



**カープレミア**

 Premium

# Integrated Report 2024

Premium Group



**Contribute to the construction of a prosperous society by providing top level financing and services to the world.**

By further improving our financing and services, and spreading them across the world, we will create a prosperous society.

**We will foster employees who are broadminded, have a positive outlook, and assiduously work their way towards creating results.**

We will not give up before we start by thinking we cannot do something, or something is not possible. We will promote innovation with creative ideas and great ambition, and forge ahead to the next step ourselves.

**MISSION**  
Premium Group's vision

# ONE&ONLY 2026

Establishing the Car Premium business model, seeking to become **The ONE & ONLY Auto Mobility Service Company**

**VALUE**  
Premium Group's underlying principles

## Toughness Mind

We aim to become an enterprise and employees that have great ambition and can take on any challenges

## Positive Mind

We aim to become an enterprise and employees that can work on things with a positive way of thinking and exchange smiles

## Gratitude

We aim to become an enterprise and employees that have altruistic spirits and gratitude

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#### ● Editorial policy

Premium Group (hereinafter the "Group") is committed to disclosure of accurate, timely, and fair information to all of its stakeholders. This Integrated Report has been prepared to provide our stakeholders, including shareholders and investors, with both financial and non-financial information in details about our Group's history, the strengths and achievements we have cultivated, and our strategic scenario toward realizing our mission. In addition, Premium Group Co., Ltd. (hereinafter the "Company") has described our ESG management, which ensures that important issues pertaining to environmental, social, and governance (ESG) perspectives are reflected in our management and business strategies. This Integrated Report covers all activities consolidated for financial reporting purposes, and the reporting period is generally from April 1, 2023 to March 31, 2024. However, certain disclosures and business activities that began after April 2024 have been included as well. When position titles are mentioned on each page, unless otherwise noted, such title is the position title as of September 30, 2024.

#### ● Cautionary note regarding forward-looking statements

This Integrated Report contains forward-looking statements. Please note that this report is based on the information available at the time and assumptions considered to be reasonable. Actual results may differ from those in the forward-looking statements due to various risks, uncertainties or other factors.

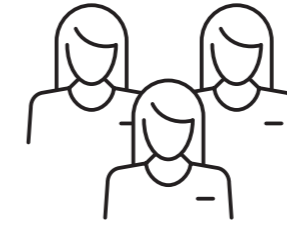
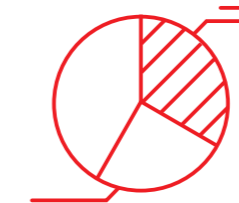
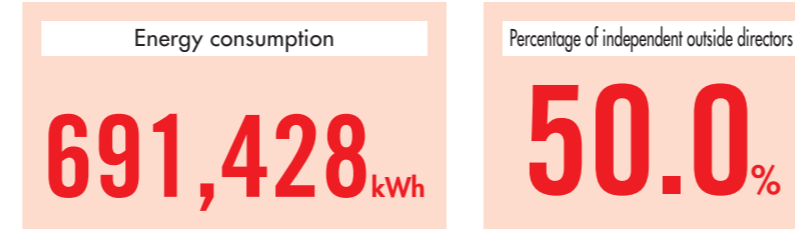
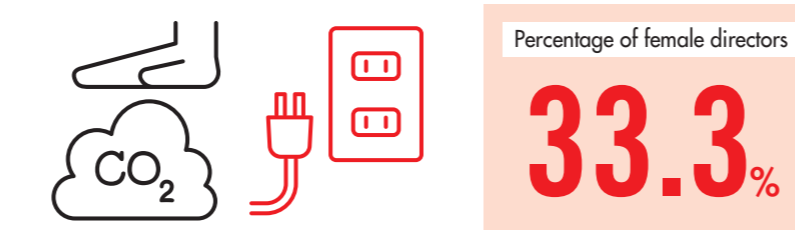
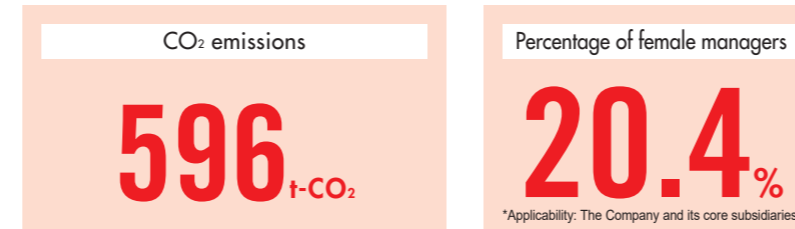


# Premium Group in Numbers

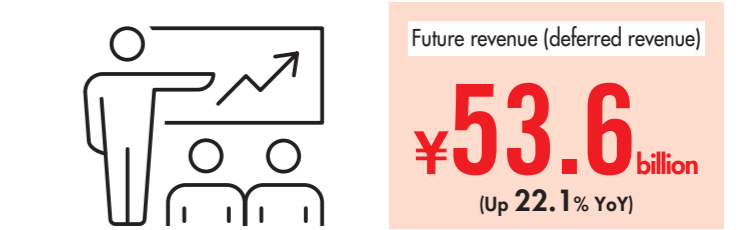
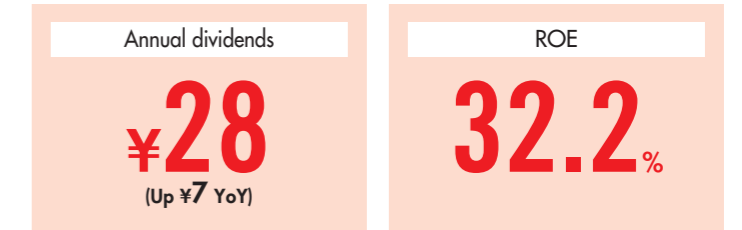
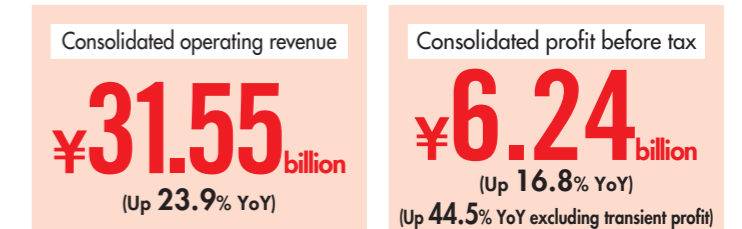
## Foundation for the Group's growth



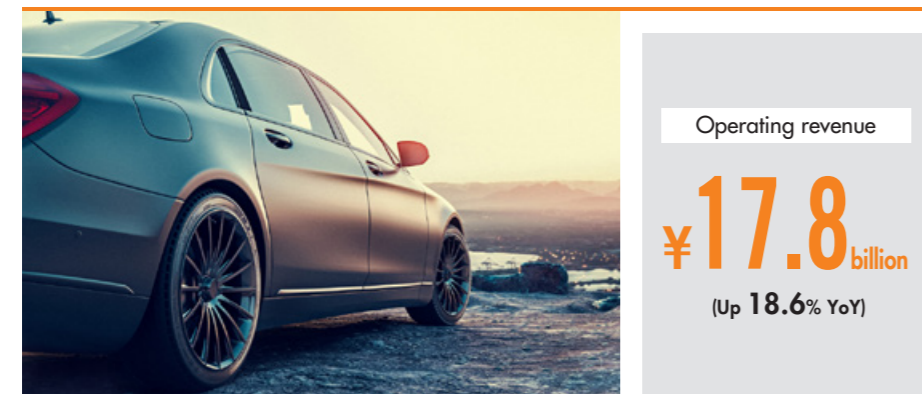
## Initiatives to foster a sustainable organization



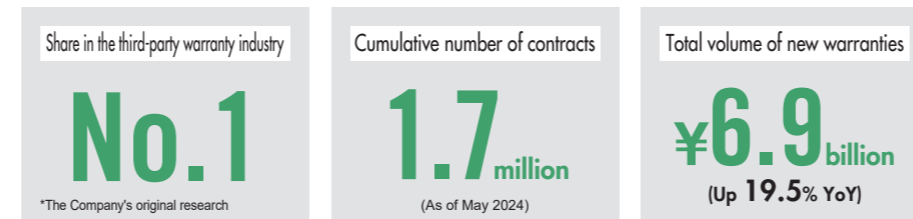
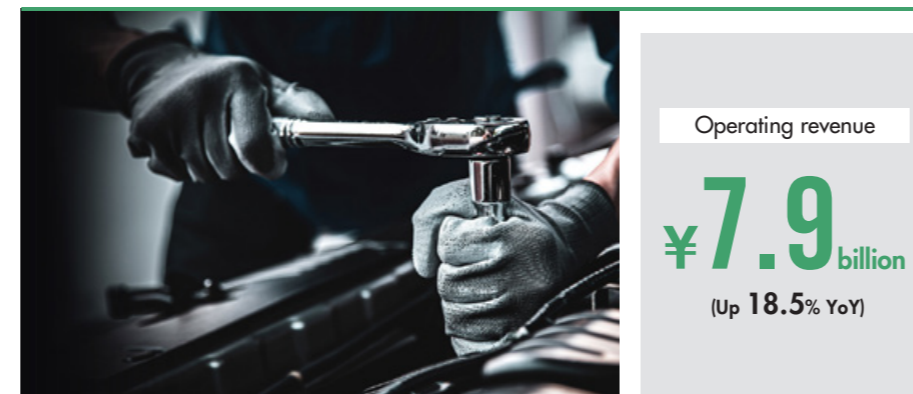
## Business results



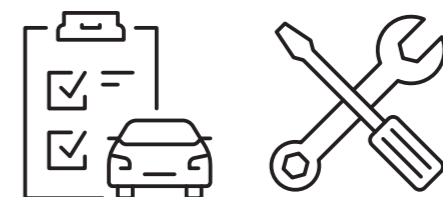
## Finance Business



## Automobile Warranty Business



## Auto Mobility Services Business



As of March 31, 2024

\* The figures stated for CO<sub>2</sub> emissions and energy consumption are those for the fiscal year ended March 31, 2023. We plan to calculate and disclose the figures for the fiscal year ended March 31, 2024 during the fiscal year ending March 31, 2025.

# History

The Group has been expanding its business by leveraging its strength as an independent company. While seeking to grow further in each of its existing businesses, we will establish our independence by constructing a used car domain economic zone (Car Premium business model) and transforming into the ONE & ONLY automobile company.

(Billions of yen)

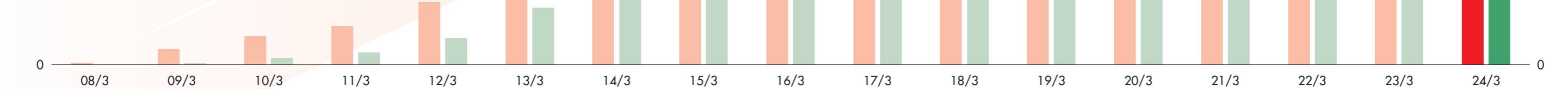
# Seeking to become The ONE & ONLY Auto Mobility Service Company



## 2007

● G-ONE Credit Services Co., Ltd. (currently Premium Co., Ltd.) was established.

● Loan receivables  
● Total volume of automobile warranties



Loan receivables  
**¥632.6 billion**

(Billions of yen)

Total volume of automobile warranties  
**¥6.9 billion**

## 2017

● Premium Group Co., Ltd. got listed on the Second Section of the Tokyo Stock Exchange.

## 2018

● Listing of Premium Group Co., Ltd. changed to the First Section of the Tokyo Stock Exchange.

## 2019

● L'OPERAIO SOLUTIONS K.K. (currently Premium Warranty Services Co., Ltd.), which provides automobile warranties, became a subsidiary.

## 2020

● Premium Mobility Services Co., Ltd., which operates auto mobility services business, was established.

## 2022

- Car Premium Co., Ltd., which develops and promotes a membership organization for automobile providers, was established.
- Listing of Premium Group Co., Ltd. changed to the Prime Market of the Tokyo Stock Exchange.
- Launched the "Car Premium for all your car needs" automotive information website.

## 2023

● Aired first Car Premium TV commercial.

## 2024

● Released the Car Premium Anshin Shop program.

## 2007—2012

### Launch of Finance and Automobile Warranty businesses as our core businesses

Founded by Yohichi Shibata, President and Representative Director. Using his knowledge of automobiles and finance, he launched an auto loan business that had high barriers to entry in order to "provide top level financing and services to the world." Facing the threat of business withdrawal due to the global financial crisis in 2008, the Company overcame the challenge and established its main business.

## 2013—2018

### Diversified business development and overseas expansion by leveraging our strength as an independent company

Leveraging the strength of its independence, the Company diversified its businesses by establishing and making subsidiaries that develop and provide automobile maintenance services and automobile-related IoT devices/software for automobile providers. It also expanded internationally by developing Finance and Automobile Warranty businesses in Thailand and Automobile Warranty business in Indonesia.

## 2019—2023

### Evolving as an Automobile Company

As an automobile company, the foundation for the development of each business was established. Continued to diversify its businesses and expand overseas as an automobile company by acquiring a company that operates an auto parts business and a company mainly engaged in debt collection as subsidiaries, and developing the Automobile Warranty business in the Philippines. DX was actively promoted, including being selected as a Noteworthy DX Company for three consecutive years.

## 2024 onward

### Establishing the Car Premium business model

Aimed to expand the membership organization "Car Premium Club," enhancing the recognition and brand strength of "Car Premium" so that automobile providers can provide better services and customers can feel secure when purchasing used cars.

For details on the "Car Premium business model," see page 11



## Message from the President



柴田 洋一

Yohichi Shibata

President and Representative Director,  
Group CEO and COO

### Dear all

The Medium-Term Management Plan “ONE&ONLY 2026” is now in its second year. In the fiscal year ended March 31, 2024, our first year, we achieved results that exceeded the plans. We are grateful for the support of our stakeholders. In the fiscal year ending March 31,

2025, the second year of the Medium-Term Management Plan, we will continue to set targets that exceed those outlined in the plan, and we aim to make it a year that meets your expectations.

### A period of significant change in the environment surrounding the car industry

The mobility industry has been undergoing a significant period of change in recent years. In the new car industry, safety is becoming more important due to the spread of electric vehicles, advancements in automated driving technology, and an aging population. In addition to this, the pandemic has also caused a shortage of new cars due to a shortage of semiconductors, and new car prices continue to rise even in Japan, which has been in a deflationary phase. The used car industry was also affected by the type-designation approval fraud, which destabilized the supply of new cars. As a result, used cars also became scarce and prices

rose. The industry has become an oligopoly dominated by large dealers who were able to cope with the rising purchase prices. Under these circumstances, the industry is undergoing another significant period of change due to scandals involving a major dealer. However, we see these changes as a great opportunity. The used car industry, where face-to-face services were the normal practice, is accelerating its transition from the traditional labor-intensive methods to digital transformation (DX) with rapid improvements in efficiency, and a paradigm shift is occurring in the mobility industry as well.

### Management stance

The Company was founded in 2007 as an auto credit company. At the time of its establishment, the auto credit and auto loan industry was an oligopoly dominated by major consumer credit companies, and it was thought to be extremely difficult for new entrants to enter the market. In fact, over the course of half a century, businesses had been closing or withdrawing and consolidating, and no new companies successfully entered the market.

I believed that a paradigm shift would occur in all industries, and I was convinced that opportunities would surely present themselves if we managed our businesses with a horizontal mindset, free from conventional thinking.

Although the Company was a new entrant and started

from zero, through the COVID-19 pandemic and various changes in the mobility industry, this management policy matched the changing times, allowing the Company to achieve significant growth, with the balance of finance receivables amounting to approximately 700 billion yen.

I must admit that I did not know the term “paradigm shift” when the Company was founded, but by facing and understanding the COVID-19 pandemic and changes in the industry, we were able to incorporate a flexible and creative approach into our management policies—one not constrained by conventional ways of doing things. I also believe this success is the result of leveraging the strength of our independence and pursuing a strategy distinct from our competitors.

### New challenge

Our existing business is still in the process of growing, and we will continue to make new attempts without being satisfied with the current situation, in preparation

for the paradigm shift that is expected to accelerate further in the future. The Car Premium business is our primary focus. This business aims to build stronger ties

by organizing primarily network stores that agree with the membership system of Car Premium Club. First, we will network 6,500 companies, primarily Car Premium Dealers and Garages, by March 2026, and use this network to create an environment in which customers can enjoy their car life. This network will also serve as a venue to promote business activity among members. We aim to create a Car Premium Club network that

provides even greater peace of mind by further advancing DX while emphasizing quality as well as quantity. As a result, I believe this will contribute to a safe, piece of mind, and healthy industry. I am confident that this strong network will enable us to build a ONE&ONLY company by mutually functioning the three businesses of Finance, Automobile Warranty, and Auto Mobility Services.

## Being a good company

The Company started with approximately 50 employees at the time of founding, but today the entire Group has nearly 1,000 employees. In the process, many people were hired and many people left. There was an increase in leavers, and hiring was never smooth. Each time, I felt frustrated but renewed my determination to make the company even better.

Initially, we could only hire a few new graduates, but now we are able to hire nearly 50 per year and steadily recruit experienced professionals. The retirement rate, which was high at the beginning, is now around 9%. While it is difficult to measure the goodness or badness of a company by numbers alone, I believe that a good company is one that attracts people and makes them feel happy to be a part of it.

Since last year, we have made “well-being” a basic policy of the human resources strategy. We cannot serve our stakeholders well if our employees are not happy. By enhancing the well-being of our employees, we believe we can make a greater contribution to our stakeholders.

On the other hand, the Group is still young. We can

flexibly adapt to company systems and welfare benefits, but we do not limit ourselves to this, and we also put great effort into employee training. It is based on the principle of “fun but not easy.”

Since the Group operates throughout Japan and internationally, we faced challenges related to work locations due to transfers and other factors. Therefore, last year we abolished the single transfer assignment as a general rule, with the aim of allowing employees to work where they prefer. Conversely, work from home was basically abolished except for special reasons such as childcare or nursing obligations. While there may be some opposition to this decision, we believe that allowing employees to work from home would not foster the development of our people or strengthen the company. This is based on the values (common ideals) set forth at the time of founding, “Toughness Mind, Positive Mind, Gratitude” company, and the mission to “foster employees who are broadminded, have a positive outlook, and assiduously work their way towards creating results.”

## Relations with society

As a company and as business professionals, our relations with society are important.

When the Company was founded, we committed to one of our missions to “contribute to the construction of a



prosperous society.” One example of this commitment is our partnership agreement with Ishigaki City, where we are helping to revitalize the local community. This is an attempt to build a means of transportation using automobility for areas lacking convenient options such as local buses. In the future, we will expand this

horizontally and contribute to various local communities as well. I believe that it is our responsibility as a company to contribute to the realization of a prosperous society through both our business and non-business activities.

## Conclusion

As the changes in the external environment continue, which were unimaginable when the company was founded, it is important to not be satisfied with the current situation and to continue evolving without remaining solely focused on the existing business. Our existing businesses are still in the process of growing, and there is room for further development. One of the most expensive purchases in terms of daily necessities, after housing, would be a car. That is why we aim to be a company that can provide the best

finance and service to people all over the world to deliver an exciting car life. Another mission is to “assiduously work their way towards creating results.” I interpret the word “assiduously” as “putting one’s life on the line.” To be true to the word, I will continue to work assiduously towards achieving results. We look forward to your continued expectation of Premium Group’s success in the future.



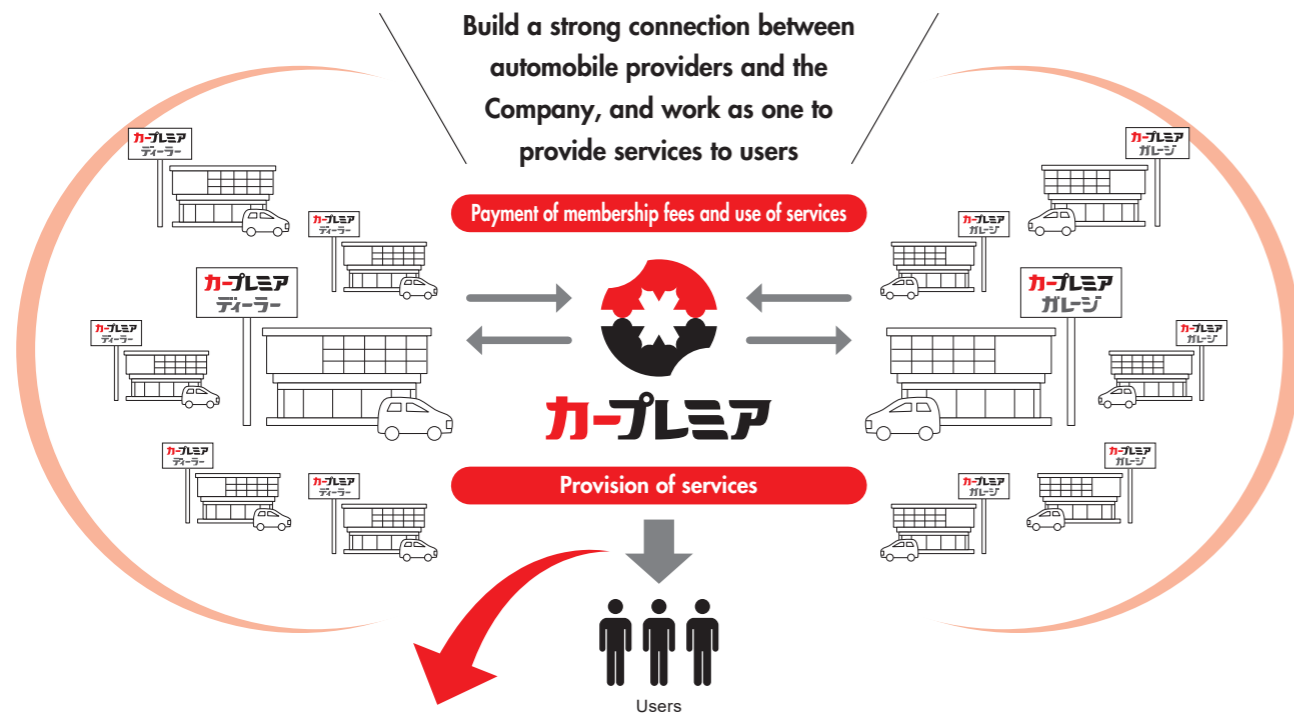
Special Feature

1

# Car Premium Club—A Membership Organization

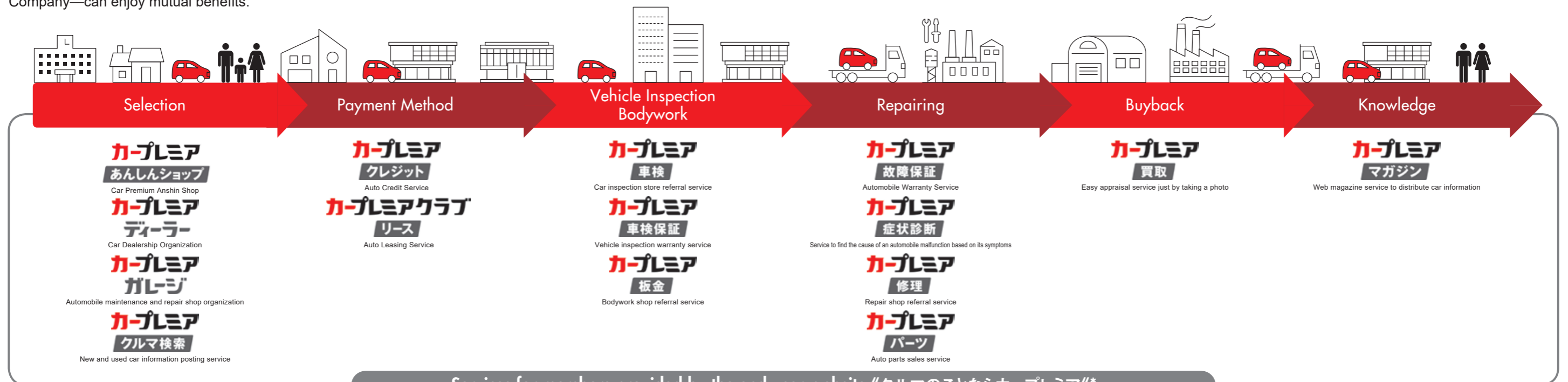
## What is the Car Premium Club?

The “Car Premium Club” is a membership organization formed from a network of automobile dealers and maintenance facilities that have been established since the Company’s founding.



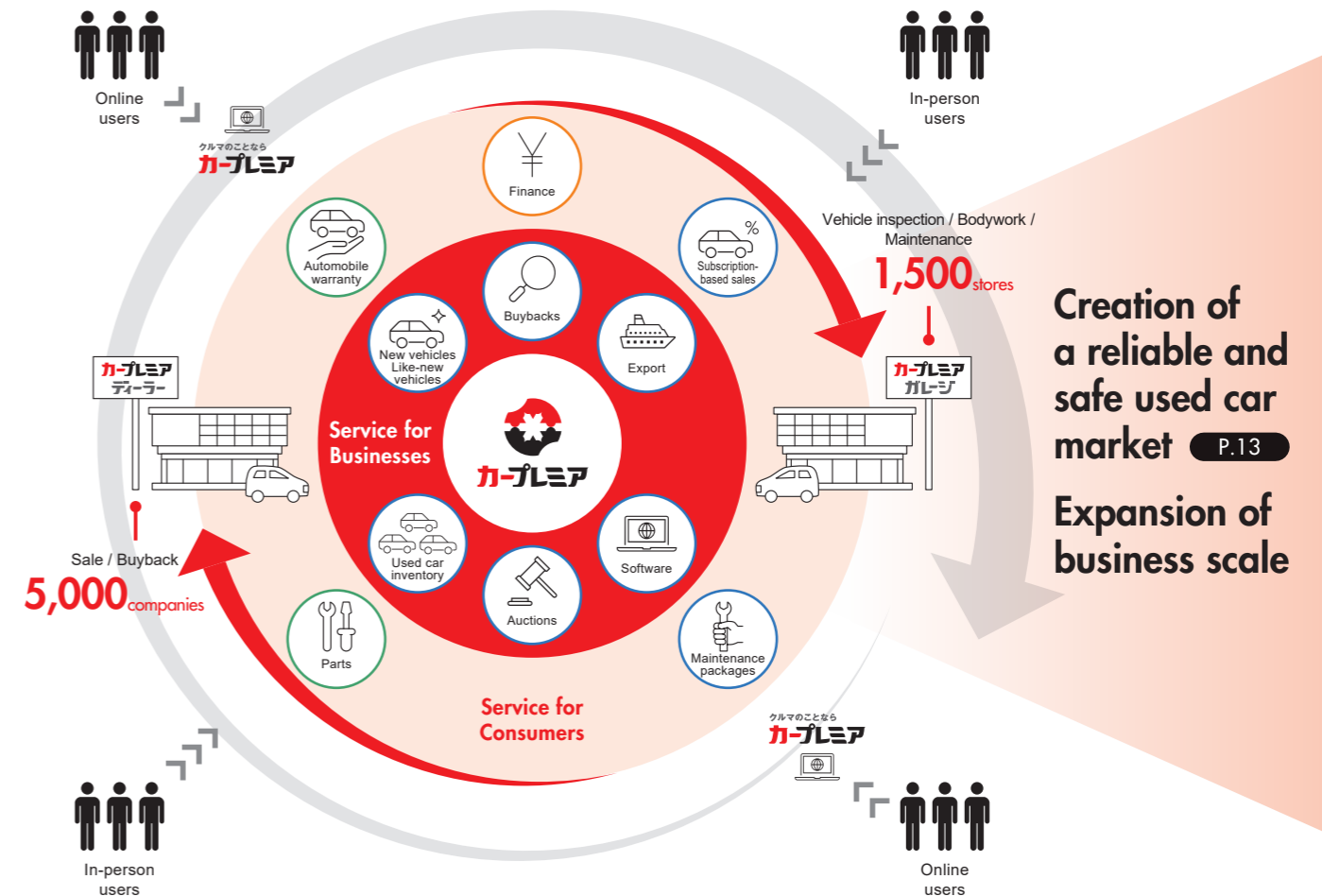
## Services provided by the Car Premium Club

The Car Premium Club offers services for all aspects of customers’ car life, from selecting a car to selling it. A system has been established where all three parties—customers, Car Premium Club members, and the Company—can enjoy mutual benefits.



## Establishing the Car Premium business model

The Car Premium business expands by facilitating transactions (use of Car Premium services) between Car Premium members and users within the Car Premium network.

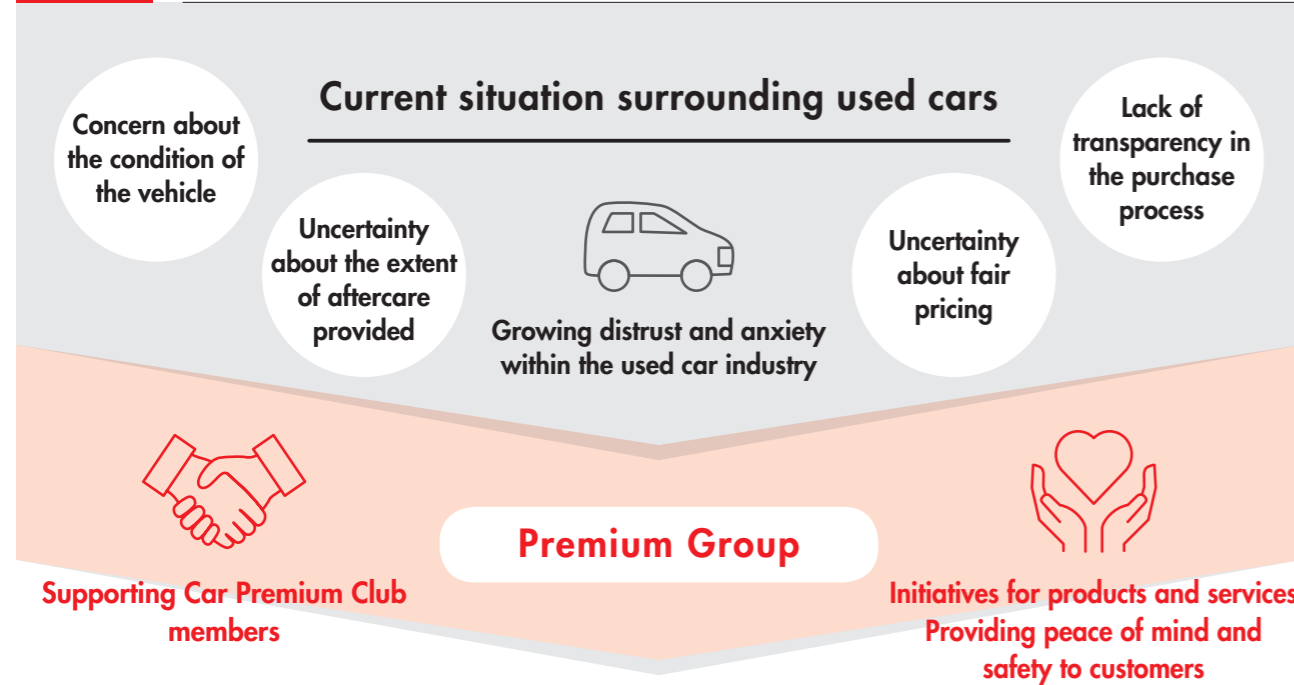


\* Car Premium: for all your car needs

Special Feature

2

# Car Premium Anshin Shop—Initiatives for Peace of Mind and Safety



Point 1

## Anshin Shops certified by the Company

The Company certifies a store as an "Anshin Shop" if it is a Diamond member of the Car Premium Club, meets the conditions, and agrees to the "Anshin Declaration," which promotes transparent operations and price presentation.

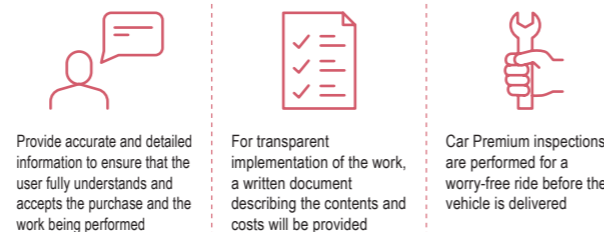


Point 2

## Comprehensive Anshin Declaration and compensation services

The contents of the Anshin Declaration are set at the time of vehicle purchase and at the time of vehicle maintenance, respectively. The content is designed to have the store promise to respond in a cordial and courteous manner to avoid any discrepancy between the user and the store. If a defect occurs within 14 days after the vehicle purchase and the vehicle maintenance, respectively, up to 300,000 yen will be paid to the user.

### Anshin Declaration for vehicle purchase/maintenance



**Car Premium covers up to ¥300,000 for repairs of defects occurring within 14 days after vehicle purchase or maintenance**

\*Applicable to four-wheeled vehicles registered for private use

### Background of the service launch

Fraud at a major used car dealer has led to growing distrust of the used car industry as a whole, causing customers to refrain from purchasing used cars and to consider carefully where to buy them. After much consideration of how the Company could address this distrust, we arrived at the concept of "the Company compensating for the quality of service during sales, vehicle inspections, and repairs free of charge from the consumer's perspective (as a third party)." This concept has been converted into a service called "Car Premium Anshin Shop." We believe that establishing a system that provides customers with peace of mind and safety will help restore trust in the used car industry.



**Hiroomi Yamamura**  
Managing Executive Officer, Group CSO,  
General Manager of the Group Management  
Strategy Division of Premium Group Co., Ltd.  
Director of Premium Mobility Services Co., Ltd.

### Voices of the field

Since this initiative to receive third-party certification from the Company differentiates it from other stores, it has become a topic of conversation among many automobile providers, and we believe it is a solid response to our efforts. Furthermore, when a store joins the Car Premium Anshin Shop, we gain deeper insights into each company's efforts for transparent sales and work, allowing us to build stronger relationships with stores through a mutual exchange of ideas and opinions. I would like to continue contributing to the further development of the used car industry by providing a "system of peace of mind and safety."

Even with thorough maintenance and inspections, problems are bound to occur with used cars. However, Car Premium Anshin Shops are very attractive because they are equipped to handle unexpected problems. Certification as a Car Premium Anshin Shop has allowed us to add further value, distinguishing us from our competitors. In addition, the range of inquiries is expanding, with customers from remote areas also making purchases with greater confidence. As a Car Premium Anshin Shop, we aim to create stores that help people realize a safe and comfortable car life.

### Jumpei Terada

General Manager of the Sales Department,  
Car Premium Business Division of Premium  
Mobility Services Co., Ltd.



Car Premium Anshin Shop certified store

### MAHARO Co., Ltd.

Company's HP (<https://me-ka-maharo.com>) \*in Japanese  
Car Premium (<https://car-premium.net/shop/528571993095/sale/>)  
\*in Japanese



### Vision to achieve in the future

This initiative is the first of its kind in the industry. As the industry's foremost expert, we aim to create an environment where people can use used cars without distrust. To this end, it is necessary to foster an image of Car Premium as synonymous with reassurance and to play a role similar to a seal of approval. In fact, we have already received positive feedback from member stores that "we can offer reassurance with a third-party endorsement," and we are seeing a growing positive response.

In the future, we plan to build a system that can also ensure credibility from consumers through customer interviews and to release an application. There are still areas potential development if we broaden our perspective to encompass the entire car life area, and we intend to expand our service area along with the expansion of Car Premium Anshin Shops.

We will continue to strive toward the ideal Car Premium business model (building a BtoBtoC model) and create an economic zone that transcends industry boundaries.



**Masayuki Takayama**  
Director and Managing Executive Officer,  
General Manager of Car Premium Business  
Division of Premium Mobility Services Co., Ltd.





# Message from the Financial Officer

## Maximizing corporate value through ONE & ONLY



**Tomohiro Kanazawa**

Director, Managing Executive Officer, Group CFO

### Introduction

My role is to support the business strategy from a financial perspective to help the Group realize its two missions (page 22) through the achievement of its Medium-Term Management Plan. Specifically, we aim to build a strong financial base that will enable the Group to achieve sustainable growth. In my view, the key is to be proactive, and to respond flexibly to changes in the business

environment both in Japan and overseas. To achieve the Medium-Term Management Plan “ONE&ONLY 2026,” which concludes in the fiscal year ending March 31, 2026, and to support the Group’s sustainable growth in the future, we will prepare financial measures in advance and adapt to changes in the role of finance as appropriate.

### Review of the fiscal year ended March 31, 2024

For the fiscal year ended March 31, 2024, following the reclassification of COVID-19 infection to Class 5, there was a normalization of economic activity with increases in personal consumption, especially for services, and inbound demand. However, the outlook remains uncertain due to rising interest rates, the ongoing depreciation of the yen, and persistent inflationary trends due caused by energy supply shortages due to unstable global conditions. In this economic environment, we believe that the used car market situation is gradually improving, thanks to the recovery trend in the number of used cars in circulation and the stabilization of soaring used car prices. The Group has accelerated the growth of its business operations and revenue by providing services combining finance, automobile warranty, and automobility services to automobile dealers and automobile maintenance facilities,

Unit: million yen

	23/3	24/3	YoY
Operating revenue	25,465	31,546	+23.9%
Operating expense	21,220	25,351	+19.5%
Operating profit	4,245	6,195	+45.9%
Profit before tax	5,344	6,241	+16.8%
Profit before tax (excluding transient profit)	4,318	6,241	+44.5%
Profit attributable to owners of parent	3,994	4,608	+15.4%
Basic earnings per share (yen)	103.17	119.39	+15.7%

while at the same time taking on the challenge of various initiatives to achieve a new growth model. As a result, in the fiscal year ended March 31, 2024, the Group posted operating revenue of 31,546 million yen (up 23.9% YoY), operating profit of 6,195 million yen (up 45.9% YoY), profit

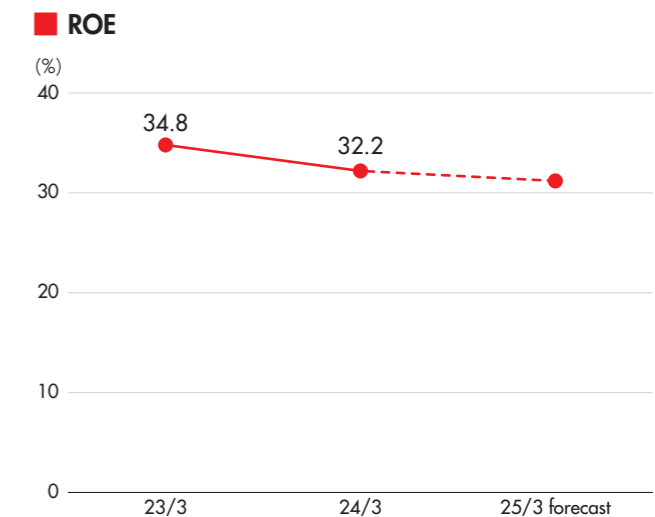
before tax of 6,241 million yen (up 16.8% YoY), and profit attributable to owners of parent of 4,608 million yen (up 15.4% YoY), achieving significant growth despite the continuing scandals in the used car industry.

### Progress of the Medium-Term Management Plan “ONE&ONLY 2026”

In the Medium-Term Management Plan “ONE&ONLY 2026” of the Group, our goal is to establish the Car Premium business model that handles all types of mobility services. Our three core objectives are (1) sustainable growth of existing businesses, (2) expanding the scale of each auto mobility services business, and (3) streamlining operations through DX. The numerical targets we expect to achieve are: operating revenue of 44.0 billion yen (CAGR: 20.4%), profit before tax of 10.2 billion yen (CAGR: 30.4%), and market capitalization of 140.0–175.0 billion yen or more. We believe that the level of the share price is one of the most important management issues and that it is necessary to set a target linked to the share price. Therefore, we have set a target of market capitalization. However, please note that in addition to the Group’s business performance, the share price may fluctuate depending on external factors such as the market. In the fiscal year ended March 31, 2024, the first year of the three-year Medium-Term Management Plan “ONE&ONLY 2026,” we accelerated the expansion of the scale of each segment in the auto mobility services business, in addition to sustained growth in the finance business and the automobile warranty business. Consolidated results also exceeded the numerical targets for the first year, as described below, and allowing us to make a strong start heading into the second year and beyond.

For the fiscal year ending March 31, 2025, we will continue to promote the Car Premium business model and improve the efficiency of sales activities and back-office operations through the promotion of DX. Our aim is to achieve targets of 40 billion yen in operating revenue and 8 billion yen in profit

before tax, which exceed the goals outlined in the Medium-Term Management Plan. Additionally, we will allocate investment funds in a balanced manner in order to support the achievement of the plan. At the same time, we will promote diversification and stabilization of fund procurement. As for the target of maintaining the return on equity (ROE) attributable to owners of parent in the 30% range, we aim to achieve the ROE target by increasing operating revenue and capital efficiency by strengthening the foundation of existing businesses and expanding new businesses. At the same time, we will raise dividends in line with our growth, striving to achieve consecutive increases in revenue, profit, and dividends since our listing.



	24/3 forecast	24/3 result
Operating revenue	¥30.5 billion	¥31.5 billion
Profit before tax	¥6.0 billion	¥6.2 billion

	26/3 forecast*	24/3 result
ROE	Maintaining the 30%–39% range	32.2%
Market capitalization	¥140.0 billion–¥175.0 billion	¥83.4 billion

\*Medium-Term Management Plan numerical targets

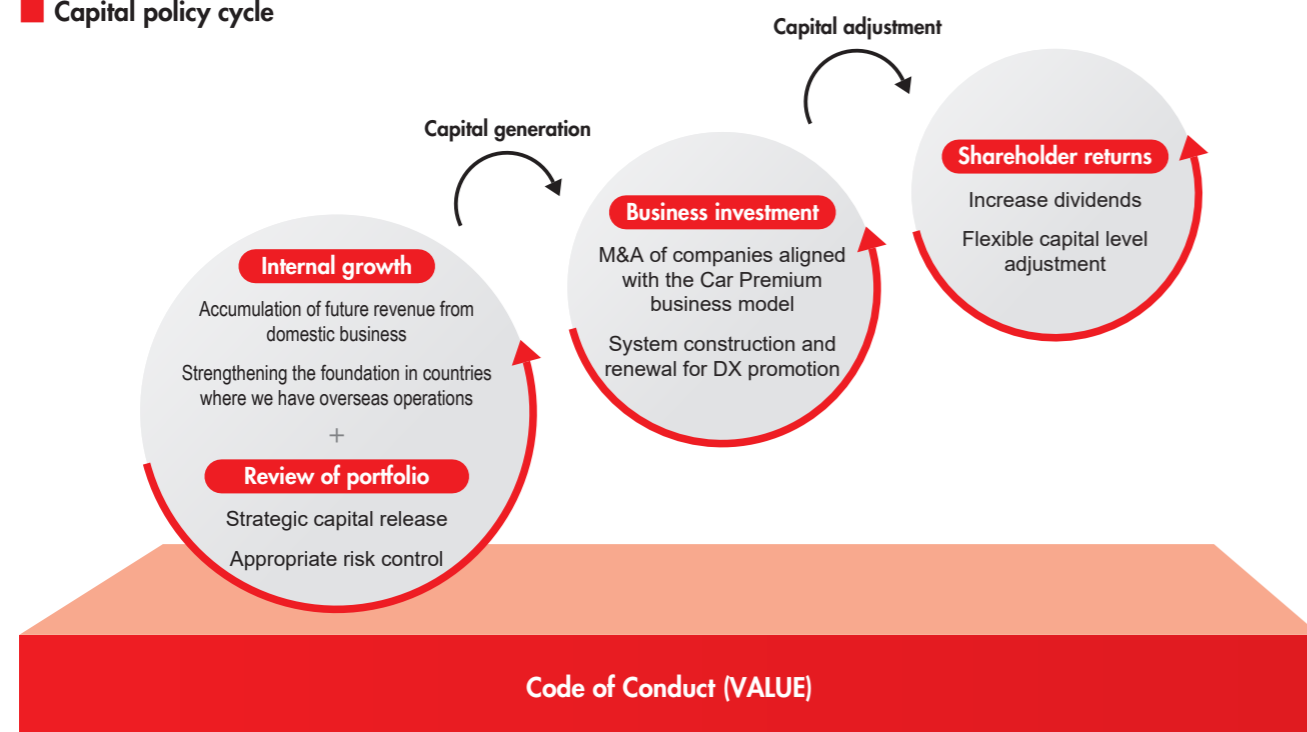
## Message from the Financial Officer

### Financial strategy

Approximately 90% of auto credits in the finance business, the Group's main business, are financed through the affiliated loan method. Under the affiliated loan method, affiliated financial institutions provide financing to customers, while the Group handles the administrative work, settlement of advances and operations related to installment repayments. The Company deals with four banks for affiliated loans to maintain a balance so that transactions are not concentrated in any one bank. As for interest rate, all loans are obtained at fixed interest rates to hedge against the risk of higher long-term interest rates. In addition, the Company's receivables are diversified into small receivables, with the risk of bad debts hedged by non-life insurance. Future revenue has accumulated in excess of 50 billion yen on a consolidated basis. From this point of view, we recognize that there are sufficient provisions for bad debt risk, and that our business model is one in which continuous performance growth is expected without being affected by changes in the external environment. Furthermore, by building good

relationships with each financial institution, we can raise funds without difficulty when large investments are needed for growth in the future. Earned profits are prioritized for investments necessary for the Company's continued growth based on cash allocation, and are also returned to shareholders. For investments necessary for continuous growth, we will execute business investments including M&A while determining the return on investment, focusing on the offensive aspects of new business and business expansion, and promote the probability of continuous growth and its acceleration. In addition, we aim to obtain a credit rating of A or higher by the fiscal year ending March 31, 2026, to facilitate flexible financing aligned with the market environment and our growth strategy. We believe that it is important to support the Company's business growth with financing, and to hedge risks so that we can respond to any eventuality, even if the financing environment changes, thereby supporting the Company's sustainable growth.

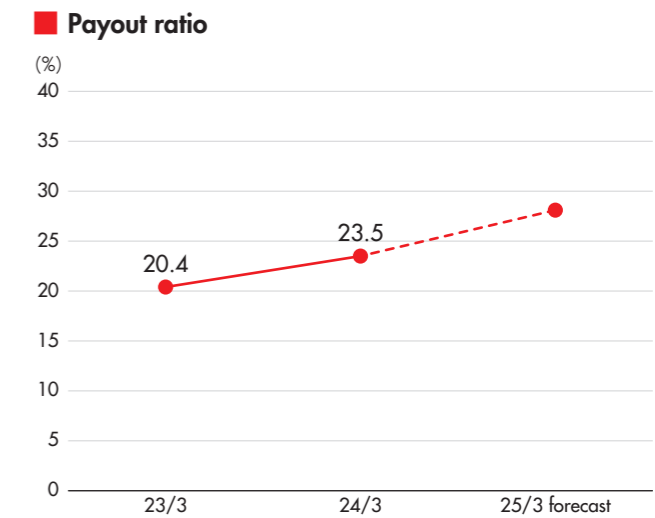
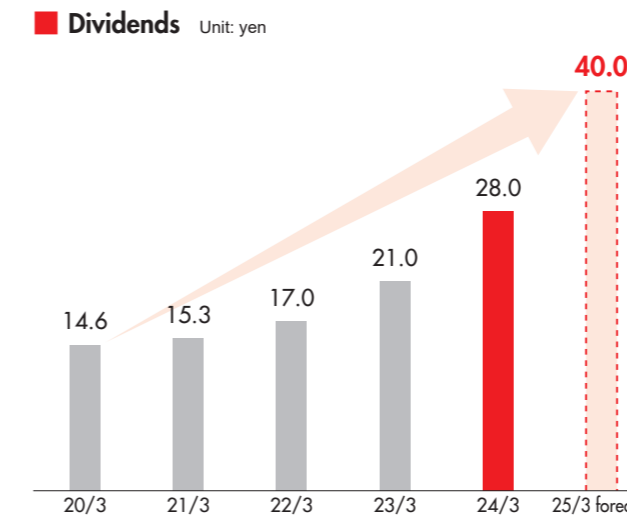
#### Capital policy cycle



### Shareholder returns

The Company's dividend policy is to use the majority of profits earned for business investments and to continuously increase dividends in line with profit growth. However, we also regard the return of profits to shareholders as an important management issue. The Company intends to pay stable and continuous dividends, taking into comprehensive consideration the overall need to secure internal reserves. For the fiscal year ending March 31, 2025, we forecast an interim dividend and a year-end dividend of 20.00 yen per share each, for a total annual dividend of 40.00 yen per share. In the future, we will continue to make every effort to improve our business performance, aiming to increase dividends on an ongoing basis.

In addition, as in the previous fiscal year, we continue to make decisions on share buybacks in a flexible manner, while carefully considering investment opportunities, cash flow balance, share price, ROE, cost of capital, and other factors. We are also proactive in M&A and DX investments. To make investment decisions, we comprehensively evaluate the merits of the investment by comparing the WACC (weighted average cost of capital) with the IRR (internal rate of return) from the investment, and by assessing the synergy effects with the Group, the feasibility of the business plan and other factors. We will do our utmost to further enhance our value and develop ourselves for the future.



\*The Company split its shares at a ratio of three shares for every one share of common stock effective as of September 1, 2022, per resolution of the meeting of its Board of Directors held on July 20, 2022.  
 \*Dividends before the fiscal year ended March 31, 2022, are calculated as "Dividends" assuming the stock split was conducted at the beginning of the fiscal year ended March 31, 2022.

### In conclusion

We will ensure sufficient opportunities for dialogue with our stakeholders and continuously provide transparent and reliable information to reduce the asymmetry of information about the Company and further strengthen

the relationship of trust with them. We will take your comments seriously and strive to meet the expectations of our stakeholders through sustainable growth. We look forward to your continued support.



# Value Creation Process

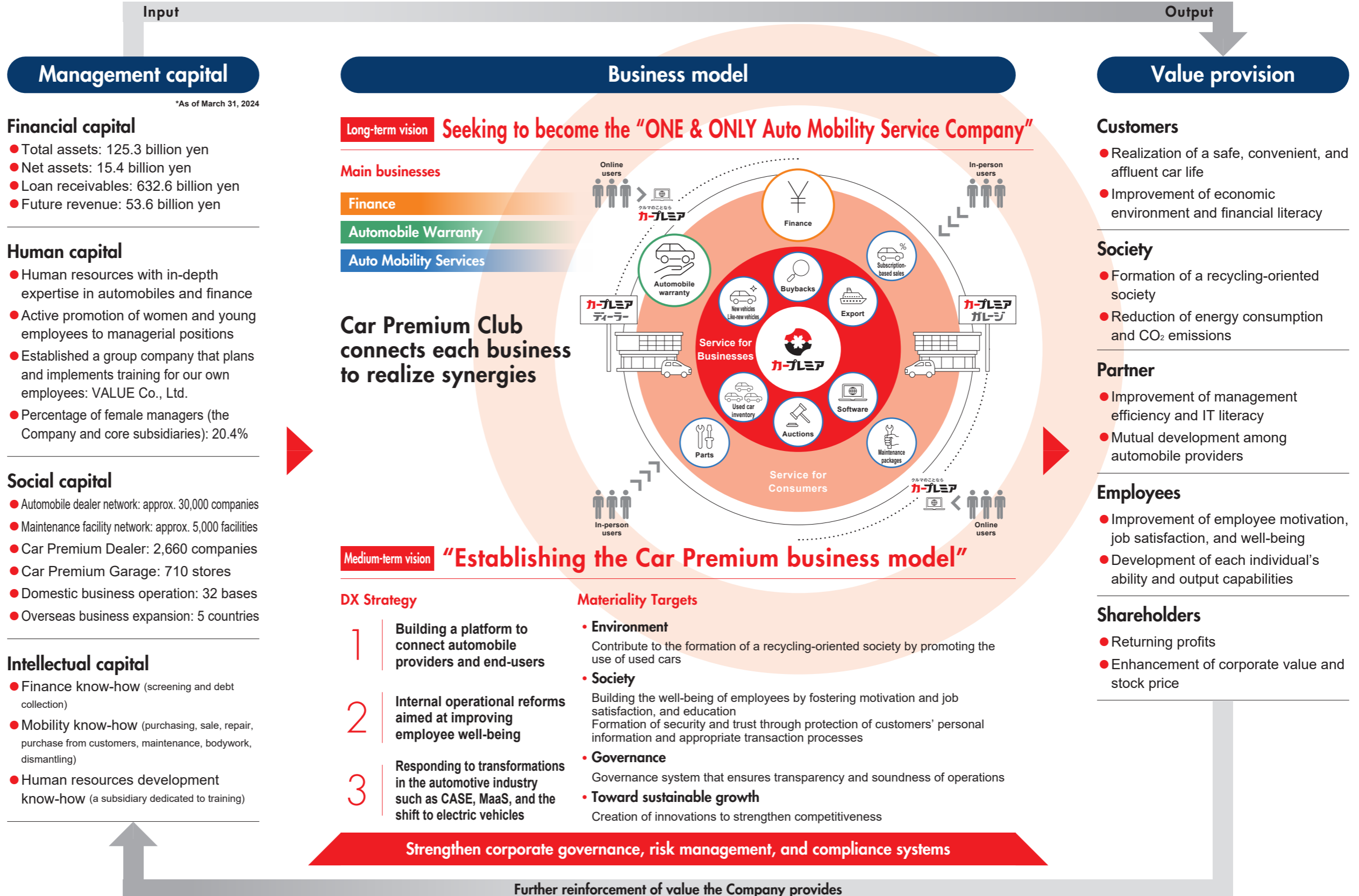
In order to build a more prosperous society, Premium Group will gain a firm understanding of the external environment and maximize its unique management capital and business model to enhance the value it provides.

## MISSION

Contribute to the construction of a prosperous society by providing top-level financing and services to the world.  
We will foster employees who are broadminded, have a positive outlook, and assiduously work their way towards creating results.

### External environment

- Development of CASE and MaaS
- Transformation of the mobility industry
- Fluctuations in interest rates and exchange rates
- Declining birthrate and aging population
- Digitalization
- Climate change
- Growing social disparities
- Diversification of lifestyles
- Economic growth in Southeast Asia
- Fraud in the automotive industry



# Materiality (Sustainability Key Items)

The Group has identified six materiality (material issues: environment, society, human resources, business innovation, compliance, and governance) as important issues to be addressed in order to realize our mission and sustainable growth toward the formation of a sustainable society. By steadily addressing these materiality, we will first aim to achieve our Medium-Term Management Plan "ONE&ONLY 2026," and then our mission.

## Basic Sustainability Policy

The Group will identify and analyze various risks and opportunities to ensure financial soundness and appropriateness of its operations, and will strive to promote sustainability in an appropriate manner.

## Materiality identification process

In identifying materiality, we comprehensively examine the Group's strengths, areas where its efforts are still insufficient, and issues that society expects and demands to be addressed, based on an analysis of its future environmental outlook, business environment, and other factors. In addition, based on interviews with external parties and resolutions made by the Board of Directors, we have decided to define them as our materiality issues.



## Sustainability promotion system

Recognizing the importance of promoting sustainability from the perspective of securing long-term, stable earnings, the Group has established an appropriate sustainability promotion system and is working to disseminate this system throughout the Group. In addition, we have designed a structure that enables each of the Group's management to understand their role and fully participate in the sustainability promotion system.



## Realization of the Group's MISSION

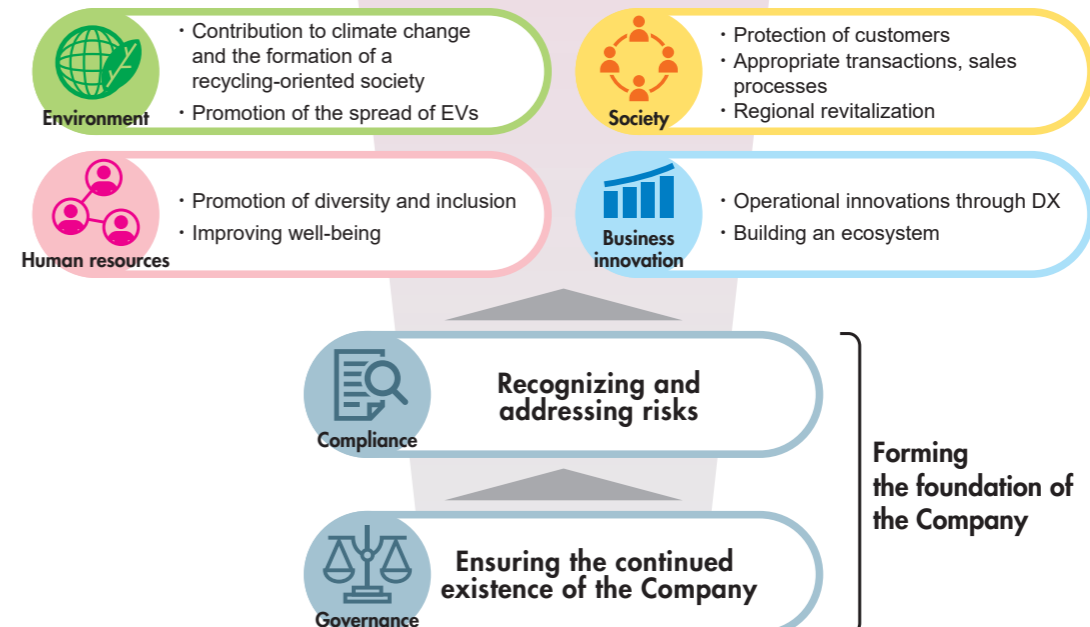
- Contribute to the construction of a prosperous society by providing top level financing and services to the world.** By further improving our financing and services, and spreading them across the world, we will create a prosperous society.
- We will foster employees who are broadminded, have a positive outlook, and assiduously work their way towards creating results.** We will not give up before we start by thinking we cannot do something, or something is not possible. We will promote innovation with creative ideas and great ambition, and forge ahead to the next step ourselves.

## Achievement of the Medium-Term Management Plan

**ONE&ONLY 2026**






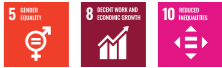






Establishing the Car Premium business model

## Realization of a sustainable society and enhancement of corporate value





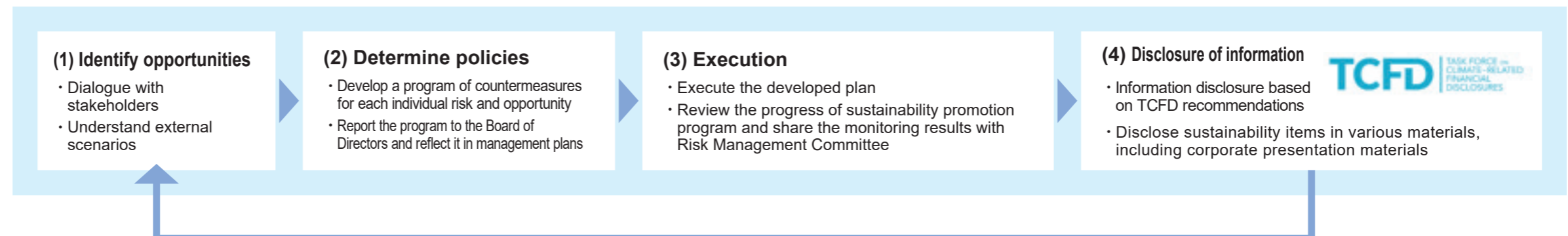
# Materiality (Sustainability Key Items) /Risks and Opportunities

Materiality	Risks and opportunities	Initiatives for risks and opportunities	KPIs for initiatives (as of March 31, 2024)	Details of initiatives	SDGs to contribute
<b>Environment</b>  <b>Contribution to the formation of a recycling-oriented society</b>	<b>Risk</b> Loss of corporate image and reliability due to delayed compliance with environment-related laws and regulations, etc. <b>Opportunity</b> Strengthen social credibility by responding to a decarbonized and recycling-oriented society	<ul style="list-style-type: none"> <li>Promote the use of used cars in the Finance business, as well as to "reduce, recycle, reuse, and repair" in relation to automobiles</li> </ul>	<ul style="list-style-type: none"> <li>Auto credit loan receivables: 632.6 billion yen</li> <li>Cumulative number of automobile warranty contracts: over 1.7 million</li> </ul>	Environment P49	
<b>Society</b>  <b>Customer privacy and data protection</b> <b>Appropriate transaction and sales processes</b>	<b>Risk</b> Decline in corporate strength due to delayed response to technological innovations and changes in stakeholder behavior, etc. <b>Opportunity</b> Expand opportunities to provide solutions through dialogue	<ul style="list-style-type: none"> <li>Privacy Mark certification, formulation of the policy for protecting personal information, risk mitigation measures, internal audits, and promotion of employee education</li> <li>Business registration for handling credit, development of internal regulations, management of automobile dealers and automobile maintenance facilities, policy concerning elimination of antisocial forces</li> </ul>	<ul style="list-style-type: none"> <li>Conduct training on handling specific personal information and personal information protection for all employees</li> </ul>	Society P51	
<b>Human resources</b>  <b>Fostering employee motivation and job satisfaction, education and training system</b> <b>Health and safety of employees</b>	<b>Risk</b> Slower growth due to lack of responsiveness with unbalanced attributes and skills of human resources, and increased cost of securing human resources due to intensified competition for acquiring human resources <b>Opportunity</b> Achieve a virtuous cycle in which increased opportunities to acquire diverse human resources and the business development through the promotion of diversity lead to the generation of further innovation	<ul style="list-style-type: none"> <li>Code of conduct, improvement of well-being, organizational reform, promotion of women and young employees to managerial positions, in-house human resource development</li> <li>Establishment of Safety and Health Committee, set up and implementation of guidelines for ensuring safety, measures against infectious diseases</li> <li>Preparation and initiatives for the formulation of human rights policy</li> </ul>	<ul style="list-style-type: none"> <li>Percentage of female managers: 20.4%</li> <li>Percentage of male taking childcare leave: 50.0%</li> <li>Percentage of employees taking paid leave: 76.7%</li> </ul>	Human Capital P29	
<b>Business innovation</b>  <b>Initiatives and innovations to strengthen competitiveness</b> <b>Value chain management</b>	<b>Risk</b> Decline in competitiveness due to stagnant digital strategies <b>Opportunity</b> Rapidly develop and expand solutions, including leveraging expert knowledge and external resources and technologies	<ul style="list-style-type: none"> <li>Change business processes, create business models through DX</li> <li>Establishment of a value chain as a platform provider</li> </ul>	<ul style="list-style-type: none"> <li>Establishing the Car Premium business model</li> <li>Car Premium Dealer: 2,660 companies</li> <li>Car Premium Garage: 710 stores</li> </ul>	Toward sustainable growth P64	
<b>Compliance</b>  <b>Risk management and compliance</b>	<b>Risk</b> Impairment of social credibility or interruption of business activities due to inappropriate corporate governance or risk management, inadequate response to cyber-attacks or terrorist financing, etc. <b>Opportunity</b> Strengthen social credibility	<ul style="list-style-type: none"> <li>Conducting training on matters such as personal information protection and insider trading prevention, compliance, and establishment of Risk Management Committee</li> </ul>	<ul style="list-style-type: none"> <li>Conduct training to improve risk management/compliance: 4 times/year</li> <li>Risk Management Committee meeting: 2 times/year</li> </ul>	Risk management and compliance P63	
<b>Governance</b>  <b>Expansion of corporate governance system</b>	<b>Risk</b> Stagnation in strategy execution due to failure to make appropriate decisions with an inadequate governance system <b>Opportunity</b> Strengthen relationships with stakeholders by ensuring transparency in governance	<ul style="list-style-type: none"> <li>Corporate management that ensures transparency and soundness of operation to build a relationship of trust with all stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>Continue to thoroughly implement the PDCA cycle to strengthen the effectiveness of the Board of Directors (Board of Directors evaluation: once a year)</li> </ul>	Corporate governance P53	

## Recognition of risks and opportunities

Risks and opportunities are comprehensively recognized, measured, classified and assessed on an ongoing basis. In addition, the sustainability promotion system is reviewed from time to time in response to changes in the business environment, increased risks, and other factors.

## PDCA cycle of sustainability management



# Disclosure Based on the TCFD Recommendations



## Basic approach to climate change

At the Group, our primary business is secondary distribution support for automobile providers, and we believe that the expansion of our core business itself will lead to the contribution to the formation of a recycling-oriented society. By accelerating efforts in our core business, we aim to help combat climate change, which is a global need. We will continue to recognize the importance of collecting and analyzing necessary data on the impact of climate change-related risks and profit opportunities on the Group's business activities, earnings, and other factors, and will make efforts to further enhance our information disclosure.

### Governance

We have established the Sustainability Committee to drive our efforts to capture and address social and corporate sustainability issues as business opportunities. These efforts include, but are not limited to, the consideration of climate change and other global environmental issues, respect for human rights, and fair and appropriate business activities for all stakeholders, including employees. Led by the Sustainability Committee, we will proactively disclose the status of our efforts to address climate change, a topic of utmost importance for us. Furthermore, we will make continuous improvements through data management in our environmental management system, among other mechanisms, and conduct management reviews on the results of these efforts.

Strengthen the system by adding two new members to the Sustainability Committee starting in the fiscal year ending March 31, 2025

### Message from Sustainability Committee

Senior Executive Officer,  
In charge of Finance business of Premium Group Co., Ltd.

## Kunio Saito

#### Advancing business development and addressing social issues

We believe that it is necessary to evolve our business model to one that takes into account changes in environment, society, and economy. We see the trend toward carbon neutrality as a business opportunity and are actively engaged in green transformation (GX). This includes developing EV credit financing, reducing greenhouse gas emissions, and providing the Group's services to automobile providers and customers, all in an effort to enhance the sustainability of the Group and society. We aim to create a better society by building a unique Japanese framework for EV aftercare, secondary distribution, etc., and actively participating in various councils, and sharing information in cooperation with companies and the government, with an eye to overseas business expansion.

### Strategy

The Company has established two scenarios to clarify the risks and opportunities of climate change. The first is the 4°C scenario, defined as "a scenario where no progress is made in measures to address climate change and temperatures rise accordingly, leading to physical risks and opportunities." We assess the acute and chronic physical risks that arise in this scenario. The second is the 2°C scenario, defined as "a scenario where various actions are taken to prevent global warming, leading to risks and opportunities associated with the transition to a decarbonized society." We assess the policy and legal, technology, market, and reputation risks that arise in this scenario.

## Scenario Conditions

In analyzing climate-related risks and opportunities, we refer to several internationally recognized scenarios.

<b>2°C Scenario</b>	This is a scenario where policy regulations are implemented to achieve a decarbonized society and limit the global temperature increase to less than 2°C above pre-industrial levels. Though transition risks are high, physical risks are low compared to the 4°C scenario.	<ul style="list-style-type: none"> <li>■ IPCC Shared Socio-economic Pathways(SSP1.9)</li> <li>■ IPCC Shared Socio-economic Pathways(SSP2.6)</li> <li>■ IEA Net Zero Emissions by 2050 Scenario(NZE)</li> </ul>
<b>4°C Scenario</b>	This is a scenario that assumes that the announced targets, such as national targets in the Paris Agreement, will be achieved. No new policies or regulations will be introduced, and global energy-derived CO <sub>2</sub> emissions will continue to increase. Transition risks are low, but physical risks are high.	<ul style="list-style-type: none"> <li>■ IPCC Shared Socio-economic Pathways(SSP8.5)</li> <li>■ IEA World Energy Outlook Stated Policies Scenario(STS)</li> </ul>

### ■ Overview of IPCC scenarios

The Paris Agreement's goal is to hold the increase in the global average temperature to well below 2°C above pre-industrial levels, and to pursue efforts to limit this increase to 1.5°C. Based on this, in October 2018, the Intergovernmental Panel on Climate Change (IPCC) prepared a special report on the impact from 1.5°C of global warming and the greenhouse gas emission pathways leading to this point. This information is also used in our scenario analysis.

### ■ Overview of EV sales by scenario

The electric vehicle (EV) market is expected to expand with the further decarbonization of markets. We analyze risks and opportunities using projected EV sales figures provided in the International Energy Agency (IEA) scenario.

## Scenario Analysis Procedure

1	<b>Listing of climate-related risks and opportunities</b>	<ul style="list-style-type: none"> <li>● Identifying climate change risks and opportunities</li> <li>● Assessing highly significant risks and opportunities</li> <li>● Establishing axes for assessment of highly significant risks and opportunities</li> </ul>
2	<b>Identifying qualitative business impact</b>	<ul style="list-style-type: none"> <li>● Listing the most relevant items in existing scenario</li> <li>● Setting climate change scenarios</li> </ul>
3	<b>Quantifying financial impact</b>	<ul style="list-style-type: none"> <li>● Analyzing the financial impact of each scenario based on the significant climate-related risks and opportunities identified for each scenario and the relevant parameters</li> </ul>
4	<b>Studying countermeasures</b>	<ul style="list-style-type: none"> <li>● Assessing the resilience of our strategy to climate change risks and opportunities</li> <li>● Studying countermeasures to be taken based on an assessment of the current situation</li> </ul>

## Scenario Analysis Results

In conducting this scenario analysis, we have conducted a number of specific studies, including the calculation of the financial impact of major risks and opportunities for our main businesses as of 2030, as well as measures to address these risks and opportunities. Furthermore, in addition to evaluating financial impact, opportunities are assessed for market scale and contribution to decarbonization in studying the potential for new business development and business growth.



## Disclosure Based on the TCFD Recommendations

### a. Risks

We have identified risks associated with the transition to a decarbonized society and the expansion of the EV market, and quantified the potential financial impact on our business. Based on the results of this analysis, we have categorized risks by expected scale of financial impact (large, medium, and small), and are studying countermeasures for each.

Category	Type	Item	Business Impact	Scale of Damage	Countermeasures
Transition risks	Policy and legal	Change in energy mix	Rising electricity prices	Medium	• Reduce electricity consumption by installing LEDs and energy-saving equipment
		Soaring crude oil prices	Increased costs due to higher gasoline prices	Medium	• Reduce energy costs through the introduction of EV vehicles
		Disparity in subsidy budgets for EVs and gasoline vehicles	EV used car market needs time to form due to sluggish EV new car market	Small	• Diversify risk by developing business not only in the EV market, but also in gasoline and hydrogen vehicles, etc.
	Markets	Shrinking used car market	Growing environmental awareness among consumers will increase demand for EVs and decrease demand for gasoline-powered vehicles	Large	• Improve profitability per vehicle by expanding services for used cars
		Delayed formation of EV used car market	Market formation will take time due to lack of established valuation methods for EV batteries and incorrect valuation of EV used car values	Large	• Rapidly encourage use of battery diagnostic technology among dealers • Support the spread of EVs, including via capital investment
		Sluggish auto sales market	Market is sluggish as automobile sales decline due to shift to a recycling-oriented society, car sharing, and other mobility services	Medium	• Avoid risk through business expansion in car sharing and subscription-based sales
		Delay in parts distribution	EV warranty business affected due to lack of distribution of EV parts and rebuilt/recycled parts	Large	• Procure usable parts from disassembly business • Direct procurement of parts from disassembly facilities
Physical risks	Chronic	Rising sea levels	Delays or stoppages in shipping due to damage to facilities and equipment in coastal areas	Small	Mitigate risk by diversifying logistics
			Costs arise to move business locations	Small	Monitor sites with high flooding/sea level rise risks annually and move to lower risk sites as needed

\*Scale of damage is defined as follows: Large - Over ¥1 billion; Medium - ¥10 million to ¥1 billion; Small - Under ¥10 million

### b. Opportunities

We have studied the scale of opportunities in the event that the Group was to actually undertake a presumed business oriented toward a decarbonized society and an expanding EV market. In addition, we have already begun work on three projects: automobile warranty plans for EVs, installing solar power generation systems and EV chargers using Car Premium Club member stores, and building an EV charging network.

Category	Opportunity	Details	Market Scale	Contribution to Decarbonization	Scale of Opportunity
EV procurement/buyback	New EV brokerage	New vehicle brokerage sales business for EVs	Medium	Small	Small
After-sales domain	EV inspection	Vehicle inspection for EVs, which are still maturing	Large	Large	Large
	EV maintenance facility network	Business building a network for stable EV maintenance	Large	Large	Small
EV sales domain	EV credit financing	Aim to expand in-house services along with the growth of the EV market by offering EV credit financing at low interest rates by utilizing sustainability-linked loans (SLLs) and other means to contribute to the decarbonization of the market	Large	Large	Large
	Automobile warranty plans for EVs	Dedicated automobile warranty business that captures the unique characteristics of EVs in anticipation of EV proliferation	Medium	Large	Large
Infrastructure domain	Solar power generation using Car Premium Club member stores	Install solar power generation facilities on rooftops of Car Premium Club member stores and use the power to decarbonize the supply chain and create new revenue streams	Medium	Medium	Small
	EV charging network	Business building a network of EV charging facilities to eliminate the EV disadvantage of short cruising ranges	Medium	Medium	Small
	EV network map	Business creating a map with information about EV networks for consumers, sharing EV stations, etc.	Small	Medium	Small

(Notes) 1. Market scale is defined as follows: Large - Over ¥1 trillion; Medium - ¥100 billion to ¥1 trillion; Small - Under ¥100 billion  
 2. Contribution to decarbonization is defined as follows: Large - "Eliminates decarbonization bottlenecks;" Medium - "Contributes significantly to reductions;" Small - "Contributes minimally to reductions"  
 3. Scale of opportunity is defined as follows: Large - Over ¥1 billion; Medium - ¥100 million to ¥1 billion; Small - Under ¥100 million

## Risk Management Structure

### (1) Risk identification and assessment process

With regard to risks associated with climate change, the Group has identified and reviewed important risks by re-evaluating current risks and identifying and evaluating new risks in consideration of their impact on management, finance, and business. In addition, significant risks are reported to the Board of Directors for management and supervision.

### (2) Risk mitigation process

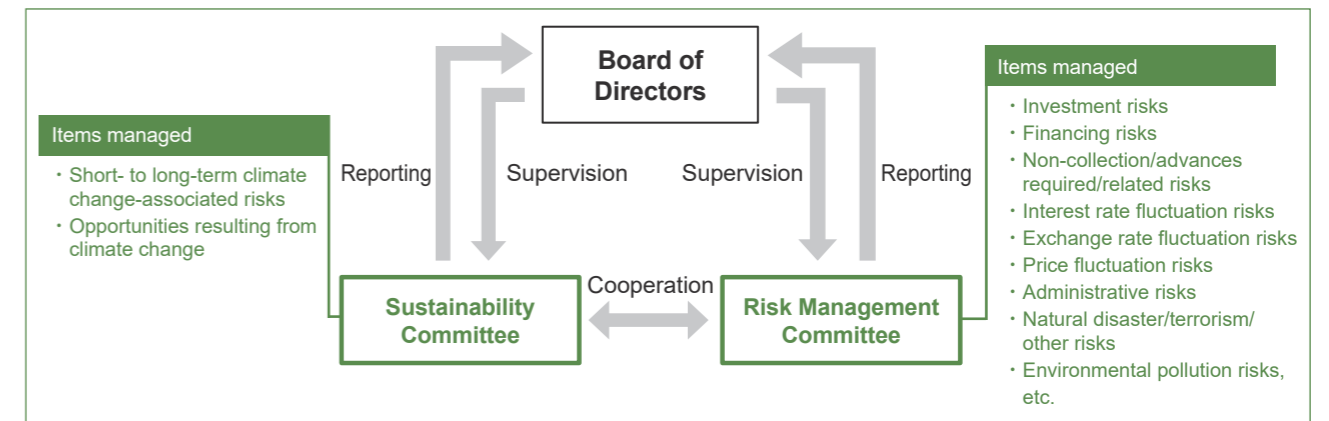
The Sustainability Committee studies each identified risk and determines response policies for their mitigation, deploys the policies to the relevant departments, and monitors response status.

### (3) Prioritization process

The significance of identified risks is determined based on their degree of impact and frequency of occurrence, and countermeasures are studied and implemented for risks deemed significant.

### (4) Integration with Group-wide risk management

The Sustainability Committee, which studies climate change-related risks with respect to timelines, and the Risk Management Committee, which studies risks in a Group-wide perspective, regularly act to align their awareness of risks. For risks manifesting over the shorter term and requiring urgency, the Risk Management Committee implements and monitors countermeasures in the interest of Group-wide risk management.



## Metrics and Targets

The Company calculates greenhouse gas emissions in accordance with the GHG Protocol international calculation and reporting standard. We are currently in the process of identifying reduction measures in order to set targets. Our CO<sub>2</sub> emissions for the fiscal year ended March 31, 2023, were as follows. CO<sub>2</sub> emission for the fiscal year ended March 31, 2024, and CO<sub>2</sub> emission targets for the next fiscal year and beyond will be calculated during the fiscal year ending March 31, 2025, and will be disclosed accordingly.

	Category	Description	Emissions for the fiscal year ended March 31, 2023 (t-CO <sub>2</sub> )
Scope 1	—	Energy use	301
	—	Electricity use	295
Scope 3	1	Purchased products / services	5,977
	2	Capital goods	4,008
	3	Energy-related	121
	6	Business travel	853
	7	Employee commuting	103
	9	Transportation and distribution (downstream)	390

# Human Capital



## Basic approach to human capital

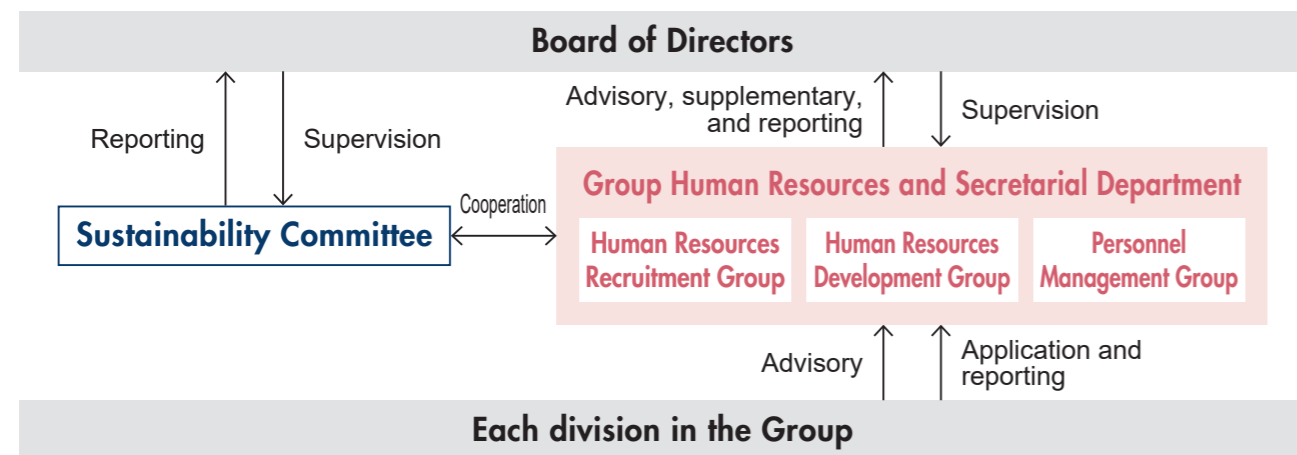
The Group has a human resource training-oriented mission to “foster employees who are broadminded, have a positive outlook, and assiduously work their way towards creating results.” From the idea that it is people who create our business and future, in the Company, we consider people to be “assets” and use the expression “human resources.” Together with broadminded members (employees), we will contribute to the construction of a prosperous society by providing top level financing and services and supporting the creation of a recycling-oriented society.



## Governance

As part of our human capital management implementation system, we have established a governance structure for personnel affairs by stipulating prior approval and reporting requirements for important personnel assignments and personnel system revisions at Group companies, and by discussing policies from a management perspective. The Group’s personnel system is structured into three organizations to handle each specific personnel-related task, the “Human Resources Recruitment Group” for recruitment functions, the “Human Resources Development Group” for training and development functions, and the “Personnel Management Group” for labor and welfare functions. Organizational development and human resources development within each business and function arrange opportunities for discussions and opinion exchanges with the heads of divisions and teams in the Group. These discussions share and focus on assignment policies and issues to revitalize the organizations and ensure that the right placement of human resources in the right positions.

## Governance structure for personnel strategy



## Premium Group formulates its Human Rights Policy

Premium Group Co., Ltd. (the “Company”) formulated the Premium Group Human Rights Policy. The Company formulated the Premium Group Human Rights Policy to deepen the understanding of human rights among executives and employees, as well as to engage in management and actions that respect human rights. The text of the Premium Group Human Rights Policy is attached to this announcement.

<b>Scope</b>	Premium Group applies this policy to all Premium Group executives and employees. We also require all business partners involved in our services to understand and comply with this policy.
<b>Human Rights Principles</b>	Premium Group is guided by the following international principles for human rights: <ul style="list-style-type: none"> <li>• The International Bill of Human Rights</li> <li>• ILO Declaration on Fundamental Principles and Rights at Work</li> <li>• Guiding Principles on Business and Human Rights (United Nations)</li> </ul>
<b>Human Rights Due Diligence</b>	Premium Group will establish a human rights due diligence system, identify its negative impact on human rights, and work to prevent and mitigate such negative effects.
<b>Remedy</b>	If Premium Group directly causes a negative impact on human rights or fosters a situation which causes a negative impact, we shall work to remedy this through appropriate means.
<b>Education and Training</b>	Premium Group provides appropriate education and training to all executives and employees so that this policy will be integrated into all business activities and implemented effectively.
<b>Dialogues and Talks</b>	Premium Group shall hold dialogues and talks with stakeholders who are affected by, or may be affected by, a potential or actual negative impact on human rights.
<b>Information Disclosure</b>	Premium Group will disclose the progress and results of its efforts to respect human rights on its website, etc.
<b>Executive in charge</b>	Premium Group will clarify the executive responsible for the implementation of this policy and ensure its effectiveness.
<b>Important Issues regarding Human Rights</b>	<ol style="list-style-type: none"> <li>① Discrimination and harassment</li> <li>② Prohibition of child labor and forced labor</li> <li>③ Challenging culture</li> <li>④ Positive way of thinking</li> <li>⑤ Altruistic spirits and gratitude</li> </ol>

For details, please visit the Company’s website below.

<https://ir.premium-group.co.jp/en/news/news5423524025747984333.html>



## Message from General Manager of the Group Human Resources and Secretarial Department

### Maximize and utilize the potential of human resources to realize the growth strategy

To strengthen human capital, one of our medium to long term human resources strategy, it is necessary to develop role models to serve as examples. We will improve motivation and engagement by clearly envisioning the goals to be achieved and inspiring employees to work toward them. Enhancing human capital will improve the quality of services provided by the Group and enable us to grow the business while responding to societal demands. We will foster human resources with extensive experiences that will contribute to the growth of the next generation, possessing a broad perspective, the ability to identify winning strategies, and aligning with the Company’s values and attractiveness. We aim to accelerate our growth by brushing up the human resources strategy while maximizing and utilizing the strengths of the Group’s human capital.



**Kumi Kondo**  
Executive Officer and General Manager of the Group Human Resources and Secretarial Department of Premium Group Co., Ltd.

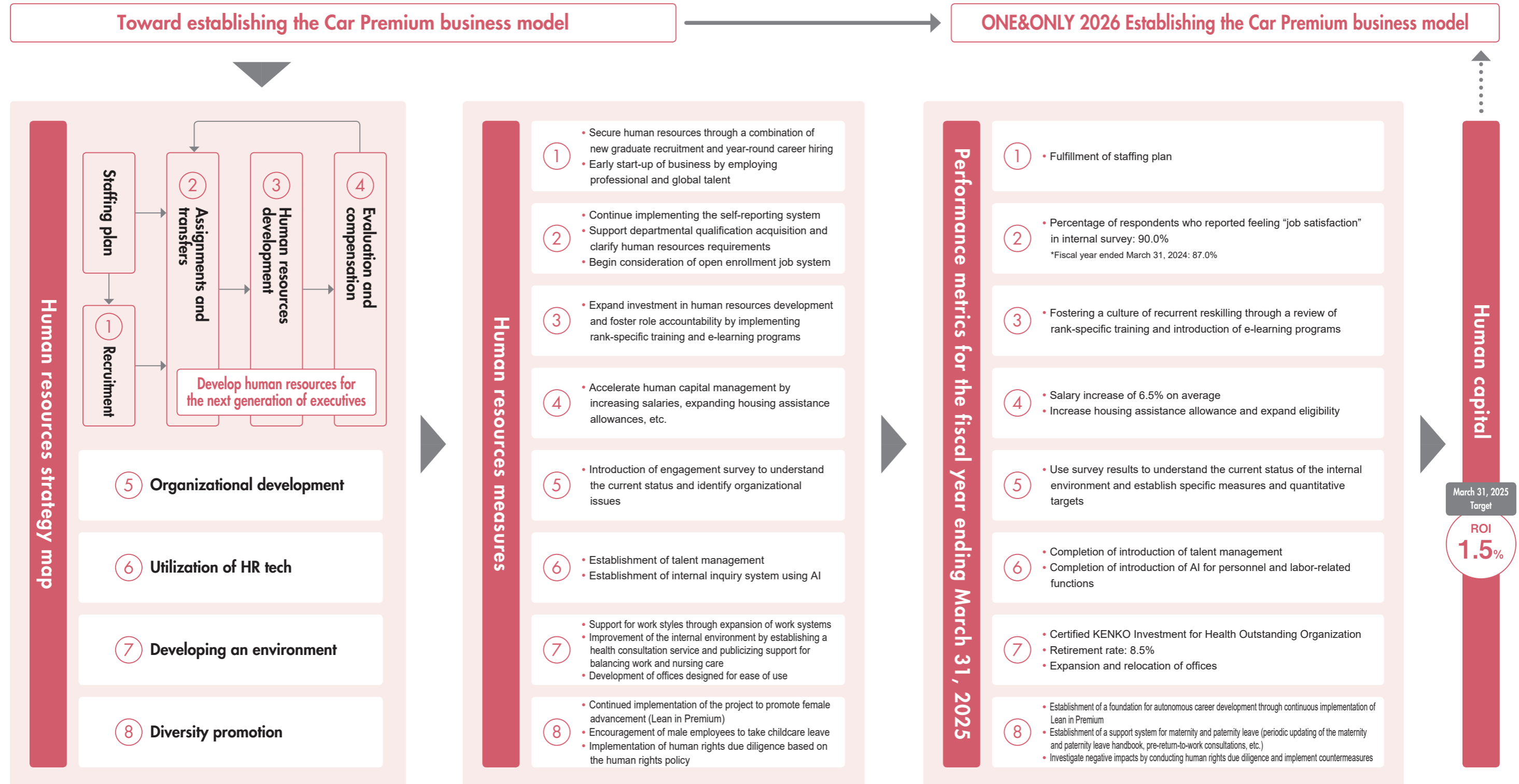
# Human Capital

## Metrics and targets

The Group's vision for 2030 is to become the "ONE & ONLY Auto Mobility Service Company" with the goal of "Establishing the Car Premium business model" in the Medium-Term Management Plan "ONE&ONLY 2026," which ends in the fiscal year ending March 31, 2026.

To achieve these objectives, we believe it is important to formulate, promote, and evaluate the effectiveness of unified, group-wide personnel measures, for which we have established KPIs for human capital.

We will strive to expand human capital, an important metric, while periodically reviewing and adjusting to ensure flexibility in responding to the business environment and societal demands.



\*Human capital ROI is calculated by dividing profit before tax by total investment per capita.



## Human Capital

### Strategy

We believe that harnessing the individual capabilities of the Group's diverse human resources will lead to growth in each business and further achievement of the Group's mission.

For this to occur, we need to strive for improvement in employee well-being so that employees can work with enthusiasm and to foster an environment that enables the optimal performance of each individual. We undertake the following initiatives for this purpose.

The Group's initiatives are all linked to "well-being" and the Group's retirement rate is 8.5%, which is substantially below the average of 15%\*.

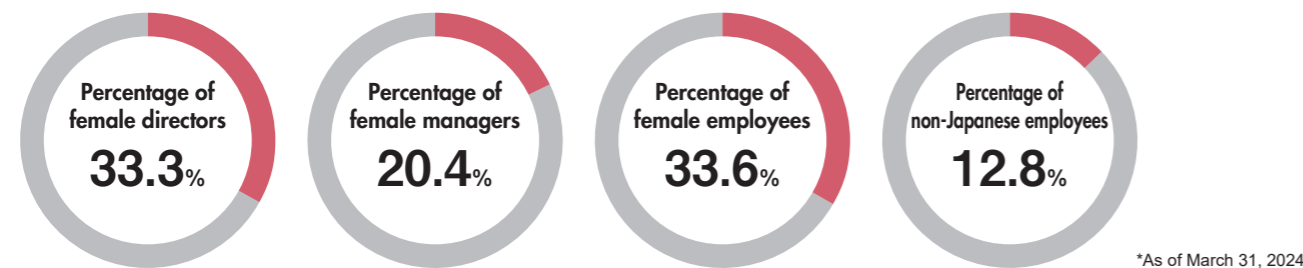
We plan to continue the initiatives below, pursue improvements in employee well-being, and achieve certain sustained growth.

\*Refer to the Overview of the Results of the Survey on Employment Trends 2022.

### Recruitment / Diversity and inclusion

The Group is committed to recruiting individuals who embody the values of "Toughness Mind," "Positive Mind," and "Gratitude," which are common ideals shared by all officers and employees, and who can grow with the Group. We will continuously secure excellent talent that aligns with the Company's values through both new graduates recruitment and year-round career hiring. In addition, we will actively recruit global and DX talent to enable the early start-up and steady progress of each business by equipping them with specialized skills.

Furthermore, the Group positions diversity management as part of its growth strategy. We are creating opportunities for diverse human resources to enhance diversity, including women and non-Japanese, by continuing to implement the project to promote female advancement (Lean in Premium), encouraging male employees to take childcare leave, and strengthening the recruitment of foreign nationals. We will continue to build a gender-neutral work environment in which all employees have motivation and job satisfaction and can demonstrate their abilities.



### Assignments and transfers

The Group provides an environment where employees can set medium- to long-term career targets, and respects each individual's career development. We have established a self-reporting system to consider and support employees' future targets together, and we understand employees' intentions and assign the right personnel to the right places. By encouraging employees to acquire qualifications with their departments, we clarify the definition of human resource requirements for each department and support autonomous career development. In addition, we have introduced a system of congratulatory monetary awards for acquiring qualifications to motivate employees to advance in their careers. We will continue to support further challenges by, for example, considering the introduction of open enrollment job system.

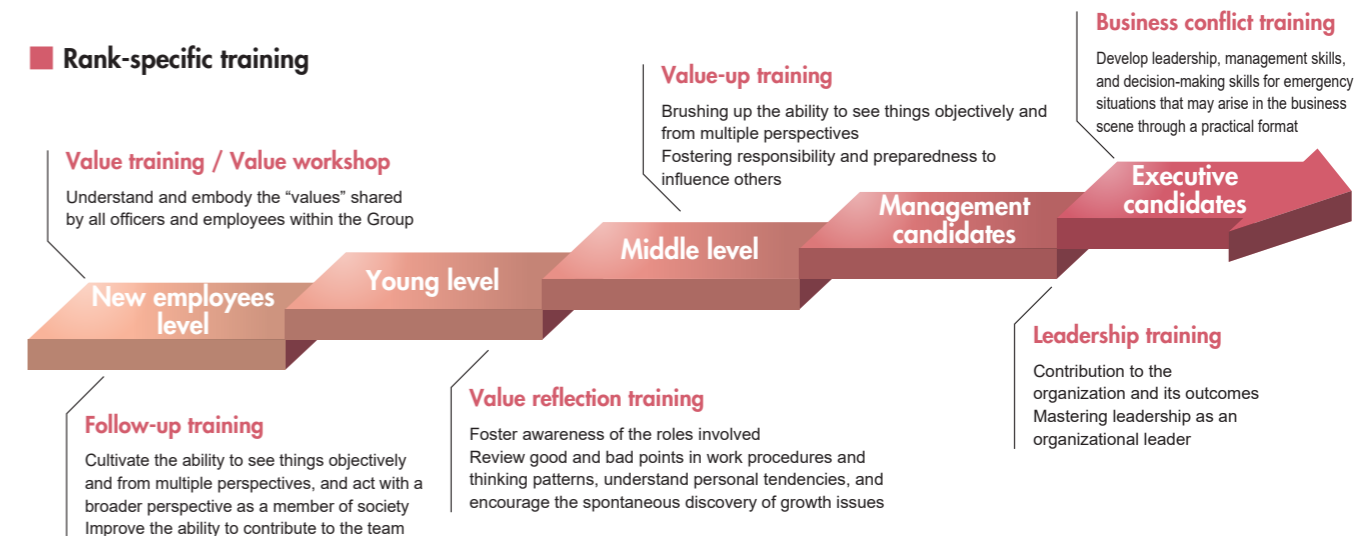
### Evaluation and compensation

In our evaluation and compensation system for employees, the department to which each employee belongs and the personnel department take a comprehensive and appropriate approach to assessing and evaluating the performance, etc. that is expected with respect to the effectiveness criteria indicators for employees and the business activities performed by each employee. We also evaluate the demonstration of the Company's common ideals of "Toughness Mind," "Positive Mind," and "Gratitude" in operations. Based on appropriate evaluations, we motivate employees by increasing their salary base and selecting young employees for positions of responsibility.

### Human resources development

In order to foster broadminded human resources who will create a new society, we have provided a wide range of rank-specific training programs as well as on-the-job training since our establishment. A variety of training programs are available not only for new graduates and young career employees, but also for mid-level employees and executives. The content is tailored to various positions and abilities, leading to the promotion of younger employees to management positions. In addition, we will continue to invest in human resources who understand their role responsibilities and are motivated to grow by using e-learning. In order to further enhance our training system, we established an in-house training company, VALUE Co., Ltd., in January 2020 and brought the training of the Group's human resources in-house. By providing our Company's training services not only within the Group but also externally, we also contribute to the human resource development of society as a whole.

#### Rank-specific training



### Pursue employee well-being

For the purpose of promoting the success of diverse human resources, we promote the development of various work styles so that all employees can fully demonstrate their abilities. The Group encourages taking paid leave (system for employees to take long vacations twice a year) and have introduced a flex-time system and a reduced working hours system. We continue to actively consider improving the working environment by expanding the conditions for reduced working hours, adding a short-time flex work system, and extending the duration of the system. In addition, we have also established a health consultation service and publicized support for balancing work and nursing care, thereby introducing measures to enable diverse employees to continue working healthily and for the long term.

### Organizational development

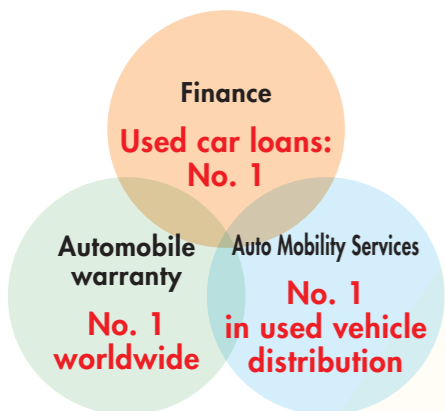
To verify and improve the effectiveness of the human resources strategy, we will introduce an engagement survey to understand the current situation and identify organizational issues. We will continue to strengthen the human capital management and strive to maximize the value of our human resources, which are the assets of the Company.

# Medium-Term Management Plan (FY2024–FY2026)

In May 2023, we disclosed the Medium-Term Management Plan “ONE&ONLY 2026,” and the first year has been completed. In the first year, the fiscal year ended March 31, 2024, results exceeded the targets due to the promotion of the mainstay Finance business, Automobile Warranty business, Auto Mobility Services business, and Car Premium Club, and we have made a good start toward the second year. For the next fiscal year, we will formulate plans to exceed the figures in the Medium-Term Management Plan and work toward achieving our medium- to long-term targets.

With the long-term vision of becoming the “ONE & ONLY Auto Mobility Service Company” we will establish the Car Premium business model, establish contacts with network stores and individuals in a complex manner, and aim to build a used car domain economic zone including finance business as the only one in Japan.

## ONE&ONLY 2026



**The only company in Japan to create a market in the used car domain that includes a finance business**

### Materiality (Key Issues) in the Medium-Term Vision

- Car Premium**
  - Expanding the Car Premium Club
  - Establishing the Car Premium brand
  - Strengthening ability to attract in-person/online customers
- Finance**
  - Expanding Car Premium Dealers
  - Increasing transaction volume per network store
  - Expanding volume
- Automobile warranty**
  - Expanding third-party warranties market
  - Expanding sales focused on products developed in-house
  - Reducing repair costs
  - Strengthening DX talent
  - Ongoing investment in DX
- Auto Mobility Services**
  - Enhancing auto mobility services
  - Expanding scale of each auto mobility services business
  - Developing differentiated products
  - Using DX promotion to streamline operations and save labor

### 2030 Long-Term Vision

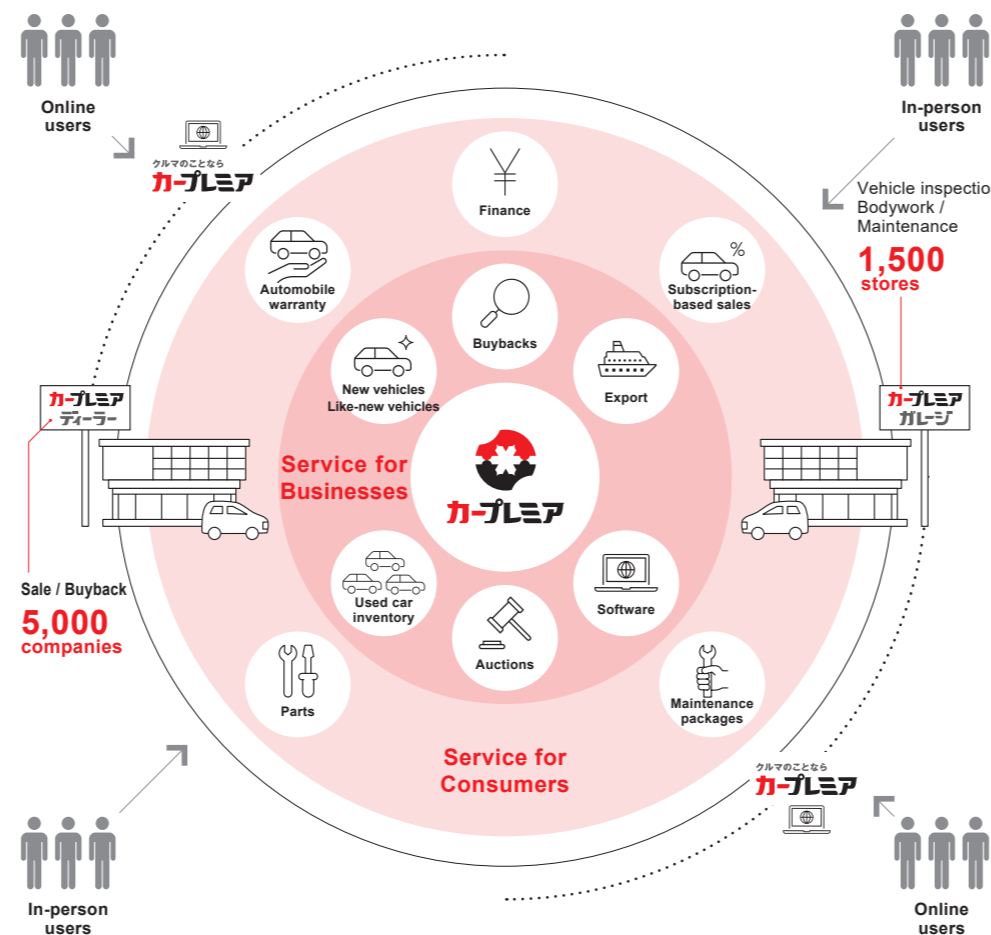
## The ONE & ONLY Auto Mobility Service Company

**No.1 in three areas x Originality**

### 2023-2026 Medium-Term Vision

## Establishing the Car Premium business model

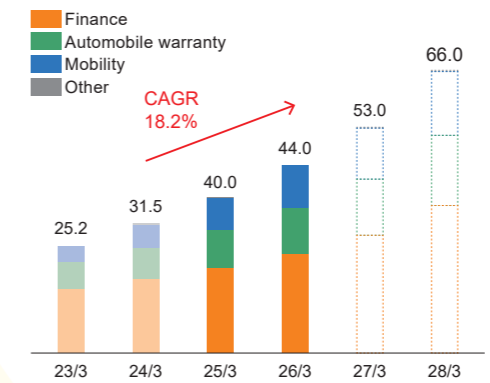
To be No.1 in the three business areas of Finance, Automobile Warranty and Auto Mobility Services, we believe it is important to create an used car domain economic zone with the Car Premium Club at the center. We aim to improve the level of satisfaction of individual members through refinement of the sales organization specializing in members and the structure for managing campaigns by expanding the Car Premium Club, strengthening the ability to attract customers by increasing awareness of the Car Premium brand, and promoting going online for services, etc. This leads to building a more solid relationship of trust, improving the operating ratio of the services offered by the Group and creating synergies with each business.



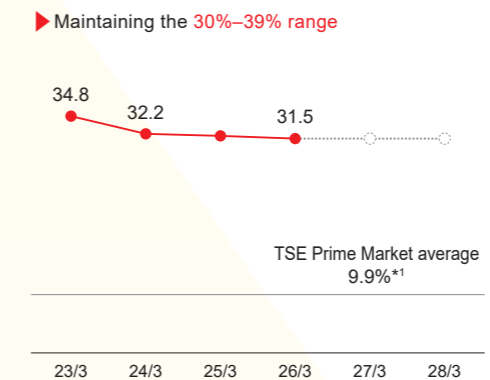
### Numerical targets

\*The figures are based on the numerical targets at the time the Medium-Term Management Plan was formulated, reflecting the actual results for the fiscal year ended March 31, 2024, and recalculating the CAGR.

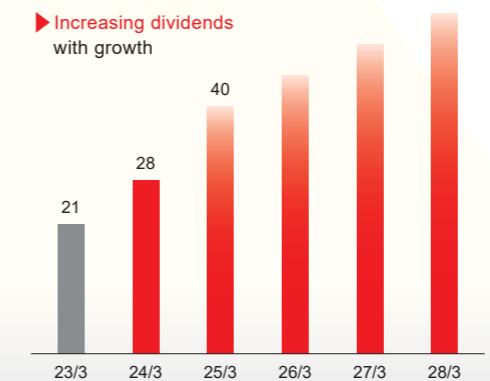
#### Operating revenue (Billions of yen)



#### ROE (%)



#### Dividends (Yen)



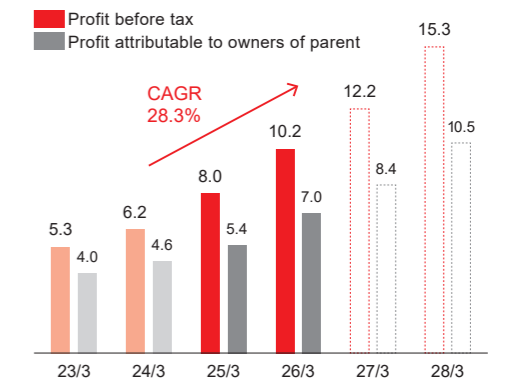
### Dividend policy

**Dividends**  
In principle, profits earned are focused on business investment. Note: The Group is currently in a business growth phase. However, we are continuously increasing dividends in line with profit growth.

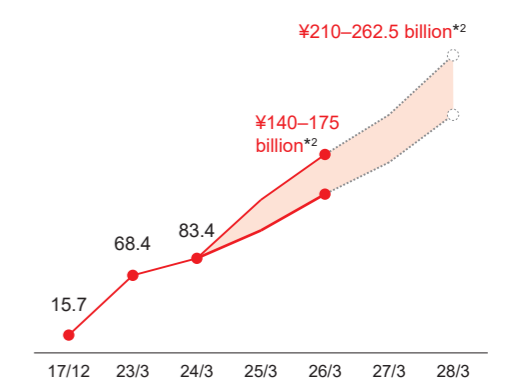
### Share buybacks

Flexible decision-making based on investment opportunities, cash flow balance, stock price, etc.

#### Profit before tax / Profit attributable to owners of parent (Billions of yen)



#### Market cap (Billions of yen)



\*1 Source: "Summary of Financial Results: Fiscal Year Ended March 2023, Prime Market, Non-manufacturing Data," Japan Exchange Group

\*2 PER used to calculate market capitalization  
Upper limit: Calculated using 25x of PER for major mobility-related companies  
Lower limit: Calculated using 20x of average PER (Mar. 2023) for companies listed on the TSE Prime Market

### Financial policy

Diversifying funding methods while maintaining stable, long-term funding, mainly affiliated loans

### Obtained A ratings and above

During the period of the Medium-Term Management Plan, earn ratings of A or higher

# Premium Group's DX Vision (Disclosed in September 2024)

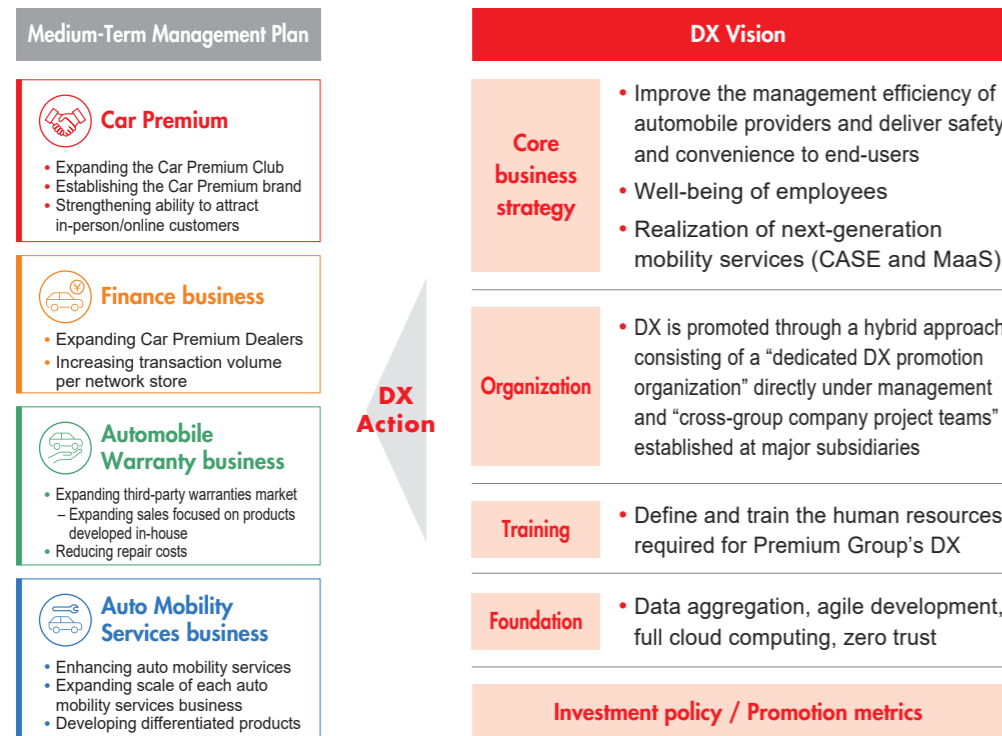
For details, please visit the Company's website below.

<https://ir.premium-group.co.jp/en/library/sustainability.html>



**DX Vision** As a platform provider consisting of a team of individuals who shine together, we will jointly create a Premium car life with end-users and automobile providers

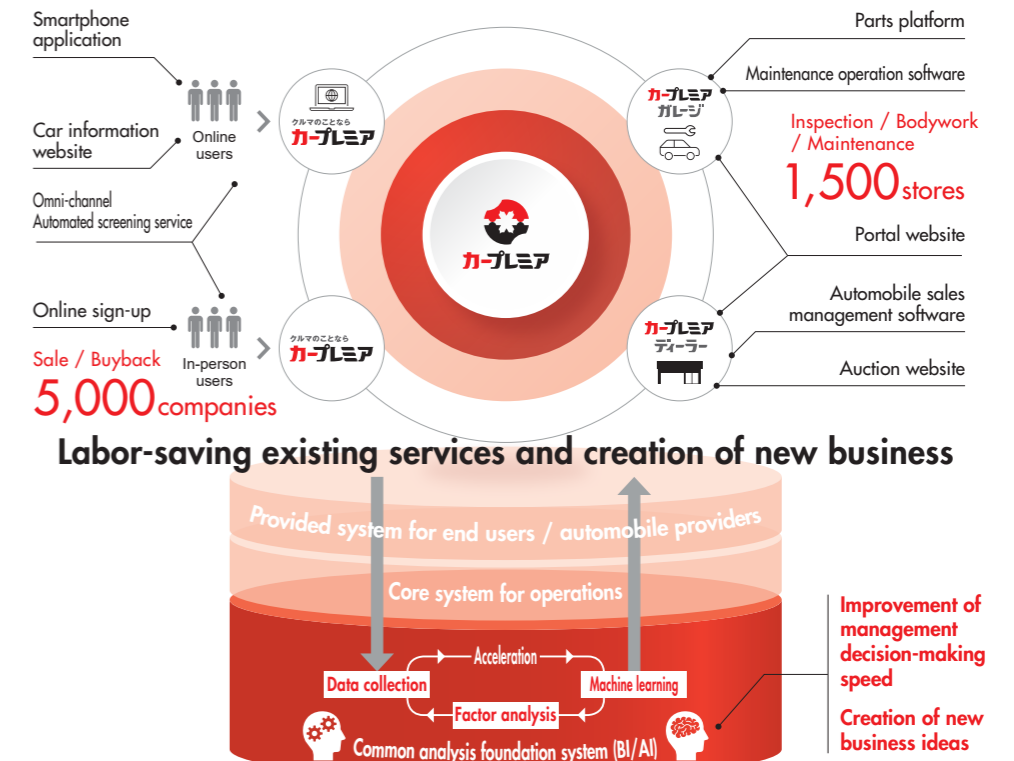
## Overview of DX and Medium-Term Management Plan



## Core business strategy

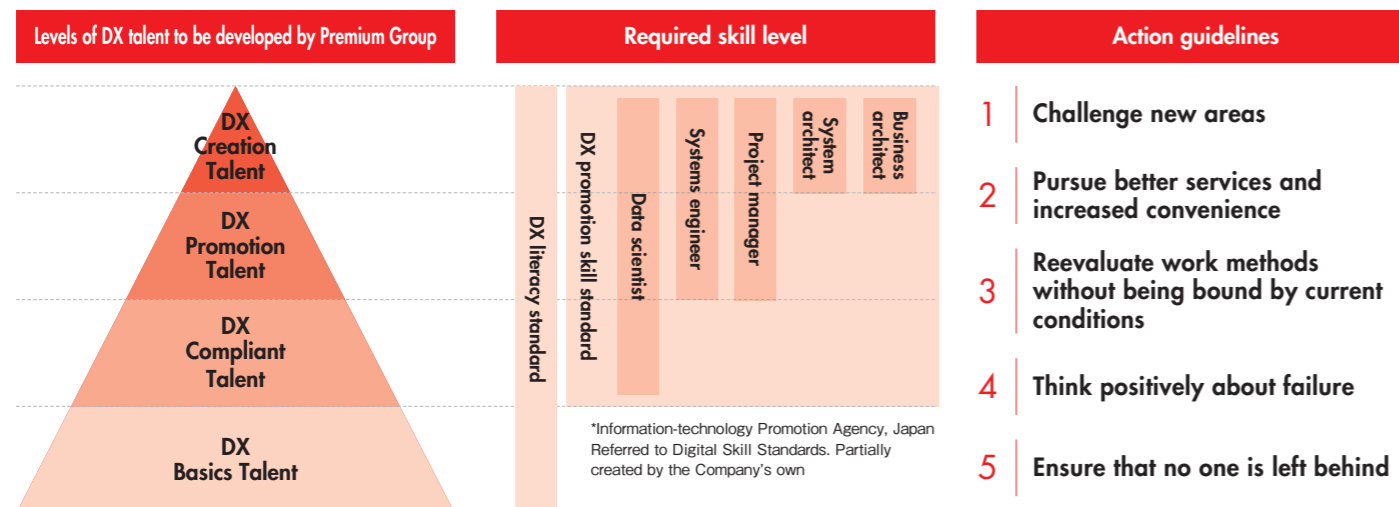
- 1 Improve the management efficiency of automobile providers and deliver safety and convenience to end-users**
  - Establish an environment in which automobile providers above a certain level (hereinafter "B") and those who wish to purchase used cars and have them repaired (hereinafter collectively "C") can enjoy a full range of mobility services on the mobility platform provided by Car Premium
  - Provide a matching mechanism for B and C on the platform, whether real or online, with the aim of maximizing transaction opportunities
- 2 Enhance employee well-being**
  - Assist employees to work with independence, free from all constraints
  - Labor-saving, automation, and advancement of operations through digitalization including the use of AI
  - Rapid decision-making through the use of BI tools
  - Reduce operation and maintenance burdens by removing legacy systems, and speedily reflect business needs

## Mobility platform concept

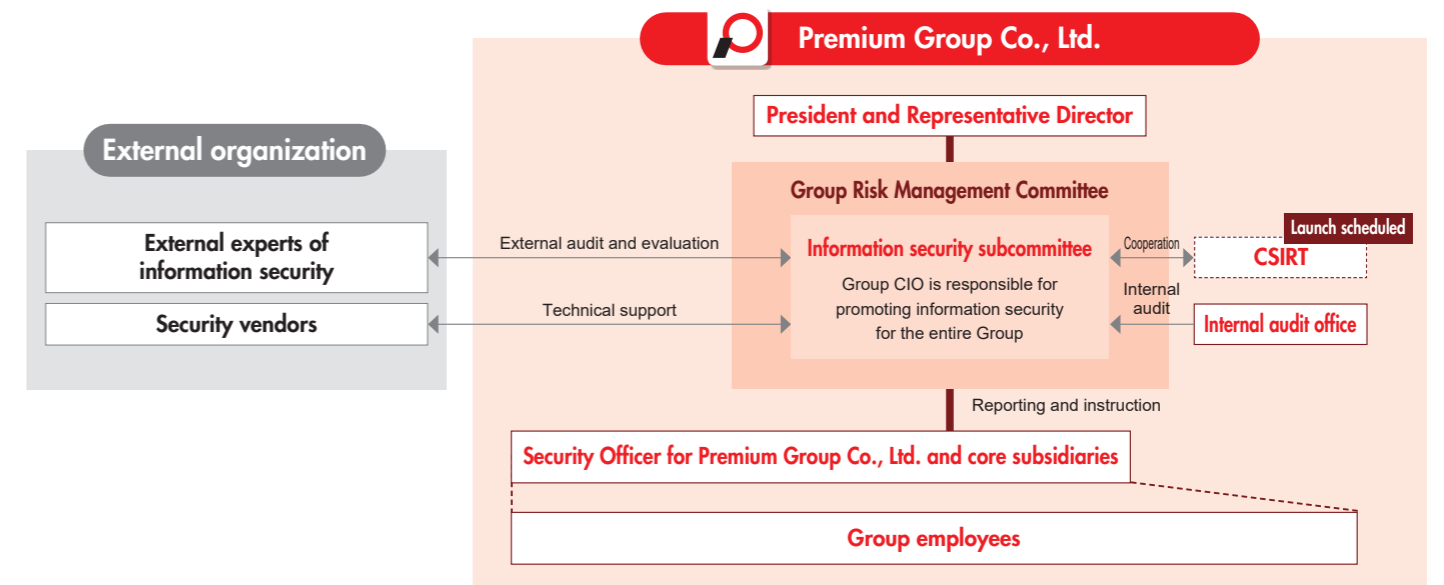


## Training and education for DX talent

We define the human resources required for the DX promoted by Premium Group at four levels and promote education by fostering a mindset that people should have, providing training to enable people to acquire the skill sets required at each level, expanding the evaluation system, and building an organization.



## DX promotion / Information security organization chart





# Business Overview

\*As of March 31, 2024

Premium Group is an automobile company that works with automobile dealers and automobile maintenance facilities to deliver an affluent car life to customers. Its three main businesses are Finance, Automobile Warranty, and Auto Mobility Services, making it an unprecedented and unique company that provides a complex range of automobile-related services.

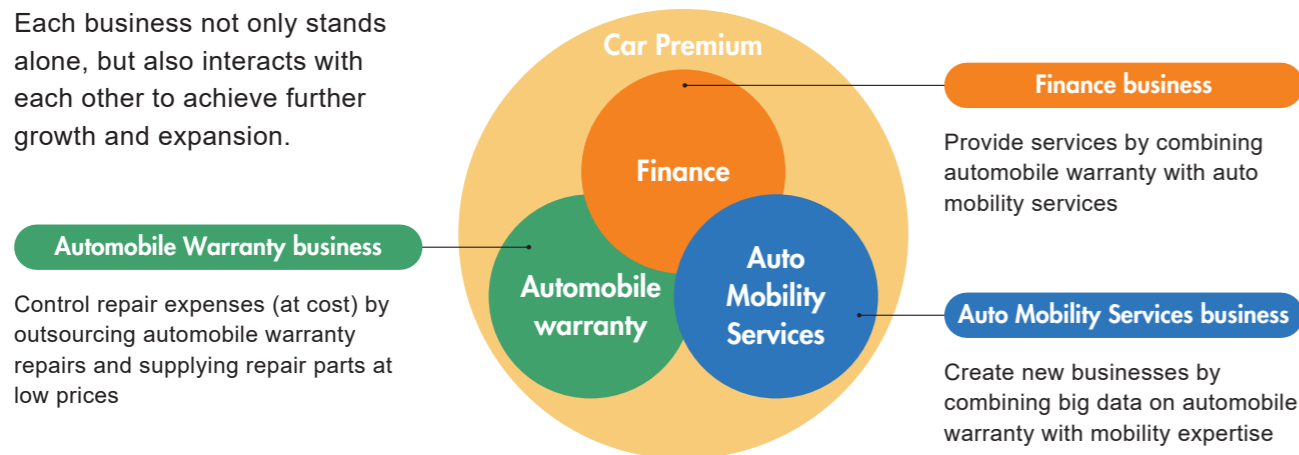


Established Car Premium Club, a membership organization for automobile dealers and maintenance facilities

	Finance business	Automobile Warranty business	Auto Mobility Services business
<b>Business activities</b>	Providing auto credit services for automobile purchases in installments, as well as ecology credits for solar power generation systems and all-electric appliances, and debt collection services	Providing free repair services for purchased vehicles when they break down	Providing services that are useful for the business operations of automobile dealers and automobile maintenance facilities, and services that support the car lifestyles of general customers
<b>Main business partners</b>	Automobile dealers	Automobile dealers, automobile maintenance facilities	Automobile dealers, automobile maintenance facilities
<b>Main businesses</b>	<ul style="list-style-type: none"> <li>• Auto credit</li> <li>• Ecology credit</li> <li>• Shopping credit</li> <li>• Servicer</li> </ul>	<ul style="list-style-type: none"> <li>• Automobile warranty</li> <li>• Overseas expansion of Automobile Warranty business (Thailand, Indonesia, and the Philippines)</li> </ul>	<ul style="list-style-type: none"> <li>• Automobile wholesaling</li> <li>• Sales of business-use software</li> <li>• Operation of own maintenance facilities</li> <li>• Subscription (lease)</li> <li>• Operation of the membership organization "Car Premium Club"</li> <li>• Sales of used parts domestically and internationally</li> </ul>
<b>Competitive advantage</b>	<ul style="list-style-type: none"> <li>• Independent, not affiliated with a bank, enabling cross-selling of non-finance services</li> </ul>	<ul style="list-style-type: none"> <li>• No.1 share in the third-party warranty industry</li> <li>• Ownership of proprietary cost containment scheme</li> </ul>	<ul style="list-style-type: none"> <li>• Has a network of automobile providers (approximately 30,000 automobile dealers and approximately 5,000 automobile maintenance facilities) as a sales channel</li> <li>• Own a platform to match Car Premium Club members and general users, centered on the Car Premium website</li> </ul>

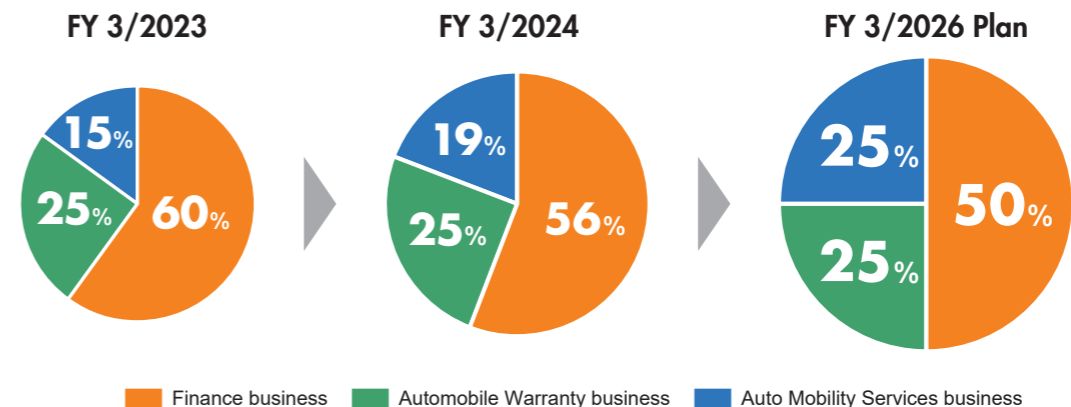
## Synergies among businesses

Each business not only stands alone, but also interacts with each other to achieve further growth and expansion.



## Earnings portfolio to be aimed for

Toward March 31, 2026, the last fiscal year of the Medium-Term Management Plan, we will further expand the proportion of the Auto Mobility Services business, while also maintaining the growth rate of the Finance and Automobile Warranty businesses. As a result, we will transform ourselves from an "Auto Credit Company" to the "Automobile Company" through a change in our earnings portfolio.

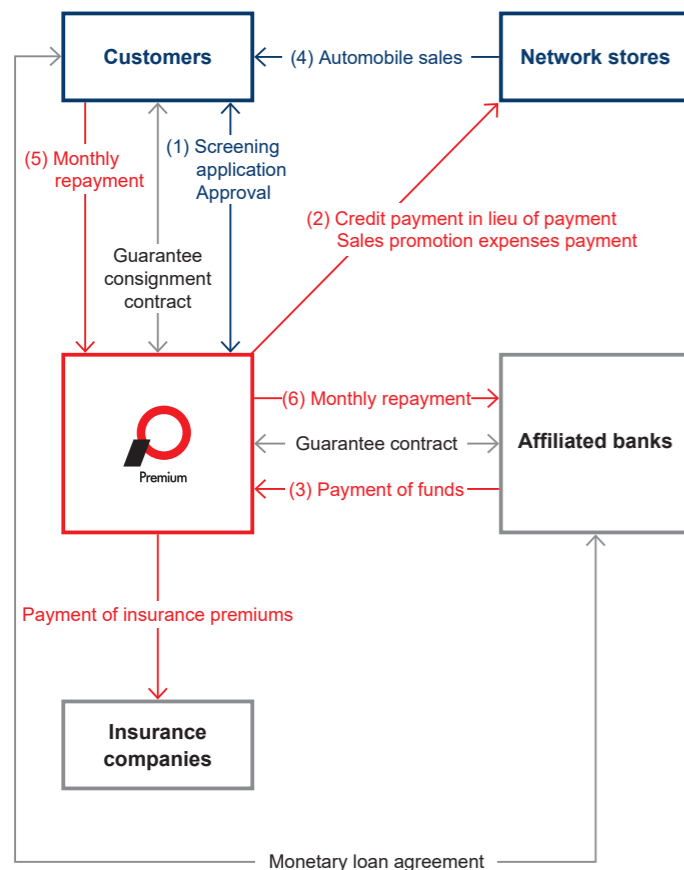


# Finance Business

## Business model and profit structure

We focus on auto credits that allow customers to purchase cars in installments. (Others: Ecology credit for the purchase of solar power generation systems, collection of purchased and entrusted receivables, etc.)

### Auto credit structure (affiliated loan method)

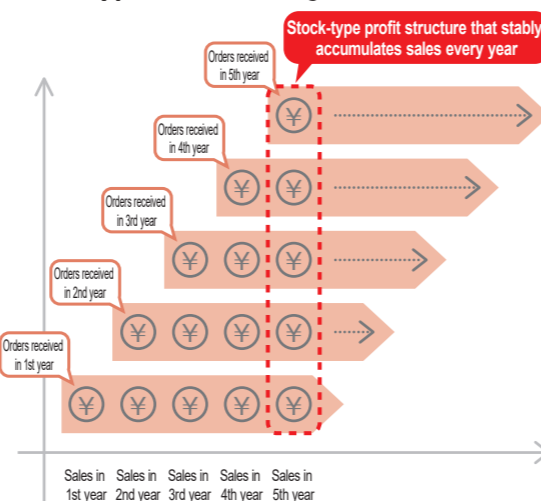


### Profit image

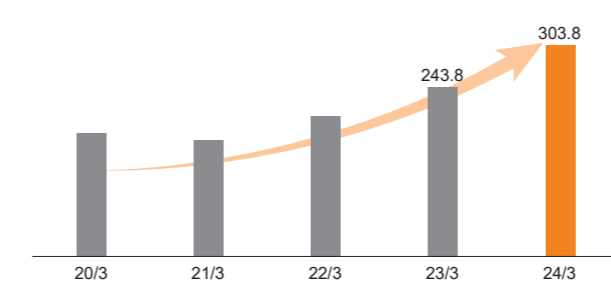
Credit fees borne by customers	
Net interest rate	Sales promotion expenses
Operating revenue	Bank borrowing interest rate
Gross profit	Insurance premiums
	Fixed rate (No fluctuation after contracting)

Note: This is an example of an affiliated loan scheme and may differ from actual transactions.

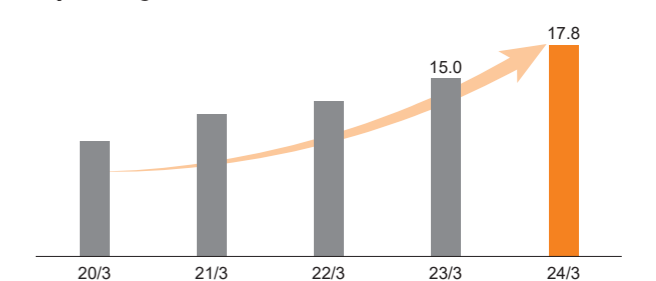
### Stock-type business image



### Total volume of new loans



### Operating revenue



Notes: • Total volume of new loans refers to the total amount of credit and lease contracts newly signed in the period  
 • The figures are inclusive of the total volume of new loans of products other than automotive credit financing (Ecology Credit, etc.), and are the actual results of Premium Co., Ltd.  
 • The decrease in transaction volume in FY3/21 was due to the impact of voluntary restraint on sales visits during the COVID-19 pandemic, as well as our strategy to maintain and improve profitability by emphasizing quality rather than quantity of credit  
 \*As of March 31, 2024

## Materiality (key issues) in the Medium-Term Management Plan / Medium-Term Vision

We disclosed the 3-year Medium-Term Management Plan “ONE & ONLY 2026,” with the first year being the fiscal year ended March 31, 2024, in May 2023. We consider expanding Car Premium Dealers, increasing transaction volume per network store and achieving streamlined operations through DX promotion to be key issues for the Medium-Term Vision “Establishing the Car Premium Business Model,” and we will promote the four key policies.

### Key Policies

**Expanding paid member transactions**  
Substantially increasing sales PH\*

**Releasing new core system**  
Cross-functional business improvements

**Paperless conversion for all offerings**  
Abolition of applications by fax

**Collection efficiency through DX**

\* PH: "Per Head," the average monthly total volume of new loans or warranties per sales staff

## Strengths and characteristics

- Because we are an independent company that is not affiliated with a bank, we are not bound by laws and regulations (Banking Act) and can provide services other than financing
- We are insured against bad debts, so there is no need to make an allowance for bad debts
- We specialize in auto credit because of our expertise in automobiles
- The delinquency rate for auto credits is low due to the small-lot and short-term nature of the loans
- Our servicer subsidiary, CENTRAL SERVICER CORPORATION, has expertise in long-term delinquent collections, which enables us to recover debt

## Market environment and opportunities

- Demand for automobiles is stable because they are a daily necessity
- High barriers to entry in the auto credit industry make it difficult for new entrants to enter the market
- The Company's share of the auto credit market is about 11% among listed companies, and there is room for further development

## What can be achieved in the Finance business

In the Finance business, we will expand sales opportunities for automobile dealers and opportunities for customers to purchase vehicles by offering highly convenient auto credit. We will also contribute to environmental preservation by promoting other Ecology Credit products and paperless contracts.

<b>Consumers</b>	<ul style="list-style-type: none"> <li>• People who have difficulty paying in cash can purchase a vehicle by paying in installments</li> <li>• Compared to bank loans, no extra procedures or hassles are required when applying for a loan</li> <li>• Automatic screening using AI allows for quick and accurate results</li> </ul>	 
<b>Automobile providers</b>	<ul style="list-style-type: none"> <li>• Expand sales opportunities to customers</li> </ul>	
<b>Environment</b>	<ul style="list-style-type: none"> <li>• Contribute to environmental preservation by promoting paperless contracts</li> <li>• Contribute to environmental preservation by developing Ecology Credit products such as solar power generation systems</li> </ul>	

# Automobile Warranty Business

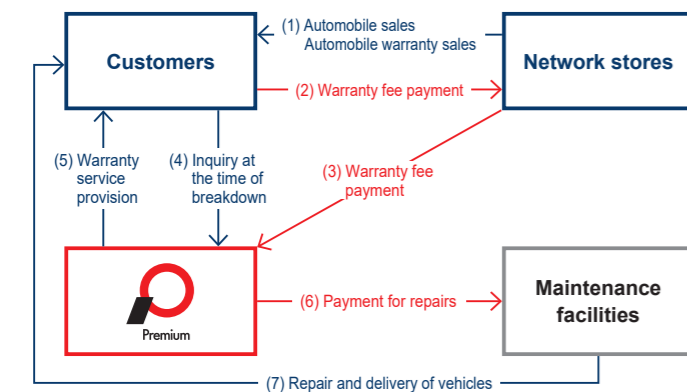
## Business model and profit structure

To ensure the long and safe use of automobiles, we offer a warranty service covering natural breakdowns.

### Mechanism of automobile warranty

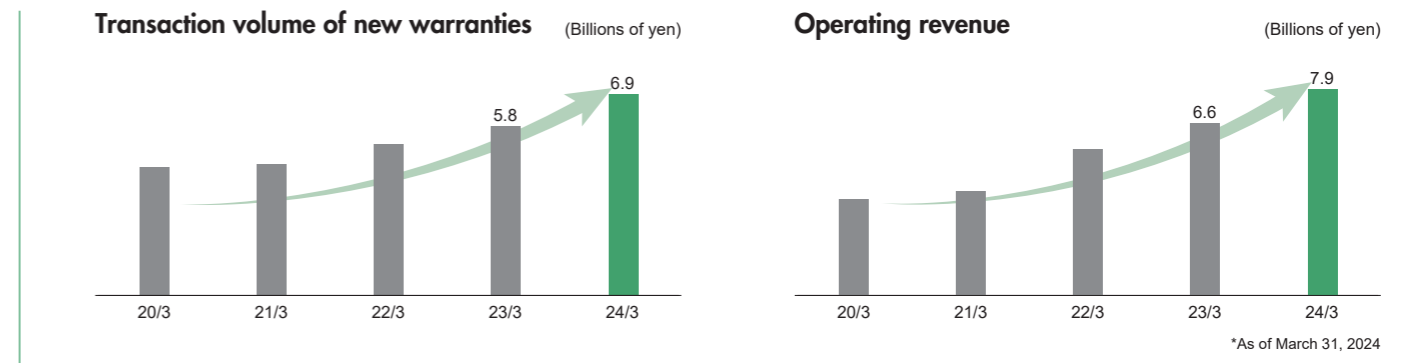
Unlike automobile insurance that covers accidents, this service covers repairs for natural breakdowns

	Automobile insurance	Automobile warranty
Scope	Damage caused by accidents	Natural breakdowns that occur under normal use
Payment	Monthly premium payment	Lump-sum prepayment of warranty fee
Policyholder benefits	Payment of insurance claims	Provision of free repair service



### Business model and profit structure

Automobile warranty fee paid by customer	
Automobile warranty wholesale price (operating revenue)	Sales promotion expenses
Profits	Automobile warranty cost



## Materiality (key issues) in the Medium-Term Management Plan /Medium-Term Vision

In May 2023, we disclosed the three-year Medium-Term Management Plan “ONE&ONLY 2026,” with the first year being the fiscal year ended March 31, 2024. We consider expanding expand the third-party warranties market, increasing sales focused on products developed in-house, reducing repair costs, and promoting streamlined operations through DX promotion to be key issues for the medium-term vision “Establishing the Car Premium business model,” and we will promote the four key policies.

### Key Policies

**Expanding sales of Car Premium Warranty developed in-house**

**Expanding in-house repair parts supply**

**Automating adjuster tasks Going paperless**

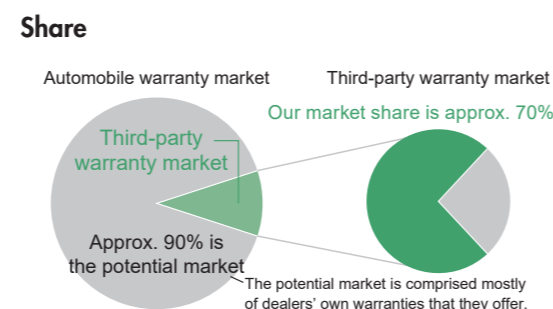
**Product pricing and strengthened lineups to meet a wide range of needs**

## Strengths and characteristics

- Benefits for both network stores and customers
  - (Network stores)
    - Network stores can entrust us with handling inquiries and repairs after purchase
    - A warranty provided by a listed company gives customers a sense of security, which increases sales opportunities
  - (Customers)
    - The warranty is provided by a listed company, so there is a sense of security in terms of cost appropriateness and support provided
    - The warranty contract with us continues even if the automobile dealer goes bankrupt or out of business
- No.1 Share We have the largest market share in the third-party warranty industry, and have an overwhelming amount of data at hand
  - \*Cumulative number of contracts exceeds 1.7 million cars (as of May 2024)
- We request repairs to our network of maintenance facilities, and our subsidiary will supply the parts necessary for the repair

## Market environment and opportunities

- The rising costs of repairs due to higher performance and sophisticated functions of vehicles and the trend for long-term use increases the demand for warranties
- We will be able to reach out to new customer segments by expanding our lineup of automobile warranty products for EVs and other next-generation vehicles
- The issue of fraudulent insurance claims by a major used car dealer has increased interest in safety and the demand for third-party guarantees



## What can be achieved in the Automobile Warranty business

The Automobile Warranty business contributes to environmental preservation by reducing the number of decommissioned vehicles through the safe and long-lasting use of automobiles. It will also lead to increased sales opportunities, as consumers will be able to use their vehicles without fear of breakdowns.

<b>Consumers</b>	<ul style="list-style-type: none"> <li>• Provide automobile warranty services in line with the change in consumer needs due to the increased interest in vehicle safety and the popularity of online trading in cars associated with digitalization</li> <li>• Used cars can be used with peace of mind without fear of breakdowns</li> </ul>	
<b>Automobile providers</b>	<ul style="list-style-type: none"> <li>• Can reach out to new customer segments by expanding the lineup of automobile warranty products for EVs and other next-generation vehicles</li> <li>• Expand sales opportunities to customers</li> </ul>	
<b>Environment</b>	<ul style="list-style-type: none"> <li>• Contribute to environmental preservation by promoting paperless warranties</li> <li>• Contribute to environmental preservation by reducing the number of vehicles decommissioned due to breakdowns</li> <li>• Use mainly recycled parts even for repairs in case of breakdowns</li> </ul>	



# Auto Mobility Services Business

## Introduction of each business

We offer services in collaboration with automobile dealers and automobile maintenance facilities to deliver a rich car life to customers. We are expanding our five main services and diversifying our revenue structure through aggressive new business development.

### Automobile sales and maintenance



- Support dealers in purchasing vehicles by selling auto-credit repossessed vehicles\* at low prices to our dealer membership organization (Car Premium Dealers)

\*For customers who have difficulty making auto-credit payments, vehicles under contract are repossessed and redeemed to meet remaining obligations

- Operating directly managed automobile dealers and automobile maintenance facilities as model stores for Car Premium Dealer and Garage, providing the latest services, including the introduction of environmentally friendly water-based paints and the advanced development of new products

### Automobile parts



- Sales of recycled, rebuilt, and external new parts to automobile dealers and automobile maintenance facilities in the network through parts trading companies

### Software sales



- Sales of business management software ("GATCH") to automobile providers
- This software facilitates the issuance of quotations, invoices, and order forms, as well as customer management, thereby improving operational efficiency

### Membership fee revenue



- Car Premium Club is developed through two membership organizations, "Car Premium Dealer" for automobile dealers and "Car Premium Garage" for automobile maintenance facilities
- Collect membership fees from Car Premium Club members

### Subscription



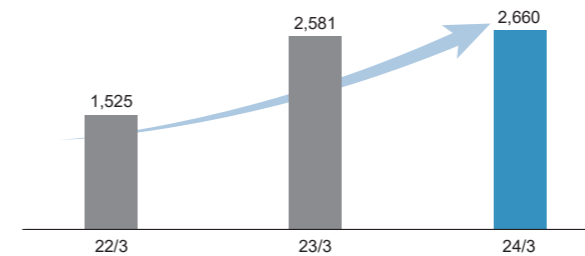
- Auto leasing for individuals with a fixed monthly payment that includes vehicle price, warranty fee, vehicle inspection fee, maintenance fee, etc.

## Strengths and characteristics

- We have an ample market because we have built a network of automobile providers (more than 2,600 Car Premium Dealers and more than 700 Car Premium Garages)
- Demonstrate synergies with each of the Group's businesses  
e.g.) Automobile wholesaling: Use repossessed cars that arise in the Finance business  
Maintenance facility network and in-house maintenance facilities: Consolidation of repairs that occur in the Automobile Warranty business
- Own a platform to match Car Premium Club members and end-users, centered on the Car Premium website

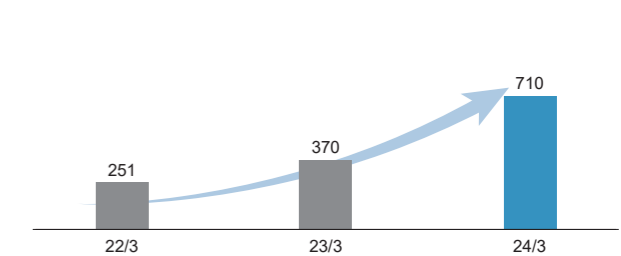
### Car Premium Dealer

(Companies)



### Car Premium Garage

(Stores)



\*As of March 31, 2024

## Market environment and opportunities

- Increased demand for new ways of driving (subscription, car sharing) as more people do not own cars
- Increased demand for support for SMEs that are unable to keep up with technological sophistication
- Foreign EV manufacturers that do not have a sales channel in Japan seeking to use the sales channel of a domestic network of automobile providers

## Materiality (key issues) in the Medium-Term Management Plan /Medium-Term Vision

In May 2023, we disclosed the three-year Medium-Term Management Plan "ONE&ONLY 2026," with the first year being the fiscal year ended March 31, 2024. We consider enhancing auto mobility services and developing differentiated products to be key issues for the medium-term vision of "Establishing the Car Premium business model," and we will promote the four key policies.

<p><b>Purchasing and sales channel expansion (incl. exports) for used car distribution</b></p>	<p><b>Expanding sales of products developed in-house / Developing new subscription-based products</b></p>	<p><b>Nationwide rollout of software for automobile providers to become industry No. 2</b></p>	<p><b>Complete mobility platform</b></p> <p>クルマのことなら <b>カープレミア</b> <b>P-Gate</b> ポータルサイト</p>
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## What can be achieved in the Auto Mobility Services business

In the Auto Mobility Services business, we will achieve a better car life through the development of a variety of services, and will also actively work to protect the environment.

<b>Consumers</b>	• Will be able to enjoy a variety of car lifestyles that go beyond car ownership	
<b>Automobile providers</b>	• Strengthened competitiveness	
<b>Environment</b>	• Contribute to environmental preservation by reducing the number of decommissioned vehicles by providing comprehensive after-sales services that enable vehicles to be used for longer period of time	

# Overseas Strategy —Providing top level financing and services to the world—

Premium Group is expanding into Southeast Asia and other countries in order to build an overseas earnings pillar in the future.

## Basic policy

- **Proactively working to restore momentum stalled by the pandemic**
- **Market entry via M&A / joint venture**
  - Building international earnings pillars while hedging risks
- **New market entry mainly in Southeast Asia**
  - Selected as a destination mainly due to many Japanese cars used there and active mobility markets
- **Combined market entry of our services**
  - **Horizontally rolling out success cases** from domestic businesses

## Future issues and initiatives

- **Securing and developing global and local talent**
  - Recruiting and training global talent
- **Considering new countries for market entry**
  - To secure further revenue opportunities, will gather information on local geopolitical risks and expand business as a unified group
- **Increasing international share of profit (FY 3/2026 target: 10%)**
  - **Preparing for shrinkage of domestic market** due to population decline
  - Over the ultra-long term, targeting a 50:50 domestic-international ratio

FY 23

FY 30

## Overseas expansion

We are expanding our business mainly in Southeast Asia, and are gradually increasing the number of countries in which we operate as well as our revenues from the region.

- Finance business and Automobile Warranty business
- Automobile Warranty business
- Auto Mobility Services business
- Other

### Tanzania, etc. Auto Mobility Services

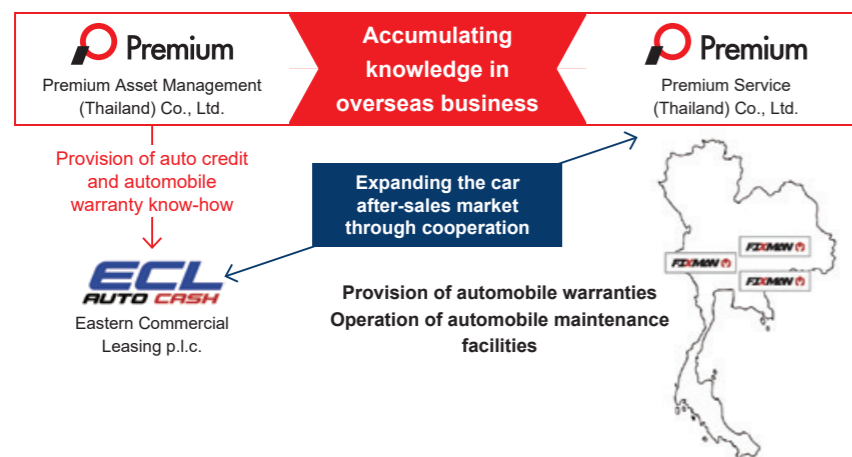
Exporting recycled parts and operating automobile maintenance facilities  
We are expanding into Central and South America, and will continue to explore other countries in the future



\* On April 1, 2024, the Auto Parts business were transferred to the Auto Mobility Services business.

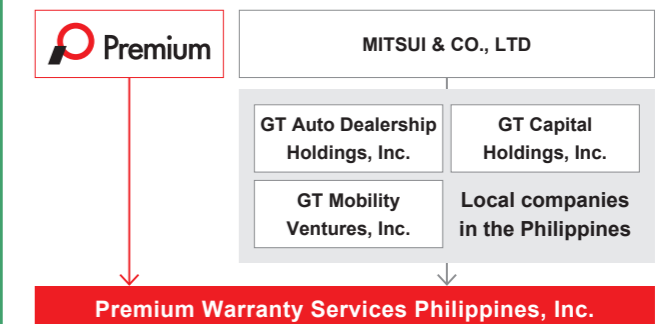
### Thailand Finance Automobile Warranty

Providing auto credit and automobile warranty know-how and promoting provisions of automobile warranty and maintenance services



### The Philippines Automobile Warranty

Expand together with MITSUI & CO., LTD. and local companies as the leading provider of automobile warranty services in the Philippines



### The Philippines Other

Investment in AND Financing Corporation, which develops consumer finance business utilizing digital technology, to expand the Company's business development

### Indonesia Automobile Warranty

To promote Automobile Warranty business together with SUMITOMO CORPORATION and local companies



### Singapore Other

Establishment of Singapore subsidiary to serve as a base for research and information gathering on the Asian market, management of overseas subsidiaries, and strategic activities

# Environment



Premium Group aims to contribute to a decarbonized society and create a recycling-oriented society by making effective use of existing resources, supporting the spread of EVs, and reducing energy consumption and CO<sub>2</sub> emissions generated by our business operations.

## Approach of Premium Group to climate change

Decarbonization concerning GHG emissions from the production of goods is said to be extremely difficult, but a recycling-oriented society is the key to solving this issue.

The Group is mainly engaged in businesses related to used cars, and we believe that the expansion of our core business itself will contribute to the formation of a recycling-oriented society. By accelerating efforts in our core business, we also aim to help combat climate change, which is now a global need.

With our endorsement of the TCFD recommendations made in June 2023, we will continue our efforts to enhance the disclosure of information on climate change and further promote climate change action.

## Initiatives of Premium Group

### 1. Contribution to the formation of a recycling-oriented society (utilization of limited resources) Recycling-oriented society

The Group promotes the use of used cars in the three businesses it operates (Finance business, Automobile Warranty business and Auto Mobility Services business), and promotes reduce, recycle, reuse, and repair (4R business) related to automobiles.

#### Our 4R business

Reduce business	(Reduce)	Reduce automobile disposal by adding automobile warranties and making automobiles serviceable for a longer period of time
Recycled parts business	(Recycle)	Produce recycled and rebuilt parts at the Group's automobile dismantling shops and provide them to our network of automobile dealers and automobile maintenance facilities through the Group's parts trading company
Reuse business	(Reuse)	Provide used cars salvaged by the finance business's debt collection operations to automobile dealers and automobile maintenance facilities in the network
Repair business	(Repair)	Repair broken-down used cars at own maintenance shop and at automobile maintenance facilities in the network

### 2. Promote Ecology Credit Emissions reduction



We contribute to the spread of renewable energy through the provision of credits for the purchase of solar power generation systems (for personal and business use). By using the Group's ecology credits for these high-cost solar power systems, customers can adopt an eco-friendly lifestyle that benefits both the planet and their finances. This service also offers speedy screening response and allows for partial early repayment, leveraging expertise cultivated through our core auto credit services.

### 3. Promotion of Automobile Warranty business Emissions reduction



Automobile warranty, which provides protection against possible breakdowns, help customers use their vehicles for as long as possible. If a customer enrolls in the Group's automobile warranty, they can have the vehicles repaired free of charge for covered parts if it breaks down. Customers can enroll not only when purchasing a car, but also when having the car inspected or maintained.

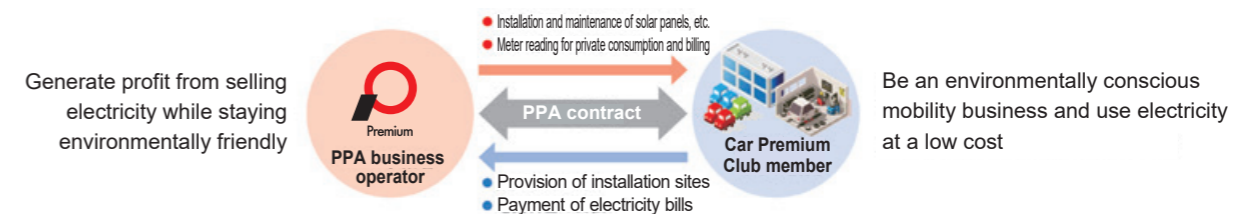
As of May 2024, the cumulative number of vehicles covered by warranty exceeds 1.7 million.

### 4. Promote the spread of EVs Emissions reduction

By using the Group's Auto Credit when customers purchase EVs, we support the purchase of EVs, which are in a high price range. By offering automobile warranties for EVs, we reduce anxiety after the purchase and encourage the spread of EVs toward the realization of a decarbonized society. In addition to enabling customers to enjoy a worry-free car life, purchasing an EV also brings the option of contributing to the SDGs closer.

### 5. PPA (power purchase agreement) business Recycling-oriented society

Installation of solar power generation systems and EV chargers for the Car Premium Club members will contribute to reducing CO<sub>2</sub> emissions. In the Group's PPA business, the Company will install solar panels on the roofs or sites of Car Premium Club members and provide EV charging facilities free of charge, at the Company's expense. When solar panels are installed on a roof, not only the roof is prevented from deteriorating, but also the heat from the roof is mitigated, allowing for a higher temperature setting on the air conditioning system. In addition, the electricity generated by the solar panels is metered by the Company and sold to Car Premium Club members at a lower price than the power company. As a result, Car Premium Club members can benefit from lower electricity costs. In addition, the installation of EV charging facilities will allow customers to charge their EVs while they are being served, enhancing the perception of the company as a highly convenient automobile provider.



### 6. Participated in the Carbon Neutral Working Group of Japan Association of New Economy (JANE) Recycling-oriented society

Since the level of climate change response required of companies, both large and small, is increasing, and an increasing number of companies are working on management and business development in response to a decarbonized society, in order to implement measures based on the latest trends, the Japan Association of New Economy (JANE) has established a new working group as a platform for information sharing and discussion among its members, and we are participating in this working group. As a company primarily engaged in used cars, the Group has voiced its opinions on the formation of an EV recycling-oriented society. We will continue to exchange opinions with other companies to promote carbon neutrality and sustainable management.



### 7. Joined the BACE Incubation Vehicle Recycling-oriented society

We have joined the BACE Incubation Vehicle (formerly the BACE Consortium), which envisions a data utilization technology and platform business to create and recycle EV battery value, and we will return the know-how and knowledge that the Group has acquired to the BACE Incubation Vehicle to contribute to increasing the value of used EVs in Japan.

In the fiscal year ending March 31, 2025, we plan to promote EV guarantee business in cooperation with member companies.

### 8. Strengthening disclosure to external evaluation organizations

Centering on the Sustainability Committee established in July 2023, we are aiming to strengthen our response to evaluation organizations regarding sustainability. For the fiscal year ended March 31, 2024, we endorsed the TCFD recommendations and received a CDP score of C. We will continue to enhance the content of our information disclosure and focus on improving sustainability-related external evaluations.

In April 2024, we also formulated and disclosed our human rights policy to focus not only on environmental issues but also on disclosure of human capital. For details, please see page 30 of this Integrated Report.



# Society

Premium Group, whose mission is to “contribute to the construction of a prosperous society by providing top level financing and services to the world,” is committed to building social and human capital in order to build good relationships with all of its stakeholders.

## Customers

In order to ensure that our customers can purchase and use our automobiles with peace of mind, Premium Group has obtained the necessary certifications and registrations, and has established an internal system.



### Customer privacy and data protection

Personal information protection

- Obtained Privacy Mark certification by the Japan Institute for Promotion of Digital Economy and Community (JIPDEC) for core subsidiaries in major businesses
- Formulated an internal privacy policy and built a system to prevent accidents such as leakage of personal information
- Conducted audits by employees of the Internal Audit Division with Privacy Mark internal auditor certification

Data protection

- Implemented multiple system security strengthening measures to ensure the protection of customer data



### Appropriate transaction and sales processes

- Obtained and renewed the business registration of the Finance business as an individual credit purchase broker as stipulated in the Installment Sales Act
- Established various internal rules in accordance with the model rules established by the Japan Consumer Credit Association
- Declared internally and externally the policy concerning elimination of antisocial forces and established a system for its implementation, and cooperated with the National Center for Removal of Criminal Organizations, an external professional organization, and other organizations.



## Diversity and inclusion

### Fostering an environment that emphasizes welfare benefits and diversity

#### • The project to promote female advancement “Lean in Premium”

In the Group’s project to promote female advancement, “residential” and “open enrollment” training was conducted without regard to the number of employment year or position. The training included discussions with the President and Representative Director, the creation of a mandala chart, and a lecture by Hiromi Oshima, an Outside Director of the Company, who spoke about attitudes toward work and future career development.

We have supported each participant in sharing and easing their concerns and worries, as well as considering their visions for the future. Gathering employees from different departments, ages, and employment years has helped to invigorate the company.



#### • Support employee health

The Group believes it is important to create a work environment in which employees can work in good physical and mental health. As part of the welfare benefit program, we considered introducing acupuncture, moxibustion, and massage treatments and conducted a trial. The program aims to alleviate eye strain, stiffness in the shoulders and lower back pain, and to promote overall health and improve concentration at work.

### Establishment of human rights policy

In April 2024, the Group established the “Premium Group Human Rights Policy.” For details, please refer to page 30 of this Integrated Report or visit the Company’s website below.

<https://ir.premium-group.co.jp/en/news/news5423524025747984333.html>



## Local community



In order to create a prosperous society where everyone can live in peace, Premium Group places great importance on its ties with the local community and engages in a variety of support activities through its business and non-business activities.

### Achieving both efficiency in sales activities and social contribution

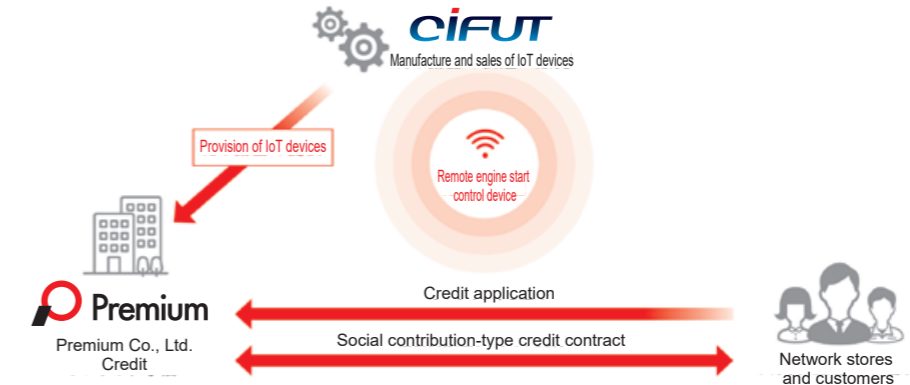
#### • Introduction of next-generation telematics in-vehicle equipment and the SDGs lease “Mirai 2030”

Next-generation telematics in-vehicle equipment is used in sales vehicles used at branches nationwide. The installation of the in-vehicle equipment reduces work hours by automatically generating daily reports and improves fuel efficiency through eco-driving navigation. We donate a portion of the lease payments for the in-vehicle equipment to learning support projects through the SDGs lease “Mirai 2030.”



#### • Social contribution credit “CIFUT”

New screening initiatives using IoT technology will contribute to creating a society where everyone can access automobiles. “CIFUT” is an IoT device (remote engine start control system with GPS) provided by CIFUT Co., Ltd., an affiliate of the Company. By installing this device, the purchased vehicle will be connected to the Internet at all times, allowing for real-time location monitoring and remote engine start control. This technology helps us mitigate the risk of late payments and expand purchase opportunities for customers who have previously faced difficulties in purchasing vehicles.



### Premium Group’s support activities

#### • Co-hosted the “Yaima SDGs Symposium”

Endorsing the efforts of Ishigaki City, Okinawa Prefecture and the Yaima SDGs Promotion Council, we co-hosted the “Car Premium x Yaima SDGs Symposium.” As part of initiatives to address the SDGs and environmental pollution, we conduct keynote speeches, etc. on the expansion of new businesses and regional reconstruction efforts that are unique to a mobility company. Through collaboration with symposium members, we are working to create a platform that continues to generate businesses that support the community while protecting its natural assets.



#### • Signed a partnership agreement with Ishigaki City

Ishigaki City, Okinawa Prefecture and the Company have entered into a partnership agreement. Under this agreement, the Company will contribute to the realization of a sustainable mobility society and the improvement of citizen services that contribute to regional development. This will be achieved by providing its know-how and the vehicles needed for the demonstration project to address the mobility issues faced by Ishigaki City.

#### • Volunteer activities to support recovery

We participated in volunteer activities for recovery from the 2024 Noto Peninsula Earthquake. In order to improve the living environment and ensure the safety of those affected by the disaster, we provided mineral water, etc. as relief supplies and removed disaster waste from houses. We would like to express our deepest condolences to those who lost their lives in the 2024 Noto Peninsula Earthquake, and our deepest sympathy to all those affected by the disaster.

#### • Speaker at investment studies for students and young investors

We have been speaking at IR seminars for members of investment circles and investment study groups, which are mainly composed of university students, to help improve the financial literacy of young people and increase their opportunities to learn about investments.



# Corporate Governance

## Basic approach to corporate governance

Based on the premise of thorough compliance, in line with changes to the external business environment including revisions to laws, the Group upholds its missions to “contribute to the construction of a prosperous society by providing top level financing and services to the world” and to “foster spiritually rich human resources who are always positive and can dedicate themselves to completing processes,” and is determined to make every management decision based on these missions. In order to achieve Premium Group’s missions, it is essential that we build good relationships with all stakeholders, including shareholders, customers, business partners, employees, and society, and it is indispensable to earn their trust. To that end, we recognize that the enhancement of corporate governance is one of our most important management issues, and strive for corporate management that ensures transparency and soundness, while doing our utmost to ensure the continuous growth and improvement of the profitability of the Group.

The Company implements each principle of the Corporate Governance Code.

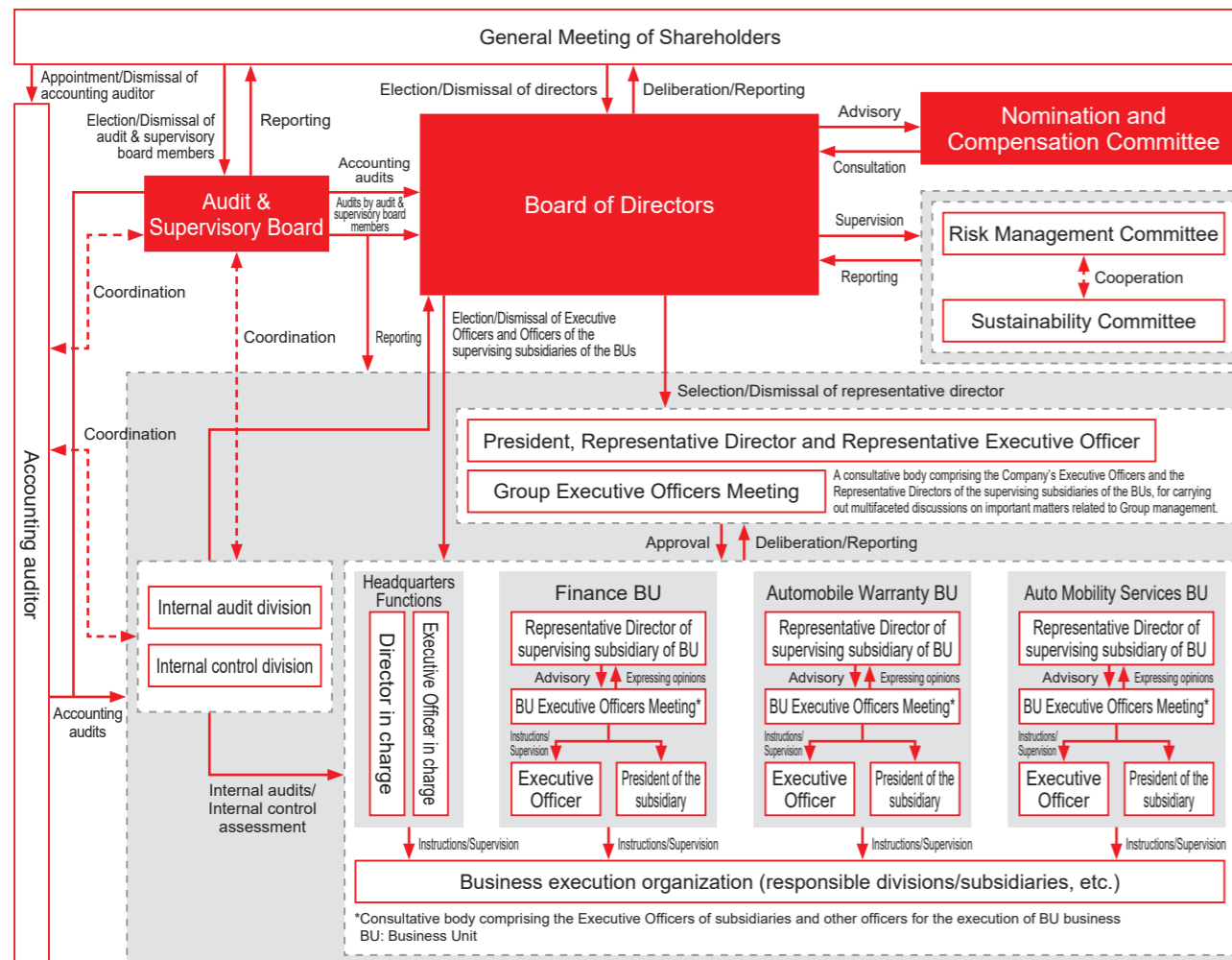
<https://ir.premium-group.co.jp/ja/management/governance.html>

\*in Japanese



## Corporate governance system

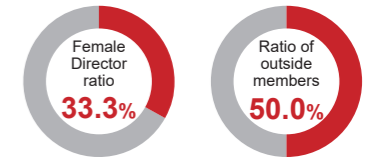
Company structure: Company with an audit & supervisory board, Advisory body to the Board of Directors: Nomination and Compensation Committee



## Board of Directors

Fiscal year ended March 31, 2024: Held 17 times  
Attendance rate of Directors and Audit & Supervisory Board Members (including outside officers): 100%

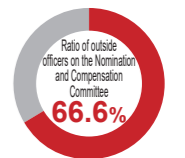
The Board of Directors holds regular meetings once per month, in principle, as well as extraordinary meetings as needed, to ensure communication among the Directors, as well as for constituent members of the Board of Directors, including Outside Directors, to supervise the execution of duties by the Representative Director, and to prevent any violation of laws and regulations or the Articles of Incorporation. Three Audit & Supervisory Board Members also attend the Board of Directors meetings. In addition to resolutions on individual proposals based on the Company’s approval standards, important management matters (e.g. Medium-Term Management Plans and investment and capital policies, etc.) and the details of reports from the Nomination and Compensation Committee are discussed and resolved.



## Nomination and Compensation Committee

Fiscal year ended March 31, 2024: Held 4 times  
Attendance rate of all committee members: 100%

The Nomination and Compensation Committee has been established as an advisory body to the Board of Directors, in order to raise the fairness, transparency, and objectivity of procedures relating to the nomination and compensation of Directors, and to enhance corporate governance. During the fiscal year ended March 31, 2024, in addition to discussing the succession plan for the CEO, which was a matter for consultation from the Board of Directors, and considering policies and procedures for nominating senior management (Executive Officers), the Nomination and Compensation Committee also deliberated and reported to the Board of Directors on the proposal for the election of Directors (including the skills matrix) and the proposal regarding individual compensation for Directors (excluding Outside Directors) submitted to the Ordinary General Meeting of Shareholders held in June 2024.



## Group Executive Officers Meeting

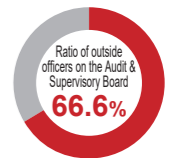
Chairman: Representative Director of the Company / Held once per month / One full-time Audit & Supervisory Board Member attends

To expedite and promote efficiency in the decision-making by the Board of Directors, the Company has adopted the executive officer system and established the Group Executive Officers Meeting, as an organ that discusses important matters related to business execution from multiple perspectives. The Group Executive Officers Meeting primarily comprises the Company’s Executive Officers, with the Representative Directors of the supervising subsidiaries of the business units attending as observers. It effectively functions as an advisory body to the Representative Directors when decisions are made on important matters, as well as a body for Executive Officers to share information and discuss issues.

## Audit & Supervisory Board

Held once per month, in conjunction with the Board of Directors meetings

The Audit & Supervisory Board determines audit policies and audit plans. It receives reports from each Audit & Supervisory Board Member regarding important matters related to audits, and discusses and adopts resolutions. The Audit & Supervisory Board conducts operation audits of the Directors’ performance of their duties and the Executive Officers’ execution of business operations, accounting audits, and audits of the corporate group for group companies, under the Audit & Supervisory Board Members’ Audit Standards and audit plans. It also audits the appropriateness of audits by the accounting auditor, an independent auditor, and reports the results of its audits to the Board of Directors. The audit policy, major audit items, and the annual audit plan approved by the Audit & Supervisory Board are also reported to the Board of Directors.



## Changes in initiatives to strengthen corporate governance

	2016	2017	2018	2019	2020	2021	2022	2023	
Organizational structure, etc.	● August Formed voluntary Risk Management Committee and Group Personal Information Protection Committee	● July Transitioned to a company with an Audit & Supervisory Board		● April Started evaluation of the effectiveness of the Board of Directors (questionnaire for all Directors and Audit & Supervisory Board Members)		● June Established voluntary Nomination and Compensation Committee		● June Increased number of an Outside Director	● May Conducted third-party evaluation of the effectiveness of the Board of Directors
Policy				● June Established Corporate Governance Policy				● November Established tax policy and announced anti-corruption initiatives	
Compensation				● May Introduced the restricted share remuneration plan					



## Corporate Governance

### Implementation of the effectiveness evaluation of the Board of Directors

The Company regularly evaluates and analyzes the effectiveness of the Board of Directors as a whole, in accordance with the Regulations Concerning the Evaluation of the Board of Directors.

Anonymous questionnaire conducted by a third-party organization	The questionnaire was designed to answer questions on 8 main items, using a 5-point scale and a free-response questionnaire format	
	A Desired form of the Board of Directors	B Composition and operation of the Board of Directors
	C Deliberations of the Board of Directors	D Monitoring function of the Board of Directors
	E Performance of Inside and Outside Directors	F Support system and training for Directors and Audit & Supervisory Board Members
	G Dialogue with shareholders (investors)	H Operation of the Nomination and Compensation Committee

Initiatives in the fiscal year ended March 31, 2024	Evaluation and issues to be addressed	Initiatives in the fiscal year ending March 31, 2025
<ul style="list-style-type: none"> <li>Accelerate deadline for submission of materials and send them to Board members</li> <li>Improvement of awareness of each Business Unit</li> <li>Ensure discussions from medium- to long-term perspectives at internal meetings</li> <li>Conduct market analysis</li> <li>Ensure time for reporting at Board of Directors meetings</li> <li>Improve skills of staff in charge</li> <li>Use of outside vendors as needed</li> <li>Adopt fixed schedule of meetings</li> <li>Set a meeting schedule that allows for adequate time for discussion</li> </ul>	<ul style="list-style-type: none"> <li>Reviewed question items through the utilization of a third-party organization. Received generally high evaluations compared to the previous year</li> <li>Received evaluation stating that the supervisory and decision-making functions were clearly separated, and that important supervisory matters were adequately discussed by focusing discussions on them during Board of Directors' meetings</li> <li>Received a higher evaluation than in the previous year due to the improved quality of discussions on the Company's sustainable growth and the creation of medium-term corporate value with respect to management strategies and plans, as well as the enhanced quality of supervision regarding the expected potential risks</li> <li>Although there are no significant issues, further improvements will be made in areas such as the enhancement of discussions to realize DX promotion and the operation of the Nomination and Compensation Committee</li> </ul>	<p>As in the past, we will continue to strive to share materials with the members of the Board of Directors at an early stage and ensure sufficient time for discussions</p> <p>Response to specific issues</p> <ul style="list-style-type: none"> <li>→Response to DX strategy issues                             <ul style="list-style-type: none"> <li>✓Developing the organization of the DX team</li> <li>✓Enhancing recruitment and training of DX talent</li> <li>✓Considering the appointment of executives specialized in DX</li> </ul> </li> <li>→Stimulate discussion in the Nomination and Compensation Committee                             <ul style="list-style-type: none"> <li>✓Setting a fixing the meeting schedule and ensuring sufficient time for discussion</li> <li>✓Improving the skills of the secretariat and preparing comprehensive materials</li> <li>✓Utilizing third-party opinions as needed</li> </ul> </li> </ul>

### Succession plan

The Nomination and Compensation Committee, with majority of Independent Outside Directors, continuously reviews candidates for the next term. Successor candidates are selected based on their qualities and abilities to contribute to the enhancement of corporate value, their deep insights into their respective fields of expertise, and their capacity to carry out the Group's mission. The selection process also considers the overall balance of skills on the Board of Directors. After discussing the qualities and abilities required of the next CEO, candidate criteria are defined based on the Group's strategy, and several successor candidates are selected and trained to acquire the necessary skills and knowledge. Appointments are made following thorough prior deliberation by the Nomination and Compensation Committee, with resolutions passed by the Board of Directors and proposed to the General Meeting of Shareholders. In the fiscal year ended March 31, 2024, the Nominating and Compensation Committee deliberated and reported on the CEO's succession plan, an advisory item from the Board of Directors.

### Remuneration system for executives

#### Remuneration, etc. for executives

The Company considers the remuneration system for Directors as a key management foundation for its sustainable growth of the Company. The Company consults the Nomination and Compensation Committee, an advisory body to the Board of Directors, regarding the details of the policy for determining the remuneration, etc. of individual executives. Based on the Committee's report, the Board of Directors adopts a resolution.

#### Determination of remuneration, etc., for executives

In order to enhance the transparency and objectivity of the deliberation process, remuneration, etc. for each Director is determined by the Board of Directors, following consultation with the Nomination and Remuneration Committee. This is based on the remuneration policy and remuneration system discussed in advance by the Committee, as well as the results of individual performance evaluations for each Director (excluding Outside Directors). The total remuneration is kept within the maximum amount resolved at the General Meeting of Shareholders in accordance with the Articles of Incorporation.

As for the Company's determination of the amount of remuneration, etc. for each Director for the fiscal year ended March 31, 2024, the Board of Directors meeting held in June 2023 resolved the remuneration proposal for each Director. This proposal had been deliberated in accordance with the above determination policy at the Nomination and Compensation Committee meeting held in May 2023. Since, as described above, the proposed remuneration for each Director was deliberated in accordance with the above determination policy by the Committee, with a majority of Independent Outside Directors, and subsequently resolved by the Board of Directors of the Company, and that was the amount of remuneration, etc., for each Director, the Board has determined that the content of the proposal aligns with the above determination policy.

Remuneration, etc. for each Audit & Supervisory Board Member is determined by the Audit & Supervisory Board, within the limit of the total amount of remuneration as resolved by the General Meeting of Shareholders in accordance with the Articles of Incorporation, taking into consideration whether the member is full-time or part-time, as well as the status of the division of duties.

### Basic policy on remuneration for Directors

Remuneration for Directors of the Company shall be determined in accordance with the following approach.

- The remuneration system shall be competitive  
The remuneration system and remuneration level shall support the recruitment and retention of excellent individuals who will contribute to the realization of the Company's mission and medium-to-long-term vision.
- The remuneration system shall focus on sustainable corporate value enhancement  
Remuneration should incentivize Directors to promote sustainable and continuous improvement of the Company's corporate value and shareholder value.
- The remuneration system shall be fair and equitable  
The remuneration structure shall be highly transparent, fair, and reasonable enough to fulfill accountability to shareholders and other stakeholders.

### Remuneration structure for executives

- Base remuneration  
The objective is to incentivize the execution of duties based on position, responsibilities, and roles.
- Short-term incentive  
The objective is to accumulate results in order to achieve performance targets for each fiscal year.
- Long-term incentive  
The objective is to encourage management practices that enhance corporate value and shareholder value over the medium to long term.

Type of remuneration	Salary method, Fixed/Variable	Performance-linked indicator	Details of remuneration	Composition ratio (%)	Directors (excluding Outside Directors)	Outside Directors
Base remuneration	Cash, Fixed	—	<ul style="list-style-type: none"> <li>Fixed remuneration designed to incentivize the execution of duties based on position, responsibilities, and roles.</li> <li>Determined by a basic table prepared based on fixed remuneration for each position, including representation authority.</li> </ul>	35-40	◎	◎
Short-term incentive	Cash, Variable	Consolidated profit before tax	<ul style="list-style-type: none"> <li>Performance-linked remuneration designed to accumulate results in order to achieve performance targets for each fiscal year.</li> <li>Indicators shall be "consolidated profit before tax," "consolidated profit before tax excluding spot profit/loss," and "individual performance (company-wide targets for Representative Directors, and performance targets for Directors in their respective businesses and divisions)."</li> <li>The coefficient set for each of the above indicators is multiplied by the base remuneration and determined within the range of 0 to 103.5% of the base remuneration, depending on the degree of achievement, etc. for each fiscal year.</li> </ul>	35-45	◎	—
Long-term incentive	Share, Variable	—	<ul style="list-style-type: none"> <li>Share remuneration designed to encourage management practices that enhance corporate value and shareholder value over the medium to long term.</li> </ul>	20-30	◎	—

### Skills and experience specifically expected of Directors and Audit & Supervisory Board Members of the Company

Management planning	Solid knowledge, management experience, and management achievements in all aspects of corporate management are required to execute sustainable growth strategies and increase corporate value over the medium to long term	Internal control and governance	Solid knowledge and experience in internal control and corporate governance are required to establish and improve a system that appropriately incorporates management supervision and control functions, ensuring appropriate and efficient business execution
Industry familiarity	Solid knowledge and experience in each business are required to recognize industry transitions, forecast trends, and develop strategies that respond to a rapidly changing industry	IT and DX	Knowledge to supervise and promote the planning, operation, and management of systems, as well as effective digital strategies, is required to enhance operational efficiency and innovation
Sales and marketing	Expertise in supervising and promoting effective strategies is required to provide automobile-related services that meet the needs of the market, automobile providers, and consumers	Sustainability	Extensive knowledge and experience in sustainability are required to understand the impact of social issues and social demands, grasp the essentials of corporate activities related to sustainability, and contribute to the Company's mission of "constructing a prosperous society"
Global	For long-term corporate value enhancement, overseas business expansion is necessary. Global insight, primarily through overseas management experience, extensive knowledge, and an understanding of different cultures and geopolitics, is required	Human resources, organizational development, D&I promotion	Extensive knowledge and experience in human resources and organization are required to promote human resources development and deepen diversity and inclusion, fostering a corporate culture that embodies the human resources strategy, organizational diversity, and the Company's code of conduct values
Finance and accounting	Solid knowledge and experience in finance and accounting are required for accurate financial reporting, building a firm financial foundation, and formulating financial strategies for achieving the promotion of investment in growth to sustainably increase corporate value and the enhancement of shareholder returns	M&A	Skills and experience to supervise the execution status related to the formulation of strategies, integration work, and other aspects for M&A and alliances are required to provide comprehensive services in the automobile sector, create new businesses, and realize long-term value creation
Legal and compliance	Solid knowledge and experience in legal and compliance affairs are required to supervise and promote appropriate strategies for achieving sustainable increase in corporate value through legal compliance and risk management		



# Corporate Governance

For the brief career history of Directors and Audit & Supervisory Board Members, please refer to the following website.



## Directors and Audit & Supervisory Board Members (As of October, 1, 2024)

<https://www.premium-group.co.jp/executive/pg/> (in Japanese)

Name	Position and responsibilities, Positions held concurrently	Reason for appointment	Outside	Skills (Skill matrix)														
				Corporate Management	Industry Familiarity			Sales and Marketing	Global	Finance and Accounting	Legal and Compliance	Internal Control and Governance	IT and DX	Sustainability	Human Resources, Organization Development and D&I Promotion	M&A	Major Qualifications, etc.	
					Finance	Overall Warranty	Mobility											
	<p>President and Representative Director, Representative Executive Officer, Group CEO and COO, and General Manager of Group Management Strategy Division</p> <ul style="list-style-type: none"> <li>President and Representative Director of Premium Mobility Service Co., Ltd.</li> </ul>	<p>We appointed Mr. Yohichi Shibata as a Director because we believe that we can expect that he will play an adequate role in determining important management matters of the Company and supervising the execution of business as the President and Representative Director because he is the founder of the Company group, possesses extensive experience and valuable knowledge as a business manager, leads the businesses and management of the Group overall, and contributes to further development of the Group through various measures in the medium-term management plan. In addition, he takes the initiative to strengthen the governance system by increasing the number of Outside Directors and introducing the Restricted Share Remuneration Plan.</p>		○	○	○	○	○	○									
	<p>Director, Managing Executive Officer, Group CFO, and General Manager of Group Management Administration Division</p> <ul style="list-style-type: none"> <li>Director of Premium Warranty Services Co., Ltd.</li> </ul>	<p>We appointed Mr. Tomohiro Kanazawa as a Director because we believe that we can expect that he will play an adequate role in determining important management matters of the Company and supervising the execution of business as a Director because he possesses extensive experience and valuable knowledge of the sales management departments (finance and accounting, financing, M&amp;A, new businesses) and corporate management departments (legal affairs, compliance, etc.).</p>																
	<p>Director, Managing Executive Officer, Group CDO and CIO, and General Manager of DX Promotion Division</p> <ul style="list-style-type: none"> <li>Representative Director of Premium Co., Ltd.</li> </ul>	<p>We appointed Mr. Toru Onuki as a Director because we believe that we can expect that he will play an adequate role in determining important management matters of the Company and supervising the execution of business as a Director because he possesses extensive experience and valuable knowledge as a business operator that he has gained in the corporate management departments (legal affairs, compliance, personnel, system, etc.), planning departments (management strategy, sales planning, etc.), finance business (credit, debt collection, etc.), and overall warranty business.</p>		○	○	○												
	<p>Outside Director</p> <ul style="list-style-type: none"> <li>Director of Synchro Food Co., Ltd.</li> </ul>	<p>We appointed Mr. Tsuguhiro Nakagawa as an Outside Director because we believe that we can expect that he will play an adequate role in determining important management matters of the Company and supervising the execution of business as an Outside Director because he possesses extensive experience and valuable knowledge as a result of being involved in business and management through many years' experience at Recruit Group. In addition, we expect that he will be involved in the selection of candidates for officers of the Company and decisions on officers' remuneration, etc. from an objective and neutral standpoint as a member of the Nomination and Compensation Committee.</p>	●	○	○	○	○	○										
	<p>Outside Director</p> <ul style="list-style-type: none"> <li>Partner of Chuo Sogo Law Office, P.C.</li> <li>Non-Executive Director of Regional Economy Vitalization Corporation of Japan</li> <li>Outside Director of WealthPark Co., Ltd.</li> </ul>	<p>Although Ms. Yuka Horikoshi has no previous experience of involvement in corporate management other than as an outside officer, we appointed her as an Outside Director because we believe that we can expect that she will play an adequate role in determining important management matters of the Company and supervising the execution of business as an Outside Director because she possesses extensive experience and professional knowledge relating to legal affairs that she has cultivated through her duties as an attorney. In addition, we expect that she will be involved in the selection of candidates for officers of the Company and decisions on officers' remuneration, etc. from an objective and neutral standpoint as a member of the Nomination and Compensation Committee.</p>	●		○													Attorney at Law
	<p>Outside Director</p> <ul style="list-style-type: none"> <li>Director of IHI Corporation, Assistant Manager of Corporate Planning Division</li> </ul>	<p>Although Ms. Hiromi Oshima has no previous experience of involvement in corporate management other than as an outside officer, we appointed her as an Outside Director because we believe that we can expect that she will play an adequate role in determining important management matters of the Company and supervising the execution of business as an Outside Director because she possesses professional knowledge relating to finance that she has cultivated through her duties as a certified public accountant and her insight relating to public relations, IR, M&amp;A, new business development and more, acquired at Panasonic Group.</p>	●						○	○								Certified Public Accountant (CPA)
	<p>Full-time Audit &amp; Supervisory Board Member</p>	<p>Mr. Toshihiro Kametsu possesses extensive experience and valuable knowledge of finance and accounting and overall finance business, and has played his role from an independent standpoint in auditing the management, in relation to the execution of duties of the Directors. The Company therefore judged that he is well-qualified to help the Company further strengthen the management system and enhance compliance and corporate governance, and appointed him as a Full-time Audit &amp; Supervisory Board Member of the Company.</p>																
	<p>Outside Audit &amp; Supervisory Board Member</p> <ul style="list-style-type: none"> <li>Director of Setsuo Higuchi Certified Public Accountant Office</li> <li>Outside Audit &amp; Supervisory Board Member of SOCIALWIRE CO., LTD.</li> <li>Outside Audit &amp; Supervisory Board Member of Land Business Co., LTD.</li> </ul>	<p>We appointed Mr. Setsuo Higuchi as an Outside Audit &amp; Supervisory Board Member of the Company because we believe that we can expect that he will play an adequate role as an Outside Audit &amp; Supervisory Board Member in auditing the execution of duties of the Directors because he possesses extensive experience and professional knowledge relating to finance, accounting and internal control that he has cultivated through his duties as a certified public accountant.</p>	●															Certified Public Accountant (CPA)
	<p>Outside Audit &amp; Supervisory Board Member</p> <ul style="list-style-type: none"> <li>Outside Director, Member of the Audit Committee of Wintest Corporation</li> </ul>	<p>We appointed Mr. Toshikazu Moriwaki as an Outside Audit &amp; Supervisory Board Member of the Company because we believe that we can expect that he will play an adequate role as an Outside Audit &amp; Supervisory Board Member in auditing the execution of duties of the Directors because he possesses extensive experience and valuable knowledge that he has cultivated through his many years of engagement in finance business at financial institutions as well as his broad insight as a business manager.</p>	●	○	○													

# Outside Director Roundtable Discussion



**Hiromi Oshima**  
Outside Director

**Tsuguhiro Nakagawa**  
Outside Director

**Yuka Horikoshi**  
Outside Director

Entering the second year of the Medium-Term Management Plan, toward establishing the Car Premium business model

## —Review of the Car Premium strategy in the first year of the Mid-Term Management Plan—

**Nakagawa:** In the first year, we achieved results exceeding the initial plan. Progress against the targets of the Medium-Term Management Plan is also reviewed monthly by the Board of Directors, and I believe that a timely monitoring system is in place. Of course issues arise during the course of the business, but I am confident that they have been addressed promptly. Especially regarding the Car Premium strategy, the move was remarkable. When issues occurred at a major used car dealer last year, initiatives focused on peace of mind and safety were swiftly launched, which demonstrated the Group's commitment to fulfill its responsibilities as a corporation. I believe that our consistent approach of monitoring the numbers, identifying problems, and responding quickly will lead to success.

**Horikoshi:** Like Mr. Nakagawa, I also appreciate the progress of the Car Premium strategy. Key efforts to ensure the success of the strategy include the development of KPIs and decision criteria from a new perspective following the addition of new executive

officers, as well as strengthening the understanding of the causes and countermeasures for the withdrawal of Car Premium Club members.

The launch of the Anshin Shop system was also a very important point for the Car Premium strategy. I think the recent increase in consumer awareness of used cars and related services will have a significant impact on the Group's business. Through the Anshin Shop system, I believe we can enhance the competitive advantage of small and medium-sized automobile dealers by establishing a system that allows end-users to purchase used cars with peace of mind.

**Oshima:** As you both mentioned, the Car Premium strategy has had a very strong start. I deeply appreciate the Company's dedication and efforts toward this strategy. It is a very important initiative for small and medium-sized automobile dealers to strengthen their competitive advantage, and I look forward to seeing how it develops in the future.

## —Industry challenges and strengthening efforts for peace of mind and safety—

**Nakagawa:** Looking back at the various issues that have occurred in the past, not only in the mobility industry, it is undeniable that there have been challenges with the practices of each industry. I believe that the "support of small and medium-sized automobile dealers" through the Car Premium strategy has ultimately contributed to the health of the industry and placed the Group in a strong position. Moving forward, I think the key will be to continue providing reliable services, including the Anshin Shop

system.

**Horikoshi:** Initially, I don't think the issue of a major used car dealer was fully recognized as a serious problem, but it eventually led to severe consequences, including management reform and administrative penalties. Within the Group, the situation was shared at each stage, including decisions on transaction policies across various businesses, followed by explanations and discussions about the subsequent response policy. I was satisfied



## Outside Director Roundtable Discussion

with this approach, particularly from the standpoints of transparency and governance.



I expect that the fiscal year ending March 2025 will create a more favorable environment for network stores, end-users, and the Group. It is important that we continue working through the Medium-Term Management Plan to optimize the industry and provide leadership for the co-existence and co-prosperity of automobile providers and the Group.  
**Oshima:** I feel that the industry as a whole has had a year of great change and, in a sense, adversity. The Group should have a high level of compliance awareness, setting an example for the industry, and continue to be a company that customers can confidently do business with. As a member of the Board of Directors, I will continue to oversee this effort.

### — Risk management —

**Nakagawa:** The ongoing replacement of the core system for the finance business is a very important initiative for a company that handles financial products, but it carries a great risk if IT skills and knowledge are insufficient. I am reassured that the proceeding with the utmost care to ensure that neither dealers nor end-users are affected.

**Horikoshi:** Yes, exactly. Prioritizing speed when

something goes wrong can introduce serious long-term risks. The Group is proceeding with the project based on a solid risk management plan, and I appreciate that as well.

**Oshima:** I think that the Group, led by the President, has a strong compliance focus and an exceptionally robust risk management system.

### — Established the human rights policy in April 2024 —

**Horikoshi:** The Group's management philosophy includes the point of "fostering employees who are broadminded" and is based on the premise of valuing people, and I believe that this awareness is at the

central to respecting human rights. Although the human rights policy was established in April 2024, I think it is important to start from the ground up with concrete initiatives, such as reviewing, for example,

whether our contracts with business partners encourage them to respect human rights. I believe that corporate attitudes and policies toward human rights will become increasingly important in the used car industry.  
 With the SDGs and ESG now serving as key criteria for evaluating companies, there is growing pressure on businesses to fulfill their social responsibilities beyond pursuing short-term profits. For the Group, I believe that while our business and company scale are rapidly expanding, at the same time, making contributions to society will lead to long-term improvements in corporate value in terms of earning the trust of stakeholders, particularly end-users.

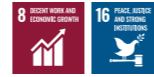


### — IR initiatives, toward enhanced disclosure of information —



**Oshima:** In the current situation, Japanese companies are attracting more attention in the global capital markets than in recent years. For example, the growing interest in ESG investing has led to an increased focus on companies that are achieving sustainable growth. I am confident that the Group will also be able to dramatically increase its corporate value and achieve further growth by welcoming a blue-chip global fund as a shareholder. I believe it is important to effectively communicate to domestic and foreign investors and capital markets the high competitive advantage as an independent company, its achievement of sustainable growth, and its highly transparent governance structure.





# Risk Management

## Regulations and other systems for managing the risk of loss of the Group

- a. The Board of Directors, through the "Risk Management Committee," etc., will receive reports on the Group's risk management on a regular basis and manage risks appropriately.  
 Chairman: Tomohiro Kanazawa,  
 Committee member: Toru Onuki, Hiroomi Yamamura, Fumiya Nakamura, Yoshiyuki Tsuchiya, Kunio Saito, Masayuki Takayama, Masahiro Matsuoka, Kumi Kondo
- b. To identify the risks that may prevent the Group from achieving its management objectives, and to adequately assess and manage those risks, we appoint a Risk Management Officer and establish a Risk Management Committee by a resolution of the Board of Directors, and work actively to mitigate risks and prevent the risk of losses under the "Risk Management Regulations."
- c. If the risks mentioned in the previous paragraph become apparent, the Corporate Management Department determines the policy for a crisis response, investigates the facts, deals with the crisis, and formulates and implements measures to prevent its recurrence, based on the "Regulations for dealing with sudden crises." In addition, if a particularly serious risk becomes apparent, Representative Directors establish a taskforce, and a system is established to promptly deal with the risk by obtaining advice from outside experts including attorneys at law, and to minimize the deterioration of the situation and the expansion of losses.

## Business risks

	Details of risks	Countermeasures
1. Risks associated with the economic environment	<ul style="list-style-type: none"> <li>Changes in the economic environment and tax reforms, deterioration of the employment situation</li> <li>Suppression of consumption due to high commodity prices</li> </ul>	<ul style="list-style-type: none"> <li>Formulate and implement strategies that align with the economic environment</li> <li>Enclosure at the time of replacement of daily necessities by building a used car domain economic zone</li> </ul>
2. Risk of large-scale natural disasters	<ul style="list-style-type: none"> <li>Large-scale natural disasters</li> </ul>	<ul style="list-style-type: none"> <li>Formulate regulations related to the business continuity system and the business continuity plan (BCP), and carry out education and training</li> </ul>
3. System risk	<ul style="list-style-type: none"> <li>Cyberattacks, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Strengthen system security and maintain stable operations</li> <li>Promote system redundancy, duplication of data centers, and the use of multiple telecommunication network carriers</li> </ul>
4. Regulatory risk	<ul style="list-style-type: none"> <li>Changes in laws, regulations, policies, and current practices, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Business operator registration and renewal of registration in accordance with various laws and regulations</li> <li>Closely monitor changes to laws and regulations with partner attorneys at law</li> </ul>
5. Funding risk	<ul style="list-style-type: none"> <li>Difficulty in continuing fund procurement due to poor business performance</li> <li>Deterioration in creditworthiness and confusion in the financial markets</li> <li>Fluctuations in borrowing rates</li> </ul>	<ul style="list-style-type: none"> <li>Strive to improve our business performance</li> <li>Strengthen governance by regularly evaluating and analyzing the effectiveness of the Board of Directors' composition, which comprises half Outside Directors and one-third female Directors, as well as the Board as a whole.</li> <li>Appropriate financial management and establishment of a strong financial structure</li> </ul>
6. Risk of interest rate fluctuations	<ul style="list-style-type: none"> <li>Possibility of interest rate fluctuations affecting a portion of the funding</li> </ul>	<ul style="list-style-type: none"> <li>Adjust the weightings of borrowings with fixed and variable interest rates</li> <li>Align financing with borrowing costs and pass costs through to the interest rates used in the Group's services in order to secure a certain margin of profit</li> </ul>
7. Compliance risk	<ul style="list-style-type: none"> <li>Serious scandals caused by compliance violations, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Establish the Compliance Regulations and a compliance promotion system</li> <li>Carry out various types of training based on the Code of Conduct</li> </ul>
8. Personal information risk	<ul style="list-style-type: none"> <li>Occurrence of a leakage, loss, or unauthorized use of personal information</li> </ul>	<ul style="list-style-type: none"> <li>Acquire the Privacy Mark certification</li> <li>Establish a policy for protecting personal information (Privacy Policy), and set up a system to prevent accidents</li> <li>Strengthen network security, confirm and assess subcontractors that handle personal information, carry out employee education, and conduct audits by employees of the Company who have been certified as Privacy Mark internal auditors</li> </ul>
9. Human resources risks	<ul style="list-style-type: none"> <li>Inability to recruit, retain, and educate competent human resources</li> </ul>	<ul style="list-style-type: none"> <li>Continuously improve the labor environment</li> </ul>
10. Risk of intensified market competition	<ul style="list-style-type: none"> <li>Competition intensifies, and profitability and market share diminish due to a decrease in the number of used cars sold</li> <li>Weakening of SMEs due to the rise of large used car dealers and manufacturer-affiliated maintenance facilities</li> </ul>	<ul style="list-style-type: none"> <li>Closely monitor the market environment, capture the developments of competitors, and formulate and implement appropriate strategies</li> <li>Building competitive advantage and differentiation from competitors</li> <li>Understanding of needs and issues of business operators through operation of own maintenance facilities, product planning and support</li> </ul>
11. Reputation risk	<ul style="list-style-type: none"> <li>Damage to the reputation, and loss of credibility of the Company due to various reasons such as law violations, fraud by employees, system malfunctions, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Undertake various types of training and system management to prevent law violations, fraud by employees, system malfunctions, etc., before they materialize</li> <li>Proactively provide fair, accurate, timely, and straightforward information to ensure appropriate disclosure and transparency</li> </ul>
12. Risks associated with goodwill and intangible assets	<ul style="list-style-type: none"> <li>Reporting of impairment losses</li> </ul>	<ul style="list-style-type: none"> <li>As a non-depreciable asset, there will be no regular depreciation each term</li> </ul>
13. Credit risk	<ul style="list-style-type: none"> <li>Economic trends and increase in individual bankruptcy petitions</li> <li>Incurring bad-debt loss that exceeds the limit of insurance payout</li> </ul>	<ul style="list-style-type: none"> <li>Appropriate credit management</li> </ul>
14. Risks associated with credit and insurance contracts	<ul style="list-style-type: none"> <li>Increase in insurance premiums due to an increase in bad-debt loss, and inability to continue insurance contracts due to revision of the Insurance Business Act, changes in the stance of non-life insurance companies, and other factors</li> </ul>	<ul style="list-style-type: none"> <li>Prevent the occurrence of bad-debt loss through DX measures and cooperation between Group companies</li> <li>Signed contracts with multiple non-life insurance companies</li> </ul>
15. Risks associated with repair costs	<ul style="list-style-type: none"> <li>Increases in repair costs</li> </ul>	<ul style="list-style-type: none"> <li>Appropriate product setup by utilizing big data</li> <li>Carry out original cost reduction measures</li> </ul>
16. Risks associated with new businesses	<ul style="list-style-type: none"> <li>Cases in which new businesses cannot realize business plans, and sufficient profit cannot be reported in the future</li> </ul>	<ul style="list-style-type: none"> <li>Set appropriate KPIs in line with the business plan, and prepare a road map</li> </ul>
17. Risks associated with overseas businesses	<ul style="list-style-type: none"> <li>Changes to the tax system and establishment, revision, or repeal of laws and regulations, such as restrictions on foreign capital</li> <li>Occurrence of economic or political incidents and social turmoil caused by terrorism, disputes, pandemics, etc.</li> <li>Drastic changes in the labor environment</li> </ul>	<ul style="list-style-type: none"> <li>Understand the local situation through close communication between local representatives and the headquarters department</li> <li>Business development that prioritizes the safety of local employees</li> </ul>

# Compliance



## Regarding compliance

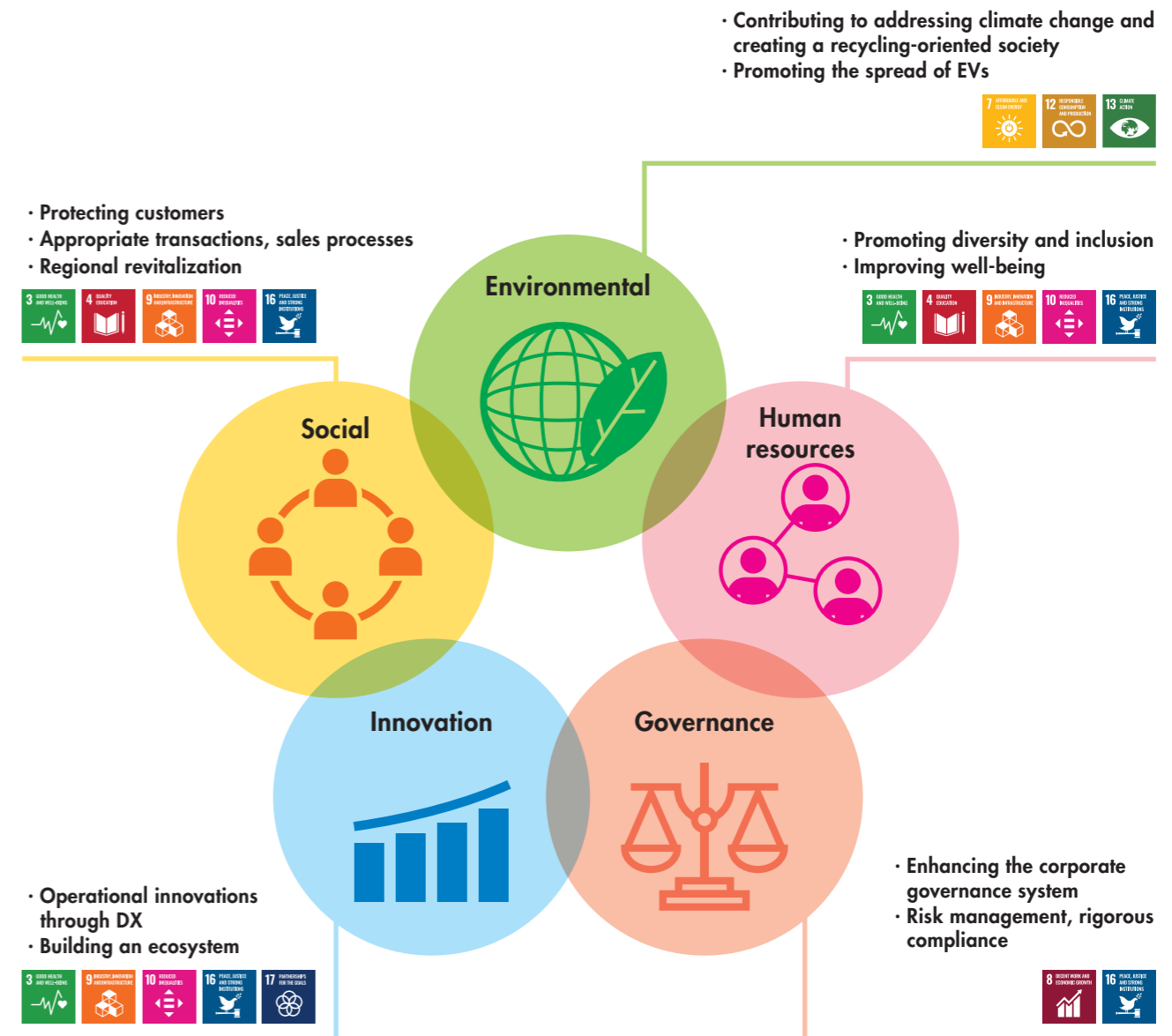
The Group considers compliance as an important management issue, and has established the Compliance Regulations and built a system for promoting compliance, while conducting various training programs to encourage voluntary actions based on the Code of Conduct, and making efforts to improve corporate ethics and strengthen compliance with laws and regulations.  
 In the fiscal year ended March 31, 2024, the tax policy was established, and anti-corruption initiatives were disclosed to further strengthen compliance.

Various training Compliance training / Insider trading prevention training / Personal information protection training

## Eliminating relationships with antisocial forces

In order to prevent damage from antisocial forces, we have declared our policy concerning elimination of antisocial forces both internally and externally, established an in-house system for actualizing that basic policy (designating a department for managing the response to antisocial forces, and managing and accumulating information on antisocial forces in a unified manner), and report the results to the management. Furthermore, we cooperate with the National Center for Removal of Criminal Organizations, an external professional organization, and other organizations.

# Building a Strong Foundation Toward Sustainable Growth

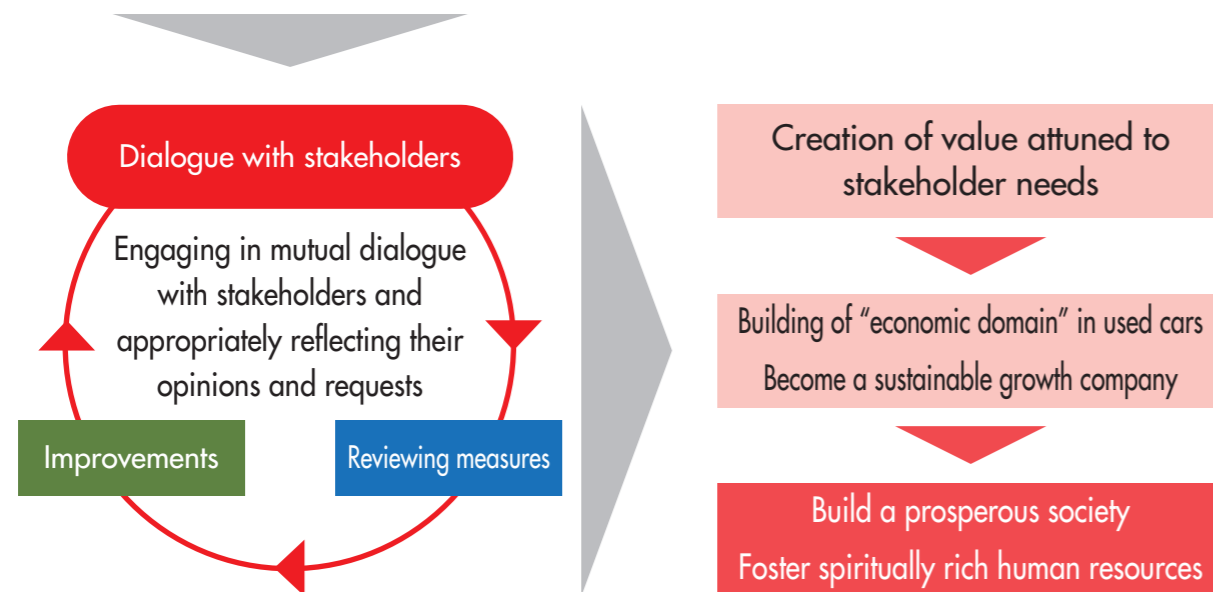


# Stakeholder Communication

## Basic approach to stakeholder communication

In order to achieve Premium Group's missions, it is essential that we build good relationships with stakeholders, including shareholders, customers, business partners, employees, and society, and it is indispensable to earn their trust. To that end, we recognize that the enhancement of corporate governance is one of our most important management issues, and strive for corporate management that ensures transparency and soundness, while doing our utmost to ensure the continuous growth and improvement of the profitability of the Group.

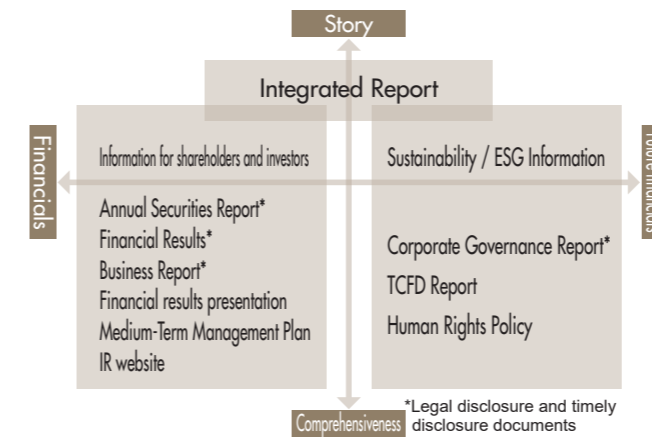
Stakeholders	Main responsibilities and issues	Main communication opportunities	Frequency
<b>Customers</b> 	<ul style="list-style-type: none"> <li>Providing a safe, convenient, and affluent car life</li> </ul>	<ul style="list-style-type: none"> <li>Providing information about automobiles on the Company's website for end-users</li> </ul>	As needed
	<ul style="list-style-type: none"> <li>Improvement of economic environment and financial literacy</li> </ul>	<ul style="list-style-type: none"> <li>Speaker at events for young adults</li> </ul>	As needed
	<ul style="list-style-type: none"> <li>Appropriate disclosure of the Company's information</li> </ul>	<ul style="list-style-type: none"> <li>Inquiry form</li> </ul>	Daily
<b>Network stores</b> 	<ul style="list-style-type: none"> <li>Improvement of management efficiency and IT literacy</li> </ul>	<ul style="list-style-type: none"> <li>Supporting through regular visits or telephone calls by the Group's sales staff</li> </ul>	Daily
	<ul style="list-style-type: none"> <li>Mutual development among automobile providers</li> </ul>	<ul style="list-style-type: none"> <li>Development of new products to meet the needs of network stores</li> <li>Establishment of support desk</li> </ul>	As needed
<b>Employees</b> 	<ul style="list-style-type: none"> <li>Improvement of employee motivation and job satisfaction</li> </ul>	<ul style="list-style-type: none"> <li>Conducting dialogue with management and employee surveys</li> <li>Improving the internal environment and welfare benefits</li> </ul>	As needed
	<ul style="list-style-type: none"> <li>Human resources development for improving individual capabilities</li> </ul>	<ul style="list-style-type: none"> <li>Regular training tailored to rank</li> </ul>	As needed
<b>Shareholders</b> 	<ul style="list-style-type: none"> <li>Provision of equal information</li> </ul>	<ul style="list-style-type: none"> <li>Holding Company briefing sessions and investor meetings</li> <li>Swiftly disclosing information via website and social media</li> <li>Proactively disclosing materials in English</li> </ul>	As needed
	<ul style="list-style-type: none"> <li>Returning profits</li> </ul>	<ul style="list-style-type: none"> <li>Increasing dividends due to revenue and profit growth</li> <li>Acquiring treasury shares</li> </ul>	As needed
	<ul style="list-style-type: none"> <li>Enhancement of corporate value and share price</li> </ul>	<ul style="list-style-type: none"> <li>Providing appropriate opportunities for information disclosure (at briefings, on the Company's IR page, participation in events, etc.)</li> </ul>	As needed
<b>Society</b> 	<ul style="list-style-type: none"> <li>Formation of a recycling-oriented society (Reduction of energy consumption and GHG emissions)</li> </ul>	<ul style="list-style-type: none"> <li>Participating in seminars and symposiums</li> <li>Engaging with the community</li> <li>Participating in volunteer work</li> </ul>	As needed
	<ul style="list-style-type: none"> <li>Initiatives for other societal demands</li> </ul>	<ul style="list-style-type: none"> <li>Enhancing human capital and strengthening governance structure</li> </ul>	As needed



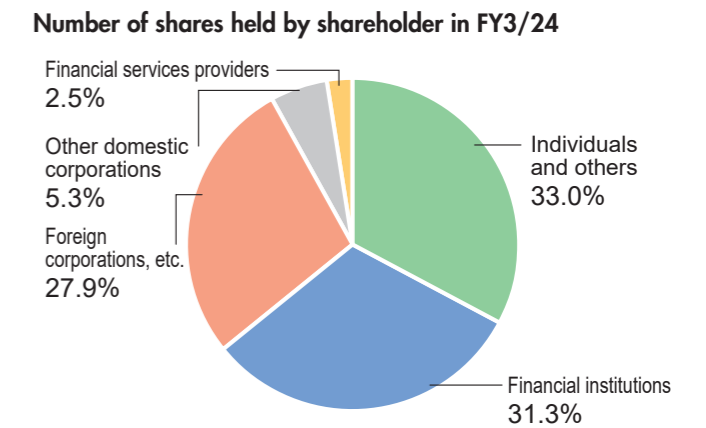
## Premium Group information disclosure

We believe cooperation with our stakeholders is indispensable to achieving sustainable growth and enhancement in our corporate value over the medium- to long-term. Accordingly, our basic policy is to actively provide information about the Group's businesses and finances, as well as future growth potential and management policies, in a manner that is fair, accurate, timely, and easy to understand. In order to provide timely and appropriate information, we make use of both online and offline channels. The valuable feedback we receive from stakeholders is also reported to the management team.

### «Information disclosure framework»



### «Shareholder composition»



### «Major IR activities for the fiscal year ended March 31, 2024»

Publication	April	May	June	July	August	September	October	November	December	January	February	March
Annual Securities Report												
Medium-Term Management Plan "ONE&ONLY 2026"		May 2023										
TCFD Report				Mid-June 2023								
Integrated Report						September 2023						
"Maternity and paternity leave and childcare leave guidebook" for internal use								November 2023				
Briefing for individual investors					August 2023					December 2023		March 2024
Shonan investment study meeting											February 2024	
Kobe investment study meeting, Events IR seminar												
Kabu Berry												

Shareholders	Conducted Ordinary General Meeting of Shareholders (hybrid format), Distributed financial results briefing videos
Institutional investors and analysts	Conducted quarterly individual interviews and small meetings, conducted overseas roadshows, participated in conferences hosted by securities companies
Individual investors	Conducted periodic briefings for individual investors



### Message from Management Information & Investor Relations Department



Thank you for reading our "Integrated Report 2024." We publish the Integrated Report to help stakeholders understand the Group's vision for sustainable value creation from both financial and non-financial perspectives. We are pleased to share that the "Integrated Report 2023" was selected as "one of the most-improved integrated report" by the GPIF's asset managers for Japanese equities, recognizing our proactive IR efforts. Going forward, we will continue to prioritize opportunities for dialogue with all stakeholders, strive for clear and appropriate information disclosure, and earnestly carry out IR activities that contribute to enhancing our corporate value. If you have any comments or inquiries, please contact us using the form below.

Scan here for IR inquiry form  
\*in Japanese

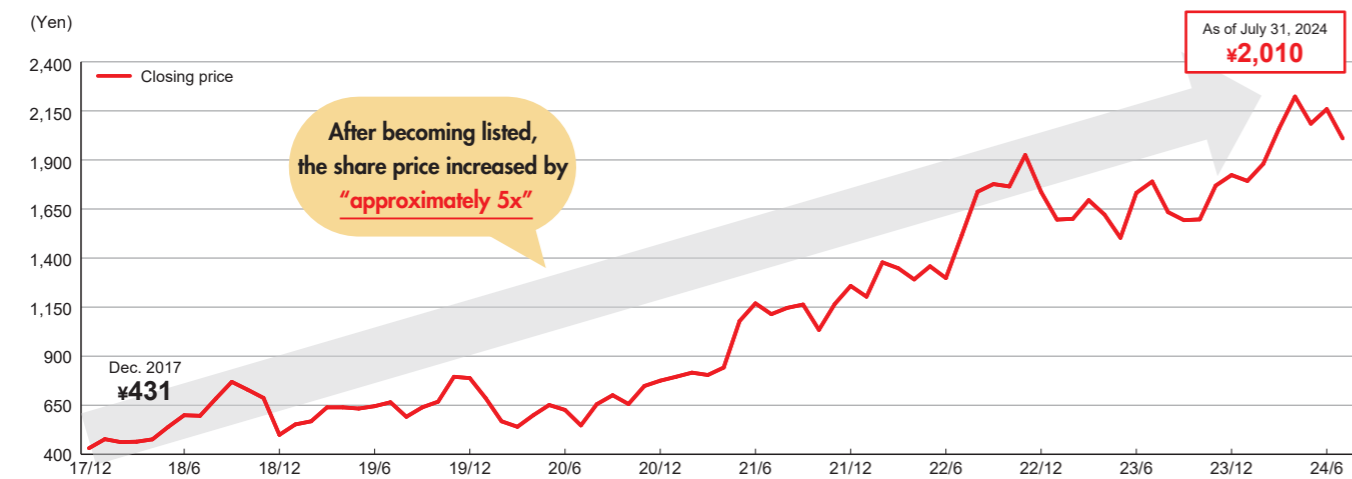


# Key Financial and Non-financial Data

	FY 3/20	FY 3/21	FY 3/22	FY 3/23	FY 3/24
<b>Consolidated Financial Results (Millions of yen)</b>					
Operating revenue	14,043	17,906	20,888	25,465	31,546
Operating profit	1,501	2,847	3,864	4,245	6,195
Profit before tax	2,604	3,463	4,017	5,344	6,241
Profit	1,452	2,393	2,964	4,003	4,617
Profit attributable to owners of parent	1,466	2,383	2,941	3,994	4,608
Comprehensive income attributable to owners of parent	1,395	2,437	2,988	4,079	4,734
Basic earnings per share (Yen)	37.44	62.25	76.46	103.17	119.39
Total assets	58,203	68,156	81,800	101,431	125,274
Total equity	5,312	7,291	9,814	13,353	15,351
Cash flow from operating activities	(1,246)	1,321	1,608	(449)	2,489
Cash flow from investing activities	(1,618)	(1,172)	(1,028)	(2,320)	(3,093)
Cash flow from financing activities	2,967	1,617	2,797	6,181	6,892
ROE (%)	27.4	38.3	34.8	34.8	32.2
ROA (%)	5.1	5.5	5.4	5.8	5.5
Equity capital ratio (%)	9.01	10.58	11.87	13.13	12.22
Annual dividend (Yen)*1	14.7	15.3	17.0	21.0	28.0
<b>KPI</b>					
Total volume of new loans (Billions of yen)	177.4	166.4	202.3	243.8	303.8
Loan receivables (Billions of yen)	321.3	361.4	422.3	507.8	632.6
Delinquency rate (%)	0.86	0.91	0.78	0.81	0.99
Total volume of new warranties (Billions of yen)	4.36	4.49	5.15	5.76	6.88
Car Premium Dealer memberships (Company)	—	370	1,525	2,581	2,660
Car Premium Garage memberships (Store)	—	—	251	370	710
<b>Non-financial</b>					
Number of employees (Person)	482	593	644	665	703
Percentage of female managers (%)*2	12.2	13.7	17.6	19.1	20.4
Average age (Years old)	36.4	35.1	36.9	37.5	36.4
Average years of service (Years)	5.8	6.2	6.2	6.9	7.2

\*1 The dividend amounts up to the fiscal year ended March 31, 2022, have been retroactively adjusted to reflect the three-for-one stock split conducted on September 1, 2022.  
 \*2 The Company and core subsidiaries.  
 \*3 Partial retroactive adjustments have been made due to changes in accounting policies.


## Stock price trend



\*Past share prices were taken into consideration for the stock split.

# Company Profile

As of June 30, 2024

<b>Company name</b>	Premium Group Kabushiki Kaisha	<b>Listed stock exchange</b>	Prime Market of Tokyo Stock Exchange
<b>Company name in English</b>	Premium Group Co., Ltd.	<b>Main bank</b>	Aozora Bank, Ltd.
<b>Head office</b>	19th Floor, The Okura Prestige Tower, 2-10-4, Toranomon, Minato-ku, Tokyo 105-0001	<b>Administrator of shareholder registry</b>	Sumitomo Mitsui Trust Bank, Limited
<b>Established</b>	July 2007	<b>Accounting auditor</b>	PricewaterhouseCoopers Japan LLC
<b>Capital and capital reserve</b>	1,680 million yen	<b>Go! Premium Group's IR website</b> URL: <a href="https://ir.premium-group.co.jp/en/index.html">https://ir.premium-group.co.jp/en/index.html</a>	
<b>Number of employees</b>	703 (consolidated basis)		

## Stock Information \*As of March 31, 2024

Number of authorized shares	144,000,000 shares
Number of issued shares	40,470,570 shares
Number of shareholders	5,164

## Major shareholders (Top 10)

Name of shareholder	Shares held (share)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	5,390,600	14.23
Custody Bank of Japan, Ltd. (Trust Account)	5,079,900	13.41
SSBTC CLIENT OMNIBUS ACCOUNT	2,951,550	7.79
GOVERNMENT OF NORWAY	1,807,300	4.77
Recruit Co., Ltd.	1,800,000	4.75
Yohichi Shibata	798,148	2.11
Aozora Bank, Ltd.	775,800	2.05
Sompo Japan Insurance Inc.	775,800	2.05
MSIP CLIENT SECURITIES	666,900	1.76
BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC)	647,917	1.71

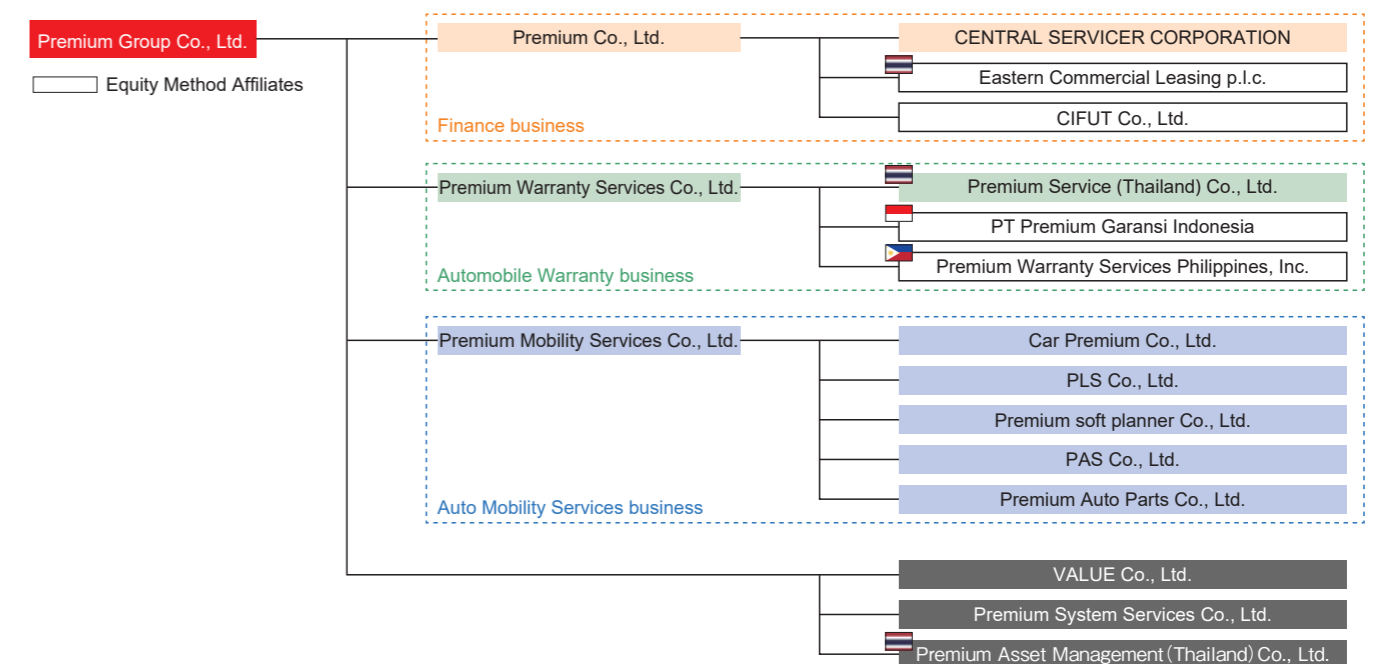
## Classification of shareholders

Classification	Number of shares held (shares)	Percentage of shares held (%)
Individuals and others	133,382	33.0
Financial institutions	126,590	31.3
Financial services providers	10,215	2.5
Other domestic corporations	21,382	5.3
Foreign corporations, etc.	113,022	27.9

\* The number of shares held under own name, excluding fractional shares, is included in "Individuals and others."

\* Treasury shares (2,584,309 shares) are not included in the above.  
 \* The shareholding ratio is calculated by excluding treasury shares.  
 \* The shareholding ratio is rounded to the second decimal place.

## Group Companies \*As of June 30, 2024







## Premium Group Co., Ltd

19th Floor, The Okura Prestige Tower,  
2-10-4, Toranomon, Minato-ku, Tokyo 105-0001  
<https://www.premium-group.co.jp/en/>