

Policy on Product Governance

In addition to the "Policy on Customer-Oriented Business Operations," Diamond Realty Management Inc. (DREAM) has established the "Policy on Product Governance" to ensure the thorough implementation of initiatives (product governance) aimed at providing products that serve the best interests of DREAM's customers.

1. Basic Philosophy

- DREAM's Purpose is that "We contribute to maximizing societal Well-being through real estate management." DREAM's Vision is that "As a pioneer in real estate management, we will continue to be a company that is ahead of the curve in responding to the evolving needs of our stakeholders and contribute to sustainable economic and social development and the preservation of the global environment."
- In line with this philosophy, DREAM will continuously work to maintain and strengthen systems that ensure financial products are appropriately structured and managed, under the leadership of its management team, in pursuit of the best interests of customers.

2. Establishment of a Product Governance System

- To ensure the effectiveness of product governance across the entire lifecycle of financial products—from structuring to redemption—and quality management within each process of structuring, offering, and management, DREAM will establish a framework for regular and continuous verification involving oversight by management departments (second line) and internal audit department (third line) and also will consider incorporating opinions from external experts and third-party organizations as necessary in light of the characteristics and nature of individual financial products.
- Based on the results of these verifications, DREAM will establish a PDCA (Plan-Do-Check-Act) cycle to revise internal regulations and manuals or review organizational structures, striving to enhance the effectiveness of DREAM's product governance.

3. Structuring of Financial Products

- The financial products DREAM offers primarily include "real estate closed-end funds," "private REIT," "mezzanine debt funds," "outbound real estate funds," and "real estate security token funds," each of which may have different durations and characteristics



as financial products. When structuring financial products, DREAM will verify whether the products are sustainable in the medium to long term, depending on their type and characteristics. DREAM will also assess the rationality of their risk, return, and cost. Furthermore, DREAM will clearly identify the attributes of the customers DREAM anticipate for the product, considering their true needs, and ensure that the structured product best meets those needs. DREAM will also identify customers for whom the product should not be recommended. For complex financial products or those with unique operational or distribution methods, DREAM will more precisely define the attributes of the intended customers.

- When entrusting the sale of financial products, DREAM will, as necessary, collaborate with the companies involved in the sale of those products and conduct investigations to understand customer needs and assess the appropriateness of matching the anticipated customer attributes with the product.

4. Evaluation and Improvement of Financial Products

- For financial products after structuring, DREAM will continuously verify whether the product characteristics assumed at the time of structuring, including the appropriateness of the balance between risk, return, and cost, are being maintained. DREAM will also assess whether the operational content and processes provided align with the product characteristics expected by customers. This will be done by leveraging information obtained through collaboration with companies involved in the sale of financial products. Based on these findings, DREAM will consider improvements or revisions to individual financial products and, if necessary, use them to review the product governance system itself. Besides, at present, DREAM does not outsource the management of financial products externally.

5. Clear and Accessible Information Provision

- To enable customers to select better financial products, DREAM will strive to provide clear and accessible information about the operational systems, product governance systems, and product characteristics of individual financial products, as appropriate, through companies involved in the sale of financial products.

Established on June 25, 2025