Integrated Report

Year ended March 31, 2025

Exciting Discovery

Corporate Philosophy

Achieving Long-Lasting Customer Satisfaction Through Outstanding Products and Reliable Service

Outstanding Products with High Utility

We do not simply sell products.
Through the sales of products,
we provide our customers
with value and satisfaction
in addition to pleasure, richness,
and convenience.

Reliable Service

We provide all possible service
to ensure that our customers can use
their purchases in optimal condition
over a long period of time.

In One Network

Corporate Message

Reassuring Feelings and Lasting Satisfaction

We strive to be a company that continually endeavors
to support richness and abundance in our customers’ lives.
We have a large selection of attractive products that provide utility
for our customers. We value taking responsibility for helping customers
continue to use the products they have purchased from us
in the best possible condition over a long period of time.

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Editorial Policy

The EDION Group issues integrated reports to ensure that all of our stakeholders understand our strategies for increasing our long-term corporate value as well as our efforts related to sustainability issues. The FY2025 edition of this report is centered on messages from the CEO and COO and enhances the information about our M&A strategies, revision of our high priority issues, transition to a company with an Audit & Supervisory Committee, and other matters. We hope that this information will enable you to deepen your understanding of the growth story which is the aim of the EDION Group.

Target Period

April 1, 2024, to March 31, 2025

* Some information from outside of the target period is included.

Target Organizations

This report covers 15 companies: specifically EDION Corporation and its consolidated subsidiaries.

In this report, “EDION” refers to EDION Corporation, while the “EDION Group” refers to EDION Corporation and its 15 consolidated subsidiaries.

Issuance Date

September 2025

Reference Guidelines

· The IFRS Foundation’s “International Integrated Reporting Framework”
· The Ministry of Economy, Trade and Industry’s “Guidance for Collaborative Value Creation 2.0”
· The Global Reporting Initiative’s (GRI’s) “Sustainability Reporting Standards”
· The recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)

Cautionary Notice Regarding Forward-Looking Statements

Forecasts, plans, and outlooks regarding future business performance contained in this integrated report are based on information currently available to EDION and the EDION Group. Actual results may differ from these forecasts due to changes in various factors including economic conditions and product demand in core markets, and changes in rules and regulations and accounting standards and practices in Japan and overseas. Please note that the statements regarding future information in this report are current as of the time this report was issued, and EDION has neither an obligation nor a policy of keeping such information up to date. The figures in this report are based on Japanese GAAP.

Information Disclosure Media

In addition to this integrated report, the EDION Group is fulfilling our responsibility for accountability and deepening communication with all stakeholders through the following media.

• EDION Corporate Site
The site transmits information about the EDION Group in a timely manner, and also presents a range of IR materials.
https://www.edion.co.jp/en/
* This website uses machine translation.

• Sustainability Site
The site reports comprehensively on the EDION Group’s activities for sustainability.
https://www.edion.co.jp/en/sustainability
* This website uses machine translation.

• Newsletters for Shareholders
These are a medium for shareholders published twice a year. We revamped the newsletters from the 24th period and are now publishing them online.
https://www.edion.co.jp/en/ir/library/communication
* This website uses machine translation.

• Securities Report
Based on the Financial Instruments and Exchange Act, we report the overview situation of the company, business status, accounting status, and other matters for each fiscal year.
https://www.edion.co.jp/ir/library/report
* This website is only in Japanese.

• Corporate Governance Report
Based on the listing regulations of the Tokyo Stock Exchange, we report the governance status and other matters for each fiscal year.
https://www.edion.co.jp/en/ir/governance
* This website uses machine translation.

The EDION Group at a Glance (As of March 31, 2025)

Net Sales (Consolidated)

¥768.1 bn

The home electronics and home improvement businesses account for more than 80% of net sales.

Number of Employees (Consolidated)

15,966

Manpower which is diverse in terms of gender, nationality, age, employment status, etc. is working at EDION.

Manpower Training Programs

319

We are developing the learning environment and supporting the growth of each and every employee.

Number of EDION Group Consolidated Subsidiaries

14

We are expanding the size of our business through strategic M&As.

Number of Home Improvement (ELS) Construction Projects

Cumulative total of 1.203 mn*

We boast an industry-leading construction track record through our services which can only be provided by a volume home electronics store.

* The cumulative results since FY2014.

Number of EDION Card (Credit Card) Members

4.80 mn*

We provide enhanced services that include holding sales for our members and offering long-term repair guarantees.

* The number of Hyakuman Volt card members is not included.

PB and Original Products Sales Percentage

31.7 %

We are focusing our efforts on development of original products born from customer comments.

Relevant page P. 30

CO_2 Emissions Reduction Target (By FY2030)

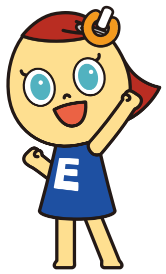
46% reduction*

We have formulated a CO_2 reduction roadmap for continuing our activities.

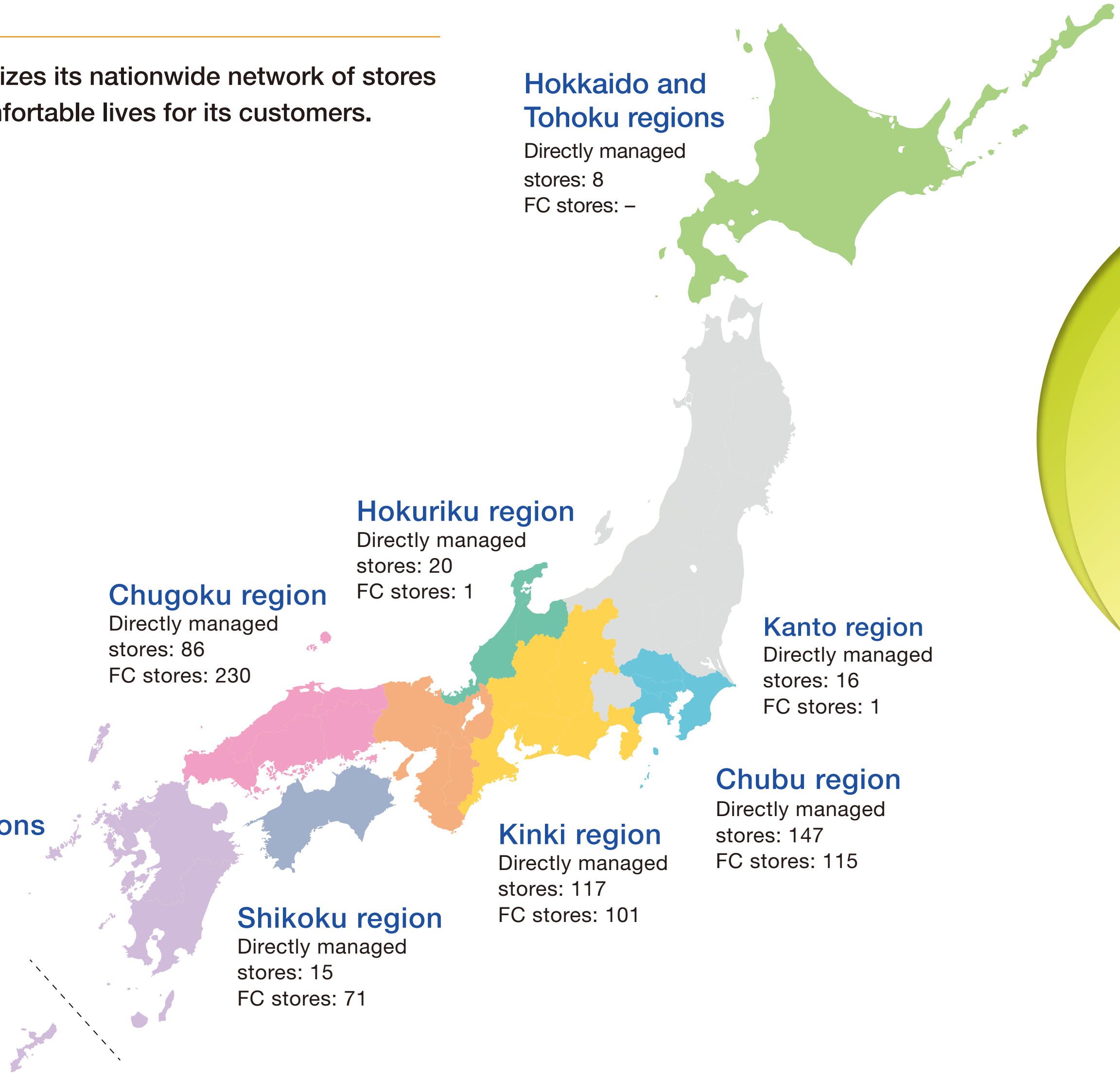
* Compared to FY2013
* Total of the Scope 1 and Scope 2 emissions of the EDION Group

Store Network

The EDION Group utilizes its nationwide network of stores to facilitate more comfortable lives for its customers.



Official Mascot
iina-chan



Total Number of Group Stores
1,190

Directly Managed Stores
454

Franchise (FC) Stores
736

(As of March 31, 2025)

No. of Service Center (Logistics) Locations
89

No. of Programming Classes
184

History of Value Creation

1945

DEODEO and EIDEN Jointly Establish EDION Corporation
2002

1947
Daiichi Sangyou Corporation established

1955
Eidensha Co., Ltd. established

1961
MIDORI DENKA Co., Ltd. established

2005
- Expanded FC member store contracts (Chubu and Kanto areas)

2005
MIDORI DENKA acquired as a subsidiary

2007
- Home improvements started up as a new business at the subsidiary SANKYU

2007
Ishimaru Denki acquired as a subsidiary
SANKYU acquired as a subsidiary

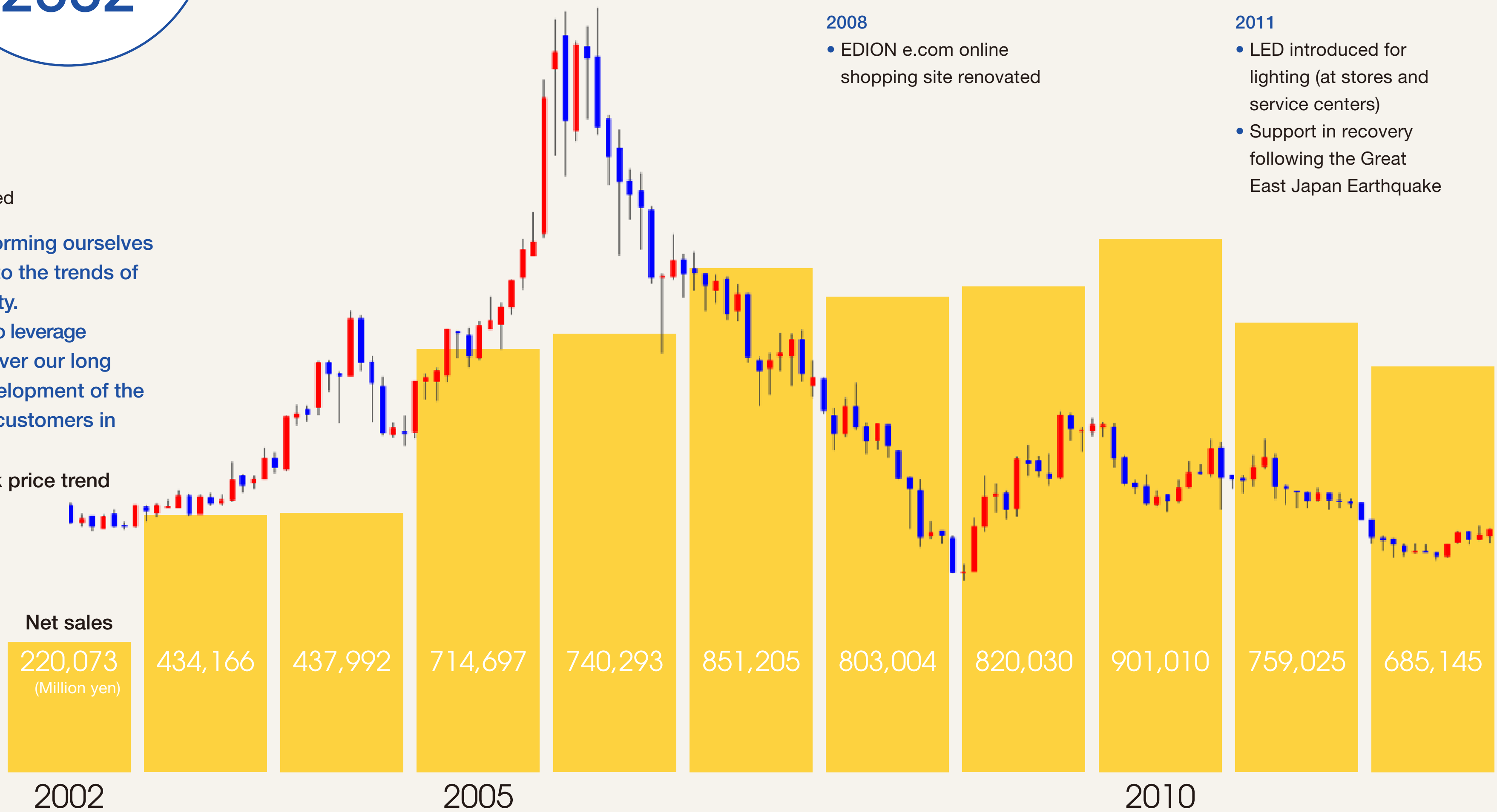
2008
- EDION e.com online shopping site renovated

2010
- Expanded FC member store contracts (Kansai area)

2011
- LED introduced for lighting (at stores and service centers)
- Support in recovery following the Great East Japan Earthquake

2012
E.R.JAPAN established

We at EDION have been transforming ourselves and growing while responding to the trends of the times and changes in society.
Going forward, we will continue to leverage the strengths we have built up over our long history to contribute to the development of the economy and society, and our customers in particular.



History of Value Creation

2012
- Store brands unified as "EDION"

2018
- Start of "e angle" brand sales
- Start of education business

2019
- EDION Namba Main Store opens
  Specialized in amusement

2021
- EDION Kyoto Kawaramachi Main Store opens
- Support for TCFD recommendations

2023
- EDION Yokohama-Nishiguchi Main Store opens

2013
Capital tie-up with LIXIL
(Changed to business tie-up in April 2022)

2017
Forest acquired as a subsidiary

2018
e-Logi established

2019
Youmemiru acquired as a subsidiary
Jtop acquired as a subsidiary

2022
Capital tie-up with Nitori Holdings

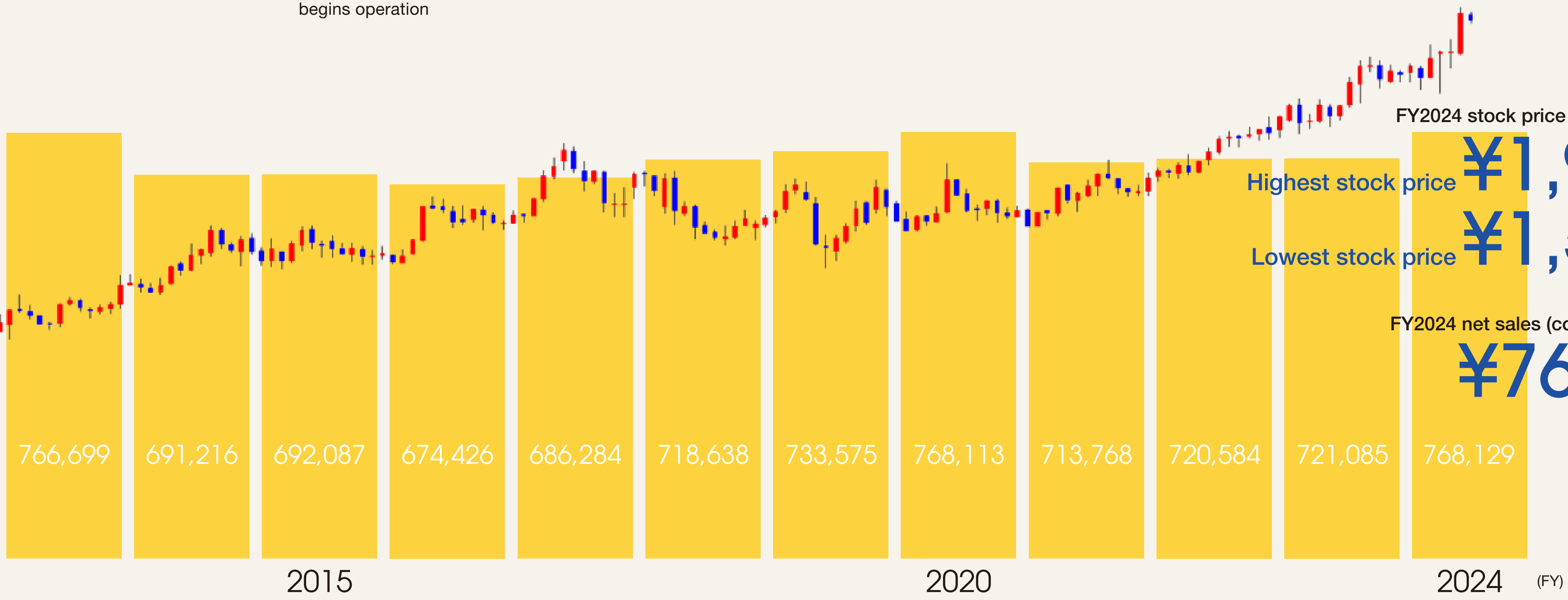
2023
Sanfrecce Hiroshima FC acquired as a subsidiary

2024
Azabu acquired as a subsidiary

2015
- Start of EDION Support Chain (ESC)
- EDION Housing (real estate broker) established
- 3rd generation Himawari begins operation

2017
- New EDION Net Shop opens
- Launch of new "EDION App"

2024
- Opening of EDION Peace Wing Hiroshima, a new soccer stadium



FY2024 stock price information

Highest stock price ¥1,943

Lowest stock price ¥1,515

FY2024 net sales (consolidated)

¥768.1 bn

Message from the Management

Achieving Sustainable Growth

Masataka Kubo
Chairman and CEO

Kozo Takahashi
President and COO

Message from the Management

> Message from the Management

CEO's Message

Under the new management structure, we will meet the expectations of our stakeholders and pursue sustainable growth

Masataka Kubo
Chairman and CEO

FY2024 Under the New Management Structure

FY2024 was a year of significant change for EDION. I passed the baton to our new president, Mr. Takahashi, on June 27, 2024, and looking back on FY2024, his first year, I believe that he delivered results in line with expectations. This change in leadership amid the dizzying pace of market changes in recent years involved considerable discussion within the Nomination and Compensation Committee. Initially, there were opinions suggesting that an experienced external candidate should be recruited as a potential new president. However, through repeated discussions, we concluded that the most crucial factor is the succession of our philosophy. Mr. Takahashi was chosen based on the belief that he would effectively pass down EDION's Corporate Philosophy and Code of Ethics—an action guideline for employees—to all Group companies and future generations, and that someone who has demonstrated leadership on the front lines and shared both the joys and hardships with employees would be best suited for this role. I still remember his utter surprise when I told him that I wanted him to be president, saying, "I never imagined it would be me."

The former president of DEODEO always emphasized that a company is built on its people. Our Corporate Philosophy is Achieving Long-Lasting Customer Satisfaction Through Outstanding Products and Reliable Service, which obviously cannot be realized by a single manager alone. It is only by nurturing our employees that our business runs smoothly and we can bring joy to many customers. In my chairman's office hangs a scroll bearing the teachings passed down from my father, my predecessor as chairman. Just as there are kings, gold generals, silver generals, rooks, bishops, and pawns in shogi, a Japanese board game similar to chess, there are also people who advance straight toward their goals, people with broad perspectives who keep their eyes open, and people who move forward steadily, step by step. Bringing all these types of people together to achieve a goal—that is what I must do. And most importantly, when a shogi pawn enters the enemy's territory, it flips over and gains new movement abilities, evolving into a stronger piece than it originally was. I entrusted the new president with the task of continuing to practice these teachings: nurturing employees, helping them grow, and thereby growing the company.

Mr. Takahashi first served as manager of a small 500-m^2 store, and has since advanced step by step to become manager of a core store, area manager, and then sales division general manager. Therefore, I believed that if he became president, everyone on the front lines would surely

> Message from the Management: CEO's Message

support him. I conveyed two things to him as he accepted the role of president. First, "I want you to give your all to steadily achieving the performance targets set out in the Medium-Term Management Vision, year by year." Given his background as sales division general manager, I believe this was something he understood instinctively. The second was my conviction that "our employees are our greatest asset." President Takahashi's steadfast leadership on the front lines allows me, as CEO, to focus entirely on long-term management strategies for the next five to ten years and measures to lay the groundwork for the future. In that sense, I feel the new management structure got off to an excellent start in FY2024.

Approach to Management Integration and M&As

The environment surrounding the home electronics industry has also undergone significant changes. When I first became president in 1992, numerous publicly listed home electronics retailers underwent consolidation, and now only six companies remain*.

Our Group's predecessor, DEODEO, launched EDION together with EIDEN in 2002. MIDORI DENKA and Ishimaru Denki later joined, and we unified our store brand under EDION starting in 2012. At first glance, it may seem like our business expansion went smoothly, but the process of management integration involved many hardships and taught us an immense amount. Moving forward, we will certainly utilize M&As for purposes such as launching new businesses. However, I would like to leverage our past experience to pursue integrations that are beneficial for all companies involved.

One such example is the brand integration with SANKYU Co., Ltd. The company, which operated stores under the Hyakuman Volt brand, joined the EDION Group in 2007, and we have gradually integrated systems, product procurement, marketing, some indirect departments, and other areas. And now, having achieved full brand integration and embarked on a new beginning in April 2025, I feel that the relationship of trust we've built over time is enabling us to maximize the synergies derived from the strengths cultivated by SANKYU throughout its long history. Going forward, the strong network of customers and communities in the Hokkaido and Hokuriku regions that was the strength of Hyakuman Volt will become a new source of power for the EDION Group. I would like us to further strengthen our dominance and accelerate the development of EDION's unique service businesses, the ELS business, and others.

*As of June 2025

Transitioning to a Company with an Audit & Supervisory Committee

Another major change is our governance structure. Following approval at the General Meeting of Shareholders held in June 2024, we have transitioned to a company with an Audit & Supervisory Committee. While the Board of Directors has always actively sought and discussed opinions from independent outside directors, the sheer volume of agenda items made it difficult to allocate sufficient time for thorough discussion. With this organizational change, we have also advanced the delegation of authority to Executive Officers. This strengthens the Board of Directors' focus on key deliberations such as policy and strategy formulation, as well as its oversight function over business execution, while enabling more open and candid discussions.

Our independent outside directors possess diverse backgrounds, enabling them to offer multifaceted perspectives on future management strategies such as digital transformation and strengthening human capital. Consequently, I feel that this not only provides effective checks and balances, but also facilitates the prioritization of issues, thereby accelerating management speed. Furthermore, we have been able to establish a structure that fulfills our accountability obligations, such as creating guidelines based on proposals from the Audit & Supervisory Committee to address areas where standards were insufficiently developed. This organizational change has not only earned praise from investors for our governance, but I personally feel that it has clearly strengthened our management capabilities.

Audit & Supervisory Committee meetings are held after Board of Directors meetings, which has increased the burden on committee members. However, I believe our independent outside directors each possess high levels of expertise and are able to conduct thorough deliberations. Going forward, I would like us to further improve meeting efficiency and move closer to an ideal structure.

Formulating the New Medium-Term Management Vision

Our current Medium-Term Management Vision concludes in FY2025, so we launched a project to formulate a new medium-term management plan. I participated in the kickoff meeting, but I felt that my presence as CEO might be making members hesitant to speak freely. Therefore, I decided to refrain from attending subsequent meetings in the hope that everyone would discuss the plan's framework and basic strategy more openly and freely.

The medium-term management plan requires looking slightly ahead to determine how we should shape our business and identify the issues we must tackle to

> Message from the Management: CEO's Message

achieve that vision. For example, if we want to grow our e-commerce business, we need to examine each aspect individually, such as the level of system investment required. Furthermore, we must achieve our annual performance targets year after year to reach our desired business form. It's difficult to view annual performance as continuous in an era of rapid environmental change like today; rather, I often describe it as continuous discontinuity. It's crucial to handle the various changes before us daily to ensure solid profits while simultaneously preparing for two or five years ahead.

At a time when the landscape of Japan's home electronics and retail distribution industries is shifting, the speed of front-line responsiveness and ability to anticipate market trends become extremely important. Together with the project members, I want us to establish the overall direction for our major businesses and urgently put the necessary business structures in place.

Strengthening Manufacturing Structure and Investing in Human Capital

Countries around the world will stop manufacturing fluorescent lamps by 2027 based on international treaties, and I see this as a major event for our home electronics industry as well. I believe this period will mark a shift in the manufacturing direction of Japanese home electronics manufacturers, leading to a more pronounced division within the industry. Major home electronics manufacturers will likely specialize in high-end home electronics. Meanwhile, retailers such as home improvement stores will likely significantly strengthen their original brand offerings for other home electronics, such as lifestyle, kitchen, and beauty electronics. Customers will have more choices for where to purchase home electronics, and competition is expected to become quite fierce.

EDION has already launched dozens of original products under our private brand, e angle. In FY2024, our Color Design Series targeting younger consumers and products offering affordable pricing saw significant sales growth, while brand recognition also improved. Moving forward, we aim to further strengthen our product appeal and manufacturing capabilities. Members of our Product Planning Division are already traveling throughout the ASEAN region to find new manufacturers. We expect new product lines to involve a significant number of items and SKUs (size and color variations), so we also plan to establish overseas offices within FY2025.

As a retailer at our core, we have well-established operations and cost control methods for the sales of finished products. However, we still have much to learn regarding the management of manufacturing processes, such as materials, molds, and parts manufacturing. As we move to significantly strengthen our manufacturing capabilities, I would like us to reinforce our business structure. We place strong emphasis on manpower training through initiatives such as our skill certification system and EDION Academy. However, this alone is not enough to respond to major changes in the market and take on new challenges. Therefore, we will also recruit individuals with extensive knowledge in manufacturing to strengthen our human resources foundation. In doing so, I would like us to build EDION's manufacturing force with this structure at its core.

To Our Stakeholders

To achieve sustainable growth for our Group, I would like us to actively engage in communication with our shareholders and investors. Companies today face increasingly demanding management requirements, such as strengthening corporate governance and managing with an awareness of capital efficiency. At the EDION Group, we also listen to the opinions of our shareholders and investors and, based on this input, we are working on governance and management reforms.

What I consider most important is that we must absolutely achieve the numerical targets set out in our publicly announced management plan, regardless of any changes in external factors or consumer trends. I believe that keeping our promises is what builds trust and leads to increased corporate value.

Furthermore, while the retail distribution industry as a whole faces profitability issues, we must absolutely continue to consistently achieve the 8% target we have set as our benchmark for ROE. To do this, we will execute a balanced allocation of resources, directing funds toward investments in growth areas such as new M&As to strengthen our earning power while also increasing shareholder returns.

The EDION Group will continue to contribute to solving the issues facing society and grow into a company that can reliably meet the expectations of all our stakeholders.


Policy briefing (May 2025)

Message from the Management

COO's Message

We aim to be a company that continues to be chosen by customers and realizes employee happiness through work

Kozo Takahashi
President and COO

A Look Back at Our Business Performance in FY2024

Since receiving the baton of management from former President Kubo (now Chairman) in June 2024, this past year has flown by in the blink of an eye. It has also been a year filled with many challenges taken on and significant achievements.

In FY2024, the business environment surrounding our company experienced various fluctuations. The prolonged depreciation of the yen and global inflation caused prices in Japan to continue rising across the board, resulting in a noticeable increase in cost consciousness among consumers. In the home electronics market, sales of seasonal products surged significantly due to extreme heat and cold. In addition, stores focusing on inbound tourism thrived, driven by record-high numbers of international visitors to Japan. Furthermore, in the home improvement segment of the ELS business, orders in the first half significantly exceeded the previous year, partly due to the impact of regional subsidies.

In such an environment, the EDION Group achieved both increased revenues and profits, with consolidated net sales reaching 768.1 billion yen (a 6.5% increase year-on-year) and operating income reaching 23.3 billion yen (a 38.2% increase year-on-year). I believe the primary factor behind this strong performance was the swift response from all the companies and stores to various market changes.

Having been appointed as president, I believe it is important to carefully assess current issues, which is why I prioritized making more store visits. I myself have extensive front-line experience and firmly believe that everything starts at the store level. This is because I have always understood and resolved various issues through the "Three Actuals" principle of going to the actual site, seeing the actual product, and understanding the actual situation. However, despite being referred to as the "front lines," EDION operates 454 directly managed stores nationwide. These represent a wide variety of store sizes and formats, ranging from large-scale stores exceeding 13,000 m² of sales floor space to small and medium-sized suburban stores, as well as in-store shops within commercial facilities. And naturally, the customer base, operations, and issues of each store differ significantly. Setting uniform plans under these circumstances fails to reflect individual store conditions, resulting in stores falling short of targets despite their best efforts and consequently undermining motivation on the front lines. For this reason, over the past year, we have focused on developing plans that reflect each store's unique characteristics and that everyone can agree on.

In practice, we were able to visit over half of our stores over the course of a year, at a pace of four to five stores per week. This process revealed various business issues that had previously been unseen, and as we tackled each one, I truly felt that EDION still has significant room for growth and definite potential for expansion. In FY2025, we will continue visiting stores and interviewing general managers to identify issues and relay them to departments, aiming to drive innovation on the front lines with a sense of urgency.

Progress on Strengthening the Three Platforms in the Medium-Term Management Vision

During the Medium-Term Management Vision period, we have advanced activities aimed at strengthening the three platforms of infrastructure, businesses, and customers.

First, in strengthening our infrastructure platform, we are working to enhance customer convenience and improve operational efficiency across departments through DX.

In FY2023, we launched the "Home Appliances 119 - home visit repair contact point," which allows customers to submit repair requests online, and it has been well-received. To strengthen our human resources platform, we established a new Human Resources Strategy Department in April 2025 based on the idea that we should cultivate human resources who will lead EDION going forward through a medium-to-long-term human resources strategy. This marked the start of a reform of our manpower system.

Next, in strengthening our business platform, we have focused on strengthening our private brand, e angle, and the ELS business. Until now, e angle has primarily focused on products with high added value. However, recent surveys indicate a noticeable increase in cost consciousness among consumers, revealing that younger generations seek affordable items that combine design appeal with basic functionality. Therefore, we launched the Color Design Series and products with streamlined features at more affordable prices in FY2024 to capture the Generation Z and Alpha demographics. Both series have received strong customer support, with the sales composition of private brand (PB) products doubling year-on-year to 31.7%, approaching our Medium-Term Management Vision target of 35%.

As for the ELS business, we position it as our second pillar of profits next to the home electronics sales business. We are working to train employees in home improvement sales skills and improve service quality. At the same time, we are actively pursuing M&As, welcoming Azabu Co., Ltd., a company specializing in exterior wall painting, into the Group in March 2024, and JAPAN NEXT RETAILING Corporation, known for its Shojikiya brand of water heating equipment, in February 2025. Both are companies with substantial expertise and established reputations for construction and technical expertise, so we expect synergies in acquiring customer bases.

Finally, in strengthening our customer platform, we focused on developing operating apps for home electronics and enhancing services for inbound customers. The EDION Smart App, released in April 2025, is an application that enables users to operate IoT appliances, detect malfunctions, and request repairs. Today, over 80% of high-functionality home electronics like air conditioners, TVs, washing machines, and rice cookers have internet connectivity. However, each manufacturer uses different apps, forcing users to operate individual home electronics separately and resulting in an overall situation that is far from convenient or smart. Therefore, we developed the EDION Smart App to enable customers to comfortably operate IoT home electronics from various manufacturers within a single app. We currently support six manufacturers (with cloud support for two), which is still a limited number; however, we plan to gradually increase the number of supported manufacturers to further enhance customer convenience. This app not only enables smart operation of IoT home electronics, but also monitors usage patterns and detects malfunctions, thereby allowing users to receive notifications and utilize EDION's home visit repair service. I believe this embodies our Corporate Philosophy of Achieving Long-Lasting Customer Satisfaction Through Outstanding Products and Reliable Service.

In terms of inbound customers, Chinese visitors were the main drivers of strong consumption before COVID-19, but customer needs have now become more diverse. Chinese and other Asian customers are continuing to purchase home electronics, while customers from Europe and America are looking for anime and entertainment products. Therefore, each store is tailoring its product lineup based on its customer base. Additionally, in the Kansai area, we've seen an increase in customers visiting the Expo. However, these customers faced difficulties because suitcases are not permitted inside the Expo grounds. In response, we expanded the number of stores offering a suitcase storage service, which proved extremely popular. We also added a service delivering suitcases to hotels and airports, which was greatly appreciated by many customers. Both services exemplify EDION's approach to long-lasting customer satisfaction. An estimated 37 million international tourists visited Japan in 2024, and this number is projected to exceed 60 million by 2030. Therefore, we will continue to enhance our services for inbound customers.

Strategy presentation for the inbound business (EDION Namba Main Store)

Connecting Personal Growth to Company Growth

When Chairman Kubo appointed me as president, the words that stayed with me the most were, "Please value our people." I myself believe that the source of EDION's competitiveness ultimately lies in the people who support us on the front lines. The reforms to our manpower system that we are currently implementing are designed to maximize the potential of our human resources and ensure EDION's sustainable growth. Looking at the age distribution of our employees today, we are seeing an aging workforce. The number of employees reaching retirement age is increasing year by year. Therefore, we partially revised our career change system for employees after mandatory retirement and introduced a mechanism where performance is reflected in compensation to encourage those who can continue working to actively contribute with a greater sense of fulfillment.

In addition, we must cultivate employees who would like to become managers and raise corporate value on their own initiative. To that end, we launched a skill certification system in FY2023 based on the belief that an evaluation system allowing employees to tangibly feel their own growth is essential. This system requires employees to pass online tests on the fundamental knowledge of major products—such as televisions, refrigerators, washing machines, computers, smartphones, and home improvement—within their first three years of employment. Employees can take the test as many times as needed without restrictions, allowing them to build their knowledge at their own pace. And since knowledge alone isn't sufficient as a sales skill, in addition to evaluating each product's sales performance, we rank employees on a six-tier scale from A to F. Our goal is for all store employees to achieve at least a C rank certification within three years.

Furthermore, this test is administered to all employees, from store managers down. New products are released every year, and the necessary product knowledge changes, meaning knowledge from the past alone becomes insufficient. In other words, the skill certification system serves as a skills inventory for all employees, objectively visualizing individual employee skills that were previously invisible in traditional human resource records. As skills become visible, variations also emerge—for example, Store A has few employees with strong air conditioning skills, while Store B has a concentration of highly skilled employees—and this data can serve as a platform for considering optimal human resource allocation. Human resources transfers traditionally relied on plans devised by area and regional managers. However, this data-driven approach enables the formulation of optimal allocation strategies. Additionally, for our employees, this has clarified their personal goals and ensured that delivering results directly translates into recognition, effectively boosting motivation.

Through these measures, I would like us to move closer to our ideal state of connecting personal growth to company growth.

Toward EDION's Next Stage in 2030

Since FY2025 marks the final year of our current Medium-Term Management Vision, we have begun formulating a new Medium-Term Management Vision targeting the year 2030. As mentioned earlier, market conditions and customer needs are changing at a dizzying pace. Therefore, our management strategy must also focus on enhancing corporate value from a longer-term perspective. We actively provide opportunities for dialogue with our investors and receive diverse opinions. Therefore, I believe we must not only increase our top line, but also aim for long-term, stable corporate growth. Furthermore, operational efficiency is crucial in maintaining our industry-leading gross profit margin and increasing our operating income margin, so we will continue our efforts to reduce costs.

And while I mentioned that various issues became apparent during store visits, I also felt that the time has come to break out of our existing business domains and take on new challenges. One of the new domains being considered is the reuse business. We have already started mobile phone reuse and used game software sales businesses, and we plan to enter the reuse market with EDION's unique business model that prioritizes long-lasting customer satisfaction.

Underpinning this is our approach to sustainability. Our goal is sustainability that not only reduces environmental burden, but also simultaneously increases our profitability and competitiveness as a company. Furthermore, our Corporate Philosophy of Reliable Service means that we provide all possible service to ensure that our customers can use their purchases in optimal condition over a long period of time. Therefore, our mission is to ensure that our customers can comfortably use the products they purchase until the end of their useful life. Having also taken over the role of Chairman of the Sustainability Committee from the Chairman, I intend to accelerate our activities and ensure the success of this challenge.

To Our Stakeholders

The global economic outlook for FY2025 remains unpredictable. Rising prices in Japan are expected to persist, and we anticipate increased cost consciousness among consumers in these uncertain times. It is precisely because of this unstable social climate that EDION aims to remain a company chosen by our customers. I believe that if every employee takes the initiative to think independently and propose new products and services from a customer-centric perspective, we can turn various headwinds into tailwinds.

Meanwhile, our management team will support the efforts of our employees by strengthening profitability and building a solid corporate foundation. In addition, we will practice responsible and transparent corporate activities and maintain good relationships with our shareholders and business partners in order to grow into a company trusted by all stakeholders and indispensable to society. I look forward to your ongoing support.

Business Model

The EDION Group is rolling out diverse services, including a home improvement business, primarily operated by its volume home electronics stores. We are supporting the comfortable lifestyles of our customers as a "comprehensive life solutions company."

SPECIAL FEATURE 01

Creation of Group Synergies

Since its establishment as a holding company for DEODEO Corporation and EIDEN Co., Ltd. in 2002, EDION has continued to enhance its competitiveness through business integration and mergers. In April 2025, EDION Corporation absorbed SANKYU Co., Ltd., which operates Hyakuman Volt.

New Corporate Value Increases Through Store Brand Integration

Hyakuman Volt, which has stores in Hokuriku, Hokkaido, and San'in, has rolled out its stores with deep roots in the local community and has become familiar to local residents. Through this absorption merger, we are striving to maximize Group synergies and expand our revenue while incorporating the strength of close community ties that SANKYU has cultivated over many years. For example, we are expanding brand recognition by unifying the store brand under the EDION name and strengthening product and service development which places importance on regional characteristics.

Since SANKYU became a wholly owned subsidiary of EDION in 2011, the integration of the two companies has progressed steadily, with systems integration in 2015, integration of product procurement in 2017, integration of accounting operations in 2018, unification of uniform design in 2022, and integration of other aspects.

On April 1, 2025, we began switching rooftop signboards and other signage to the EDION brand. We are not changing them all at once; rather, we are taking time to gradually switch the signs while retaining some of the Hyakuman Volt logos which have been familiar to customers for many years.

Expected synergy effects

- Expanded recognition of the brand across areas
- Development of products and services tailored to regional characteristics
- Optimization of management resources and reduction of costs
- A positive impact on manpower recruitment

SPECIAL FEATURE 01 / Creation of Group Synergies

Toward the Creation of New Group Synergies

At a time when the changes in society are accelerating more and more, we are required to respond flexibly to the market environment and the needs of customers.

For our M&A strategies, EDION is placing importance on strengthening dominance in specific regions, strengthening business infrastructure, including logistics networks, expanding and obtaining technologies in our existing businesses, including home improvement and education, advancing into new fields through partnerships with different industries, and other strategies. We are aiming to increase the competitiveness of the entire Group and provide comprehensive value to our customers by incorporating external knowledge and know-how.

CASE STUDY

Expansion of the ELS Business

EDION's goal is to be "a company that continually endeavors to support richness and abundance in our customers' lives," so we are focusing our efforts on expansion of the home improvement field as our next growth business after home electronics.

JAPAN NEXT RETAILING Corporation (JNR) — February 2025

We have acquired all of the shares of JNR, which sells hot water supply equipment mainly in the Kanto, Chubu, and Kinki areas under the Shojikiya store brand. We believe that we can achieve a synergistic effect for expansion of the home improvement business because JNR has a high profile through its television commercials, etc. and has a strong network with construction companies.

Azabu Co., Ltd. — March 2024

This company has strengths in exterior painting technology and its network with tradespeople, and has established 35 sales offices nationwide (as of March 31, 2025). By utilizing the strengths of both companies, we will expand our service content to include large-scale home improvement such as exterior wall and roof renovations, and advance strengthening of a structure which can provide total support for customers' lifestyles.

CASE STUDY

Enhancement of the Logistics Business

As demand for logistics increases due to factors such as the spread of e-commerce, EDION has been working to strengthen the systems of its logistics networks in preparation for a labor shortage caused by the "logistics problem of 2024."

Collaboration with the Nitori Group on trunk transportation of home electronics — January 2025

We commenced joint deliveries with Home Logistics Co., Ltd., which is responsible for the logistics division of the Nitori Group. We enhanced the loading ratio and reduced the number of freight trucks by half by jointly loading and unloading freight between Kawasaki City, Kanagawa Prefecture and Sendai City, Miyagi Prefecture. This is leading to the reduction of transportation costs and CO_2 emissions.

Muroyama Logistics Co., Ltd. — August 2024

This company has been involved in the logistics industry for many years, mainly in the Kinki and Chugoku-Shikoku regions, and has a track record of transporting a variety of products, including home electronics, medical equipment, office equipment, and computer-related products. We believe that bringing this company into the Group will lead to the resolution of logistics issues and to developmental growth.

* This company merged with Jtop Co., Ltd., a company in the EDION Group, in April 2025.

Vision and Growth Strategy

Medium-Term Management Vision

EDION formulated the Medium-Term Management Vision (2025) in May 2022, and is promoting a variety of activities to realize it.

Our vision for what we would like to become in the Medium-Term Management Vision

Build a Corporate Structure That Evolves by Responding to the Changing Market Environment

In the Medium-Term Management Vision, we have set "Build a Corporate Structure That Evolves by Responding to the Changing Market Environment" as the basic policy. We have set the targets of ROE above 10% and ROIC above 10% through not only the growth of net sales but also the strengthening of expenses control and enhancement of capital efficiency, and we are working on strengthening the three platforms, namely the Infrastructure Platform, the Business Platform, and the Customer Platform. Furthermore, we have positioned "Strengthening e-commerce" as a goal related to the three platforms and "Strengthen Sustainability Management" as a goal supporting the sustainable growth of EDION and the development of our stakeholders, and we are working on these goals.

Strengthening the Three Platforms

Infrastructure Platform

We are striving to strengthen the platforms which support our business, including flexible core systems which can respond to a diversifying environment, efficient logistics networks, and the human resource management systems which lead to continuous corporate growth.

Business Platform

In the Home Electronics Sales Business, the major business of the EDION Group, ELS Business, Logistics Service Business, and Education Business, we are striving to further improve profitability and to optimize sales efficiency.

Customer Platform

We are striving to build a virtuous-cycle type of business model which will be continuously supported, by increasing our regional market share through the strengthening of our dominance and by strengthening our customer contact points through the strengthening of our marketing and information communication capabilities.

Strengthening E-Commerce

Capital Policy

We are implementing activities which contribute to stable dividends and enhancing capital efficiency.

Strengthen Sustainability Management

We stipulate and execute our policies in order to aim for sustainable growth and the development of all of our stakeholders.

Strengthen Corporate Governance

We are striving to ensure the transparency of the Board of Directors and working to improve its operational aspects as well.

Strengthen IR Activities

We aim to encourage dialogue with all investors through timely disclosure of information and the holding of individual meetings.

> Medium-Term Management Vision

Build a Corporate Structure That Evolves by Responding to the Changing Market Environment

Capital Policy / Strengthening Sustainability Management / Strengthening Corporate Governance / Strengthening IR Activities

Strengthening E-Commerce

Strengthening the Three Platforms	Key Medium-Term Items	Key Points
Infrastructure Platform	Activities Targeting New Systems	> In-house operation rate of 80% by promoting DX > Build new store systems (2025)
	Rebuilding the Logistics Structure	> Build nationwide delivery and construction networks: Respond to increasing e-commerce demand • Reorganize logistics networks
	Creating Future HR Capabilities	> Promote diversity and create HR capabilities that link to the future • Re-examine opportunities for managers to remain active after reaching the age limit for managerial positions, and foster young managers • Promote health management, emphasize work/life balance, and promote active participation by women • Continuously develop capabilities
Business Platform	Home Electronics Sales Business	> Seek out new markets and offer products • Enhance private brand and original products (component ratio of sales: 25% in FY2021 → 35% in FY2025) > Promotion of inbound strategies
	ELS Business	> Support customers' lives and propose more comfortable lifestyles • Strengthen online sales discussions • Strengthen newly handled products and lineups • Strengthen sales of products that contribute to creating a carbon-free society (solar power systems and storage batteries)
	Logistics Service Business	> Strengthen service menus and improve appeal • Strengthen cleaning and coating services (e.g., air conditioners and washing machines)
	Education Business	> Become a company that can contribute to creating Japan's future • Expand areas where classrooms are offered and enhance online learning
Customer Platform	Strengthening Dominance	> Strengthen new store openings in areas with existing stores and secure more franchise member stores
	Strengthening Contact Points	> Strengthen ties with customers through member support and other tools > Rollout of EDION Smart App

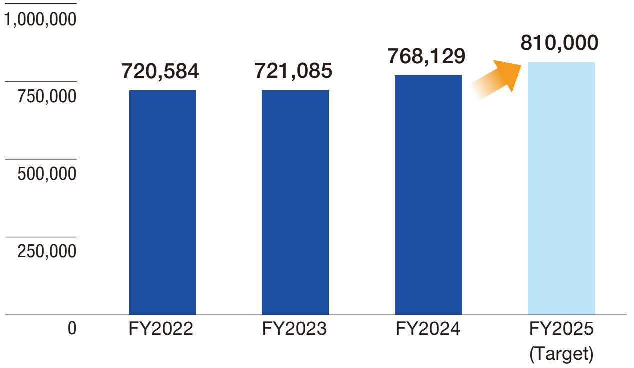
Activities Targeting Social Issues / Establishing a Sustainable Management Structure

Medium-Term Targets (Financial Targets) and Their Progress

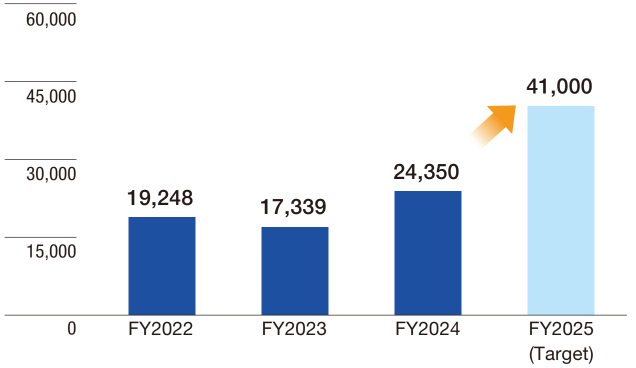
In addition to soaring global energy prices and raw material prices, the tariff policy of the United States is causing confusion on a global scale, and due to these and other factors the economic environment is expected to remain uncertain for some time to come. Meanwhile, the domestic economic environment is being affected by rising prices and the depreciating yen in the foreign exchange market, but the employment and income environment is expected to improve on the back of solid corporate performance and consumer activity is expected to pick up even more. Furthermore, Expo 2025 Osaka, Kansai, Japan, which opened on April 13, 2025, is expected to lead to an increase in the number of tourists from overseas and therefore a recovery in inbound demand.

In the home electronics retail industry, there is a possibility that sales and profits will decline due to increasing utility expenses and logistics costs and rising product prices, but there is latent demand in the home electronics market, primarily due to replacement purchases, so we expect sales and profits to recover in the medium term, even if there is a temporary deterioration.

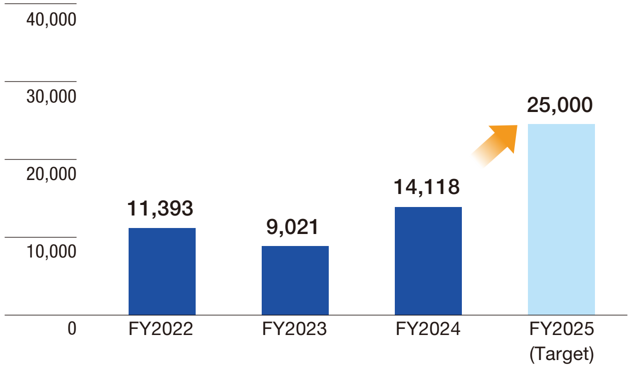
Net Sales (Million yen)



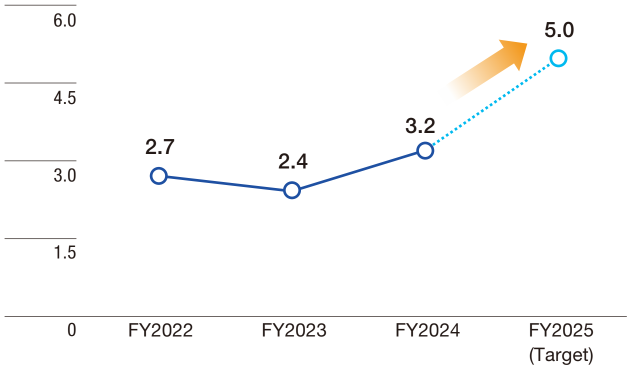
Ordinary Income (Million yen)



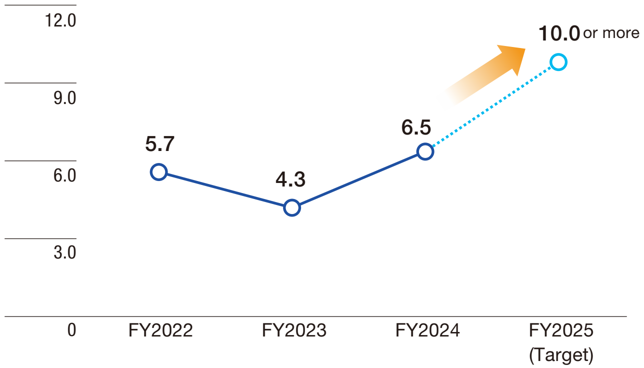
Profit Attributable to Owners of Parent (Million yen)



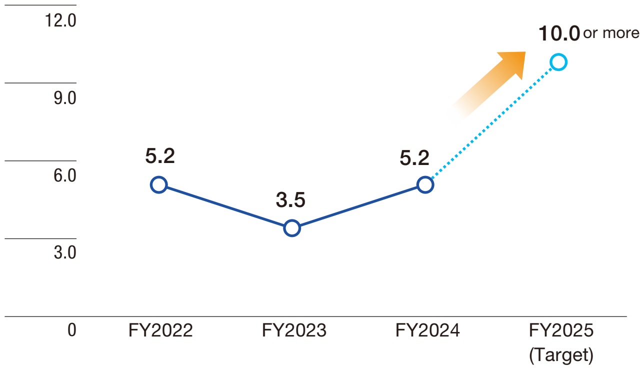
Ordinary Income Margin (%)



ROE (%)



ROIC (%)



Value Creation Process

EDION achieves value creation by undertaking business activities that leverage the strength of its Corporate Philosophy throughout the Group and by continuously and flexibly meeting society's needs.

Society's Needs
- Promoting DX
- Correction of regional disparities caused by a declining population
- Response to diversifying values
- Measures against climate change risks

INPUTS

Financial Capital
Total assets
¥434.8 bn

Manufacturing Capital
No. of stores
1,190

Intellectual Capital
Customer comments
394,894

Human Capital
Consolidated number of employees
15,966

Social/Relational Capital
Number of EDION Card (credit card) members
4.80 mn

Natural Capital
Amount of electricity used
223,361 MWh

BUSINESS MODEL

Build a Corporate Structure That Evolves by Responding to the Changing Market Environment

- Home Electronics Sales Business
- Franchise Business
- Logistics Business
- Communications (ISP) Business
- E-Commerce Business
- ELS Business (Home Improvement)
- Real Estate Brokerage Business
- Programming Education Business

Materiality
Priority issues which should be tackled

Corporate Philosophy

OUTPUTS

Building stores that offer experiences and sensations For the smiling faces of customers

Private Brand "e angle"

e angle

Stores that provide maximum satisfaction taking into account the environment

Enhanced support such as home visit repairs, etc.

Same service structure as stores on e-commerce sites

OUTCOMES

Economic Value (Medium-Term Targets)

Net sales: ¥810.0 bn

Ordinary income: ¥41.0 bn

ROE: 10% or more

ROIC: 10% or more

Social and Environmental Value

Annual ED card usage rate of card members*: 73.4%

Recovery of small home electronics for recycling: 6,838 t

CO_2 reduction due to solar power systems: 2,820 t-CO_2

Ratio of female senior staff candidates: 14.2%

Work engagement: 3.75

* Use of EDION stores and EDION Net Shop

The Future We Envisage

A society which realizes diverse richness and abundance in our customers' lives

Reinvest in Capital

EDION's Strengths

We Will Use EDION's Strengths to Systematically Increase Corporate Value

Customer Service and Proposal Capabilities

We are actively working on the acquisition of certifications by our employees and their manpower training, and we provide customer service and proposals based on their abundant product knowledge.

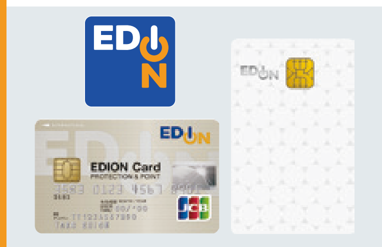
- Number receiving Electric Home Appliance Advisor certification **4,613**
- Enhanced training systems
- Unique product planning "e angle"
- Distinctive store operation which places importance on customer experience

Connections with Customers

We take care to respond quickly and appropriately to the customer comments we receive in a variety of situations and share them with the relevant departments to utilize in the development and improvement of our products and services.

- Number of EDION Card (credit card) members **4.8 mn***
- Number of EDION Original-Warranty Card (Anshin Hosho Card) members **8.63 mn**
- Number of app downloads **12.91 mn**

* The number of Hyakuman Volt card members is not included.



Enhanced Services

In our home electronics network of approximately 1,200 stores nationwide, we have an enhanced after-sales service structure for post-purchase support. We deliver peace of mind to our customers.

- Air-conditioner cleanings **270,000 units**
- Enhancement of services through nationwide logistics networks
- Development of IoT Smart App (Provision started in April 2025)

Relevant page P. 32

The Industry's Best Warranty and Repair Systems

Based on our Corporate Message "Reassuring Feelings and Lasting Satisfaction," we provide long-term repair guarantees and repair support so that our customers can shop with peace of mind.

- Guaranteed products **Over 100 product types**
- Number of service center (logistics) locations **89**

Stable Financial Platform

We have built a stable financial platform through sound financial activities, a sales strategy based on close community ties, cost reductions through operational streamlining, and other measures.

- Ordinary income margin **3.2%**
- Equity ratio **51.2%**
- Cash flows from operating activities **¥30.7 bn**

CFO's Message

We will go beyond the framework of a home electronics retailer and take on the challenge of transforming the retail industry by strengthening our corporate structure and profitability

Tsugunori Ishida
Executive Director
General Manager of Corporate Planning Department

Main Financing Activities in FY2024

The Japanese economy continues to be unpredictable due to prolonged conflicts in Ukraine and the Middle East, the economic slowdown in China, increasing costs of goods resulting from rapid increases in raw material and energy prices, and the effects of rapidly fluctuating exchange rates, among other factors. Meanwhile, personal consumption is expected to recover, even amid persistent high prices, thanks to measures to improve income conditions such as increased capital investment and wage increases, primarily by large corporations. In addition, the consumer market in Japan is recovering, with further expansion of inbound demand anticipated due to the increase in overseas tourists.

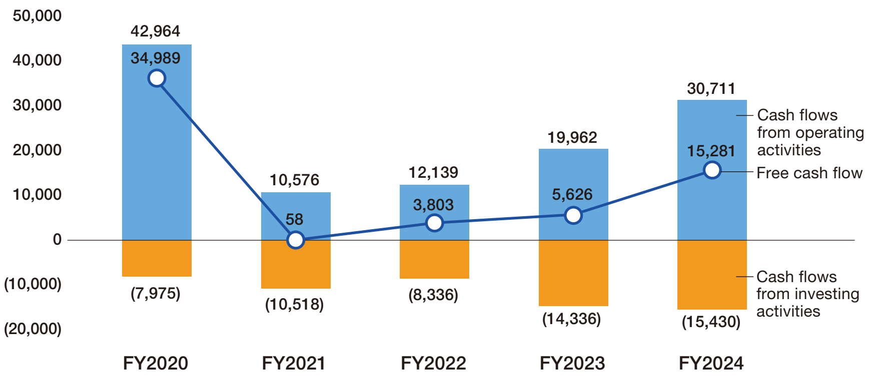
July 2024 saw record-breaking heat all over Japan, with the monthly average temperature reaching its highest level since records began in 1898, and winter was also harshly cold. Consequently, seasonal home electronics such as air conditioners performed well throughout the year, significantly contributing to sales growth. Additionally, sales of residential equipment grew, primarily driven by high-efficiency water heaters and renovations involving double-pane windows with high insulation performance. Furthermore, sales of lifestyle home electronics such as beauty and health devices, microwave ovens, and cooking home electronics, as well as information home electronics such as mobile phones and tablets, also exceeded the previous year's levels and performed well. As a result, we achieved both increased revenues and profits in FY2024, with consolidated net sales reaching 768.129 billion yen (a 106.5% increase year-on-year), operating income reaching 23.394 billion yen (a 138.2% increase year-on-year), and profit attributable to owners of parent reaching 14.118 billion yen (a 156.5% increase year-on-year).

Amidst this, the EDION Group executed strategic investments based on the Medium-Term Management Vision (FY2022 to FY2025) in FY2024 to further strengthen our management structure. We acquired all shares of Muroyama Logistics Co., Ltd. in August 2024 and JAPAN NEXT RETAILING Corporation in February 2025, making each a consolidated subsidiary. Muroyama Logistics is a company with a long history in logistics primarily in the Kinki, Chugoku, and Shikoku regions. It has established a strong relationship with our company as a cooperative partner. EDION expects that welcoming this company into the Group will enable us to achieve progressive growth while addressing various logistics challenges, such as improving driver working conditions, reducing fuel costs, and enhancing environmental responsiveness. JAPAN NEXT RETAILING operates the Shojikiya brand and sells water heating equipment primarily in the Kanto, Chubu, and Kinki regions. We believe this will create synergies for expanding our home improvement business.

In terms of store expansion, we plan to open approximately 10 stores annually. However, due in part to the impact of the large investment made in acquiring the land and building for the EDION Namba Main Store in 2023, we adopted a slightly more restrained strategy for FY2024. We opened seven new directly managed stores, relocated one store, and closed seven stores. We also opened 15 new franchise stores and closed 27 franchise stores. As a result, the total number of stores as of the end of FY2024 was 1,190, comprising 454 directly managed stores and 736 franchise stores.

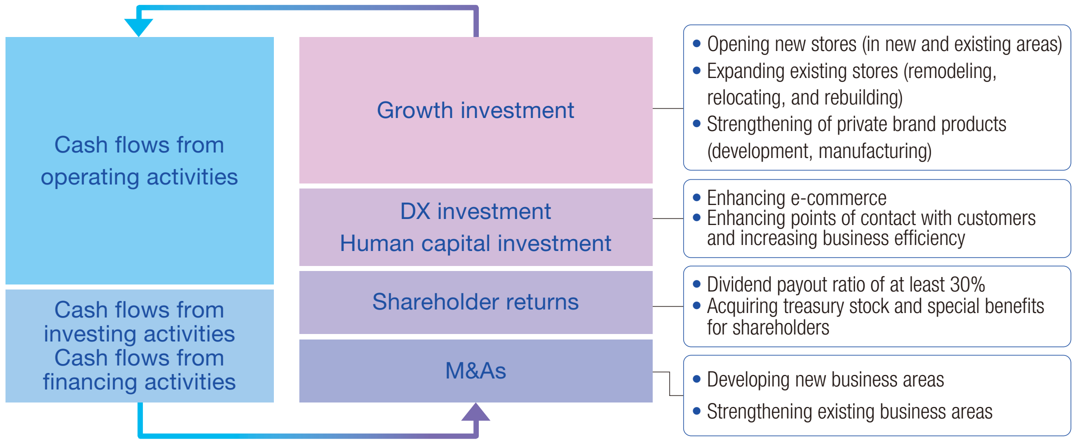
CFO's Message

Changes in Our Free Cash Flow



* Our FY2023 cash flows from investment do not include cash outflow due to the acquisition of trust beneficiary rights in connection with the Namba Main Store.

Cash Allocation (Overview)



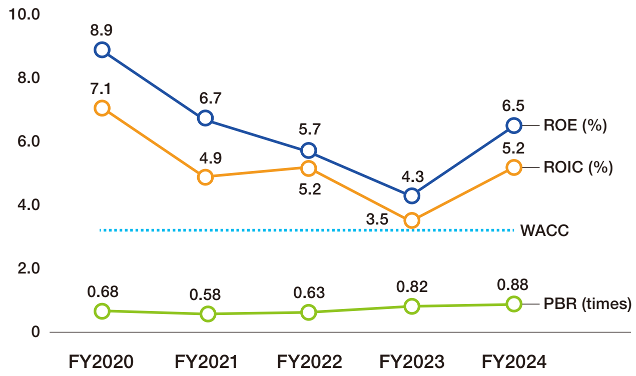
Investment and Financial Strategies of the EDION Group

EDION's investment strategy fundamentally involves executing investments such as store openings and M&As within the scope of operating cash flow. In the Medium-Term Management Vision covering the period from FY2022 to FY2025, the investment scale for FY2024 was slightly reduced, due in part to the impact of acquiring the land and building for the EDION Namba Main Store in FY2023, which exceeded our normal investment budget. Our primary investment targets included strengthening the foundation of existing businesses through the aforementioned M&A activities, developing products for our private brand, e angle, and focusing on system-related investments for new business development.

In terms of cash allocation, our policy is to prioritize investments based on our growth strategy while simultaneously achieving shareholder returns. To realize this, we must steadily execute our management plan to increase total cash output. Under our current Medium-Term Management Vision, we are formulating and executing business strategies with a strong emphasis on efficiently generating cash flow.

In addition, one of our management targets is to improve ROE and ROIC in order to enhance capital profitability while maintaining financial soundness. EDION's current cost of shareholder's equity is estimated to be approximately 5%, and while ROE has consistently been higher than the cost of shareholder's equity, its level as of the end of FY2024 remains low at 6.5%. Amidst a challenging business environment characterized by rising fixed costs due to inflation, we are striving to secure profits by setting ambitious targets exceeding the ROE levels of the retail industry.

Trends in ROE, ROIC, and PBR



A crucial foundation for securing profits is our customer base, which we have cultivated over many years. We have worked to build a customer-centric service and logistics system based on our Corporate Philosophy of Achieving Long-Lasting Customer Satisfaction Through Outstanding Products and Reliable Service. As a result, we have steadily built customer trust in EDION across all regions and stores. This achievement is also reflected in our sales performance.

For example, air conditioner sales typically surge when the weather turns hot and then decline. However, our sales in FY2024 were up year-on-year in every month except May, resulting in annual sales of approximately 112% compared to the previous fiscal year. We have also achieved sales performance exceeding industry standards for product categories other than air conditioners. Expanding services and logistics entails costs, but this is precisely our strength, so we aim to pursue cost optimization without compromising service quality.

Additionally, we are also paying close attention to our PBR from the perspective of management that is conscious of cost of capital and stock price. While the industry average ranges from 0.7 to 0.8 times and the median from 0.6 to 0.7 times, we have maintained a relatively high level, from 0.8 times to 1.0 times most recently. We will continue striving to improve our PBR through increased ROE in order to consistently achieve the target of over 1.0 times proposed by the stock exchange. Low PBR is an indication of low investor expectations, reflecting structural issues where the industry's overall growth potential is perceived as uncertain due to factors like changing demand driven by a declining population. We will strive to strengthen our profitability, improve return on capital, make investments aligned with our growth strategy, and enhance capital efficiency through shareholder returns. At the same time, we will actively disclose information to broadly communicate our growth potential.

Purpose of Establishing a Corporate Venture Capital Fund

We established the Brand New Retail Initiative Fund, a corporate venture capital fund, in May 2024. EDION has consistently taken on the challenge of diverse new businesses—such as the home improvement, internet service provider, and programming education businesses—that support the enriched lifestyles of customers while maintaining home electronics sales as our core business. However, the market environment is changing more rapidly than ever before due to factors such as the advancement of an aging population and declining birthrate, acceleration of digitalization, and the rise of overseas manufacturers. Therefore, we believe it is essential for our Group to create new businesses that respond to the changing times and contribute to the transformation of the retail industry in order to remain a company that continues to be needed by society. Therefore, we established this fund as a medium- to long-term investment vehicle that does not rely solely on M&As with the aim of leveraging technology, developing marketing methods, and accelerating business development speed.

The Brand New Retail Initiative Fund, established in partnership with venture capital firm Innoh Associates Inc., provides investment and growth support across diverse fields including marketing, retail, home improvement, environmental energy, information management systems, and AI/blockchain.

We recognize the need to address social issues and feel that it is essential to actively engage in this as part of our business. One example is the battery recycling domain. With the rapid spread of IoT and AI, products incorporating lithium-ion batteries (LiB) have become increasingly common in daily life, but incidents of fires caused by substandard products are also on the rise. Establishing recycling technology is an urgent social issue from the perspectives of finite resources and ensuring safety. As a Group that sells lifestyle and digital home electronics products, we recognize this as a critical social issue and aim to help resolve it.

Entering into the Manufacturing Business to Strengthen Private Brands

Furthermore, in FY2024, we strengthened the product lineup of our home electronics private brand (PB), e angle, which is based on the concept of "NEW LIVING FROM A New Angle." In recent years, major home electronics manufacturers have adopted a strategy of mass-producing and efficiently selling out classic products. Under these circumstances, it has become difficult for products incorporating new perspectives and ideas to emerge. Therefore, we decided to create products ourselves that reflect customer feedback.

Thanks to the support of our customers, e angle has been steadily growing since its launch in 2018, when it set an annual sales target of 20 billion yen. The Color Design Series launched in FY2024 and targeting Generation Z has also been well received.

Our strength in the retail industry lies in our daily customer interactions, which enable us to accurately grasp customer needs and market trends. We will leverage these strengths to rapidly plan and launch PB products featuring functionality, quality, and safety that anticipate market needs, which will lead to improved profitability.

Relevant page P. 30

CFO's Message

Further Strengthening Activities to Achieve Sustainability

Since its founding, EDION has been a company that actively engages in activities aimed at solving environmental problems and social issues. We formulated the EDION Group's Sustainability Policy in May 2023 with the renewed recognition that sustainability is an essential activity for resolving social issues and enhancing corporate value. This policy clearly outlines the Group's fundamental approach to sustainability management across the areas of environment, human resources, human rights, procurement, and legal compliance. In addition, we reviewed our materiality in March 2025 in light of changes in the external environment surrounding the Group. We will set targets for each of the six newly identified material issues and work toward achieving them.

Under "Realizing a Sustainable Society in Harmony with the Global Environment," we have established Scope 1, 2, and 3 CO_2 emissions as quantitative indicators for managing risks and opportunities arising from climate change. We aim to reduce combined Scope 1 and Scope 2 CO_2 emissions by 46% compared to FY2013 levels by FY2030 and achieve carbon neutrality by FY2050. The Sustainability Committee has formulated a CO_2 reduction roadmap to ensure steady progress toward these targets. We will promote activities in a planned and phased manner, examples of which include operational improvements to energy conservation activities, upgrades to high-efficiency LED lighting and air conditioning systems, expanded introduction of solar power generation facilities, and introduction of EV and HV company vehicles.

In terms of Scope 3 emissions, we will proceed with identifying CO_2 emissions across the entire supply chain and developing concrete reduction measures going forward. Energy conservation standards for air conditioners will be significantly increased from April 2027, and products failing to meet these standards will no longer be allowed to be sold. Therefore, we plan to prepare products with high energy conservation performance as quickly as possible and promote the spread of such products.

Under "Respect for Diversity and Enhancement of Human Capital," we increased investment in human capital and implemented base pay increases in recognition of the fact that human resources are our most important management asset for sustainable growth. In addition to our existing sales force enhancement training and other programs, we expanded executive training—such as harassment prevention training—as well as next-generation management manpower training programs.

Under "Building Strong Relationships with Stakeholders," we strengthened collaboration with business partners and operators by conducting human rights training and issuing a Declaration of Partnership Building. In addition, as part of our efforts to strengthen dialogue with shareholders and investors, we are actively increasing opportunities such as IR meetings and web briefings. In FY2024, we participated in an asset management fair (online booth) for individual investors and produced six IR videos for distribution, further expanding our points of contact.

Furthermore, we actively engage in dialogue and information sharing with overseas institutional investors by utilizing overseas coverage report services among other means.

We have also been able to comprehensively and systematically communicate our activities through measures such as the update of our sustainability website. In June 2025, we were selected as a constituent of the FTSE Blossom Japan Index, a global ESG investment index. We will continue to work toward deepening the understanding of our investors and society by clearly explaining our specific sustainability activities and their outcomes.

Message to Stakeholders

The Corporate Philosophy of our Group, Achieving Long-Lasting Customer Satisfaction Through Outstanding Products and Reliable Service, is about more than just selling products; it signifies our commitment to being a company that continually endeavors to support richness and abundance in our customers' lives through retail. I hope that our shareholders and investors will perceive us not merely as one of the many home electronics retailers that buy in bulk and sell cheaply, but as a company that creates unique customer value and charts its own growth trajectory.

We at EDION take pride in being part of the social infrastructure that supports people's lives. We cannot build and repair all the necessary devices and tools we need for daily life on our own. Manufacturers create products that we deliver to consumers, offering repairs and support to help consumers live fulfilling lives. Society needs this kind of mutual support system. EDION aspires to be the cornerstone of that mutual support. While the times are changing at a rapid pace, the EDION Group aims for sustainable growth to continue providing the mutual support that is needed precisely in times of change. I hope that our shareholders and investors will look forward to our future.

IR meeting for institutional investors (May 9, 2025)

SPECIAL FEATURE 02 Home Electronics Retail Business

Private Brand

e angle

Evolution and Development

EDION's Private Brand "e angle" was born in November 2018 based on the concept of "NEW LIVING FROM A New Angle." In response to customer requests for products for certain type of products, we plan products from an unconventional, unique viewpoint. To date, we have produced many hit products. In FY2024, we newly rolled out the Color Design Series, achieving further evolution.

Hiroshi Abe
Executive Officer
General Manager of
Product Planning Division

Embodying the Essence of the Retail Industry by Putting into Practice Customer Comments

The essence of the retail industry is to communicate customer comments to manufacturers in order to make better products and deliver those to customers. However, recently the number of comprehensive home electronics manufacturers in Japan has been limited, so there was a gap between this ideal and the reality: even if the needs of customers are communicated, it is difficult to have them turned into products.

Therefore, EDION launched our own brand so we could reflect the comments of our own customers in our products. Based on as many as 1,000 customer comments every month, and also interviews with EDION Card members, product reviews after purchases, etc., we advanced planning and development giving priority to products for which there is strong demand and launched "e angle" in November 2018. We are steadily releasing products that offer added value not found in previous products, such as a 160 L refrigerator with a focus on quiet design and a dishwasher and dryer with an automatic detergent dispensing function, and these products have received high praise. The product lineup listed on our website has expanded to 33 items (as of the end of July 2025). The products listed change with the seasons, and we hope our customers will enjoy that as well.

Developing New Product Strategies Targeting Each Generation

Volume home electronics stores face a common challenge: the low proportion of young customers. An analysis of customers who have actually purchased EDION kitchen appliances revealed that those in their 50s to 70s accounted for approximately half, while those in their 20s and 30s accounted for only 7.9% and 8.6%, respectively. Based on these results, we thought that younger customers might be purchasing highly designed original home electronics at general merchandise stores and interior design shops, etc.

Therefore, EDION developed its Color Design Series focused on design features, targeting Generation Z, our future core customer demographic. Launched under the tagline “Visu-Kaden (good-looking home electronics),” sales of the series were strong. While only 16.5% of purchases of kitchen appliances overall are made by people in their 30s or younger, 21.9% of purchases of this series were made by those people, so we were successful in capturing our target demographic.

In FY2025, we launched new product lines for Millennials and Generation Alpha. We intend to further expand the number of EDION fans by proposing products that promote “calmness,” “high quality,” and “practicality” to Millennials and “cuteness” to Generation Alpha.

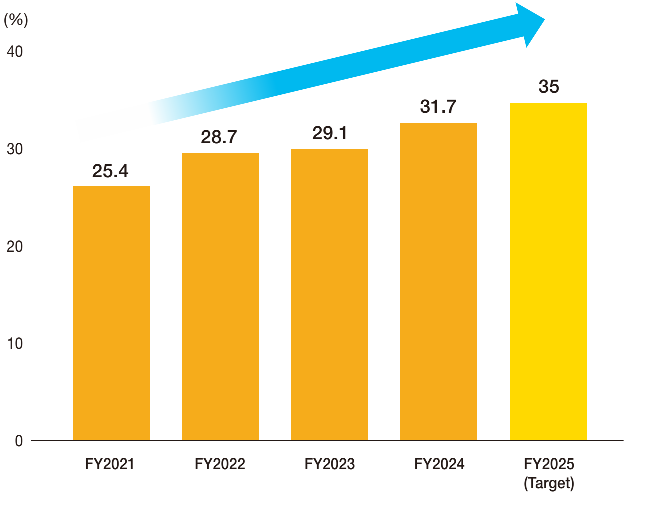
Color Design Series

In 2024, we launched a total of 15 items in five categories, including kitchen appliances such as a toaster oven, a tumbler mixer, and a grill pan, and heaters. We plan to additionally launch two kitchen appliance items in autumn and one LED light item in winter 2025. Going forward, we will continue to enhance the items and propose “Visu-Kaden” characterized by soft, nuanced “muted colors.”

The popular tumbler mixer (launched September 2024). It is a 400 ml colored bottle which comes with a non-slip silicone cap, making it perfect for carrying around. The high power output can also be used for ice. The tumbler mixer is for use with 100 V AC only (used exclusively in Japan).

Trend in the PB Product Sales Percentage

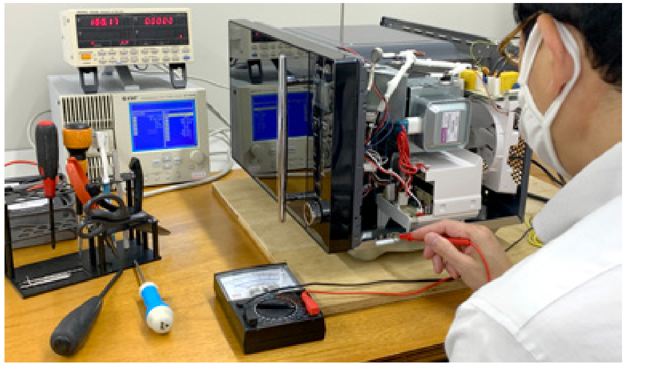
In its Medium-Term Management Vision, EDION states that the enhancement of PB products is one of its priority themes and sets the target of raising the component ratio of sales of those products to 35% in FY2025.



The Activities of the Product Performance Testing Laboratory

To ensure that our customers can purchase our products with peace of mind and enjoy them for many years to come, we have opened a Product Performance Testing Laboratory where we independently test the safety, durability, operability, and other aspects of products we sell for the first time.

For all “e-angle” products, we disassemble prototypes sent from the manufacturing plant and test them for basic performance such as the safety, durability, and operability of the parts used, as well as usability such as how easy it is to press the buttons and the quietness of the operating noise. We believe it is our responsibility as a brand to verify quality with our own eyes and deliver products with confidence.



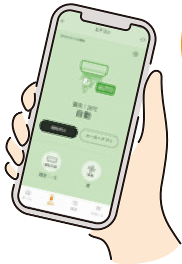
Pursuit of the Potential of IoT Home Electronics Through Linkage with the EDION Smart App

Analyzing customer comments revealed the issue that while IoT home electronics that can be operated remotely, such as air conditioners and rice cookers, etc., are increasing, customers are not utilizing these features due to the hassle of having to launch different apps for each product, among other reasons. Therefore, the New Business Promotion Department embarked on development of the EDION Smart App and released the app in April 2025 after a development period of approximately two years starting from 2023.

The biggest feature of the EDION Smart App is its “multivendor compatibility” which enables the user to operate and manage IoT home electronics of different manufacturers with one app. Furthermore, the app provides a full range of support to enable our customers to use home electronics more comfortably, such as error notifications in the event of a malfunction, displaying the warranty period, and displaying coupons for repair reservations and replacement purchases, etc. In addition, the interface places importance on ease of use and peace of mind for everyone from the young to the elderly and we have established a service system that includes app setup support to ensure the app will be installed by people of all generations. We intend to provide an even more comfortable smart home experience to both current IoT home electronics owners and those considering purchasing IoT home electronics.

Moreover, we are utilizing data gathered from the Smart App to further expand our business. One part of this is utilization of the data in public services and disaster prevention. By providing operational data during disasters, we will advance proposals for building disaster prevention networks in collaboration with public institutions and private companies and cooperate with local governments to solve community issues and promote disaster prevention measures. Another part of this is the utilization of the data in optimal proposals to customers and product development. We intend to collect and analyze customer usage data and reflect it in new product and service planning, sales promotion measures, and individually optimized proposals.

Going forward, the company will work to expand the number of compatible products and compatible manufacturers, develop IoT home electronics under the “e angle” brand, and provide value through collaboration with existing businesses, with the aim of realizing an industry-leading IoT platform that is indispensable to people’s lifestyles by 2030.



Convenient!!
Home electronics can be operated anytime anywhere from the app

EDION Smart App
Download from here.
[Supported operating systems]
・Android: Version 9 or above
・iOS: Version 15 or above

*The Smart App developed and provided by EDION is for home electronics products with Japanese specifications, so the service can only be used in Japan. No support or operation guarantee when using outside Japan.

EDION Smart App

The cumulative results for April to June 2025 were 22,643 connections (number of devices) with respect to a planned 24,049 connections, an achievement rate of 94.2%, so we largely progressed according to plan. We also launched the EDION Smart App Support Site, which provides setup and operational manuals and download services.

Compatible manufacturers: Sharp, Daikin, Toshiba, Mitsubishi Electric, Panasonic, and Hitachi (as of July 2025)
* It can be linked to IoT-compatible products such as air conditioners, refrigerators, washing machines, EcoCute (residential heat pump water heaters) products, rice cookers, and air purifiers.

EDION Smart App Support Site

VOICE EDION to Exhibit at CEATEC 2025, One of Japan’s Largest Comprehensive Digital Innovation Exhibitions

At CEATEC 2025 to be held in October 2025, we plan to announce a washing machine with an automatic detergent dispensing function as the first Smart App-compatible “e angle” product. We hope that if the “e-angle” IoT products, which are linked to the Smart App, become widely used, this will enable the realization of a society in which everyone can live a fulfilling life with peace of mind every day, through the realization of comfortable lifestyles with centralized management of home electronics, reliable monitoring for the elderly and families with children, environmentally friendly and sustainable lives, and consistent support from purchase to after-sales service. EDION’s Corporate Philosophy is “Outstanding Products with High Utility” and “Reliable Service,” and we can conclude that the EDION Smart App truly puts into practice that philosophy. We sincerely hope that you will experience these future lifestyles at the exhibition.

New Project Promotion Team. From left to right in the photograph: Masashi Noguchi, Hiroshi Abe (concurrently serving as Manager of the Project Promotion Office), and Ryota Nagahama.

> Business Strategies

Business Strategies

Business Policies 2025
Realization of “Regeneration and Growth”

Toshiro Inoue
Director and Senior Executive Officer
General Manager of Sales Department

Achievement of Increased Revenues and Profits in FY2024 Due to the Strong Performance of Seasonal Home Electronics

In the Home Electronics Retail Business, sales of air conditioners grew strongly throughout the year, partly due to the impact of extremely hot and cold weather, and performance exceeded the industry average, largely driving our business performance in terms of both sales and profits. Sales of mobile phones also grew significantly, centered on replacement demand, in response to the growing need to revise communication charges. Furthermore, the ELS business (home improvement), a pillar of the growth of EDION, secured sales higher than in the previous fiscal year, partly due to tailwinds such as EcoCute subsidies. Moreover, we were able to grow our inbound business significantly from the previous fiscal year as a consequence of the increase in visitors to Japan. The private brand “e angle,” featuring a range of priority products, also contributed to higher sales compared to the previous fiscal year due to the introduction of a new series and strengthening of the branding through television commercials and other methods.

As a result, although the gross profit ratio declined slightly from the previous fiscal year (FY2023: 29.07% → FY2024: 29.01%), the gross profit amount was +¥13.27 billion. The SG&A ratio was 26.72% in the previous fiscal year and was 25.97% in the fiscal year under review. It improved by 0.75% from the previous fiscal year and contributed significantly to increased revenues and profits.

Building a System Which Can Respond Flexibly to Changes in the Environment

Three major points for realizing medium- to long-term growth for the Home Electronics Retail Business can be presented. The first is “strengthen store openings in areas with no stores.” We will continue to open stores in vacant areas in the western Japan area, where we have a strong customer base, and in the Kanto region, where EDION has significant room for new store openings. The second is “update the existing stores to the latest format.” We will strive to strengthen our product lineup and enhance customer satisfaction by revamping stores that have not had their sales floors changed for a long time into the latest format. The third is “strengthen sales of original products.” We will strive to strengthen the development and sale of “e angle” and other “products only offered by EDION.”

Regarding the enhancement of customer satisfaction, we will continue to provide product proposals and services in line with regional needs, based on “long-term repair guarantees that provide peace of mind,” a strength of EDION.

Regarding home improvement, which is positioned as a pillar of our growth, we have newly launched a service menu for wall-mounted TV renovations from FY2025, in anticipation of demand expansion going forward. We will continue to develop and provide new services.

Furthermore, we will strengthen our inbound business targeting international visitors to Japan, whose numbers are expected to increase going forward, and our e-commerce business, for which even more demand expansion is anticipated, and we will strive to build a system for sustainable growth which can respond flexibly to changes in the environment.

Moreover, in order to enhance the customer service level of our employees, we will encourage them to obtain various qualifications and enhance our in-house education systems, among other measures, thereby enhancing our ability to respond in a way which gives greater satisfaction to our customers. Please look forward to EDION’s growth going forward.

> Business Strategies

Home Electronics Retail Business

Business Performance is Being Driven by Air Conditioners and Mobile Phones, Our Strengthened Products

For FY2024, we have developed a strategy centered on a product policy that leverages EDION's strengths. We focused on air conditioners and mobile phones and strengthened our activities by incorporating sales promotions throughout the year. As a result, we achieved a good business performance, with air conditioner sales of 112% compared to the previous fiscal year and smartphone sales of 121% compared to the previous fiscal year. On the other hand, sales of major products, namely refrigerators, washing machines, and televisions, were lower than the previous fiscal year, so we are also working on the issue of revising our product policy.

In FY2025, we expect various external factors to affect the business environment, including expanded inbound consumption due to an increase in the number of visitors to Japan, repeated days of extremely hot weather, and the release of stockpiled rice into the market due to a tight rice supply. Furthermore, in areas directly related to the products we handle, support for Windows 10 is scheduled to end in October 2025. We will accelerate growth in terms of both expanding sales and gaining customer support, by reflecting these market conditions and needs in our product policy in a timely and flexible manner. Furthermore, the revision of energy-saving standards for air conditioners and end of the manufacture of fluorescent lights are scheduled for 2027. To meet this last-minute replacement demand, we intend to make strong proposals to our customers through services only offered by EDION; for example, we will complete lighting renovations for entire homes.

Pursuing Comprehensive Customer Satisfaction from Customer Service at the Store to After-Sales Service

EDION's sales strategy is to offer proposals deeply in line with the lifestyles of our customers which combine smartphones, toys, home improvement, etc. while being based on sales of home electronics. This allows us to conduct sales activities that make the most of our strengths as a "service-based retail business" rather than simply selling products.

The lifestyles and values of our customers are diversifying year by year as a consequence of changes to the social environment. In order to respond to these changes, EDION is working to improve our employees' people skills by supporting them in obtaining qualifications such as Home Electronics Advisor and Smart Master, ensuring they gain knowledge on highly specialized mobile products and ELS products, and providing on-the-job on-site group training, etc. At the same time, we are striving to enhance their customer service capabilities and proposal capabilities by visualizing their customer service skills. Furthermore, we are creating more time for customer service and improving the efficiency of store operations by reducing workloads and simplifying operations at stores. As a result of these activities, we were able to confirm in a customer questionnaire the enhancement of satisfaction and a decrease in dissatisfaction, leading to the enhancement of our support rate. In addition to the enhancement of our product lineup, we will aim to operate stores that will satisfy our customers with kind and courteous customer service, as well as after-sales services such as delivery, installation, repairs, and support.

Business Strategies

ELS Business (Home Improvement)

Takeshi Tsuchihashi
Executive Officer
General Manager of ELS Business Division, Sales Department

Creating New Value in Home Improvement Through Combined Proposals for Home Electronics and Household Equipment

As social issues such as a declining birthrate and aging population, rising energy costs, and environmental concerns continue to worsen, homes that are safe, comfortable, and energy-saving will be required in Japan going forward. Through combined proposals for home electronics and household equipment, EDION is exploring new forms of home improvement which are in line with consumers' "present and future."

As an example, we commenced wall-mounted TV renovations at all EDION directly managed stores in May 2025. This new service was well-received right away as it gives living rooms a stylish makeover.

Going forward, we will continue to provide our customers with experiences that are easy to understand, fun, and exciting, and contribute to the sustainable development of lifestyles, communities, and society. We will build a bright future together with all of our stakeholders.

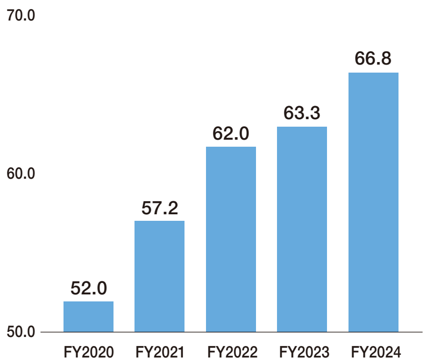
Our Proposals Linked with Home Electronics and Packaged Home Improvement Have Been Well-Received and Achieved Record-High Sales

In FY2024, we achieved record-high sales of 66.8 billion yen, 105.5% compared to the previous fiscal year, partly due to the tailwind of home energy-saving support measures. Orders for subsidy-eligible products such as EcoCute products, interior windows, and toilets were strong, and the understandability of our proposals linked with home electronics and packaged home improvement was highly praised. Furthermore, we have advanced the development of our construction systems and strengthening of our sales training, which has led to the enhancement of our on-site response capabilities and customer service quality. It was a year in which we were able to achieve both customer satisfaction and sales expansion, and we evaluate that we have steadily built a platform for sustainable growth going forward.

Even in a rapidly changing market environment, EDION's home improvement services demonstrate solid competitiveness based on the "Eight Reassurances" (satisfaction, price, choice, track record, guarantee, familiarity, technology, and payment). We have realized stabilization of the close rate and enhanced customer satisfaction by offering year-round proposals for subsidy-eligible products such as water heaters and toilets, etc., enhancing packaged products with visible prices, and expanding multifaceted contact points linking in-store with the internet, TV commercials, and flyers. In addition, we are steadily advancing the establishment of a business platform with the aim of sales of 100 billion yen by FY2030 through measures such as strengthening our construction capabilities, establishing a division of labor system, utilizing digital technologies, and developing manpower.

Trend in Home Improvement Net Sales

(Billion yen)



* We changed the calculation method from FY2023

Example of wall-mounting + interior work

> Business Strategies

E-Commerce Business

Contributing to the Expansion of Sales Through Synergistic Effects with Physical Stores

The company operates the EDION Net Shop website to respond to the growing e-commerce market. It supports stores as a sales channel and continues to demonstrate a high rate of growth as the area in which we offer deliveries expands.

We were handling approximately 360,000 items as of the end of July 2025. In addition to an abundant lineup of home electronics products, the website handles a broad range of products including private brand “e angle” products, games, toys, household goods, and food items. When customers make a purchase, the website provides the same delivery and installation services as stores, and there has been a substantial increase in sales for large home electronics requiring installation and construction. Furthermore, even in the case that there is no stock in stores, if there is stock in the e-commerce warehouse, it can be shipped out on the same day, and even in the case that there is no stock in the e-commerce warehouse, store stock can be kept on hand, enabling a quick response to customers and creating a synergy in which the e-commerce site and physical stores support each other.

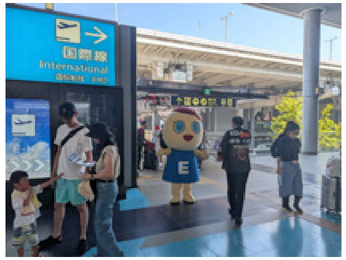
EDION Net Shop

Inbound Business

Rolling Out Diverse Services as a Response to Extremely Multinational Needs

Driven by urban stores that offer duty-free services, such as the Namba Main Store and the EDION Yokohama-Nishiguchi Main Store, sales from inbound visitors in FY2024 were approximately double that of the previous fiscal year. In particular, we saw the new inbound visitor trend due to Expo 2025 Osaka, Kansai, Japan, which opened in April 2025, as a major business opportunity for EDION, and we have advanced the rollout of a wide range of services as part of our response to extremely multinational needs, including multilingual support, interactive shopping tours, and luggage storage services, etc.

In October 2024, we opened the Expo 2025 Osaka, Kansai, Japan Official Store in the EDION Namba Main Store. Moreover, in August 2025, we opened a limited-time-only pop-up store in Kansai International Airport (photograph on the right). Both stores were well-received by customers for enabling them to shop in a leisurely manner before going to the Expo site.



Open for a limited time only: Kansai International Airport Aero Plaza Store

TOPIC

Coffee Roasting Facility at the Namba Main Store

As part of our interactive shopping experiences, we have installed a coffee bean roasting facility equipped with two full-scale roasters on the fifth floor of our Namba Main Store. We always have 20 to 30 types of green coffee beans in stock, and our dedicated coffee masters roast them on the spot in accordance with the preferences of our customers to provide them with original taste experiences. The beans can be purchased from the EDION Net Shop and we are receiving orders from customers all around the country.

Special Feature on Roasted Coffee Beans
https://www.edion.com/special.html?identificationid=nambacoffee
* This website is only in Japanese.

> Business Strategies

Store Strategies


Hirokazu Fujiwara
Director and Senior Executive Officer
General Manager of Overseas Store Development and Store Strategy Department

We Aim to Create Stores Which Make Customers Feel “I Am Glad There Is an EDION Store Here”

EDION’s store-building strategy is founded on “Outstanding Products with High Utility,” our Corporate Philosophy, and “Our Stores*,” our basic policy for store building. We place importance on the sense of openness, security, and scale that is felt the moment one enters a store, with the entrances located in the center and extensive use of gate-shaped facades and glass surfaces. In our store opening plans, we respond to changes in the times and work on a variety of items from a customer perspective, and we design stores which are optimal for each region by conducting detailed analyses of the sales region population, dominant strategies, and market environment.

In FY2024, we set “standardization of the format of the stores” as our most important theme. Given that multiple formats and styles exist, we can expect to revitalize sales floors and streamline operations by stipulating new standards for both the inside and outside of stores to advance standardization. Specifically, we established standards for the gate at the front of the store, design features, sales floor layout, and shelving arrangement.

We are also focusing our efforts on in-house production of store interiors. With the objectives of reducing costs, achieving uniform quality, and enhancing production precision, we are conducting a variety of experiments utilizing the simulation room inside our Mitejima Store (Osaka Prefecture). As a result, we were able to keep the costs of interiors and unit prices per square meter down even in the current challenging situation of soaring prices for materials.

We are currently advancing the introduction of the new format to existing stores, and are facing the challenge of how to apply the new format to diversified and aging stores. Going forward, our policy is to further strengthen the standardization of design specifications and in-house production of store interiors in order to thoroughly reduce costs.

* EDION’s basic policy for store building is stipulated in our management guidelines. For example, our stores are stores which have a good selection of products that are easy for customers who come to the stores to understand and choose.

The Outlook for FY2025 and Our Prospects Going Forward

In FY2025, we began by strengthening the organizational structure. The Store Development Department has been renamed the Overseas Store Development and Store Strategy Department, the Sales Planning Division has been renamed the Store Strategy Division, and they have both been placed under the umbrella of the Overseas Store Development and Store Strategy Department. This has enabled us to build a structure for consistently handling everything from property development to store strategies before and after opening, ensuring the smooth launch of new stores and smooth growth.

As a measure for existing stores, we will update approximately 20 stores to the new format in FY2025. This will be led by the Sales Floor Standardization Promotion Department, newly established in this fiscal year. Our plan is to revamp existing stores that have not been renovated for a long time and to continue selecting and revamping stores in the same way from FY2026 onward.

Furthermore, streamlining store operations is another important theme. We are aiming to realize a minimal traffic flow design and operate with a small number of people by optimally laying out major functions such as cash registers, sales floor, warehouse, delivery, and the reception desk for repairs. Our policy is to use this approach to maintain service quality while also enhancing productivity. Going forward, we will continue to challenge ourselves to create stores which are always continuing to evolve without fear of change.

Roadside standalone store (image)


Standardized layout

Tool produced in-house

> Business Strategies

Logistics Service Business

Yuji Ikehata
Director and
Senior Executive Officer
General Manager of Logistics
Service Department

Expanding Population Coverage to 95% While Addressing Issues Such as the Driver Shortage

In FY2024, we faced urgent challenges, including a driver shortage caused by the enforcement of laws related to work style reform, and the need to address carbon neutrality. EDION has striven to enhance loading efficiency and address these issues by changing the frequency of deliveries from our logistics centers (LCs) to stores and promoting joint deliveries. We are currently working to establish a system that will enable us to comply with the amendments to the Logistics Streamlining Act in 2026.

Regarding our nationwide deliveries, we have succeeded in expanding their population coverage to 95%, so we also intend to expand our home improvement and cleaning services to cover the entire country. The number of calls received by the nationwide “Home Appliances 119” hotline, which was unified nationwide in 2023, exceeded 500,000 in FY2024. From FY2025, we will start automating online repair reception, enabling applications to be made not only by telephone but also via our app and website.

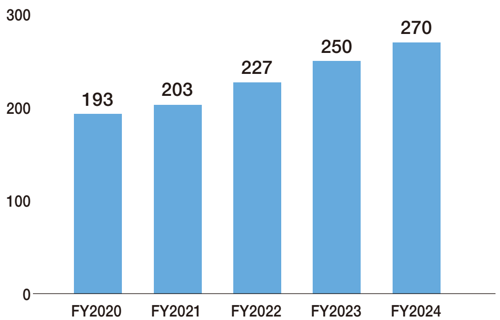
At EDION, our dedicated staff, who are home appliance professionals, utilize their specialized knowledge and skills to support you with a variety of difficulties related to the home electronics products in your home. We are also focusing our efforts on the cleaning business to ensure that our consumers’ comfortable lives continue enduringly into the future, and in FY2024 we expanded our performance in the area of air conditioner cleaning to 270,000 units, so we were able to grow into one of the largest companies in the industry in terms of the number of jobs we do. In addition, we have started a coating service for bathrooms, kitchens, etc., based on “ensuring that our customers can use their purchases in optimal condition over a long period of time” as stated in our Corporate Philosophy of “Reliable Service.” In addition to providing support for home electronics, we intend to enhance our “complete home support” in order to enhance the sense of security with respect to EDION and our corporate image.

Increasing Contact Points with Each of Our Customers and Providing Services Tailored to the Needs of the Age

We believe that as the population continues to decline and age, the demand for maintenance and cleaning of home electronics products will increase further. EDION’s cleaning service sales have grown by 40% over the two years from 2022 and demand is still increasing currently. Given this context, we are also considering rolling out new services to meet the needs of lifestyle support services, including house cleaning. We intend to be a company that receives support from our customers over the long term by increasing our contact points with each of our customers and providing services tailored to the needs of the age.

Going forward, EDION will continue endeavoring to ensure that “Reassuring Feelings and Lasting Satisfaction,” our Corporate Message, is recognized, understood, and accepted by all of our stakeholders.

Trend in Performance of Air-Conditioner Cleaning Services
(Thousand units)



EDION’s extensive menu of cleaning services

←The details of the cleaning services can be confirmed here.
(These services are for residents of Japan. This site was machine translated from the Japanese language site.)

Priority Issues

In order to increase corporate value in the medium and long term in keeping with the EDION Group's basic approach to sustainability, EDION has inventoried changes in the social environment that have an impact on its business activities and the role that the company should play in society through its business activities, as a means of identifying important priority issues. The external environment which has the potential to affect the EDION Group changes over time, so we revised our priority issues in March 2025. Going forward, we will work on the newly identified priority issues to create value over the medium to long term.

The Connection Between Our Corporate Philosophy and Our Priority Issues

Based on our goal to be "a company that continually endeavors to support richness and abundance in our customers' lives," our Corporate Philosophy has called for us to Achieve Long-Lasting Customer Satisfaction Through Outstanding Products and Reliable Service. This Corporate Philosophy aims to enable our customers to use our products with peace of mind for as long as possible and to continually satisfy them, so it is the essence of the sustainability envisaged by the EDION Group.

The EDION Group will advance activities for priority issues based on its Corporate Philosophy in order to realize sustainable growth while contributing to the solution of social issues through its business activities.

Activities for Priority Issues

The EDION Group aims to create value for society as a whole by working on "helping customers realize lifestyles of convenience and affluence," "realization of a sustainable society in harmony with the global environment," and "creation of prosperous and vibrant local communities." Moreover, we will work on "respecting diversity and enhancing human capital" based on the belief that manpower, as the capital which generates these kinds of value, is the most important management capital for the EDION Group to realize sustainable growth. In addition, in order to establish a strong management platform, we will realize sustainable growth by "building strong relationships with our stakeholders" and "strengthening highly transparent governance to support business growth."

The six priority issues we identified

A Company which Continually Endeavors to Support Richness and Abundance in Our Customers' Lives

Corporate Philosophy

Achieving Long-Lasting Customer Satisfaction Through Outstanding Products and Reliable Service

Priority Issues

Created value	Philosophy Helping customers realize lifestyles of convenience and affluence E Realization of a sustainable society in harmony with the global environment S Creation of prosperous and vibrant local communities
Capital which generates value	S Respecting diversity and enhancing human capital
Management platform	S Building strong relationships with our stakeholders G Strengthening highly transparent governance to support business growth

Philosophy E Environment S Social G Governance

> Priority Issues

Identification Process

We carried out identification and revision of the EDION Group's priority issues using the following process. Going forward, we will continue to carry out revisions as appropriate in response to changes in the social environment.

Recognize and Inventory Issues

We comprehensively identified environmental, social, and governance issues with reference to international frameworks and guidelines, etc. concerning sustainability.

Evaluate Importance

We carried out an evaluation of the importance of the identified issues based on two criteria: "importance for the EDION Group" and "importance for our stakeholders," while also taking into account the EDION Group's Corporate Philosophy, business activities, etc.

Select and Confirm the Appropriateness of Priority Issue Candidates

We cross-checked the issues we judged in the evaluation of importance to be highly important with our previous priority issues and selected them to be the new priority issue candidates. After selection, we confirmed their appropriateness through discussions in the Sustainability Committee, dialogue with the independent outside directors, etc.

Identify Priority Issues

We held deliberations in the Sustainability Committee and identified the new priority issues through the Board of Directors.

New Priority Issues

Philosophy E Environment S Social G Governance

Priority Issues			Basic Approach
Created Value		Helping customers realize lifestyles of convenience and affluence	This is based on the EDION Group's goal to be "a company that continually endeavors to support richness and abundance in our customers' lives."
		Realization of a sustainable society in harmony with the global environment	Based on the idea that a variety of things are connected to the global environment and that the small actions of each individual can change the global environment, we will contribute widely, not only to a "decarbonized society," but also to a "recycling-oriented society" and "biodiversity."
		Creation of prosperous and vibrant local communities	Through our business activities, including stores and educational facilities, etc., we intend to create prosperous and vibrant local communities together with everyone in the region.
Capital Which Generates Value		Respecting diversity and enhancing human capital	Understanding that respecting human rights is the basis of business activities, we have therefore adopted the more comprehensive concept of "respecting diversity." The source of growth for the EDION Group is people, so we intend to broadly enhance our manpower, which is the capital which generates value.
Management Platform		Building strong relationships with our stakeholders	We are supported by our business partners, shareholders, and many other stakeholders, and we will build strong relationships with them to ensure our mutual prosperity and survival.
		Strengthening highly transparent governance to support business growth	Sustainable growth is essential for the realization of our Corporate Philosophy, so we will aim for further business growth by strengthening our highly transparent governance.

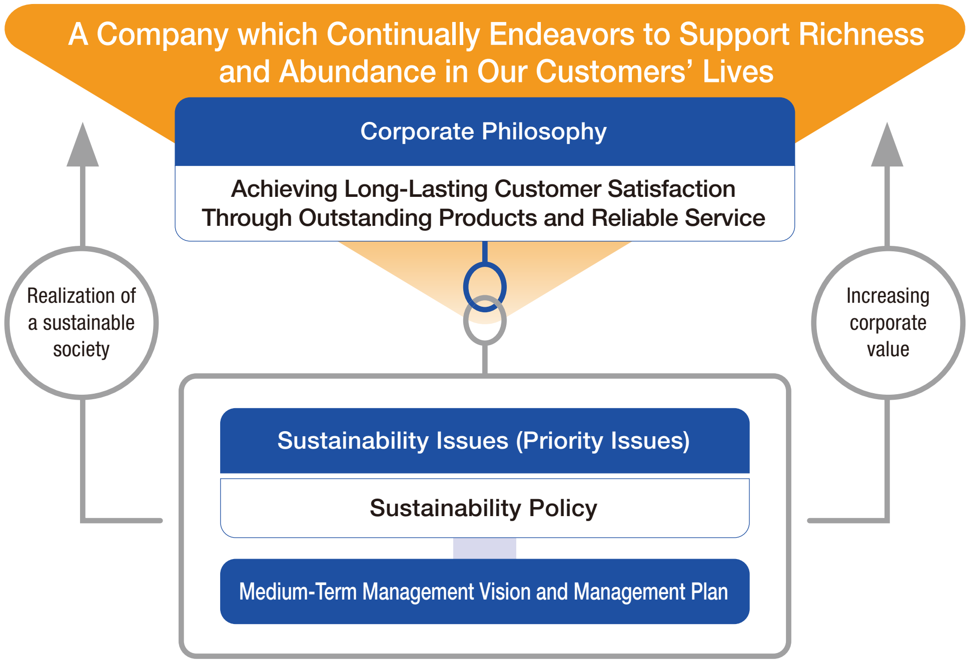
Sustainability Management

The EDION Group's goal is to be "a company that continually endeavors to support richness and abundance in our customers' lives," and, based on this goal, we are putting in place a structure for strategically promoting sustainability activities.

Basic Approach to Sustainability

The EDION Group has long worked to resolve environmental problems and social issues. We created a Sustainability Policy in May 2023 amid major changes in the environment surrounding the company, so that we could contribute to a sustainable society by resolving social issues, while at the same time continually increasing corporate value. This policy describes the EDION Group's basic approach to sustainability management. Based on this policy, each and every employee strives to achieve a sustainable society and to continually increase corporate value.

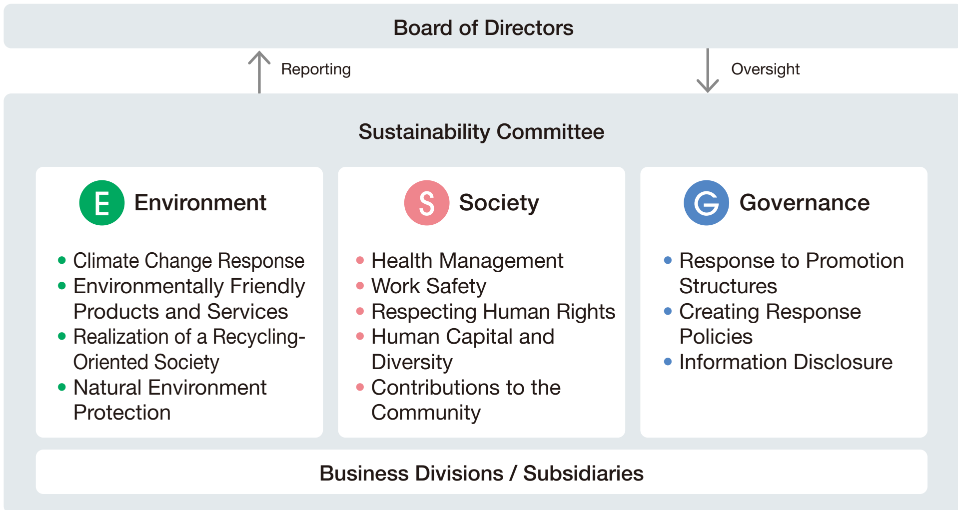
The EDION Group's Sustainability Policy
https://www.edion.co.jp/en/sustainability/management/policy#s_policy
* This website uses machine translation.



Sustainability Structure

The EDION Group established the Sustainability Committee in June 2022 to promote sustainability management in all of the Group companies, not only in the context of business activities, but with a focus on environmental protection and social contributions as well. This committee, chaired by Representative Director and Chairman Kubo (Representative Director and President from FY2025), deliberates on important policies, initiatives, and activities related to sustainability, and reports appropriately to the Board of Directors. Upon receiving reports regarding the discussion items of the Sustainability Committee, the Board of Directors undertakes management and supervision, for example, by discussing important items at meetings of the Board of Directors as deemed necessary.

In FY2024, we held three meetings of the Sustainability Committee in which we deliberated on revision of the priority issues, the formulation of a CO_2 reduction roadmap, and other issues. Furthermore, in the 17 meetings of the Board of Directors, a topic related to sustainability was on the agenda once and activities reports were given twice. Moreover, the resolutions and reporting content of the Board of Directors were reported in the management meetings twice.



Working for the Environment

Recognizing that reducing environmental impact is an important issue, we strive to create a rich and smooth-running social environment by protecting the natural environment, while working to achieve a carbon-free and recycling-oriented society.

Environmental Management

Formulation of an Environmental Policy

In March 2024, we formulated the EDION Group Environmental Policy. This policy clearly states the stance that all employees of the EDION Group should have as a basis for their business activities. Going forward, we will continue to thoroughly disseminate our environmental policy and raise awareness of environmental conservation.

EDION Group Environmental Policy
https://www.edion.co.jp/en/sustainability/environment/management
* This website uses machine translation.

Environmental Management System

The EDION Group has established its own environmental management system based on the ISO 14001 international standard and is promoting environmental improvement activities as a Group.

Activities for Realizing a Decarbonized Society

Information Disclosure Based on the TCFD Recommendations

The EDION Group organizes activities related to the risks and opportunities involved in climate change according to the four disclosure items recommended by the TCFD: Governance, Strategy, Risk Management, and Metrics & Targets. We will continue to disclose information related to climate change in accordance with the TCFD framework and strive to enhance these activities to fulfill our responsibility for accountability to stakeholders.

Information Disclosure Based on TCFD Recommendations
https://www.edion.co.jp/en/sustainability/environment/tcfd
* This website uses machine translation.

Governance

The Group recognizes that the risks and opportunities accompanying climate change have a significant impact on business strategies and financial plans. The Sustainability Committee has identified climate change as one of its major themes. Its activities include inventorying information disclosure items and increasing the visibility of CO_2 emissions in keeping with the TCFD recommendations, as well as considering reduction methods, discussing important items related to climate change, and establishing response policies, while also analyzing the progress of initiatives to address targets and reporting to the Board of Directors. Upon receiving reports regarding climate change-related issues, targets, and responses discussed by the Sustainability Committee, the Board of Directors, as the supervisory body, makes decisions following deliberations on important items.

Strategies

The EDION Group conducts scenario analyses to identify the risks, opportunities, and impact for the Group presented by climate change, as well as to study the resilience of strategies assuming global conditions in 2030. We determined that in both the 1.5°C/2°C scenario and the 4°C scenario, the greatest risks for the EDION Group are a failure to keep up with changes in consumer lifestyles, and damage to the Group's reputation due to delays in alleviating or adapting to climate change. On the other hand, it would be possible to transform risks into opportunities by conducting continued scenario analyses and building and implementing business strategies that can respond quickly to global conditions ahead of the competition.

Risk Management

The Sustainability Committee evaluates and manages risks and opportunities related to climate change. It manages companywide climate change risks and opportunities, discusses and decides on methods for identifying, evaluating, and managing those risks and opportunities, and reports to the Board of Directors. Regarding the climate change risks identified, the financial impact of the risks and opportunities is evaluated, and after important risks and opportunities are identified, they are discussed with the Risk Management Committee, and countermeasures are studied.

> Working for the Environment

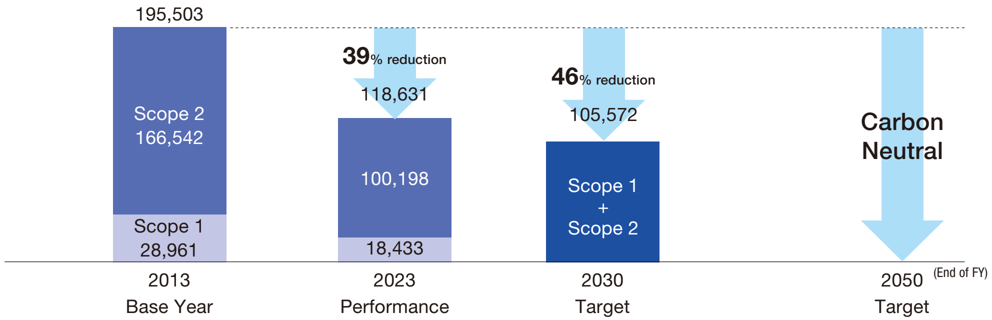
Indicators and Targets

We have set Scope 1, 2, and 3 CO_2 emissions as indicators for managing climate change risks and opportunities. We aim to reduce the combined Scope 1 and Scope 2 CO_2 emissions of the Group by 46% compared to FY2013 levels by FY2030. In the long term, we aim to achieve carbon neutrality by FY2050.

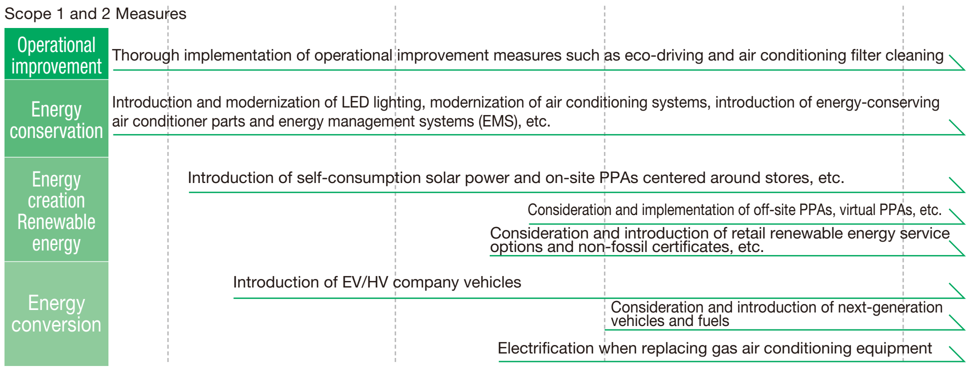
The Sustainability Committee formulated a CO_2 reduction roadmap in March 2025 to ensure steady progress toward these reduction targets. In terms of Scope 3 emissions, we will proceed with identifying CO_2 emissions across the entire supply chain and developing concrete reduction measures going forward.

CO_2 Reduction Roadmap

(Unit: t-CO_2e)



Scope 1 and 2 Measures



Scope 1/2/3 CO_2 Emissions and Forecasts

(Unit: t-CO_2e)

	FY2013 Base Year	FY2022	FY2023	FY2024 Quick Estimate	FY2024 vs. FY2013 (Increase/ Reduction Rate)
Scope 1	28,961	20,273	18,433	21,421	74.0% (-26.0%)
Scope 2	166,542	85,470	100,198	99,163	59.5% (-40.5%)
Total of Scope 1 + Scope 2	195,503	105,743	118,631	120,584	61.7% (-38.3%)

	FY2013	FY2022 Base Year	FY2023	FY2024 Quick Estimate	FY2024 vs. FY2022 (Increase/ Reduction Rate)
Scope 3	61,780	10,613,896	10,554,915	10,791,736	101.7% (+1.7%)
Scope 3 Category Scope	Parts of 1, 3, and 5	1, 2, 3, 4, 5, 6, 7, 8, 11, 12, 13, 14, 15	1, 2, 3, 4, 5, 6, 7, 8, 11, 12, 13, 14, 15	1, 2, 3, 4, 5, 6, 7, 8, 11, 12, 13, 14, 15	-

Notes:
1. This report covers EDION Corporation and its consolidated subsidiaries.
2. When figures are rounded, the total may not always match the sum of the individual figures.
3. The figures for FY2024 are quick estimates and may change when they are finalized.
4. Scope 2 uses market base. The CO_2 emission factor for electricity uses the adjusted emission factors by electricity provider for each year published by the Ministry of the Environment and the Ministry of Economy, Trade and Industry.
5. We have partially revised the calculation methods for Scope 3 Category 4 and Category 9 by clarifying the criteria for aggregation, among other measures, and have retroactively adjusted the values for FY2022 and FY2023.
6. For details on each Scope 3 category for FY2024, please refer to our website.
https://www.edion.co.jp/en/sustainability/environment/tcfd#environment_area04
* This website uses machine translation.

> Working for the Environment

Convenient and Environmentally Friendly Store Design

Increasing Stores with Nearly ZEB* Certification

We have obtained Nearly ZEB certification under the Building-Housing Energy-Efficiency Labeling System (BELS) for some stores newly opened in 2023. BELS is a system where a third-party evaluation organization evaluates and certifies the energy efficiency performance of buildings. The first store within the EDION Group to obtain this certification was the Gifu Masaki Store. We will continue to promote activities toward switching our stores to ZEB.

*ZEB: This is an abbreviation for Zero-Energy Building, which refers to a building that has the purpose of efficiently using energy and reducing annual primary energy consumption to zero. It is categorized into four stages based on the status of achievement of this goal.

The Various Advantages of Switching to ZEB

1. Economic effect

Realizing the switch to ZEB will enable us to reduce running costs.

2. Improvement of the quality of the space

Switching to ZEB will reduce air conditioning noise and stabilize temperature and humidity. It will enable customers to enjoy shopping in a comfortable space and can be expected to make it easier for store staff to work and improve their productivity.

3. BCP* measures for times of emergency

Stores that have reduced energy consumption will be able to continue their business activities for a certain period of time using only renewable energy generated by solar power.

* BCP: Business Continuity Plan

Example of Energy Conservation + Energy Creation Activities Across the Entire Building (EDION Katano Hoshida Store)


Visualizing energy consumption on monitors (energy management system (EMS))


Mitigating the heat island phenomenon with green curtains


Dimmable LEDs with adjustable light intensity for each sales floor


Power generation from solar panels installed on the roof

Activities for Realizing a Recycling-Oriented Society

Promotion of Recycling of Small Home Electronics

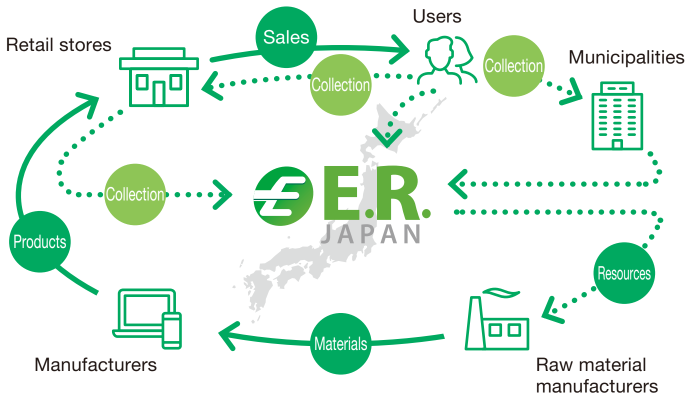
We established our recycling and reuse subsidiary E.R.JAPAN Corporation (E.R.JAPAN) in 2012, and are promoting activities to utilize valuable resources across the entire Group. E.R.JAPAN's core business is recycling of small home electronics, which accounts for approximately 85% of its business revenue.

Recycling small home electronics involves collecting used small home electronics (such as smartphones, digital cameras, and game consoles) containing valuable metals—often referred to as urban mines—and crushing and sorting them before recycling them at refineries. This activity is also an important element of the circular economy policies promoted by the government and municipalities. In addition to stores and service centers, E.R.JAPAN collects items from municipalities and corporations to promote recycling. E.R.JAPAN's total recycling collection volume for FY2024 (including small home electronics and used IT equipment from corporations and municipalities) was 8,382 tons.

E.R.JAPAN also actively promotes employment of people with disabilities. There were 32 employees with disabilities as of July 2025, and the company has received high praise not only for its environmental contributions, but also for its social contributions.

Collected home electronics

Process of Recycling Small Home Electronics

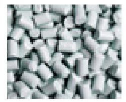



Steel


Aluminum


Copper


Mixed metal (gold, silver, and copper scraps)


Plastic

Promoting Human Capital Management

To achieve sustainable growth, it is essential that we make qualitative improvements through continuous investment and build a structure that enables each individual to demonstrate their capabilities to the maximum extent. Based on the idea that "increasing the value of diverse manpower to the maximum extent leads to increasing corporate value," we are promoting "human capital management" linked to our management strategy and manpower strategy.

Tomoya Katayama
Executive Officer
General Manager of HR Division

In the Medium-Term Management Vision (2025), we have set "Build a Corporate Structure That Evolves by Responding to the Changing Market Environment" as the basic policy for our medium-term activities. We have also set "Create Robust Human Resources for the Future" as one of our key medium-term items in strengthening the corporate infrastructure platform. We will promote diversity, equity, and inclusion (DE&I) and create robust human resources for the future through measures such as promoting health management, placing importance on work/life balance, promoting participation by women, fostering young managers, re-examining opportunities for managers to remain active after reaching the age limit for managerial positions, and continuously developing capabilities. In doing so, we are dedicated to creating an environment where everyone can thrive with a sense of purpose regardless of age or gender, and aim to enhance productivity across the entire Group.

Manpower Strategy KPIs

EDION has established manpower KPIs in order to promote its manpower strategy integrated with its management strategy. These KPIs are used to quantitatively measure the effects and progress of human resources measures while also strengthening and reviewing activities. In particular, regarding the turnover rate, young people quitting work early has become a social issue recently, but EDION has maintained its turnover rate at a low level compared to the turnover rate of the retail industry overall due to our efforts to implement policies and foster a culture that supports our employees. We are gradually seeing improvements in our work engagement score by enhancing opportunities for each individual employee to demonstrate their capabilities, for example by redeploying them to the work location, department, or job type of their choice.

Manpower Strategy	Priority Fields	Indicators	FY2021 Performance	FY2022 Performance	FY2023 Performance	FY2024 Performance	FY2025 Target
Create Robust Human Resources for the Future	Improvement of the personnel expenses ratio	Personnel expenses ratio (consolidated)	11.2%	11.0%	11.0%	10.6%	9.0%
	Promoting participation by women	Female employee ratio (non-consolidated, regular employees)	14.1%	14.4%	14.6%	14.6%	15.0%
		Ratio of female managers (non-consolidated)	2.1%	2.2%	2.4%	3.3%*1	3.5%
	Placing importance on work/life balance	Turnover rate (non-consolidated)*2	2.67%	3.32%	4.61%	3.24%	-
		Ratio of employees using paid leave (non-consolidated)	52.8%	60.1%	69.1%	65.2%	70.0%
	Increasing employee satisfaction	Work engagement (non-consolidated)	3.74	3.73	3.73	3.75	3.80

*1 We have changed the calculation method for female managers. Under the new calculation method, the figures are 3.1% for FY2022 and 3.2% for FY2023.
*2 Does not include people who retire at the end of March.

Human Resource Management

When promoting human capital management, deliberations and resolutions are conducted through Management Meetings, the Sustainability Committee, Safety and Health Committee, and other bodies under the supervision of the Board of Directors.

The Safety and Health Committee works to understand the status of work safety and sanitation and implement countermeasures with the goal of ensuring the safety and maintaining the physical and mental health of employees and others, as well as improving their productivity and motivation, by improving the Group's work safety and environments.

Human Resource Development Activities

Manpower Training Policy and Education and Training Structure

In May 2024, we established the EDION Group Manpower Training Policy. Under this policy, we respect the diversity of each individual, support their growth, develop an environment where employees can always take on new challenges, and train our manpower so that they can contribute to our customers and society.

Our education and training structure is designed to enhance individual skills through role- and level-specific training for employees, as well as support systems for obtaining certifications aimed at providing opportunities for self-improvement.

PDF **EDION Group Manpower Training Policy**
https://www.edion.co.jp/en/sustainability/society/human-capital-management
* This website uses machine translation.

Development of the Learning Environment

We have implemented training that combines face-to-face and online training depending on the goals. We are also working to expand our education programs within our original e-learning platform and have increased the amount of manpower training content from 201 in FY2023 to 319 in FY2024. We plan to increase it further to 400 by FY2025.

Internal Certification System

We introduced the skill certification system, our original internal certification system, in FY2023 to promote enhancing employee expertise and deploying the right people in the right positions. This system is characterized by its comprehensive assessment of practical abilities in addition to basic knowledge. In FY2025, we are expanding the scope of its application while advancing activities to accurately grasp the skill levels of our employees. From FY2026 onward, we will begin full-scale efforts to deploy the right people in the right positions, leading to improved organizational productivity and enhanced employee motivation.

Training Future Human Resources Through the EDION Academy

The EDION Academy, established in April 2023, enables employees who voluntarily enroll to elevate their perspectives while also enhancing their analytical and planning abilities, fostering autonomy, and improving their skills through programs that combine external training with self-reflection on their actions, among other measures. This program has delivered concrete results, with graduates who have grown into individuals capable of achieving their desired roles, and proposing and executing highly effective reform proposals.

Education and Training Structure

Level	Level-specific education	Selective education	Purpose-specific education	Function-specific education	On-site education	Self-development/other		
Managers	· Next-generation manager training · New store manager training · Harassment training		· New employee coacher* training · Women's Career Vision Training · Life planning seminars · Safe driving courses · Issue-specific training	· Department/job-specific professional knowledge acquisition training	· OJT in each department (on-site guidance, workplace study sessions, etc.)	Certification acquisition assistance	E-learning	Distance education assistance
Mid-level employees	· Deputy store manager training · Senior staff training · Leader training	· Promotion candidate training · Next-generation leader training · EDION Academy						
General employees	· Annual training (2nd/3rd year)							
New employees	· New employee follow-up training · New employee orientation training				· New employees receive OJT through the coacher* system			
Fixed-term employees	· Fixed-term employee training	· Full-time employee conversion training						

*Coachers are senior employees who provide one-on-one support to new employees

Improvement of the Internal Environment

Creation of a Comfortable Internal Environment

In May 2024, we established the EDION Group Internal Environment Improvement Policy. Under this policy, we are working to improve the workplace environment through activities such as creating a safe and healthy workplace environment, improving work/life balance, offering career enhancement and career support, and promoting DE&I, aiming to achieve sustainable growth.

PDF **EDION Group Internal Environment Improvement Policy**
https://www.edion.co.jp/en/sustainability/society/human-capital-management
* This website uses machine translation.

Activities Targeting Health Management

We believe that the physical and mental health of our employees and their families is the driving force behind our sustainable growth. Therefore, we are undertaking various health maintenance and promotional activities while focusing on the health of our employees and their families. We have created a strategic map to achieve our goal of creating healthy workplaces where employees can work at the peak of their abilities. We have established lifestyle-related disease measures and work style reform promotion as two key health management issues. We have set target indicators for these issues, including promoting healthy eating habits, maintaining appropriate body weight, smoking cessation measures, stress management measures, increasing the utilization rate of spousal childbirth leave, and reducing overtime hours, and we are implementing various measures to achieve them.

These activities targeting health management have been highly evaluated, leading to our certification as a 2025 Certified KENKO Investment for Health Outstanding Organization (Large Enterprise Category) by the Ministry of Economy, Trade and Industry and Nippon Kenko Kaigi. This marks our sixth consecutive year of certification since 2020.

2025
健康経営優良法人
KENKO Investment for Health
大規模法人部門

Improving Work/Life Balance

We have introduced various systems and measures that enable employees to achieve work/life balance and increase the productivity of each and every employee, including support for balancing work with childcare and long-term care. We are focusing our efforts on building a structure that enables "both men and women to advance their careers while engaging in childcare or long-term care."

In FY2024, for the purpose of encouraging male employees to take childcare leave, in April 2024, we increased the time off for childcare from two days to five days. Additionally, the period for reduced working hours for long-term care has been extended, allowing it to be extended indefinitely until the care responsibilities end. We also flexibly incorporate various work hour systems tailored to different circumstances. In addition to childcare and long-term care leave, we have established systems for reduced working hours, and we are actively working to enable work styles adapted to childcare and long-term care while maintaining work/life balance.

Increasing Engagement

We are actively promoting the creation of structures that enable employees to fully demonstrate their abilities and systems where each individual employee can play an active role.

For example, we have introduced cloud-based aptitude tests (Mikiwame) in order to streamline operations by optimizing personnel deployment. The personality assessments are fed back to employees, allowing them to objectively grasp their own personality traits, understand their positive and negative aspects, and utilize them in their work. Incorporating personality assessments into self-reporting information and grasping suitability for the workplace in detail enables us to further streamline operations by optimizing personnel deployment.

Work Safety and Health Committee Activities

The Group strives to prevent accidents and enhance safety awareness, aiming to provide a comfortable workplace environment where employees can lead healthy and safe working lives. The Safety and Health Committee reports and deliberates on safety and health activities, decides on improvement measures, performs checks on matters such as the status of health checkups and stress check implementation, and works to promote and disseminate safety and health education through workplace safety and health officers. Additionally, to ensure daily operational safety and foster full awareness of potential accidents, we share examples of close calls and startling moments in the workplace and utilize these to prevent workplace accidents and recurrence. High-risk examples are also deliberated by the Safety and Health Committee, and the countermeasures decided upon are implemented.

Furthermore, we regularly conduct fire drills, evacuation drills simulating large-scale disasters, and safety confirmation drills to verify the safety of all employees, including those away from the office. Additionally, as preparation for large-scale disasters such as earthquakes, we store and manage emergency supplies necessary for the initial response to ensure safety in times of crisis.

> Promoting Human Capital Management

Activities Targeting DE&I

Basic Approach to DE&I

We promote DE&I as part of our efforts to reform employee work styles. In terms of employee composition, we respect and embrace differences based on diverse backgrounds such as gender, nationality, age, and employment status, actively leveraging these to respond to an ever-changing business environment and diversifying customer needs. We are also continuing to hire non-Japanese employees, who are active in various fields suited to their aptitudes, including retail stores and the Head Office division.

Promoting Participation by Women

We implement Women's Career Vision Training with the aim of enabling female employees to actively participate in every aspect of our company and reflecting diverse values and perspectives in all our business activities by promoting the active participation of women, one of the attributes of diversity.

In addition, we hold the Labor-Management Diversity Promotion Project to exchange opinions and hold discussions with the aim of becoming a company where every employee, regardless of gender, can flexibly choose a wide range of work styles suited to their life stage, and continue working vibrantly and over the long term while utilizing their individual abilities. Under this project, we not only discuss and develop solutions to issues, but also actively work to create an environment that supports flexible work styles, such as balancing work and childcare, based on the belief that it is equally important to establish an environment where women can actively participate without putting their careers on hold.

Employment of People with Disabilities

Under our normalization approach, we are making efforts to create a workplace environment in which employees, regardless of whether they have a disability or not, can work together and demonstrate the abilities they have. Currently, employees with a variety of disabilities are participating in various front lines, such as home electronics sales stores, logistics service locations, and small home electronics recycling facilities, etc. Going forward, we will continue to expand applicable work duties and operations, increase the work that employees with disabilities can perform with confidence, and provide guidance to help them achieve personal growth, in order to develop an environment in which they can work willingly with cheerfulness, enjoyment, and work satisfaction.

Support for Diverse Work Styles

We revised our employment extension system in April 2024, expanding our employment system for individuals aged 65 and older. Amid growing demands for stable employment, we re-employ people who are willing to work after retirement. We have established a system that allows employees to continue contributing to the company's development after retirement by providing opportunities to utilize the practical knowledge, experience, and abilities they have cultivated over many years until reaching retirement age. The operations assigned to employees are reviewed each time re-employment or contract renewal occurs, taking into consideration their abilities, aptitude, operational experience, etc., and their treatment is commensurate with these factors.

Furthermore, to promote diverse work styles, we have established a system which allows employees who have selected the general course (which includes nationwide transfers) to become temporarily exempt from relocation in the case that they find it difficult to relocate due to their childcare or long-term care responsibilities. Additionally, we provide opportunities for talented human resources who have chosen the regional course (limited to specific regions) but aspire to advance their careers as managers, such as store managers.

Furthermore, in keeping with changes in society and workstyles, EDION has introduced systems such as the second job system (concurrent employment), which permits employees to work at a second job to acquire knowledge and skills that could not be obtained only within the company, in order to improve the employee's future career and promote manpower development that contributes to the company.

Respecting Human Rights/Supply Chain Management

The EDION Group respects the human rights of all stakeholders and strives to prevent human rights violations by appropriately responding to the impact and risks of its business activities on human rights toward the realization of a society with respect for the dignity of all people.

Policy Formulation and Dissemination

We have established an organizational structure to manage risks and respond appropriately regarding human rights throughout the supply chain, from procurement to product sale/service provision, disposal, and recycling, that is not limited to human rights violations within the EDION Group. We have also established the EDION Group Human Rights Policy and the EDION Group Procurement Policy to fulfill our corporate social responsibilities. We aim to realize a sustainable society throughout the entire supply chain while building strong partnerships and long-term cooperative relationships with our business partners and others by raising awareness through each employee's thorough understanding of these policies and acting in accordance with them.

PDF **EDION Group Human Rights Policy**
https://www.edion.co.jp/system/files/news-release/pdf/ja/2025-01/EDION_Group_Human_Rights_Policy2.pdf
* This website is only in Japanese.

PDF **EDION Group Procurement Policy**
https://www.edion.co.jp/system/files/news-release/pdf/ja/2025-01/EDION_Group_Procurement_Policy2.pdf
* This website is only in Japanese.

Human Rights Due Diligence

Human rights due diligence is a continuous process that enhances the effectiveness of activities for respecting human rights. It involves identifying risks of human rights abuses that may arise in connection with business activities, evaluating and defining them, implementing preventive and mitigating measures, verifying their effectiveness, and then repeating this PDCA cycle. We will continue to improve our systems to ensure the PDCA cycle can be sustained going forward.

In addition, we ask our business partners to understand and cooperate on the EDION Group Human Rights Policy and the EDION Group Procurement Policy in order to prevent and mitigate the occurrence of various negative impacts on human rights, such as labor issues in the supply chain.

Internal Whistleblowing System

The Group has established an internal whistleblowing desk. We also work with labor unions and law offices to ensure the confidentiality and anonymity of employees, thereby creating an environment that makes it easier for them to report. In addition, we have set up a whistleblowing desk at an external third-party law office to receive a wide range of complaints and reports of human rights violations from all stakeholders and are implementing risk reduction measures.

Supply Chain Management Activities

The Group is implementing various activities to build good relationships with collaborators and business partners, aiming for co-existence and co-prosperity.

Declaration of Partnership Building

We endorse the spirit of the "Declaration of Partnership Building" issued by organizations including the Cabinet Office and the Small and Medium Enterprise Agency, and have published our own Declaration of Partnership Building aiming for co-existence and co-prosperity throughout the supply chain and the enhancement of mutual added value through new collaborations.

パートナーシップ構築宣言

Promoting "White Logistics"

We endorse the spirit of the "White Logistics" movement by the Ministry of Land, Infrastructure, Transport and Tourism, and have published our Voluntary Action Declaration Toward Realizing Sustainable Logistics.

Improving Logistics Services Quality

We strive to continuously improve quality together with our logistics collaborators. We are also focusing on building systems that enable us to provide better services.

Contributing to the Community

The EDION Group contributes to the development of local communities not only through its business activities, but also through sports promotion, cultural promotion, and social contribution activities.

Promoting Sports

EDION contributes to the promotion and development of sports, mainly through the "EDION Women's Track and Field Club" (established in 1989) and the "EDION Archery Club" (established in 1990).

EDION Women's Track and Field Club

Since the club was formed in 1989, members have participated 31 times in the All-Japan Women's Corporate Ekiden Championship, which determines Japan's top long-distance relay race runners. The club has been active in a variety of individual events, producing Japanese national team athletes who have won medals at competitions around the world. Through these athletic activities, the team members actively contribute to the community as a whole.

https://athlete.edion.co.jp
* This website is only in Japanese.

Main Recent Highlights

108th JAAF Athletics Championships	1500 m	3rd Place	Saki Katagihara
33rd Olympic Games (Paris, 2024)	20 km Race Walking	Competed	Nanako Fujii
108th JAAF Athletics Championships, 20 km race walking	20 km Race Walking	1st Place	Nanako Fujii
10,000 m at the 109th JAAF Athletics Championships, Qualification Tournament for the Japanese National Team at the World Athletics Championships Tokyo 2025, and Qualification Tournament for the Japanese National Team at the Asian Athletics Championships 2025	10,000 m	2nd Place	Mikuni Yada
26th Asian Athletics Championships	10,000 m	3rd Place	Mikuni Yada
109th JAAF Athletics Championships and Qualification Tournament for the Japanese National Team at the World Athletics Championships Tokyo 2025	5,000 m	3rd Place	Kana Mizumoto

Professional soccer teams, Sanfrecce Hiroshima FC and Sanfrecce Hiroshima Regina

EDION, including the period when it was known as DEODEO, has been supporting Sanfrecce as a sponsor since the team's establishment in 1992. In September 2023, we made Sanfrecce Hiroshima FC Co., Ltd., the company that operates Sanfrecce Hiroshima FC, a consolidated subsidiary. We will work more closely than ever with local businesses and fans to support the club's growth and development going forward.

The new stadium, "EDION Peace Wing Hiroshima," which was built in the center of Hiroshima City, was designed with the concept of "bringing cheers and relaxation to the city." It is an open-air stadium with a roof that evokes the image of wings, equipped with a 32 m x 9 m scoreboard, moving lights that can be used for a variety of productions, and state-of-the-art audio equipment.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> Contributing to the Community

Promoting Sports

EDION Archery Club

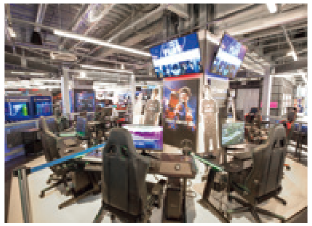
The club was established in 1990 and its members have won first place in numerous national competitions and have participated in international competitions as well.

The latest updates are being posted on our official Instagram!

Main Recent Highlights

May 2025, 2025 Archery World Cup, Stage 2 [Shanghai, China tournament]	Men's Recurve	9th Place	Yuki Kawata
	Recurve Men's team	7th Place	Yuki Kawata Tetsuya Aoshima
July 2025, 2025 Archery World Cup, Stage 4 [Madrid, Spain tournament]	Recurve Men's team	4th Place	Yuki Kawata Tetsuya Aoshima
July 2025, 73rd All Japan Industrial Archery Championships	Women's Recurve	1st Place	Yuri Tarumoto

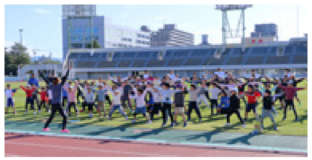
Professional E-Sports Team "DetonatioN FocusMe (DFM)"



Based on a sponsorship agreement completed in 2018, EDION actively holds in-store events featuring the DetonatioN FocusMe team. The company also contributes to the promotion and development of e-sports, for example, by setting up related booths and product proposal sections.

Community Contributions by the EDION Women's Track and Field Club

We started holding EDION Sports Classes to give local children the chance to experience the joy of physical activity and the importance of exercise through interaction with top athletes. Classes were held for the third time on November 9, 2024, at the Hiroshima Prefectural Sports Ground. The EDION Women's Track and Field Club and former Japanese national track and field athletes served as instructors, and approximately 80 students from 1st to 6th grade had the opportunity to try out track and field.



Food Loss Reduction and Regional Support

We always keep disaster supplies stocked at our stores and offices as part of our disaster preparedness measures. This time, during the regular rotation of these supplies, we donated stored disaster supplies (food items) to 39 support organizations nationwide. This activity utilized the donation recipient matching platform provided by StockBase, Inc., enabling donations to be made smoothly through the matching of each location with nearby support organizations.

Promoting Culture and Contributing to Society

Nationwide Simultaneous Cleanup Activities

Since 2007, EDION has conducted "Nationwide Simultaneous Cleanup" activities, not only around Head Office workplaces, directly operated stores, and service centers, but in public areas such as roadways and parks as well. In FY2024, the activity was held on February 19, and employees from approximately 480 locations nationwide participated.

EDION's Regional Co-Creation Project

In 2025, which marks the 80th anniversary of the end of World War II, we launched a new regional co-creation project starting from Hiroshima, the location of EDION's headquarters. Based on the concept of "#NowandForever," this project aims to convey gratitude to the community and rebuild connections between people and the region as a company that has grown together with Hiroshima's postwar recovery under the philosophy of Corporate Furusato Responsibility (CFR).

As the first event, we held the participatory community exchange event "Fureai Festa" on August 10 at EDION Tsutaya Electrics and MOVIX Hiroshima Station. The event created a space for intergenerational exchange through activities like a talk event featuring guest professional soccer manager Hajime Moriyasu and an exhibition of contest entries.

Strengthening Governance

Audit & Supervisory Committee Member Roundtable Discussion

We transitioned to a company with an Audit & Supervisory Committee in June 2024 and are striving to further strengthen our governance. This time, we invited the four members of the Audit & Supervisory Committee to candidly discuss the outcomes of their activities over the past year and the themes they believe should be addressed to enhance corporate value going forward.

Go here for career highlights
Strengthening Governance > Board of Directors and Executive Officers P. 65

(Interview date: June 27, 2025)

Hideaki Shimizu
Independent Outside Director
(Audit and Supervisory Committee Member)

Yoshie Yamane
Director
(Full-time Audit & Supervisory Committee Member)

Yoshikiyo Sakai
Independent Outside Director
(Audit & Supervisory Committee Chairperson)

Yuki Fukuda
Independent Outside Director
(Audit and Supervisory Committee Member)

Organizational Reform and New Management Structure

Mr. Sakai: One year has passed since President Takahashi assumed office in June 2024 and we transitioned to a company with an Audit & Supervisory Committee, resulting in a new management structure. Chairman Kubo is leading medium- to long-term management strategies and M&As as CEO, while President Takahashi meticulously oversees all sales operations as COO, which seems to have enabled a smooth transition to the new structure. President Takahashi has built his career on the front lines of sales. He has a deep understanding of the realities of the front lines and is striving to transform the sales environment to meet the demands of the times. He has been tackling bold reforms with the stance of “listening to those on the front lines and taking on challenges from the customer’s perspective.”

Mr. Fukuda: When I heard that Mr. Takahashi was the new president, I was honestly surprised. The very fact that they chose someone who knows the front lines best to lead the company demonstrates their commitment to reforming the front lines. Thinking about it now, it makes perfect sense.

Ms. Yamane: In addition to Chairman Kubo and President Takahashi, Vice Chairman Yamasaki bridges and supports both management and execution, which I feel has made our corporate governance more robust. I truly feel that this top three enables decision-making on various matters based on the realities of the front lines and ensures steady progress in organizational reform.

Mr. Shimizu: I have only been in office for a year, but I feel that the Board of Directors is operating with a very positive atmosphere. I understand that this is not solely because of the transition to a company with an Audit & Supervisory Committee, but rather because of the corporate culture cultivated over many years.

Mr. Sakai: This is my third year as an independent outside director, but even before transitioning to a company with an Audit & Supervisory Committee, auditors were actively speaking

Yoshikiyo Sakai
Independent Outside Director
Audit & Supervisory Committee Chairperson

> Audit & Supervisory Committee Member Roundtable Discussion

up at Board of Directors meetings. Auditors often hold back from speaking up in general, but our company is completely different—there was always a lively exchange of opinions. Even though the organizational structure has changed, that aspect remains unchanged in a good way.

Mr. Fukuda: I transitioned from an independent auditor to an independent outside director (Audit & Supervisory Committee member) due to the system change, but there has always been an atmosphere encouraging us to speak freely about anything.

Mr. Shimizu: One notable difference is that, unlike auditors, Audit & Supervisory Committee members can participate in judging both the legality and the appropriateness of management decisions, which allows us to express opinions more freely. If we were limited solely to legality, we might sometimes feel hesitant about how far to go when discussing compliance issues, for example. However, since that constraint has been removed, I feel it has become easier to speak more freely.

Mr. Sakai: I believe we have achieved a well-balanced Board of Directors. The number of independent outside directors and in-house directors is nearly equal, and independent outside directors possess diverse skills, including expertise as lawyers, accountants, and corporate managers. Chairman Kubo, who serves as the chairperson of the Board of Directors, sincerely listens to and accepts opinions from others, making it very rewarding for us to speak up.

Yoshie Yamane
Director
Full-time Audit & Supervisory Committee Member

Mr. Fukuda: I completely agree. I can share my observations even on topics outside my expertise, and there is always someone who responds to what I say, often leading to further discussion. I believe we have truly achieved a Board of Directors that is open and transparent and allows for constant engagement.

Activities as the Audit & Supervisory Committee and Organizational Collaboration

Mr. Sakai: After the Audit & Supervisory Committee was established, we began holding individual meetings with those in charge of each division to deepen our understanding of each business. Conducting these one-on-one discussions enabled very open dialogue, significantly enhancing our understanding of each business compared to before.

Mr. Shimizu: Negative information tends to linger, so I believe individual meetings with the executive team are extremely beneficial. Furthermore, Ms. Yamane, our full-time Audit & Supervisory Committee member, selects and provides the necessary information to the Audit & Supervisory Committee, so I think we have a well-established structure in place.

Ms. Yamane: I consider providing information to Audit & Supervisory Committee members, who are independent outside directors, to be one of my key roles. Under the Companies Act, the Audit & Supervisory Committee is not required to have full-time members. However, I believe it is important to have regular access to internal information, especially in retail where various things happen every day. I am located on the same floor as the internal control department, including accounting and general affairs, and I sit next to the General Manager of the Internal Control Office, which enables constant information exchange. This allows me to promptly convey requests for internal audits and facilitates sharing information with external parties, which is something I always keep in mind.

Mr. Fukuda: We are always grateful to receive up-to-date information. If internal audits do not function effectively, the Audit & Supervisory Committee cannot operate at its best either, so we intend to place even greater emphasis on collaboration with the internal audit department going forward.

Mr. Sakai: The Audit & Supervisory Committee now directly oversees the Internal Control Office, which has strengthened organizational coordination. The Audit & Supervisory Committee meets regularly, during which we receive updates on the latest internal audit findings. This has resulted in a structure that ensures even minor signs of risks are not overlooked. Given the limitations of what four Audit & Supervisory Committee members can handle alone, the direct link to the Internal Control Office is highly significant for conducting organizational audits.

Ms. Yamane: I also believe that the importance of organizational audits has increased significantly. As a full-time Audit & Supervisory Committee member, I make a point of accompanying the Internal Control Office and the accounting auditor on their inspections whenever possible. As such, I believe it is necessary to assess the effectiveness of the audits, evaluating whether the methods and results of each audit are appropriate.

Mr. Fukuda: Regarding collaboration with the accounting auditor, having spent many years on the front lines of auditing myself, I generally understand the perspectives that auditing auditors adopt and the areas that they focus on. I consistently

> Audit & Supervisory Committee Member Roundtable Discussion

ask the auditing firm not to focus solely on the numbers. For instance, even with impairment, the factors behind each case differ, so I emphasize the importance of focusing on the underlying process rather than just the numbers themselves.

Mr. Shimizu: I am not an accounting specialist, so even when speaking with the accounting auditor, I cannot say that I fully understand everything. However, I make an effort to ask questions without hesitation about things that catch my attention from a legal perspective or that I intuitively feel are important for compliance.

Ms. Yamane: I agree with you on that point. Audits tend to settle into set frameworks, and I believe that incorporating various perspectives can lead to new insights. I have previously worked in risk management and sustainability departments in the past, so I want to leverage that knowledge to thoroughly advance audit activities with internal control systems in mind.

Mr. Fukuda: Recently, we've seen an increase in new subsidiaries formed through M&As. As the number of subsidiaries grows, accounting processes become more complex and risks increase, so we pay particular attention to maintaining communication in these areas.

Mr. Shimizu: Looking at recent news, many companies are facing situations where their very survival is threatened due to inadequate compliance. Seeing this trend makes me feel that it's increasingly necessary to exercise the utmost caution. However, striving for perfection in everything risks neglecting what truly matters. Therefore, I believe that it's crucial to firmly grasp the key points and then expand that scope as much as possible.

Strengthening Group Governance

Ms. Yamane: I have worked in the management departments of two subsidiaries, but both were businesses that were highly compatible with EDION, so there were no major differences in areas like internal systems or labor environments. However, companies recently brought into the Group through M&As often have diverse business activities, and it's not uncommon for their corporate cultures to be completely different.

Mr. Sakai: As you mentioned, EDION is pursuing M&As in line with an optimal portfolio to expand its business activities and improve services. The first important step is how to integrate companies with differing corporate cultures. Then, while tackling that, we move on to the second step of figuring out how to generate synergistic effects.

Ms. Yamane: The executive side of the parent company must formulate strategies as Group business while taking advantage of the uniqueness and characteristics of subsidiaries. Therefore, one of our most important roles is to audit whether operations are conducted in accordance with affiliated company management regulations. Earlier, I mentioned that I accompany the Internal Control Office and the accounting auditor on audits; in doing so, I intend to actively communicate the insights and issues I observe while visiting subsidiaries to the executive side, including general affairs, human resources, and sales.

Mr. Shimizu: The Japanese Companies Act strikes a balance by holding parent companies responsible for their subsidiaries within certain limits while simultaneously recognizing the autonomy of the subsidiaries. By effectively leveraging this delicate balance, I believe EDION can maintain governance while enabling subsidiaries to demonstrate an entrepreneurial spirit and boldly engage in social contributions, which will lead to the enhancement of EDION's social responsibility.

Mr. Fukuda: In terms of Group governance, I strongly feel that the business timelines differ. For example, EDION X Ventures, which develops systems, is one of our subsidiaries. System development involves a prolonged period of cash outflow,

but recovery or results often appear three to five years later, or even remain unclear at the initial development stage. This fundamentally differs from EDION's core business flow of purchasing and selling inventory, so it's easy to see how judgments made with the same mindset could lead to missteps. Currently, the sales composition of the home improvement business is growing significantly, and I strongly feel that we must closely monitor the risks of each business from a timeline perspective and consider Group governance accordingly.

Mr. Sakai: In FY2025, we plan to visit major subsidiaries as part of our audit plan and engage in dialogue with their top management. It's natural that new subsidiaries have different corporate cultures and operational systems than EDION, and I imagine they face various issues and concerns. We want to understand these real-world situations.

Corporate Philosophy and Corporate Value

Mr. Shimizu: EDION's Corporate Philosophy is Achieving Long-Lasting Customer Satisfaction Through Outstanding Products and Reliable Service, and I believe this philosophy is well-

> Audit & Supervisory Committee Member Roundtable Discussion

embedded throughout the company. It's not just something framed on the wall; it comes up repeatedly in various situations, and I feel this deep integration of the philosophy is a major strength.

Mr. Sakai: To put the Corporate Philosophy simply, it's Reassuring Feelings and Lasting Satisfaction. I understand this to mean enhancing our support structure for repairs and such, ensuring customers can use products to their fullest potential and making them feel glad that they bought them. And it's surprising that this has been our Corporate Philosophy since our founding. As a user myself, I find EDION's work meticulous. They pay attention to details like air conditioner installation to ensure products last longer. Long-lasting products lead to customer satisfaction and repeat business, and using products until the end also contributes to environmental conservation. In that sense, I think it's a really excellent Corporate Philosophy.

Mr. Fukuda: Our Corporate Philosophy is sustainability itself, isn't it? We recite our sustainability-backed Corporate Philosophy every time something comes up, ensuring all employees share common values. Having a single guiding philosophy is, I believe, the most important thing for a company.

Ms. Yamane: Chairman Kubo has consistently emphasized the importance of the Corporate Philosophy throughout the integration of predecessor companies like DEODEO, EIDEN, and MIDORI DENKA. The term "sustainability" wasn't common back then, so looking back now, it's surprising how forward-thinking that philosophy was. And alongside the Corporate Philosophy, the EDION Group's Code of Ethics was also established, incorporating elements essential to modern sustainability. Reading it again, I realized how valuable it is that such philosophies have already been fostered within us.

Future Activities as Audit & Supervisory Committee Members

Mr. Shimizu: As a lawyer with many years of experience, I have consistently prioritized one thing: constantly being aware of whether the conclusions I reach are appropriate and reasonable when measured against common sense, and whether they are logical from a perspective of balance. I intend to contribute in my role as an Audit & Supervisory Committee member while valuing this personal approach.

Mr. Fukuda: As an Audit & Supervisory Committee member, fulfilling shareholder expectations is a given, and in this era of diversity, I believe it's beneficial to have a variety of opinions and perspectives. For example, even if the majority opinion is leaning in a certain direction, I want to actively speak up and say, "If we look at it from a different angle, there's also this perspective." I believe this attitude will also help capture the needs of various stakeholders, including individual shareholders and potential shareholders, so I intend to make suggestions from this standpoint as much as possible.

Ms. Yamane: I aim to conduct audits that are grounded in the front lines. I believe that by accompanying the Internal Control Office and the accounting auditor on their inspections whenever possible and understanding what is happening on the front lines, we can better detect signs of misconduct. I intend to engage with the front lines while maintaining this perspective, attend important internal meetings, and strive to enhance the effectiveness of the Audit & Supervisory Committee's oversight by fostering communication with the directors in charge of business execution in order to improve the audit environment.

Mr. Sakai: As an independent outside director and member of the Audit & Supervisory Committee, I will fulfill my role of overseeing the business execution of management from a neutral standpoint. At the same time, I will draw on my extensive experience in management at an ICT company to provide advice on overall business operations. Furthermore, I strongly feel that systems often have a significant impact on a company's competitiveness, brand image, and even customer satisfaction. Therefore, I believe that the nature of our systems will play a significant role in enabling us to respond flexibly and swiftly to future changes in the business environment, so I will continue to pay close attention to this point as well.

Ms. Yamane: As a female director myself, I feel the current lack of female store managers is an issue from a diversity perspective. On the other hand, the number of women aspiring to management roles is gradually increasing through training and other means, so I hope that we can become an organization where as many employees as possible can work vibrantly and authentically by holding dialogues with frontline employees and widely communicating the presence of female store managers who serve as role models.

Hideaki Shimizu
Independent Outside Director
Audit & Supervisory Committee Member

Corporate Governance

The EDION Group is working to strengthen its governance structure in order to ensure sound and transparent management and to enhance corporate value over the medium to long term.

Basic Approach to Corporate Governance

We have developed a community-based business built on the peace of mind and trust of our shareholders, customers, local communities, business partners, employees, and other stakeholders. As a service-based retailer, in order to be accepted by the local community and gain the patronage of a wide range of customers, we position the following three principles as basic guidelines for business management.

First, we will carry out business activities based on corporate social responsibility (CSR) as a good member of the local community, as well as ensuring directors, executive officers, and employees comply with all laws and regulations.

Second, we will ensure the rationality and acceptability of management measures from the perspective of stakeholders (especially shareholders), as well as the transparency of the decision-making process, while delivering accountability to stakeholders.

Third, we will strive to achieve a top management structure that enables swift and accurate decision-making and thorough business execution and to improve internal communication such that on-site information and the opinions and requests of stakeholders are delivered to top management in a timely manner.

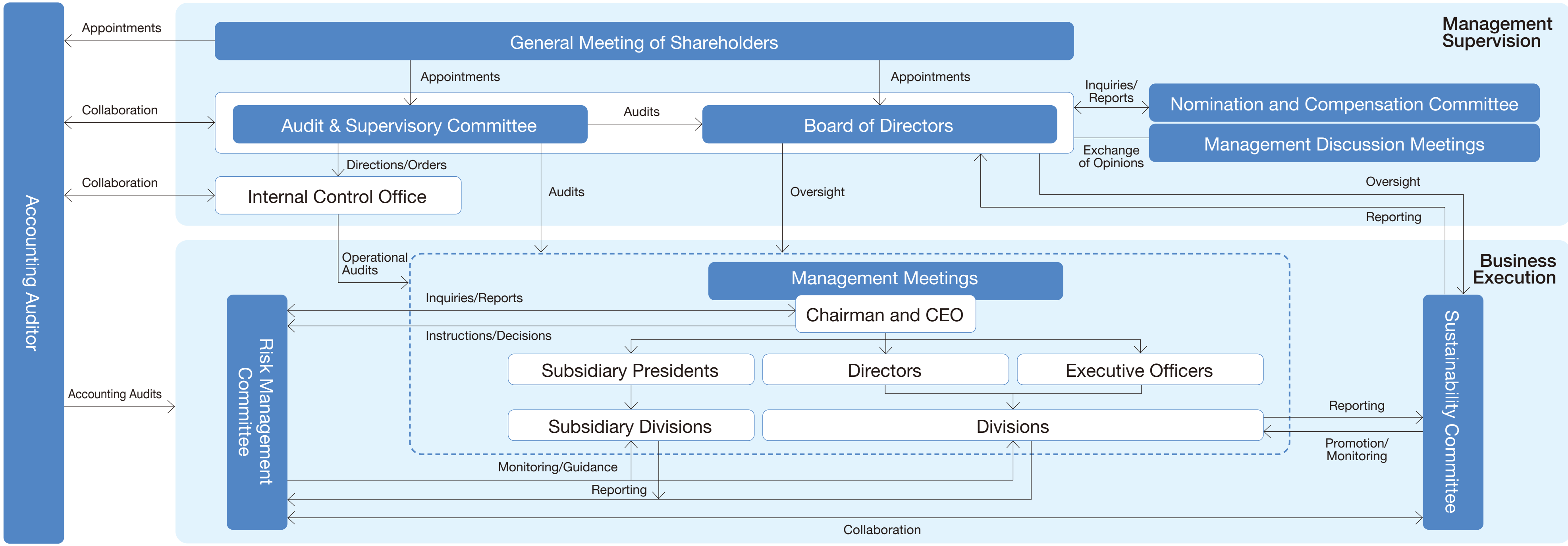
The Group recognizes the establishment of a management monitoring system to ensure these principles are realized as a corporate governance issue.

Progress in Strengthening Governance

Date	Activity Details	Purpose
December 2004	Established the EDION Group’s Code of Ethics	Unify values across the entire Group
June 2008	Established the Risk Management Committee	Strengthen risk management structure
September 2009	Introduced executive officer system	Separate oversight and business execution in management
June 2011	Abolished takeover defense measures	Ensure transparency
June 2014	Appointed one independent outside director	Strengthen oversight function
June 2015	Increased number of independent outside directors to two	Strengthen oversight function
April 2016	Started evaluating the effectiveness of the Board of Directors	Improve effectiveness of the Board of Directors
June 2016	Established Management Discussion Meetings as a venue for exchanges of opinion between the representative director and independent outside directors and auditors	Clarify management responsibilities, improve quality of decision-making
June 2018	Increased number of independent outside directors to four (44%), appointed one female director	Ensure diversity of the Board of Directors
	Introduced restricted stock compensation	Enhance corporate value from a long-term perspective
February 2019	Established a Nomination and Compensation Committee chaired by an independent outside director	Ensure objectivity and transparency in nomination and compensation decisions, etc.
June 2021	Increased number of independent outside directors to five (50%)	Strengthen oversight function
June 2022	Established Sustainability Committee	Manage ESG-related strategies and risks
May 2023	Formulated the EDION Group’s Sustainability Policy	Unify values across the entire Group
June 2023	Increased number of independent outside directors to six (50%)	Strengthen oversight function
June 2024	Transitioned to a company with an Audit & Supervisory Committee and increased number of female directors to two	Enhance transparency and efficiency of management
	Appointed eight independent outside directors, including Audit & Supervisory Committee members (50%)	Strengthen oversight function

> Corporate Governance

Governance Structure



Overview of the Corporate Governance System

EDION has appointed eight independent outside directors.

At the Board of Directors, which supervises management decision-making and business execution, we believe that the eight independent outside directors will contribute to improving governance by giving opinions and advice from an impartial standpoint based on their own experience and knowledge.

Through the operation of an internal control system, we strive to strengthen Group-wide governance, achieve continuous growth in the company, and increase corporate value in the medium to long term.

Board of Directors: 17 Meetings

In addition to resolving statutory items and reporting on the status of execution for directors' duties, meetings of the Board of Directors serve as a venue for reviewing and deciding items that are important to management, such as items related to the EDION Group's management policies and strategies. These reviews and decisions are deliberated based on opinions and advice from independent directors and independent Audit & Supervisory Committee members to ensure transparency in decision-making processes.

Audit & Supervisory Board: 3 Meetings

The Audit & Supervisory Board rigorously audited decision-making and execution of duties at the Board of Directors (until June 27, 2024).

Audit & Supervisory Committee: 7 Meetings

We transitioned to a company with an Audit & Supervisory Committee through a resolution at the 23rd Ordinary General Meeting of Shareholders held on June 27, 2024. The Audit & Supervisory Committee consists of four members: one director (full-time Audit & Supervisory

> Corporate Governance

Committee member) and three independent outside directors (Audit & Supervisory Committee members). It conducts audit operations in accordance with the audit policies and plans established by the Audit & Supervisory Committee.

Nomination and Compensation Committee: 10 Meetings

As an advisory body for the Board of Directors, the Nomination and Compensation Committee studies items related to the appointment and dismissal of directors and executive officers at EDION and its subsidiaries, as well as succession plans and compensation.

Management Discussion Meetings: 5 Meetings Since Establishment in 2016

This meeting serves as a venue for exchanges of opinion between the representative director and independent directors, e.g., advice from the perspective of an independent director on issues deemed important to management.

Management Meetings: 12 Meetings

Management meetings serve as a venue for discussions that enable the rapid execution of top management duties, e.g., reviews and decisions on items related to the execution of individual tasks based on the EDION Group's management strategies, and reporting on conditions in the various divisions.

Risk Management Committee: 4 Meetings

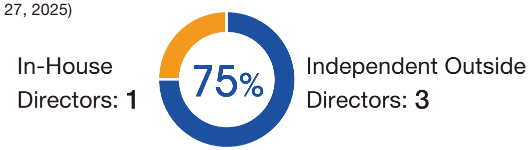
Members identify, evaluate, and analyze serious risks, for example, regarding response policies in the event of an emergency (BCP, etc.) and compliance, and also study and monitor countermeasures, providing comprehensive management of risks that impact Group companies.

Ratio of Independent Directors

(As of June 27, 2025)

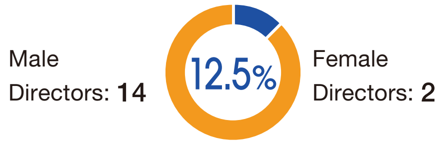
Ratio of Independent Directors on the Nomination and Compensation Committee

(As of June 27, 2025)



Ratio of Female Directors

(As of June 27, 2025)



Major Topics Discussed by the Board of Directors

Management Issues

- Status reports from each department and division (issue countermeasures): Monthly
- Business portfolio (new businesses, M&As, subsidiary restructuring): Monthly
- Confirmation of progress toward management plans/ formulation of Medium-Term Management Vision: Monthly
- Sharing of content from IR and investor meetings: Quarterly

Sustainability-Related

- Establishment of relevant policies, environmental measures, CO_2 reduction measures: As needed

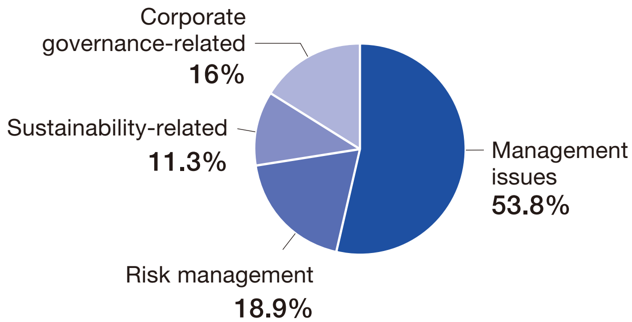
Corporate Governance-Related

- Basic plan for internal control evaluations, previous year's evaluation results: Annually
- Compliance with Corporate Governance Code: Annually
- Evaluation of effectiveness of the Board of Directors: Annually

Risk Management

- Customer harassment, BCP, information security-related: Quarterly

Agenda Item Allocation of the Board of Directors (Percentage)



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Skill Matrix for Directors

(As of June 27, 2025)

Name	Position	Main Skills and Experience, and Expected Roles: Corporate Management/ Management Strategy	Financial Accounting/ Taxes	Sales/ Marketing	Store Development	IT/DX	Logistics	Human Resources/ Manpower Training	Legal Affairs/ Risk Management	Internal Controls/ Governance	Sustainability
Masataka Kubo	Representative Director, Chairman and CEO (Nomination and Compensation Committee Member)	●		●	●			●	●	●	●
Norio Yamasaki	Representative Director and Vice Chairman	●	●		●			●	●	●	●
Kozo Takahashi	Representative Director, President and COO	●		●	●			●	●	●	●
Tsugunori Ishida	Executive Director	●	●		●	●	●			●	●
Toshiro Inoue	Director and Senior Executive Officer	●		●							
Yuji Ikehata	Director and Senior Executive Officer	●		●			●				
Hirokazu Fujiwara	Director and Senior Executive Officer	●		●	●	●					
Shozo Ishibashi	Independent Outside Director (Chairman of the Nomination and Compensation Committee)	●	●			●				●	
Shimon Takagi	Independent Outside Director (Nomination and Compensation Committee Member)	●	●						●	●	
Naoko Mayumi	Independent Outside Director	●	●							●	●
Yoshihiko Fukushima	Independent Outside Director	●		●				●		●	●
Tadatsugu Mori	Independent Outside Director	●	●		●	●				●	
Yoshie Yamane	Director (Full-time Audit & Supervisory Committee Member)	●						●	●	●	●
Yoshikiyo Sakai	Independent Outside Director (Audit & Supervisory Committee Member) (Nomination and Compensation Committee Member)	●	●	●		●				●	
Yuki Fukuda	Independent Outside Director (Audit & Supervisory Committee Member)		●						●	●	
Hideaki Shimizu	Independent Outside Director (Audit & Supervisory Committee Member)								●	●	

> Corporate Governance

Approach to Each Skill in the Skill Matrix

The skill matrix on page 60 includes skills and knowledge gained from past experience, as well as skills and knowledge necessary for carrying out duties as a director.

Definitions for the level of expertise indicated for each item are as follows.

Corporate Management/Management Strategy

Knowledge and experience in making company-wide decisions, formulating long-term direction, and guiding companies toward sustainable growth. Includes formulating and executing business strategy, optimizing allocation of management resources, and building stakeholder relationships.

Financial Accounting/Taxes

Knowledge and experience in areas supporting corporate financial health and transparency, including understanding and analyzing financial conditions, fundraising and capital policy, and planning and managing tax strategies.

Sales/Marketing

Knowledge and experience in promoting products and services to the market, formulating sales strategies, and expanding corporate revenue through brand strategy and understanding of customers.

Store Development

Knowledge and experience in developing store networks, including store opening strategies, site selection, store design and renovation, and understanding of regional characteristics based on market research and competitive analysis.

IT/DX

Knowledge and experience in achieving business transformation through digital technologies, including IT infrastructure construction and operation, data utilization, operational efficiency and automation, and information security.

Logistics

Knowledge and experience in optimizing the entire supply chain including procurement, inventory management, and distribution, building logistics networks, and cost optimization.

Human Resources/Manpower Training

Knowledge and experience in the optimal utilization of human capital, including recruitment and placement, skills development, fostering organizational culture, and designing compensation systems.

Legal Affairs/Risk Management

Knowledge and experience in compliance, contract management, intellectual property protection, and addressing litigation risks and potential business risks.

Internal Controls/Governance

Knowledge and experience in ensuring sound corporate governance, including establishing internal regulations and business processes, audit systems, and strengthening the functions of the Board of Directors.

Sustainability

Knowledge and experience to achieve medium- to long-term corporate value creation through addressing ESG issues such as climate change, human capital, and supply chain management.

Policy for Nominating Directors and Appointing and Dismissing Executives

The following three items are taken into consideration when deciding on members of the management team (executive officers) or candidates for the role of director: possession of insight and ability, with a track record of achievements; possession of strong ethical integrity; and an ability to act toward the realization of the Group's Corporate Philosophy. The following will also be considered with regard to independent outside directors: possession of specialized knowledge and abundant experience; and the ability to oversee the execution of directors' duties and to give advice on management policies and plans from an independent and objective perspective.

Among other items stipulated by the company, "the violation of laws or regulations, the Articles of Incorporation, or other rules of the Group in such a way as to cause a significant loss for the Group or hinder its business activities" is considered grounds for dismissal.

Evaluating the Effectiveness of the Board of Directors

In April of 2025, the Board of Directors conducted a "survey to evaluate the Board of Directors" targeting all 16 directors (including four directors who are Audit & Supervisory Committee members). The goal of the survey was to analyze and evaluate the effectiveness of the Board of Directors as a whole during FY2024, including the structure of the Board of Directors, deliberation and decision-making processes, and supervision of the status of execution of duties.

The results of the analysis and evaluation of the overall effectiveness of the Board of Directors confirmed that EDION's Board of Directors is generally functioning appropriately, for example, in terms of the makeup of the Board and its decision-making processes, and that the effectiveness of the Board has been secured.

In addition, while evaluations improved for items related to promoting sustainability management and enhancing Group-wide governance, it was noted that further refinement of planning accuracy based on business execution results is necessary in order to achieve sustainable corporate value growth going forward.

Based on the results of this evaluation, we will continue to strive for further effectiveness and improved functions in the Board of Directors.

> Corporate Governance

Policies for the Training of Officers

The policy is to undertake training such that directors appropriately fulfill their expected roles and responsibilities, increase corporate value, and ensure thorough compliance. Specifically, directors are provided with opportunities to acquire the knowledge needed to execute their duties, e.g., by receiving outside education and training, and by observing workplaces at EDION's stores, logistics bases, subsidiaries, and other entities.

Executive Compensation System

1. Basic Policies

Executive compensation is determined based on the following basic policies.

- Function as an incentive for improving corporate value
- Contribution to sustainable growth by fostering a management mindset that is grounded in the perspective of shareholders
- Appropriate level for the business scale and results
- Assurance of transparency and fairness in the process of evaluating directors and determining their compensation

2. Compensation Structure and Ratio

Executive compensation consists of monetary compensation consisting of a base portion and a performance-linked portion, and compensation for the granting of restricted shares (stock compensation). The total amount of each is paid within the limits resolved at the General Meeting of Shareholders. The ratio of each type of compensation is based on 60% for the base portion and 40% for the total of the monetary performance-linked portion and stock compensation. It is determined by calculating the amount of compensation for each fiscal year according to the evaluation procedures described below.

Independent directors are responsible for overseeing management of the Company and the Group as a whole, as well as giving advice from an objective standpoint. Similarly, directors who are Audit & Supervisory Committee members are responsible for auditing the execution of business by directors from an objective standpoint. Only monetary (fixed) compensation is paid to independent directors and directors who are Audit & Supervisory Committee members.

3. Policy for Determining Details of Individual Compensation, etc. for Directors

The details of individual compensation, etc. for directors are determined by the Board of Directors after deliberation by the Nomination and Compensation Committee, which is an advisory body to the Board of Directors and is chaired by an independent director, in order to ensure fairness and transparency.

- Basic portion: A fixed compensation amount is determined each year by evaluating each director based on the director's position, term of office, and degree of contribution to the company.
- Performance-based portion: A compensation amount is determined by evaluating each director based on the degree to which performance targets are achieved during the fiscal year in question (profit attributable to owners of parent).
- Stock compensation: Restricted shares are allocated in accordance with a compensation amount determined by evaluating each director based on the director's position and degree of contribution to the company.

Succession Planning (Fostering the Next Generation of Management)

EDION has established a Nomination and Compensation Committee with an independent director acting as chairman. The Nomination and Compensation Committee comprises four or more directors, more than half of whom are independent directors. It conducts studies of candidates and succession plans for the EDION Group's directors and executive officers, and also studies items related to compensation for directors and executive officers. It deliberates on the qualities and skills required of the next generation of management, and makes choices based on a balance of skills and other qualities in the Board of Directors. The Board of Directors then makes a decision following a review of the deliberations by the Nomination and Compensation Committee.

Amid dramatic changes in the market environment surrounding EDION, in order to achieve continued growth, it is important for all employees to have a manager's awareness, to think about and understand how their own actions impact management, and to act based on that understanding. At management meetings and other venues, mainly section managers at the executive officer level and above conduct discussions aimed at resolving business issues and strive to share awareness and improve skills throughout the company. EDION is also working to create an environment for fostering management talent in the long term, for example, by invigorating day-to-day deliberations regardless of the organization, proposing plans with a bottom-up approach, and cultivating a culture where it is easy to make suggestions regardless of gender or age. It is essential to undertake activities that enable sustainable management for the Group as a whole by fostering many individuals who will be responsible for the next era and the era after that.

Board of Directors and Executive Officers

Directors

(As of June 27, 2025) *Number of shares held as of March 31, 2025

Masataka Kubo

Representative Director, Chairman and CEO (Nomination and Compensation Committee Member)

Born February 18, 1950
Number of shares held: 2,256,847
Board of Directors attendance: 100%

Career Highlights

April 1992	Representative Director and President, Daiichi Corporation (currently EDION Corporation)
March 2002	Representative Director and Chairman, EDION Corporation
July 2003	Representative Director and President, EDION Corporation
June 2012	Representative Director, Chairman and CEO, EDION Corporation
February 2015	Chairman and Representative Director, Sanfrecce Hiroshima FC Co., Ltd. (current)
April 2018	Chairman and CEO, SANKYU Co., Ltd.
June 2018	Representative Director, Chairman and CEO, EDION Corporation
June 2024	Representative Director, Chairman and CEO, EDION Corporation (current)

Norio Yamasaki

Representative Director and Vice Chairman

Born January 15, 1957
Number of shares held: 78,292
Board of Directors attendance: 100%

Career Highlights

June 2009	Director, EDION Corporation
April 2012	General Manager of Corporate Planning Department and General Manager of Public Relations Department, EDION Corporation
June 2012	Managing Director, EDION Corporation
October 2012	General Manager of Corporate Planning Department, General Manager of Corporate Planning Department, and General Manager of Public Relations Department, EDION Corporation
February 2014	General Manager of Corporate Planning Department, EDION Corporation
June 2014	Senior Managing Director, EDION Corporation
June 2018	Senior Executive Director, EDION Corporation
June 2021	Vice President, EDION Corporation
June 2024	Representative Director and Vice Chairman, EDION Corporation (current)

Kozo Takahashi

Representative Director, President and COO

Born September 12, 1961
Number of shares held: 46,493
Board of Directors attendance: 100%

Career Highlights

February 2014	Executive Officer, EDION Corporation
February 2018	General Manager of Sales Division, EDION Corporation
July 2018	Senior Executive Officer, EDION Corporation
October 2020	General Manager of Product Division, EDION Corporation
February 2021	Deputy General Manager of Business Department and General Manager of Product Division, EDION Corporation
June 2021	Executive Director, EDION Corporation
October 2021	General Manager of Sales Department and General Manager of Product Division, EDION Corporation
February 2022	General Manager of Sales Department and General Manager of Sales Division, EDION Corporation
October 2022	General Manager of Sales Department and General Manager of Sales Division, EDION Corporation
April 2023	General Manager of Sales Department, EDION Corporation
June 2023	Senior Executive Director, EDION Corporation
June 2024	Representative Director, President and COO, EDION Corporation (current)

Tsugunori Ishida

Executive Director General Manager of Corporate Planning Department

Born August 21, 1972
Number of shares held: 15,464
Board of Directors attendance: 100%

Career Highlights

January 2016	General Manager of Corporate Planning Department, EDION Corporation
February 2020	Executive Officer, EDION Corporation General Manager of Corporate Planning Division and General Manager of Corporate Planning Department, EDION Corporation
July 2021	General Manager of Corporate Planning Division and General Manager of IR/Public Relations Department, EDION Corporation
June 2022	Senior Executive Officer, EDION Corporation
October 2022	Deputy General Manager of Corporate Planning Department, General Manager of Corporate Planning Division, and General Manager of IR/Public Relations Department, EDION Corporation
June 2023	Director and Senior Executive Officer, EDION Corporation
October 2023	General Manager of Corporate Planning Department and General Manager of IR/Public Relations Department, EDION Corporation
August 2024	General Manager of Corporate Planning Department and in charge of IR, EDION Corporation (current)
June 2025	Executive Director, EDION Corporation (current)

Toshiro Inoue

Director and Senior Executive Officer General Manager of Sales Department

Born December 24, 1970
Number of shares held: 8,336
Board of Directors attendance: 100%

Career Highlights

October 2018	General Manager of Mobile Network Sales Department, EDION Corporation
February 2020	General Manager of Mobile Network Products Department, EDION Corporation
April 2021	General Manager of Communications Products Department, EDION Corporation
February 2022	General Manager of Information and Communications Sales Department, EDION Corporation
October 2022	General Manager of Information and Communications Operations Department, EDION Corporation
April 2023	General Manager of Mobile Networks Division, EDION Corporation
October 2023	Executive Officer, EDION Corporation
February 2024	Senior Executive Officer, EDION Corporation General Manager of Digital Home Appliances Division, EDION Corporation
June 2024	Director and Senior Executive Officer, EDION Corporation (current) General Manager of Sales Department, EDION Corporation (current)

Yuji Ikehata

Director and Senior Executive Officer General Manager of Logistics Service Department

Born July 5, 1964
Number of shares held: 44,396
Board of Directors attendance: -

Career Highlights

February 2014	General Manager of Sales Division, EDION Corporation
June 2014	Director, EDION Corporation
June 2017	Managing Director, EDION Corporation
February 2018	General Manager of Franchise Supervisory Department, EDION Corporation
June 2018	Senior Executive Officer, EDION Corporation
February 2019	General Manager of Logistics Service Division, EDION Corporation
May 2022	General Manager of Project Promotion Department, EDION Corporation
October 2023	General Manager of E-Commerce Department, EDION Corporation
June 2024	President, Jtop Co., Ltd. (current)
July 2024	General Manager of Logistics Service Department, EDION Corporation (current)
June 2025	Director and Senior Executive Officer, EDION Corporation (current)

Board of Directors and Executive Officers

Hirokazu Fujiwara

Director and Senior Executive Officer General Manager of Overseas Store Development and Store Strategy Department

Born October 29, 1967
Number of shares held: 24,840
Board of Directors attendance: -

Career Highlights

April 2015	General Manager of Corporate Planning Division, EDION Corporation
January 2016	General Manager of Marketing Division, EDION Corporation
June 2017	Director, EDION Corporation
April 2018	General Manager of Information Systems Division, EDION Corporation
June 2018	Senior Executive Officer, EDION Corporation
January 2022	General Manager of Store Development Division, EDION Corporation
August 2024	General Manager of Store Development Department, EDION Corporation
April 2025	General Manager of Overseas Store Development and Store Strategy Department, EDION Corporation (current)
June 2025	Director and Senior Executive Officer, EDION Corporation (current)

Shozo Ishibashi

Independent Outside Director (Chairman of the Nomination and Compensation Committee)

Born July 5, 1949
Number of shares held: 0
Board of Directors attendance: 100%

Career Highlights

January 1995	General Manager of Management Development Department, Nomura Research Institute, Ltd.
April 1997	General Manager of Management Research Department, Financial Research Institute, Nomura Securities Co., Ltd.
June 1998	Deputy General Manager of Financial Research Institute and General Manager of Corporate Research Department, Nomura Securities Co., Ltd.
May 2000	Managing Director, Lehman Brothers Japan Inc.
September 2003	Representative Director, The Ishibashi Tanzan Memorial Foundation (current)
April 2004	Director, Tokyo Medical and Dental University
April 2005	Auditor, Rissho University
June 2007	Outside Auditor, Minkabu Inc. (currently MINKABU THE INFONOID, Inc.)
April 2008	Director, Kurimoto Educational Institution (Nagoya University of Commerce & Business) (current)
June 2014	Independent Outside Director, EDION Corporation (current)
March 2017	Outside Director, Minkabu Inc. (currently MINKABU THE INFONOID, Inc.) (current)

Shimon Takagi

Independent Outside Director (Nomination and Compensation Committee Member)

Born December 23, 1962
Number of shares held: 0
Board of Directors attendance: 100%

Career Highlights

April 1990	Registered as a lawyer; joined Blakemore & Mitsuki
October 1992	Joined Adachi Henderson Miyatake & Fujita
August 1999	Partner, Tokyo Aoyama Law Office (currently Baker & McKenzie)
August 2002	Partner, White & Case LLP
March 2014	Opened Takagi Law Office (to present)
June 2015	Independent Outside Director, EDION Corporation (current)

Naoko Mayumi

Independent Outside Director

Born October 29, 1955
Number of shares held: 0
Board of Directors attendance: 100%

Career Highlights

July 1993	Pension Sales Department Group Leader, Zurich Scudder Investments Japan (currently Deutsche Asset Management Japan Limited)
May 2002	Managing Executive Officer and Head of Pension Client Services Department, Zurich Scudder Investments Japan (currently Deutsch Asset Management Japan Limited)
July 2002	Managing Director and Head of Pension Sales Department, UBS Global Asset Management Co., Ltd. (currently UBS Asset Management)
August 2005	Marketing and Client Services Department Director and Head of Pension Team, Lazard Japan Asset Management LLC
June 2019	Independent Outside Director, EDION Corporation (current)
October 2024	President & CEO of Algolab INC. (current)

Yoshihiko Fukushima

Independent Outside Director

Born October 30, 1963
Number of shares held: 0
Board of Directors attendance: 100%

Career Highlights

April 1990	Joined Salomon Brothers Asia Securities Co., Ltd. (currently Citigroup Global Markets Co., Ltd.)
July 1995	Lecturer (Economics), KTH Royal Institute of Technology in Stockholm (Sweden)
April 2003	Associate Professor, Faculty of General Business Administration, Nagoya University of Commerce & Business
July 2006	Professor, Faculty of General Business Administration, Nagoya University of Commerce & Business
April 2007	Professor, Faculty of Political Science and Economics, Waseda University (current)
April 2010	CSR Research Institute Director, Waseda University
June 2019	Independent Outside Director, EDION Corporation (current)

Tadatsugu Mori

Independent Outside Director

Born September 22, 1963
Number of shares held: 1,000
Board of Directors attendance: 100%

Career Highlights

April 2004	Management Policy Office Manager, Hankyu Department Stores, Inc.
June 2006	Director and Executive Officer, Hankyu Department Stores, Inc.
October 2007	Director and Executive Officer, Management Planning Office Manager in charge of the System Planning Office, H2O Retailing Corporation
March 2012	Executive Director, H2O Retailing Corporation
December 2012	Outside Director, UMENOHANA Co., Ltd.
April 2014	Executive Director in charge of the Finance Office, H2O Retailing Corporation
November 2020	Outside Director, HITO-Communications Holdings Inc. (current)
June 2021	Director, Kansai Super Market Ltd.
December 2021	Advisor, Kansai Super Market Ltd.
June 2022	Independent Outside Director, EDION Corporation (current)
March 2023	Independent Director, Silver Egg Technology Co., Ltd. (current)

Board of Directors and Executive Officers

Yoshie Yamane

Director
Full-time Audit & Supervisory Committee Member

Born August 5, 1966
Number of shares held: 6,461
Board of Directors attendance: 100%

Career Highlights

April 2013	General Manager of General Affairs Department, EDION Corporation
April 2016	General Manager of Operations Improvement Promotion Department, EDION Corporation
January 2017	General Manager of Information Security Department, EDION Corporation
October 2017	General Manager of Management Department, EDION HOUSE SYSTEM Corporation
April 2018	General Manager of Management Department, SANKYU Co., Ltd.
April 2020	Executive Officer, SANKYU Co., Ltd.
April 2023	Deputy General Manager of Management Department and General Manager of Management Division, SANKYU Co., Ltd.
July 2023	Senior Executive Officer, EDION Corporation General Manager of Sustainability Department, EDION Corporation
June 2024	Director (Full-time Audit & Supervisory Committee Member), EDION Corporation (current)

Yoshikiyo Sakai

Independent Outside Director
Audit & Supervisory Committee Member
(Audit & Supervisory Committee Chairperson)
(Nomination and Compensation Committee Member)

Born October 10, 1956
Number of shares held: 0
Board of Directors attendance: 100%

Career Highlights

August 1994	General Manager of Finance Office, Accounting Department, NTT Mobile Communications Network, Inc. (currently NTT DOCOMO, INC.)
July 1999	Head of Accounting Section, Accounts and Finance Department, Nippon Telegraph & Telephone East Corp.
July 2002	Head of Accounting Section, Accounts and Finance Department, NTT Docomo, Inc.
June 2005	General Manager of IR Department, NTT Docomo, Inc.
July 2008	General Manager of PR Department, NTT Docomo, Inc.
June 2009	Executive Officer and General Manager of PR Department, NTT Docomo, Inc.
June 2012	Director, Head of Finance and Accounting Department, Nippon Telegraph and Telephone Corp.
June 2014	Senior Vice President and Representative Director, NTT Docomo, Inc.
July 2015	Senior Executive Vice President and Representative Director, General Manager of Sales and Marketing Division, NTT Docomo, Inc.
June 2016	President and Representative Director, NTT Finance Corp.
June 2021	Advisor, NTT Finance Corp.
June 2023	Independent Outside Director, EDION Corporation
June 2024	Independent Outside Director (Audit & Supervisory Committee Member), EDION Corporation (current)

Yuki Fukuda

Independent Outside Director
Audit & Supervisory Committee Member

Born July 30, 1963
Number of shares held: 0
Board of Directors attendance: 100%

Career Highlights

January 1997	Joined Century Audit Corporation (currently Ernst & Young ShinNihon LLC)
April 1997	Registered as a Certified Public Accountant
August 2000	Registered as a tax accountant Opened Fukuda CPA and Tax Accountant Office (to present)
April 2016	Expert Advisor, Osaka District Court and High Court (current)
June 2017	Independent Auditor, EDION Corporation
November 2017	Auditor, SEIKOU Co., Ltd.
June 2024	Independent Outside Director (Audit & Supervisory Committee Member), EDION Corporation (current)

Hideaki Shimizu

Independent Outside Director
Audit & Supervisory Committee Member

Born July 15, 1958
Number of shares held: 0
Board of Directors attendance: 100%

Career Highlights

April 1990	Registered as a lawyer Worked at Tadashi Yamada Law Firm
April 2000	Opened Shimizu Hideaki Law Office
December 2011	Opened Uehara Shimizu Law Office
December 2012	Opened Shimizu Hideaki Law Office (to present)
June 2024	Independent Outside Director (Audit & Supervisory Committee Member), EDION Corporation (current)

Executive Officers (As of July 1, 2025)

Senior Executive Officers

General Manager of Internal Control Office	Eiji Yamada
President of EDION X Ventures Corporation	Atsushi Murakami
General Manager of General Affairs and HR Department	Masayuki Okajima
General Manager of Sales Supervision Division	Eijiro Monze
General Manager of Store Strategy Division	Mitsuyoshi Nagasaki
General Manager of Marketing Division	Tsuyoshi Hasegawa
Store Manager of EDION Hiroshima Main Store	Kazuo Kitagawa
General Manager of IT Strategy Department	Ken Yamamoto
General Manager of Product Strategy Division	Tsuyoshi Hyodo

Executive Officers

General Manager of E-Commerce Division	Kei Tsunoda
General Manager of HR Division	Tomoya Katayama
Store Manager of EDION Namba Main Store	Tomohiro Kinoshita
General Manager of Product Planning Division	Hiroshi Abe
General Manager of ELS Business Division	Takeshi Tsuchihashi
General Manager of Sustainability Department	Mariko Mukaida
Store Manager of EDION Yokohama-Nishiguchi Main Store	Tokuya Sumita
Chubu Regional Manager, Sales Supervision Division	Genzo Muramatsu
Kinki Regional Manager, Sales Supervision Division	Kazushi Matsumura
Chugoku/Shikoku Regional Manager, Sales Supervision Division	Hirofumi Fujii
General Manager of Franchise Supervisory Division	Tetsuya Nishi
General Manager of Store Development Division	Masami Miyaura
General Manager of Logistics Service Division	Junichi Chihara
General Manager of Employee Development Division	Miki Furuko
General Manager of Finance and Accounting Division	Kuniyasu Shingu

Compliance

The EDION Group complies with all laws, regulations, and social codes, and conducts fair business activities throughout the entire supply chain, for example, by undertaking procurement activities in collaboration with business partners and demonstrating responsibility to society.

Thorough Compliance

The EDION Group believes that when employees, as members of society and as members of the EDION Group, comply with laws, regulations, and internal rules, and work to create an environment where misconduct does not occur, this leads to trust from our customers. We are thoroughly implementing compliance by working to deepen each employee's understanding of legal compliance through internal training, improve internal structures, and strengthen internal controls and internal audits, while also responding promptly to new laws and regulations, among other measures.

In addition, we will supervise the subsidiaries and affiliates of the EDION Group and strengthen corporate competitiveness by accelerating management decision-making. At the same time, we will enhance corporate governance across the entire EDION Group by strengthening the management and supervisory functions of management.

The EDION Group's Code of Ethics
https://www.edion.co.jp/en/sustainability/governance/ethical-code
* This website uses machine translation.

Anti-Corruption Activities

In the EDION Group's Code of Ethics, which sets forth the standards of conduct to be observed by all officers and employees, the EDION Group declares that it will comply with all laws, regulations, and business practices related to commercial transactions. Under this policy, we have established prevention regulations that prohibit bribery of public officials and other parties and prevent corrupt practices through our agents, as well as guidelines stipulating check procedures that serve as preventive measures. In accordance with these regulations and guidelines, we have established a system that enables early detection and correction of problematic behavior. In the unlikely event that any of our officers or employees should commit an act in violation of laws, regulations, or company rules and regulations, we will promptly take action and correct the situation, and, if necessary, review the content of our activities to prevent recurrence. In FY2024, there were no violations of laws and regulations, fines, or penalties related to such acts.

Internal Whistleblowing System

The EDION Group has established an internal whistleblowing desk. We also work with labor unions and law offices to ensure the confidentiality and anonymity of employees, thereby creating an environment that makes it easier for them to report. The whistleblowing system accepts even minor concerns, and handles a wide range of issues such as workplace harassment, sexual harassment, power harassment, interpersonal relationship difficulties, discriminatory treatment of persons with disabilities and matters related to reasonable accommodations, legal violations, and misconduct. In addition, we have set up a whistleblowing desk at an external third-party law office to receive a wide range of complaints and reports of human rights violations from all stakeholders that ensures privacy for the reporter and prevents adverse treatment of both the reporter and their place of business, and are implementing risk reduction measures.

Tax Governance

The EDION Group believes that proper tax reporting and payment is a social responsibility that companies must fulfill. We follow tax laws, regulations, and rules and do not engage in tax planning for the purpose of tax avoidance. We enhance tax knowledge within the Group through training and other means to maintain tax governance so that we can carry out appropriate tax procedures. We also respond to inquiries from tax authorities in a timely and appropriate manner, maintain fair relationships, and build relationships of trust. Should a difference of opinion arise with tax authorities, we will work with them to resolve the issue. We will continue to contribute to the development of communities by paying taxes appropriately.

Intellectual Property Management

Brands, trademarks, copyrighted works, and other intellectual property nurtured through business activities are important assets for the EDION Group. The EDION Group strives to create intellectual property and will further enhance its value by attending to tasks such as managing it based on the recognition that it must be managed and utilized appropriately. We also respect the intellectual property of third parties to the greatest extent possible.

Compliance Training

The EDION Group implements compliance education by job level in order to foster a corporate culture in which each and every employee respects ethics and compliance.

Training Results in FY2024

New employee training	Once a year (April)
Joint training for store manager, office manager, mobile manager, and head office manager candidates	Twice a year (August and February)
Joint training for deputy store manager, ELS manager, and deputy office manager candidates	Twice a year (August and February)
Training for senior service staff candidates	Twice a year (August and February)
Training for store managers	Six times a year
Training for office managers	Once a year

Risk Management

The EDION Group has established a system to appropriately respond to changes in laws and regulations due to changes in the business environment and to diversify risks.

Risk Management Structure

We have established the Risk Management Committee as our crisis management headquarters, which includes thorough implementation of our Code of Ethics and response policies for emergencies (such as BCPs).
The Risk Management Committee, chaired by the Representative Director and President, convenes quarterly with members appointed by the Chairperson—including internal directors responsible for business execution as well as personnel responsible for general affairs, human resources, and internal audits—to comprehensively manage risks surrounding Group companies.

Identifying and Responding to Key Risks

The Risk Management Committee discusses the identification of risks and the formulation of response plans. Risks that are determined to require a company-wide response are reported to the Board of Directors as key risks and their response status is monitored. The following are the key risks recognized by the EDION Group in FY2024.

Risks related to seasonal factors:

Some of the products we sell have sales that are affected by seasonal factors. Long periods of rain in the summer, cool summers, and warm winters could affect the results and financial status of the Group.

Risks related to competition:

In regions where the Group has stores, there are many stores of other companies that handle similar products. Competition between companies may intensify due to the opening of new stores in the future and other factors, which could affect the results and financial status of the Group.

Risks related to natural disasters and accidents, etc.:

If a store is damaged by a largescale natural disaster, such as an earthquake or typhoon, or a fire, said store may have to suspend operations and be liable for damages to those affected, which could affect the results and financial status of the Group.

Risks related to information security:

If there is a data leak or other incident due to cyberattacks or other unforeseen circumstances, the trust in the Group may decline, which could affect the results and financial status, such as a decrease in sales.

Risks related to impairment accounting for fixed assets:

If the book value of a store or other facility is not expected to be recovered due to a decline in profitability, or there is a change in "Accounting Standard for Impairment of Fixed Assets" or other standards, an impairment loss may be recorded for said store or facility, which could affect the results and financial status of the Group.

Risks related to external contractors:

If external contractors violate laws or guidelines that they must comply with when carrying out their work, the results of the Group may be affected.

Risks related to legal regulations, etc.:

Plans for store openings and business execution may be affected by legal regulations, changes in regulations, and other similar factors.

Information Security

The EDION Group handles a lot of personal information, such as cardholder information and customer purchase history data. We also possess a large amount of confidential information related to the technology, sales, and other activities of each Group company.
This information is strictly managed in accordance with the EDION Group Information Security Management Regulations.
Given the constant risk of cyberattacks in recent years, we are strengthening our monitoring of unauthorized access to the EDION Group and are also focusing on education for our employees on how to handle information.

Personal Information Protection Policy
https://www.edion.co.jp/en/privacy
* This website uses machine translation.

Business Continuity Plan (BCP) Activities

The EDION Group's goal is to be a company that continually endeavors to support richness and abundance in our customers' lives. Based on this approach, in order to ensure the safety and security of all stakeholders, including customers, even in the event of a crisis that results in serious damage, we have formulated a business continuity plan (BCP), which is implemented as part of efforts to continue essential operations and achieve rapid business recovery.

BCP Basic Policy
https://www.edion.co.jp/en/sustainability/governance/compliance-and-risk-management#bcp
* This website uses machine translation.

Dialogues with Stakeholders

The EDION Group is developing a community-based business built on the peace of mind and trust provided by our stakeholders. We ascertain the needs and expectations from each stakeholder and then organize priority issues and advance our activities.

Stakeholders	Expectations with Respect to the EDION Group	Main Methods of Dialogue
Customers	• Provision of high-quality products and services which give satisfaction • Stores which are comfortable and easy to spend time in • Provision of a long-term repair warranty service which gives peace of mind • Appropriate management of personal information	• Customer service and events in each store • EDION Net Shop • Online home improvement consultations • Customer Consultation Office • Customer questionnaires • Information communication through the EDION App and social media
Shareholders and investors	• Timely and appropriate disclosure of corporate information • Proper return of profits • Improvement of corporate value in the medium to long term • Shareholder Special Benefit System	• General Meeting of Shareholders • IR meetings • Integrated Report • Newsletters for shareholders • IR meetings for institutional investors • IR site
Business partners and member stores	• Maintenance of fair and impartial business relationships • Smooth information sharing • Procurement activities taking into consideration human rights, safety, and the environment, etc.	• Regular store visits • Etiquette training • Consultation contact point
Employees	• Fair and impartial evaluations and treatment • A healthy and comfortable workplace environment • Personal growth and work satisfaction • Respect for work/life balance	• Training systems for employees • Communication through the Intranet • Smile Shine Lunch Meetings • Information provision using the in-house newsletter • Internal whistleblowing system and consultation contact point • EDION LABOR UNION
The community	• Respect for the culture and customs of the region and conservation of the environment • Sports promotion and development • Support in the event of a disaster in the surrounding region • Participation in regional contribution activities	• Holding of events by the robot programming classroom • Sports classes by affiliated athletes • Utilization of EDION Peace Wing Hiroshima as an evacuation site • Sponsorship of arts and cultural activities • Participation by employees in regional activities
Government and municipalities	• Obey laws and pay taxes • Contribution to regional economic development	• Notifications and replies to surveys and questionnaires • Dialogue through industrial groups

Communications with Shareholders and Investors

EDION ensures the appropriate management of insider information, maintaining dialogues through various venues including IR meetings for institutional investors and individual explanations at securities companies for individual investors, in keeping with the rules of fair disclosure. We report regularly to the management team on the gathered comments and opinions, and attempt to apply this information in future management. We disclose information appropriately based on Tokyo Stock Exchange regulations, and actively disclose items expected to contribute to shareholders' investment decisions on our company website.

Ordinary General Meetings of Shareholders are held in June of each year. When new measures are proposed, we send notices of convocation quickly and post the relevant information on our corporate website so that each proposal can be fully considered. We also have a system in place to enable shareholders to exercise voting rights in writing or online to improve convenience. The Ordinary General Meeting of Shareholders held in June 2025 has been archived for distribution (until October 31, 2025).


General Meeting of Shareholders

> Dialogues with Stakeholders

Implementation Status of Dialogues with Shareholders and Investors

We have established personnel responsible for investor relations (IR), with a responsible director in charge, and we proactively engage in dialogues with shareholders within reasonable limits. In recent years, we have been focusing particularly on individual meetings both in Japan and internationally. The implementation status for FY2024 was as follows.

The department responsible for IR compiles evaluations, concerns, points of interest, opinions, and requests regarding our company that are received from shareholders and investors. This information is reported to the Board of Directors and incorporated into the consideration of management strategies and policies, as well as discussions at meetings of the Board of Directors.

Implementation Status of Dialogues with Shareholders and Investors (FY2024)

Dialogue Form	Implementation Method	Number of Times
General meeting of shareholders	In-person	1 time
IR meeting for institutional investors (quarterly)	Online	4 times
Monthly meeting for institutional investors (monthly)	Online	12 times
Domestic small meeting (institutional investors)	Online	6 times
Domestic/international individual meeting (institutional investors/analysts, personnel responsible for ESG, and personnel responsible for proxy voting)	In-person	57 times
Asset management meeting (individual investors)	Online	1 time

Main Dialogue Themes

(1) Recent results
- Review of the most recent financial results
- Financial soundness
- Impact of inbound tourism, etc.
- Progress on EC sales ratio
- Development of original products
- Progress on collaboration with Nitori

(2) Medium-to-long-term growth strategy
- Progress on Medium-Term Management Vision
- Business growth potential
- Demand trends and changes in competitive environment
- M&A policy
- Content of activities targeting human capital

(3) Stock price and shareholder return policy
- Basic approach to shareholder returns and dividend policy
- Awareness of cost of capital
- Details of shareholder benefits

Expansion of Shareholder Special Benefit System

We have expanded our shareholder special benefit system to further enhance the appeal of investing in our stock and encourage longer-term shareholding. EDION's shareholder special benefits provide EDION gift cards to shareholders holding one unit (100 shares) or more, as recorded in the shareholder registry on March 31 each year, based on the number of shares held. The additional amount for long-term shareholding has now been further increased. For example, for continuous shareholding of three years or more, an additional ¥3,000 worth is added for shareholdings of 100 to 499 shares, and an additional ¥4,000 worth is added for shareholdings of 500 shares or more. We will continue aiming to implement an even more substantial shareholder special benefit system.

Shareholder returns
https://www.edion.co.jp/en/ir/benefit
* This website uses machine translation.

EDION gift card

Paralym Art

Number of Shares Held	Benefit Amount (Gift Card)	Additional Benefits for Long-Term Shareholders		
		Continuously Held for 1 to <2 Years	Continuously Held for 2 to <3 Years	Continuously Held for ≥ 3 Years
100-499 shares	+ ¥3,000	+ ¥1,000	+ ¥2,000	+ ¥3,000
500-999 shares	+ ¥10,000	+ ¥2,000	+ ¥3,000	+ ¥4,000
1,000-1,999 shares	+ ¥15,000			
2,000-4,999 shares	+ ¥20,000			
5,000-9,999 shares	+ ¥25,000			
10,000 shares or more	+ ¥50,000			

11-Year Financial/Non-Financial Summary (Consolidated)

	3/2015	3/2016	3/2017	3/2018	3/2019	3/2020	3/2021	3/2022	3/2023	3/2024	**3/2025**
Results											(Million yen)
Net Sales	691,216	692,087	674,426	686,284	718,638	733,575	768,113	713,768	720,584	721,085	**768,129**
Operating Income	10,745	17,050	15,273	15,378	17,842	12,284	26,785	18,796	19,186	16,929	**23,394**
Ordinary Income	11,118	17,275	16,005	16,167	18,889	13,365	27,811	21,589	19,248	17,339	**24,350**
Profit Attributable to Owners of Parent	4,929	6,022	13,118	8,944	11,642	10,977	16,633	13,109	11,393	9,021	**14,118**
Financial Status											
Total Assets	367,338	360,307	368,161	369,448	355,947	350,024	386,425	377,970	369,365	431,694	**434,830**
Net Assets	145,086	141,986	151,512	169,005	178,172	180,400	193,841	199,480	201,656	214,921	**222,946**
Cash Flow											
Cash Flows from Operating Activities	(17,215)	37,154	19,333	21,553	28,304	25,278	42,964	10,576	12,139	19,962	**30,711**
Cash Flows from Investing Activities	(3,774)	(9,753)	(13,484)	(8,944)	(12,419)	(5,559)	(7,975)	(10,518)	(8,336)	(68,717)	**(15,430)**
Cash Flows from Financing Activities	9,697	(24,156)	(8,168)	(14,308)	(15,077)	(12,780)	(7,891)	(13,245)	(20,452)	47,531	**(18,457)**
Cash and Cash Equivalents at End of Period	9,001	12,246	9,927	8,227	9,035	15,974	43,072	29,885	13,235	12,011	**8,834**
Per Share Information											(Yen)
Net Income	45.77	60.04	133.04	90.84	105.34	101.33	155.34	125.41	112.36	90.07	**134.33**
Diluted Earnings Per Share (EPS)	42.69	47.66	102.89	71.90	93.78	90.49	139.79	112.60	100.32	81.35	**128.80**
Dividend	20.00	22.00	26.00	28.00	32.00	34.00	46.00	44.00	44.00	45.00	**47.00**
Net Assets	1,389.43	1,437.65	1,558.86	1,535.84	1,601.53	1,685.50	1,809.68	1,950.13	2,048.30	2,042.40	**2,122.68**
Indicators											(%)
Equity Ratio	39.5	39.4	41.2	45.7	50.1	51.5	50.2	52.8	54.6	49.7	**51.2**
Return on Equity (ROE)	3.4	4.2	8.9	5.6	6.7	6.1	8.9	6.7	5.7	4.3	**6.5**
Sales-to-Operating Income Ratio	1.6	2.5	2.3	2.2	2.5	1.7	3.5	2.6	2.7	2.3	**3.0**
P/E Ratio (Times)	19.75	14.22	7.69	13.63	9.17	8.81	7.98	9.05	11.41	17.19	**13.97**
P/B Ratio (Times)	0.65	0.59	0.66	0.81	0.60	0.53	0.68	0.58	0.63	0.76	**0.88**
Return on Invested Capital (ROIC) *Including Convertible Bonds	2.5*1	4.1*1	4.0*1	4.2	5.0	4.2	7.0	4.9	5.2	3.5	**5.2**
D/E Ratio (Times) *Including Convertible Bonds	0.8	0.7	0.6	0.4	0.4	0.3	0.3	0.3	0.2	0.4	**0.4**
Dividend Payout Ratio	43.7	36.6	19.5	30.8	30.4	33.6	29.6	35.1	39.2	50.0	**35.0**

*1 Excludes special factors for reversal and addition of deferred tax assets due to changes in tax rates, etc.

11-Year Financial/Non-Financial Summary (Consolidated)

Non-Financial Information	3/2015	3/2016	3/2017	3/2018	3/2019	3/2020	3/2021	3/2022	3/2023	3/2024	**3/2025**
Total Number of Employees	15,537	15,645	15,227	15,496	15,535	15,889	16,209	16,434	16,165	15,947	**15,966**
Number of Full-Time Employees	8,788	8,663	8,551	8,653	8,761	8,778	9,007	9,158	9,258	9,170	**9,315**
Number of Temporary Employees (*Converted to 8 hr. days)	6,749	6,982	6,676	6,843	6,827	7,111	7,202	7,276	6,907	6,777	**6,651**
Ratio of Female Employees, Including Temporary Employees (Non-Consolidated) (%)	-	35.6	35.5	35.4	36.1	36.3	36.6	37.2	37.1	37.1	**37.0**
Ratio of Independent Directors (%)	15.4	16.7	14.3	40.0	44.4	44.4	50.0	50.0	50.0	50.0	**50.0**
Total Number of Stores	1,212	1,206	1,185	1,186	1,191	1,184	1,187	1,202	1,208	1,202	**1,190**
Total Sales Floor Area (1,000 m^2) *Excluding Franchise Stores	1,030	1,024	1,019	1,020	1,039	1,055	1,058	1,086	1,087	1,121	**1,127**
EDION Card Members (10,000 persons)	465	469	475	482	489	490	486	485	485	483	**480**
Anshin Hosho (Assured-Warranty) Card Members (10,000 persons)	502	640	720	775	798	809	829	838	854	866	**863**
Emissions Due to Industrial Waste (t)	-	38,794	41,302	49,036	45,811	49,610	49,241	47,294	52,154	39,482*1	**38,498**
Recovery of Small Home Electronics for Recycling (t)	2,915	6,346	6,928	7,619	7,760	9,073	8,853	8,135	8,718	6,977	**6,838**
CO_2 Emissions (t-CO_2e)*2	-	151,306	138,773	126,736	111,327	112,809	110,994	-	-	-	**-**
Scope 1	-	-	-	-	-	-	-	21,108	20,273	18,433*4	**21,421**
Scope 2	-	-	-	-	-	-	-	93,705	85,470	100,198*4	**99,163**
Scope 3	-	-	-	-	-	-	-	36,976*3	10,613,896*4	10,554,915*4	**10,791,736**
Number of Solar Power Systems Installed	4	26	53	65	72	72	72	70	69	68	**66**
Number of Solar Power Systems Installed (Self-Consumption)	-	-	-	-	-	-	-	-	-	5	**14**
Number of Installation Bases with Power Purchase Agreement (PPA)	-	-	-	-	-	-	-	-	1	7	**7**
Power Generation Capacity of Solar Power Systems (1,000 kWh)	-	-	2,338	3,334	4,622	4,524	4,608	4,197	4,918	5,471	**6,666**
CO_2 Reduction Due to Solar Power Systems (t-CO_2)	-	-	1,372	1,727	2,293	2,090	2,051	1,817	2,134	2,396	**2,820**

*1 Figures have been amended to reflect changes in tabulation methods.
*2 We stipulated Scopes 1, 2, and 3 CO_2 emissions (t-CO_2e) as indexes and changed calculation methods based on the TCFD recommendations from FY2021.
*3 Only some categories of Scope 3 are calculated.
*4 We have retroactively adjusted the figures for Scope 3 emissions in FY2022 and Scope 1, 2, and 3 emissions in FY2023 due to a change in calculation methods.

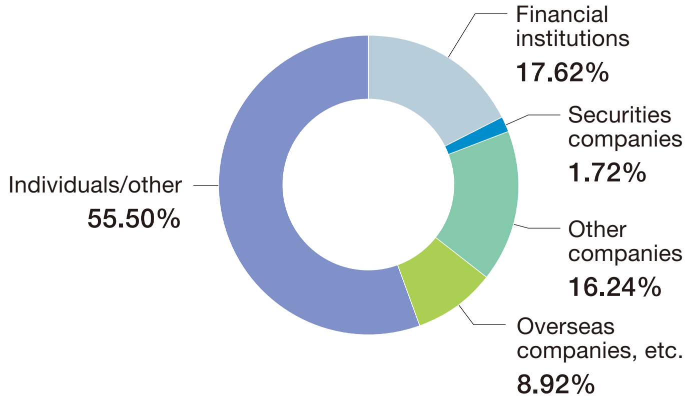
Company Information (As of March 31, 2025)

Company Name	EDION Corporation
URL	https://www.edion.com
Headquarters	2-1-18 Kamiyacho, Naka-ku, Hiroshima-shi, Hiroshima
Head Office	Osaka Mitsui Bussan Building, 2-3-33 Nakanoshima, Kita-ku, Osaka-shi, Osaka
TEL	06-6202-6011 (Main representative)
Date of Establishment	March 29, 2002
Capital Stock	¥11,940 million
Fiscal Year End	March 31
Number of Employees	15,966 people (9,315 full-time employees, 6,651 temporary employees)

Stock Information (As of March 31, 2025)

Stock Listing	Tokyo Stock Exchange Prime Market
Securities Code	2730
Total Number of Authorized Shares	300,000,000
Total Number of Shares Outstanding	112,005,636
Number of Shareholders	171,184 people
Shareholder Registry Administrator	Mitsubishi UFJ Trust and Banking Corporation
Number of Shares Constituting One Unit	100
Name of the Auditing Firm	EY Japan (Ernst & Young ShinNihon LLC)

Distribution of Shares by Owner (As of March 31, 2025)



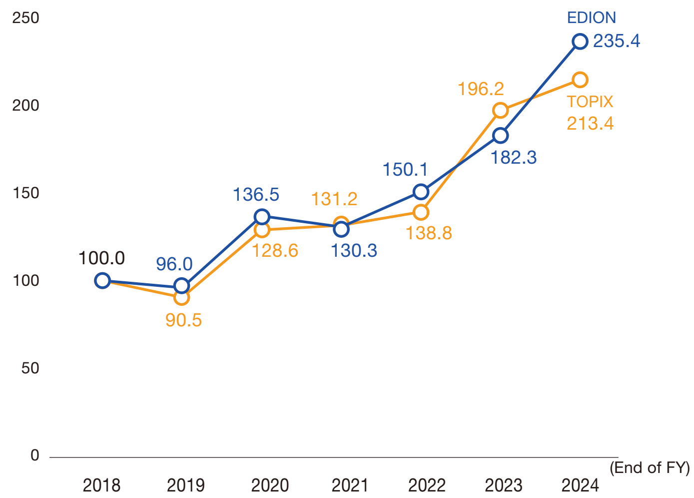
*Including fractional shares

Top 10 Major Shareholders (As of March 31, 2025)

Name	Shares Held (Thousands)	% of Outstanding Shares (Excluding Treasury Shares)
Nitori Holdings Co., Ltd.	10,225	9.75
The Master Trust Bank of Japan, Ltd. (trust account)	8,401	8.01
EDION Group Employee Stock Ownership Plan	7,586	7.24
Daiichi Co., Ltd.	3,449	3.29
Masataka Kubo	2,256	2.15
EDION Group Client Stock Ownership	1,665	1.59
Sumitomo Life Insurance Company	1,624	1.55
The Hiroshima Bank, Ltd.	1,621	1.55
Custody Bank of Japan, Ltd. (trust account)	1,440	1.37
Nippon Life Insurance Company	1,276	1.22

Notes: 1. "Shares held" is rounded down to the nearest thousand shares
2. EDION Corporation holds 7,176,575 shares of treasury stock, which is excluded from the above major shareholders
3. Treasury stock does not factor into the shareholding ratio calculation

Total Shareholder Yield
(Comparison Index Including Dividends: TOPIX [Tokyo Stock Price Index])
(As of March 31, 2025)



Major External Evaluations

FTSE Blossom Japan Index (As of June 2025)

FTSE Blossom Japan Index

MSCI Japan ESG Select Leaders Index (As of March 2025)

2025 CONSTITUENT MSCI NIHONKABU
ESG SELECT LEADERS INDEX

MSCI ESG Rating AA Evaluation (As of June 2025)

MSCI ESG RATINGS AA
CCC | B | BB | BBB | A | AA | AAA

S&P/JPX Carbon Efficient Index (As of June 2025)

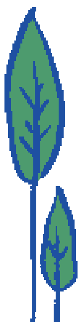
S&P/JPX Carbon Efficient Index

Go here for a list of external evaluations
https://www.edion.co.jp/en/sustainability/management/external-evaluation
* This website uses machine translation.

EDION Group Companies (As of August 1, 2025)

Name	Location	Capital (Million Yen)	Main Business	Shareholding of Voting Shares (%)
Forest Co., Ltd.	Omiya-ku, Saitama-shi	90	Online sales of stationery, office supplies and equipment, and daily necessities	100.00
EDION X Ventures Corporation	Chikusa-ku, Nagoya-shi	30	Operation and development of information systems	100.00
EDION HOUSE SYSTEM Corporation	Naka-ku, Hiroshima-shi	20	Sales and installation of home improvement projects and solar power systems	100.00
Jtop Co., Ltd.	Nakamura-ku, Nagoya-shi	94	General freight transport business, home electronics sales and installation business, electrical work business, etc.	100.00
E.R.JAPAN Corporation	Naka-ku, Hiroshima-shi	100	Operation of reuse and recycle businesses	100.00
PRIME STATION Corporation	Shinagawa-ku, Tokyo	41	Planning / printing business	100.00
Youmemiru Inc.	Kita-ku, Sakai-shi	10	Operation of programming classes, etc.	100.00
EdBank Corporation	Shinagawa-ku, Tokyo	10	Operation of programming classes, etc.	100.00
Azabu Co., Ltd.	Kasugai-shi, Aichi	10	Roof, exterior wall painting, and renovation	100.00
JAPAN NEXT RETAILING Corporation	Chikusa-ku, Nagoya-shi	9	Sales and installation of water heating equipment, etc.	100.00
Sanfrecce Hiroshima FC Co., Ltd.	Naka-ku, Hiroshima-shi	2,099	Operation of professional soccer team	76.10
Other: 1 company				

Notes: 1. On July 1, 2024, Forest Co., Ltd. and Forest Shuhan Co., Ltd., both consolidated subsidiaries, underwent a merger (by absorption), with Forest Co., Ltd. as the surviving company and Forest Shuhan Co., Ltd. as the dissolved company.
2. On August 1, 2024, EDION acquired all shares of Muroyama Logistics Co., Ltd., making it a 100% subsidiary.
3. On February 28, 2025, EDION acquired all shares of JAPAN NEXT RETAILING Corporation, making it a 100% subsidiary.
4. On April 1, 2025, EDION and SANKYU Co., Ltd., a consolidated subsidiary, underwent a merger (by absorption), with EDION as the surviving company and SANKYU Co., Ltd. as the dissolved company.
5. On April 1, 2025, Jtop Co., Ltd. and Muroyama Logistics Co., Ltd., both consolidated subsidiaries, underwent a merger (by absorption), with Jtop Co., Ltd. as the surviving company and Muroyama Logistics Co., Ltd. as the dissolved company.
6. There are no subsidiaries that qualify as specified 100% subsidiaries.



EDION Corporation

https://www.edion.com

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