive remuneration, etc., is decided by the Board of Directors after receiving feedback from the Management Advisory Committee. The policy for determining the amount and calculation method of remuneration for Directors for FY2024 was decided by the Board of Directors after receiving a report and feedback from the Management Advisory Committee.
- 2) The amount of remuneration, which consists of fixed basic remuneration as well as bonuses based on the Company's performance and restricted stock units for each Director (excluding Outside Directors), is decided by the Board of Directors after receiving feedback from the Management Advisory Committee, and is to be within the total remuneration limits approved at the General Meeting of Shareholders. Similarly, the amount of remuneration for each Outside Director, which is composed of fixed basic remuneration and bonuses, is decided by the Board of Directors, and is to be within the total remuneration limit approved at the General Meeting of Shareholders. However, when these decisions have been entrusted to the Representative Directors by the Board of Directors, the Representative Directors determines the above remuneration matters. The basic remuneration is paid as monthly monetary remuneration and the amount of basic remuneration for each Director is decided based on the following:
 - The maximum amount of employee salary
 - Remuneration paid to executives of the same rank in the past
 - The Company's business performance outlook
 - The prevailing level of compensation for Directors
 - The degree of contribution to the Company's business performance
 - The conditions of appointment
 - Any other factors

In principle, bonuses are paid annually; restricted stock units are paid in a timely manner during the term of office of each Director; and the amounts paid to each Director as bonuses and restricted stock units are decided based on an overall assessment of basic factors, such as their work duties and how they are conducting their work, as well as the business environment, and their overall contribution to the Com-

Total Compensation for Directors and Statutory Auditors, Total Compensation by Type, and Number of Corresponding Executives (FY2024)

Executive Classification	Total Compensation (Millions of Yen)	Total Compensation by Type (Millions of Yen)			Number of Corresponding Executives
		Basic Compensation	Bonuses	Retirement Benefits	
Directors (Excluding Outside Directors)	741	231	510	—	8
Statutory Auditors (Excluding Outside Statutory Auditors)	18	18	—	—	2
Outside Directors and Outside Statutory Auditors	129	112	17	—	9

pany. Accordingly, no specific quantitative targets are set.

The ratio of the basic remuneration, bonuses, and restricted stock units are decided appropriately based on the business environment, level of remuneration in other companies, and other factors so that such remuneration acts as an incentive to enhance corporate value.

- 3) Remuneration of Statutory Auditors consists only of fixed basic remuneration, and the amount of remuneration for each Statutory Auditor is decided by consultation with the Statutory Auditors and is to be within the total remuneration limit approved at the General Meeting of Shareholders.

Our Approach to Protection of Minority Shareholders and Group Management

Since the SBI Group has a wide range of business fields, some investors have expressed difficulty in understanding the full picture. In response, we are working to make the corporate value of the whole Group more visible by promoting IPOs for our subsidiaries to clarify the business value of each operational unit. While increasing the capital procurement capability of each Group company, these IPOs enable strengthening of their financials and afford them the opportunity to be self-reliant.

Meanwhile, to protect minority shareholders, we adhere to the arm's length principle to ensure the fairness and rationality of transactions with each Group company and respect the independence of their management.

For example, the Group has entered into management agreements with each listed subsidiary and is limited to receiving reports on timely disclosure matters, including mainly consolidated performance management, business alliances with other companies and matters relating to the acquisition and disposal of investment securities (related to policy holdings). In addition, SBI Holdings has stipulated to its subsidiaries that it has the right to investigate cases that could damage the reputation of the Group, but the Company respects the independence of each subsidiary and leaves management control to them.

The Group also invests in several listed companies, which it treats as affiliated companies accounted for using the equity method ("equity method affiliates"). However, these companies have become equity method affiliates primarily due to the scale of the Group's capital contribution, while functioning as partners in a capital and business alliance. Our opinions about the management of each listed affiliate in this context are generally expressed through the exercise of voting rights at the

General Meeting of Shareholders while respecting the autonomy and independence of each company's management.

Enhancing the Internal Control System

SBI Holdings believes that it is important to have an internal control system in place and to conduct business through a sound internal control system in order to enhance its corporate governance. With the goal of enhancing the internal control system, the Representative Director (Chief Ethics Officer) works to ensure that all employees understand that compliance with laws and ethical behavior are essential in realizing the corporate mission.

To identify compliance issues and problems, the Board of Directors has appointed an Officer in charge of compliance, and the Group Governance & Compliance Department is under the direct control of that Officer.

In addition, in order to make it possible to report violations of laws, regulations, the Articles of Incorporation, or other important compliance-related matters, the Company maintains a (contact-based) whistle-blowing system, shared Group-wide, for direct reporting to Internal Auditing Department and Statutory Auditors, who are by resolution of Board of Directors, independent of both executive and management departments. This (contact-based) system can be used 24 hours, 365 days by Group workers (including those less than one year from retirement) such as dispatched workers, company officers and outside contractors as well as by relevant parties engaged in Group business. While thoroughly protecting whistle-blowers against retribution for having reported a complaint, we strive to raise awareness across the Group by such means as postings on the Company Intranet (in Japanese and English).

The Company has established a stringent compliance system of checks and balances across multiple departments to ensure that all processes under business activities comply fully with not only laws and regulations, but also with contracts, agreements, etc. Moreover, to enhance knowledge and awareness regarding compliance issues, the "SBI Group Compliance Code of Conduct" has been established as a code of conduct, and both company officers and employees conduct annual compliance training, using e-learning and other means.

Furthermore, the officer in charge of compliance and the Compliance Department, in cooperation with those in charge of compliance at each Group company, hold regular meetings to exchange information throughout the Group. A compliance

self-assessment is conducted twice a year, which not only covers business operations at the individual company, but also functions as a periodic assessment of outside contractors.

Our Approach to Corporate Ethics

Because those engaged in finance are continually asked to uphold high ethical values, the SBI Group positions having Sound Ethical Values as the first principle of its corporate missions. Accordingly, in order to cultivate such an outlook of high ethical values among all company officers and employees, we are enlightening the entire Group on this matter through development within the Company and periodic training sessions. For example, employees who aspire to become part of senior management positions must take classes (about one year) or complete a course of study centered on the humanities (fields of study that refine people skills) at the SBI Graduate School, which has been set as a requirement for promotion to senior management positions.

Initiatives to Combat Corruption

SBI Group is engaged in fighting corruption in the Group through such measures as SBI Group Compliance Code of Conduct, "Prohibition against Insider Trading," "Building Fair and Transparent Relationships with Governments and Public Administrations," "Elimination of Anti-social Forces," "Prevention of Money-laundering," and "SBI Group Anti-Bribery and Anti-Corruption Policy."

To address the twin issues of entertainment with customers and business partners by company officers and employees as well as the exchange and receipt of financial products as gifts, we plan to set business ethics regulations and guidelines for entertainment and gift exchanges together with regulations on interactions with business partners and public employees. Also, through training and other means, we strive to ensure awareness around preventing bribery and corruption.

Policy and Status of Strategic Shareholding

The Company acquires and holds the shares of other companies with taking into consideration that profits can be gained in the future by selling those shares when entering into business alliances or collaborations that are likely to contribute to the SBI Group's business development and to increase the Company's corporate value, and when it can be rationally expected that such collaborations will increase the corporate value of the other company as well. The Board of Directors annually examines the rationality and purpose of holding listed shares for strategic reasons. Specifically, this involves examining qualitatively whether the strategic shareholding contributes to strengthening or maintaining the relationship with the relevant parties, and quantitatively whether the dividend or profit from the business that the relevant parties are involved in is appropriate considering the cost of capital to the Company. The Company in principle, sells shares if the rationality of the shareholding cannot be confirmed according to the aforemen-

tioned evaluation.

In a certain case where the Company's shares are held by a strategic shareholder, it does not engage in economically unreasonable transactions that are detrimental to the joint corporate and shareholder interests with the relevant company. Moreover, if the owner of strategic shareholdings in the Company indicates the intention to sell the shares, it is the basic policy of the Company to respond appropriately and not to take any action that would obstruct the sale, such as by indicating that business transactions with the holder will be reduced in future.

As of the end of March 2025, the Company has not been engaged in any strategic shareholding of listed companies. Moreover, in one of the Group's main businesses, the venture capital business, all of the Group-owned shares of startup companies, such as those invested in via venture capital funds, are in principle included as operational investment securities in the Company's Consolidated Financial Statements.

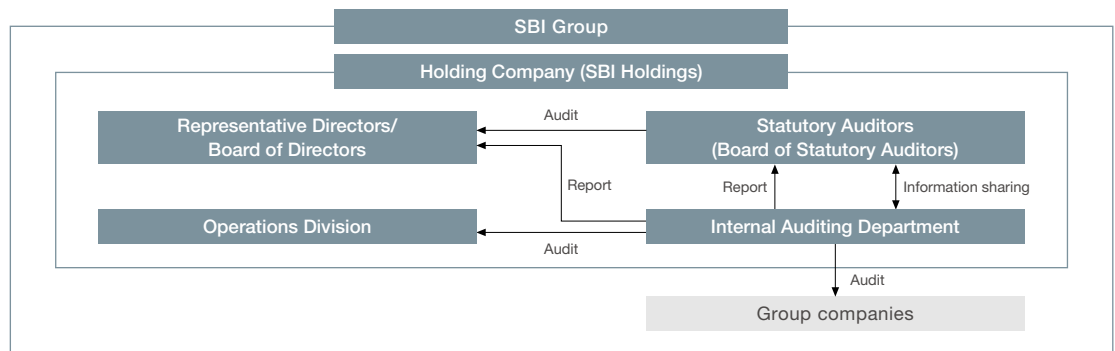
Internal Auditing

The Company has an internal audit division that operates as an organization independent from both business operation management and administration divisions by resolution of the Board of Directors. The department provides independent, fair and objective, internal audit (assurance and advisory services) with the goal of adding value to the company and improving the company's operations. It uses a systematic, professionally disciplined methodology to assess and improve the effectiveness of governance, risk management and control processes on a risk-based basis, helping the company achieve its goals and making recommendations for improvement and follow-up on issues identified as a result of the audit. The audit is conducted in a professional and disciplined manner to help the company achieve its goals. Audit results are reported without delay to the Board of Directors—attended by the representative director and outside directors—as well as to the corporate auditors, after the completion of each audit.

The internal audit division is composed of a general manager and members with expertise in auditing. The division conducts internal audits, evaluates internal control reporting systems, and receives and investigates internal reports. Neither the general manager nor any member of the Internal Audit Department has concurrent duties or roles other than internal audit, thereby maintaining organizational independence and professional objectivity (in the event that the Director of Internal Audit has roles or responsibilities other than internal audit, the audit of such duties is conducted under the supervision of an independent person).

Audits are conducted in accordance with or by reference to the International Framework for Professional Practice (IPPF) of the Institute of Internal Auditors (IIA) and other general internal audit standards, and are performed with the assistance of officers and employees, and outside experts as necessary.

Outline of Internal Control System



Auditor Viewpoints



Toru Ichikawa

Outside Standing
Statutory Auditor

Risk Management Throughout the Group with an Eye on the Future—An Upcoming Challenge

The global situation has become incredibly tense since the Russian invasion of Ukraine, including the conflict in the Middle East and the downfall of the Assad regime in Syria, while tensions from economic friction between traditional allies have risen since U.S. President Trump returned to office. This difficult situation threatens to persist. The Company considers its current governance structure to be functioning effectively, however, to ensure further growth of the SBI Group, it acknowledges the need to address emerging issues in light of recent changes in the external environment. Specifically, I would like to raise three issues: (1) potential for future risk of conflicts involving Japan and responses prepared for them, (2) ESG and SDGs measures in light of increasing likelihood of large-scale natural disasters driven by climate change, and (3) envisioned risks posed to humanity by the adoption of generative AI.

Furthermore, as the Group expands both in scale and in its lines of business, we must strengthen the risk management system across the Group. Analysis and verification are essential to avoid the concentration of risk in specific businesses or corporate groups. At the same time, I believe that it is necessary to further deepen discussions at the Board of Directors regarding Business Continuity Plans (BCPs) as a relevant matter that concerns all financial institutions in the SBI Group—banking, insurance, and securities companies.

Given that I am an Outside Statutory Auditor, I am looking to contribute to the financial health and sustainable growth of the SBI Group and the enhancement of its corporate value. I shall do this while making efforts to collect information that I am in a unique position to gather from outside the Company and urging when necessary that business execution be corrected from the perspective of its legality and propriety.



Akemi Mochizuki

Statutory Auditor

Enhancing Information Disclosure to Continuously Meet Stakeholders' Expectations

SBI Group has achieved its growth by executing on a management strategy that takes into account the trends of the times. Given the broad scope of businesses currently operating within the Group, it may be difficult for stakeholders to grasp a clear picture of the Group as a whole. In light of this, I believe that how we communicate externally going forward is an important issue and it warrants further consideration. For example, when evaluating investment opportunities, the SBI Group takes a comprehensive view of both the Japanese and global economies, quickly identifying emerging societal needs and directing investment toward those areas. By highlighting this forward-looking aspects at the SBI Group, I believe that it is extremely important to communicate our identity as a group that is consistently anticipating current trends so that stakeholders can have a sense of expectation and confidence in our future direction. Additionally, under our Fundamental Business Building Concept of Public Benefit Leads to Private Benefit, all group companies are engaged in business operation with a strong awareness of contributing to the resolution of social issues. I think that this aspect of our Group should also be clearly conveyed to all stakeholders.

Given my background, I think that a person like myself is generally expected to contribute in areas such as accounting and auditing. However, in addition to these areas, I would like to contribute to the growth of our group by offering advice on the ideal way of management of the SBI Group and Board of Directors should be, based on my knowledge of various corporate management styles acquired through my experience as an external auditor at other companies.

Risk Management at the SBI Group

Risk Management in Support of Enhanced Corporate Value

The SBI Group has based its approach to business management and risk management on the concept of “risk appetite,” which can be defined as the types and levels of risk that can be accepted in order to realize strategies. Therefore, the Group sees its risk management role as identifying measures to avoid business disincentives and negative impacts on society while maintaining the Group’s growth potential and providing these measures as a source of management decisions for the Board of Directors. One of the features of our approach to risk management is that the level of contribution to the pursuit of its business strategy is recognized as an important aspect of the role of risk management and is therefore reflected in our risk management KPIs.

The Group manages risk factors according to its business fields and regions, given the diversity of its businesses, and implements measures tailored to the nature of each Group company. In addition, the importance of geopolitical risk has grown significantly in recent years, and the perspective of how geopolitical risk affects various risks that are linked to specific financial affairs, growth potential, and reputation is also an important theme of risk management.

A Risk Management System that Is Instrumental to Timely Business Decisions

The Group Risk Management Department forms the core of

the Group’s risk management system. It comprises, in addition to employees of SBI Holdings, employees of the Group companies such as those seconded from the SBI Shinsei Bank Group and SBI SECURITIES. A special feature is that the department incorporates a wide variety of viewpoints based on the Group’s strategy and culture as well as the business characteristics of the banking and securities businesses.

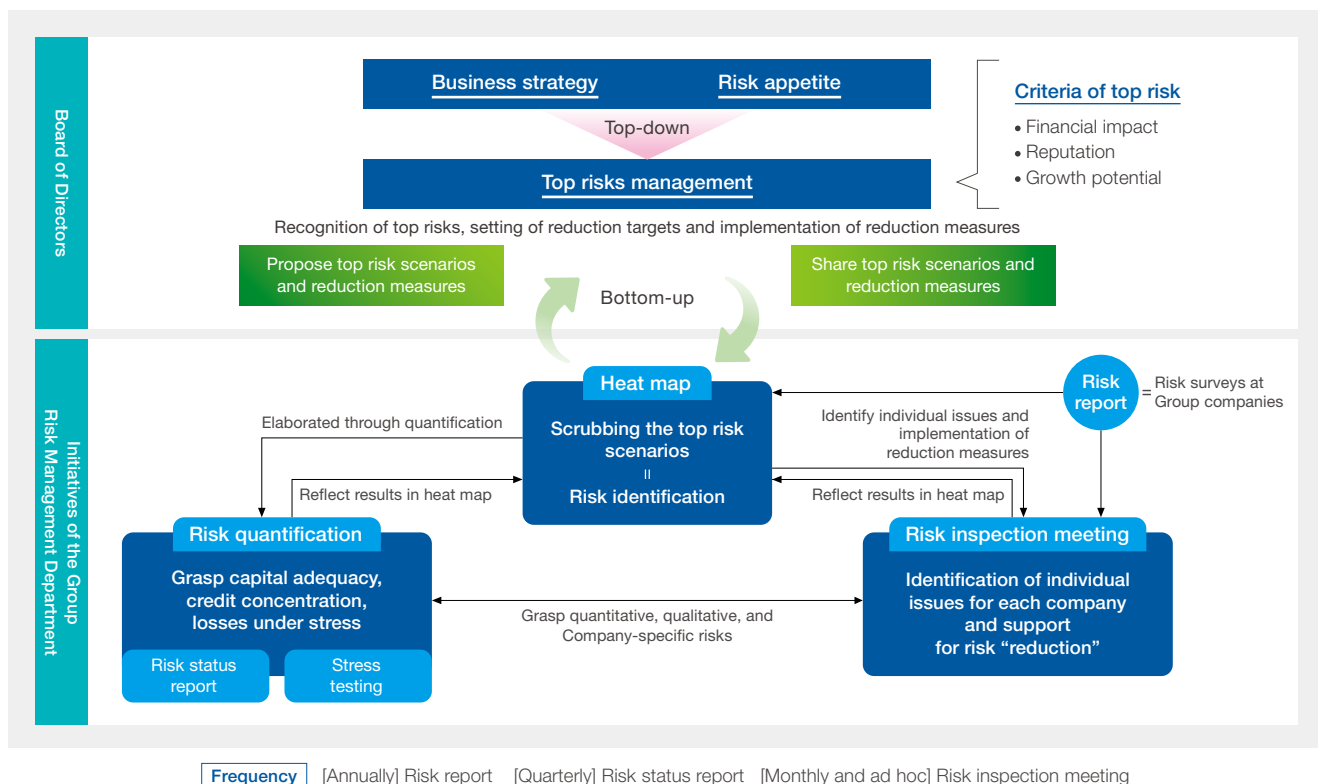
The Risk Management Department also promotes close collaboration with other departments to improve effectiveness of risk management. It consults with the Accounting Department, Financial Department and Sustainability Promotion Office, the Legal Department, the Group Governance & Compliance Department and the IT Management Department on matters relating to information security risks and system risks. Detailed information is shared on a weekly basis, focusing on changes that could affect Group risk, and a system has been established to timely reflect this information in business strategy. Risk management plans are reported to the Board of Directors each period and progress reports are reported twice a year. Additionally, quantitative reports on risk information are presented separately each quarter.

Risk Identification Process

In managing risks of the SBI Group which encompasses a diverse range of businesses, we make regular updates on our group-wide “top risks.”

We identify the top risks by using a top-down approach

Big Picture View of the Group Risk Management Department



based on a broad risk scenario that is assumed from the business strategy for each period. We also adopt a bottom-up approach for each business field involving various indicators for each risk category, such as market, credit and operational risk, in order to identify items that are assumed to be high risk. As a result, these two approaches allow us to identify various top risks, such as information security, losses due to uncertain market conditions, capital management, system failure due to tight capacity, etc., and report on them for effective mitigation and management decision-making on the scope of risk appetite.

The Three Pillars of Risk Management

The three pillars of our broad-sweeping, comprehensive risk management are methods of heat maps, stress tests, and risk assessment meetings.

The heat map is a graphical representation of the results of quantitative risk indicators and qualitative risk information collected from Group companies. It is prepared on a regular basis in accordance with risk assessment meetings and various risk status reports from subsidiaries.

Stress tests are mainly conducted in fields that lend themselves to quantitative risk management and are designed to calculate what type of financial losses may be incurred under stress scenarios.

A risk assessment meeting is an initiative that lessens risks carried by the Group while also supporting Group companies by providing advice and guidance on their internal control systems. This method starts by selecting Group companies for priority monitoring and holding separate dialogues with individual companies to get a concrete grasp of risks. Unlike the other two methods which involve broadly scoped management targets considered from a holistic view, the risk assessment meeting uses individualized micro points of view.

A multidisciplinary combination of these methods enables risk management that is both big-picture and dynamic, while not leaving out any individual issues.

Cybersecurity at the SBI Group

SBI Group's Cybersecurity System

The SBI Group recognizes cybersecurity as one of its highest management priorities and has established the "SBI Group Security Guidelines" and the "SBI Group Cybersecurity Standard." In 2023, we also established the "SBI Group Guidelines for the Use of Generative AI" to ensure security and to protect confidential information in the use of generative AI. These guidelines are reviewed regularly.

The SBI Group's cybersecurity system is overseen by the Information Security Officer at SBI Holdings, who serves as the Group Information Security Manager. The IT Management Department plays a central role in implementing information security measures across the Group. Furthermore, the SBI Group Computer Security Incident Response Team (CSIRT) is also set up, with the IT Management Department serving as its secretariat. The CSIRT holds monthly liaison meetings with Group Information Security Managers and experts in the Group to prevent security incidents by analyzing latest threat

trends and to enhance SBI Group's resilience such as minimizing damage. Also, in order to raise the overall level of cybersecurity across the Group, we hold four cybersecurity liaison meetings per year where information is shared among information security managers at Group companies.

In the event of an incident, a joint response is coordinated by the IT Management Department, which specializes in IT-related matters including responses to cyberattacks, and the Group Risk Management Department, which oversees overall risk management. The two departments maintain close, ongoing collaboration, including biweekly information-sharing, to strengthen multilayered and comprehensive security management. Regular reports are also made to the Board of Directors.

Developing Human Resources for Enhanced Cybersecurity

The SBI Group provides training programs on cybersecurity countermeasures for all company officers and employees, and invites external experts to provide training for management. In addition, the Board of Directors holds regular discussions on cybersecurity education. For those engaged in systems operation and management at Group subsidiaries, seminars are regularly held inviting outside lecturers. In addition, an information-sharing portal dedicated to cybersecurity is used, which helps leveling out biases in knowledge regardless of a company's size or field of business. All SBI Group employees are required each year to participate in e-learnings to build a sense of ethics and share knowledge.

Maintenance of Cybersecurity

The SBI Group comprises companies of diverse sizes and maturity levels, resulting in potential disparities in cybersecurity frameworks, human resources, and accumulated knowledge. We recognize the need to address these imbalances and strive for a more standardized approach to cybersecurity across the Group. In recent years, state-sponsored threat actors have become an increasingly visible force in cyberattacks around the world, with the financial sector being a particularly frequent target. In response, we have built a Group-wide common security platform that incorporates threat intelligence and the zero-trust security model, enabling a rapid and flexible response to signs of incidents and related risks at each Group company. We believe that the establishment of a management framework like this is an effective method for putting in place a cybersecurity system at a Group characterized by the persistence of discontinuous growth. In our quest for developing Company initiatives that can be horizontally applied as Group-wide countermeasures, we are strengthening our detection and monitoring while carrying out constant surveillance to spot signs of an incident (including DDoS attacks, ransomware attacks, data breaches, and malware infections) so that we can take a rapid response against such threats.

In recognition of these initiatives, SBI Holdings was certified as a company with an excellent, proactive attitude and cybersecurity information disclosure in the Cyber Index Company Survey 2024, published by the Information Technology Federation of Japan on January 9, 2025.