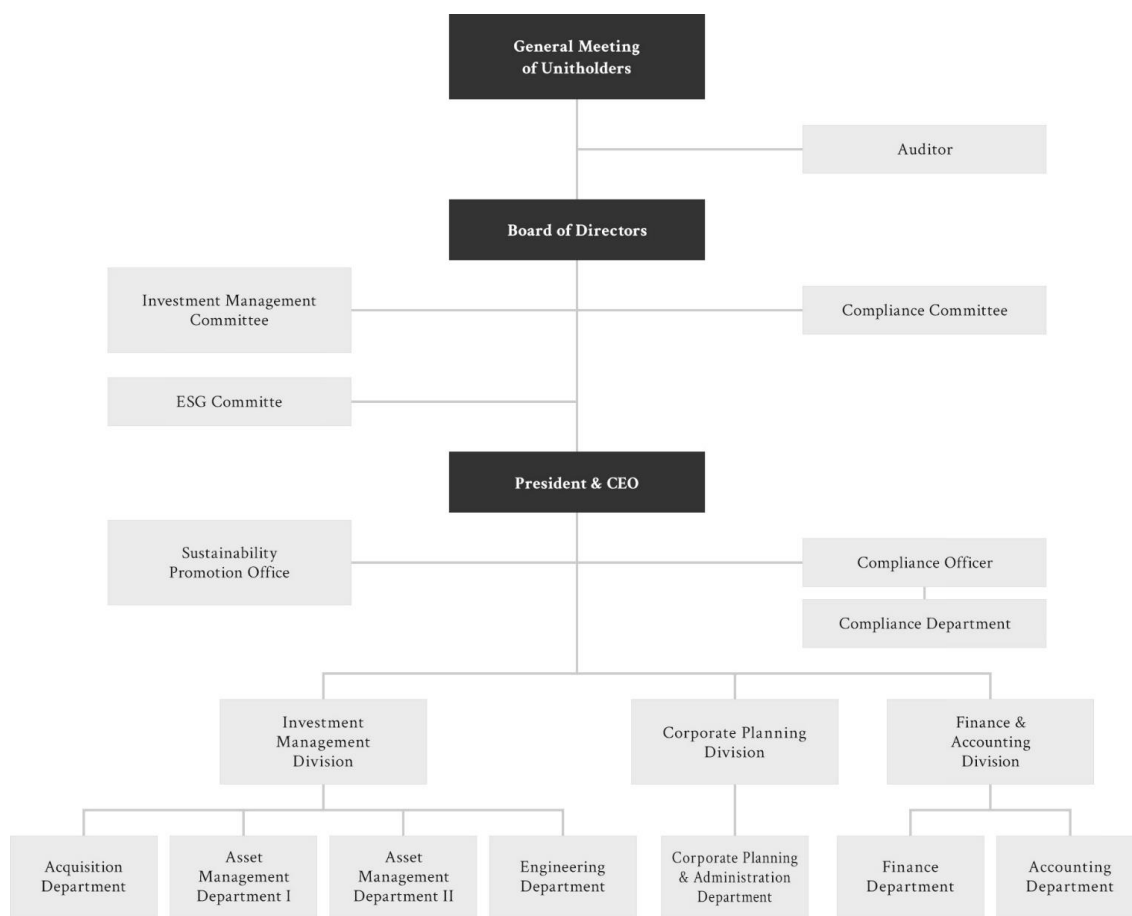


【HRR's asset management structure】

(A) Structure of Asset Management Company

The structure of the Asset Management Company as it relates to the management of HRR's assets is as shown below.



The Asset Management Company performs its operations based on the asset management agreement concluded with HRR under the organizational structure shown above. Duties are divided between the two headquarters, the Investment Management Division, Corporate Planning Division and the Finance & Accounting Division, and further among each of the departments, namely the Acquisition Department, Asset Management Department I, Asset Management Department II, Engineering Department, Corporate Planning & Administration Department, Finance Department, Accounting Department, Sustainability Promotion Office and Compliance Department. The Investment Management Division, Corporate Planning Division and Finance & Accounting Division are overseen by their respective General Managers, while the Acquisition Department, Asset Management Department I, Asset Management Department II, Engineering Department, Corporate Planning & Administration Department, Finance Department and Accounting Department are overseen by their respective Managers, and the Sustainability Promotion Office by the Chief Sustainability Officer, and the Compliance Department by the Compliance Officer.

The deliberative bodies for asset management, compliance, and ESG promotion are the Investment Management Committee, the Compliance Committee, and the ESG Committee respectively.

(B) Duties of each body in the Asset Management Company

The duties of each body pertaining to HRR's asset management are as shown below.

Body	Duties
Board of Directors	<ul style="list-style-type: none"> a. Deliberation and resolution of matters relating to the business management of the Asset Management Company b. Deliberation and resolution of matters placed on the agenda upon approval by the Investment Management Committee c. Deliberation and resolution of matters placed on the agenda upon approval by the Compliance Committee d. Reporting to HRR e. Other incidental duties
Investment Management Division	<ul style="list-style-type: none"> a. Establishment of investment management policy, investment management plans and asset management plan documents of the registered investment corporation that entrusts asset management to the Asset Management Company b. Control concerning investment and management c. Other incidental duties
Acquisition Department	<ul style="list-style-type: none"> a. Duties relating to the selection and evaluation of HRR's asset acquisitions and other acquisitions b. Duties relating to the leasing of HRR's asset acquisitions c. Duties relating to the selection and evaluation of HRR's offshore asset acquisitions and other acquisitions d. Duties relating to the selection of a property management company for HRR's asset acquisitions e. Other incidental duties
Asset Management Department I	<p>(Properties managed primarily by Hoshino Resorts Group)</p> <ul style="list-style-type: none"> a. Duties relating to the transfer of HRR's portfolio assets b. Duties relating to the leasing of HRR's portfolio assets c. Duties relating to the management of HRR's portfolio assets d. Duties relating to the leasing and management of HRR's offshore assets, etc. e. Duties relating to the selection, direction, and supervision of the property management company for HRR's portfolio assets f. Duties relating to the placement of orders for civil engineering/construction contract work for HRR's portfolio assets g. Duties relating to the management of debts and credits relating to HRR's portfolio assets h. Other incidental duties

Asset Management Department II	<p>(Properties managed primarily by entities other than Hoshino Resorts Group)</p> <ul style="list-style-type: none"> a. Duties relating to the transfer of HRR's portfolio assets b. Duties relating to the leasing of HRR's portfolio assets c. Duties relating to the management of HRR's portfolio assets d. Duties relating to the leasing and management of HRR's offshore assets, etc. e. Duties relating to the selection, direction, and supervision of the property management company for HRR's portfolio assets f. Duties relating to the placement of orders for civil engineering/construction contract work for HRR's portfolio assets g. Duties relating to the management of debts and credits relating to HRR's portfolio assets h. Other incidental duties
Engineering Department	<ul style="list-style-type: none"> a. Duties relating to formulation and implementation of construction plans for large-scale investments in order to increase the value and maintain the function of assets owned by HRR b. Duties relating to inspection of details and construction costs concerning renewal and repair work for assets owned by HRR c. Duties relating to investigation into real estate situation of assets acquired or owned by HRR d. Duties relating to investigation into real estate situation of overseas real estate and other assets acquired or owned by HRR e. Other incidental duties
Corporate Planning Division	<ul style="list-style-type: none"> a. Control concerning disclosure and management duties of the Asset Management Company and HRR b. Duties relating to administration, personnel, etc. of the Asset Management Company c. Duties relating to information systems of the Asset Management Company d. Other incidental duties
Corporate Planning & Administration Department	<ul style="list-style-type: none"> a. Duties relating to drafting and managing of management strategies and management plans of the Asset Management Company and HRR b. Duties relating to investigation and analysis of financial markets, real estate investment trust markets, etc. c. Duties relating to information disclosure to unitholders of HRR, etc. d. Duties relating to response to unitholders of HRR, etc. e. Duties relating to various types of negotiations by HRR with competent authorities f. Duties relating to various types of negotiations pertaining to HRR with public institutions g. Duties relating to various types of negotiations by the Asset Management Company with competent authorities h. Other incidental duties

Finance & Accounting Division	<ul style="list-style-type: none"> a. Control concerning financial and accounting operations of the Asset Management Company and HRR b. Duties relating to the formulation of HRR's investment management plan and asset management plan c. Other incidental duties
Finance Department	<ul style="list-style-type: none"> a. Duties relating to the issuance or borrowing of HRR's investment units, subscription rights to new investment units, or investment corporation bonds, and other financing b. Duties relating to financing at acquisition of HRR's offshore assets c. Duties relating to the management of HRR's surplus funds d. Duties relating to the Asset Management Company's financing e. Duties relating to the management of the Asset Management Company's surplus funds f. Other incidental duties

Accounting Department	<ul style="list-style-type: none"> a. Duties relating to HRR's accounting b. Duties relating to the formulation and execution of HRR's budget c. Duties relating to HRR's financial settlement and taxation d. Duties relating to the Asset Management Company's accounting e. Duties relating to the formulation and execution of the Asset Management Company's budget f. Duties relating to the Asset Management Company's financial statements and taxation g. Other incidental duties
Sustainability Promotion Office	<ul style="list-style-type: none"> a. Duties relating to drafting and management of policies, strategies, plans and measures pertaining to ESG promotion b. Duties relating to drafting and monitoring matters concerning initiatives pertaining to ESG c. Duties relating to acquisition and maintenance of certifications pertaining to ESG d. Duties relating to initiatives and information disclosure pertaining to ESG e. Other incidental duties

<p>Compliance Officer / Compliance Department</p>	<ul style="list-style-type: none"> a. Duties relating to the formulation, management, evaluation, and monitoring of compliance status of the Asset Management Company's internal rules, etc. b. Duties relating to pre-submission evaluation of proposals, etc. of the Asset Management Company c. Duties relating to the formulation and management of the Asset Management Company's Compliance Rules, Compliance Manual, and other internal rules, etc. concerning compliance d. Duties relating to the formulation and management of the Asset Management Company's Compliance Program and other duties relating to the management of the Asset Management Company's compliance system e. Duties relating to internal auditing f. Duties relating to risk management supervision g. Duties relating to risk management supervision and management of compliance systems relating to offshore assets, etc. h. Duties relating to negotiations with authorities responsible for HRR i. Administrative duties relating to the organizing of HRR's General Meeting of Unitholders, Meetings of the Board of Directors, and operations of other institutions of HRR j. Duties relating to negotiations with authorities responsible for the Asset Management Company k. Duties relating to the operations of the Asset Management Company's General Meeting of Stockholders and Meetings of the Board of Directors l. Duties relating to the management of corporate information and other information m. Duties relating to the processing of complaints, etc. against the Asset Management Company n. Other incidental duties
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(C) Overview of Committees

The following is an overview of the Committees.

a. Investment Management Committee

Members	President & CEO, Head of the Investment Management Division (chair), Head of the Corporate Planning Division, Head of the Finance & Accounting Division, and at least one external committee member (Note 1) (The external committee member shall be a real estate appraiser provided, however, that neither the real estate appraiser nor its officer has been asked to perform a real estate appraisal by an Interested Party as defined in the Asset Management Company's Interested Party Transaction Rules, and that the real estate appraiser is neither an Interested Party nor its officer as defined in the Asset Management Company's Interested Party Transaction Rules.) (Note 2)
Duties	<ul style="list-style-type: none">i. Deliberation and resolution of matters relating to the asset management policies of the Asset Management Companyii. Deliberation and resolution relating to the formulation of, and changes to, the asset management guidelines of the Asset Management Companyiii. Deliberation and resolution of matters relating to the acquisition, disposal, and management control of assets relating to the financial instruments business performed by the Asset Management Companyiv. Deliberation and resolution relating to the formulation of, and changes to, asset management plans and investment management plansv. Deliberation and resolution relating to the alteration or abolition of the Asset Management Company's Investment Management Committee Rulesvi. Deliberation and resolution of other incidental matters
Methods	<ul style="list-style-type: none">▪ The Investment Management Committee Meeting is held when there is attendance of at least two-thirds of the Investment Management Committee members including at least one external committee member.▪ Investment Management Committee resolutions shall be passed when there is attendance of at least one external committee member, unanimous approval by all external committee members who are present, and approval by a majority of Investment Management Committee members who are present (Note 3). It should be noted that when the Investment Management Committee deliberates on transactions with an Interested Party defined in the Asset Management Company's Interested Party Transaction Rules, any committee member with an interest in the Interested Party shall not be permitted to participate in said deliberation and resolution.

(Note 1) As of the date of this document, one real estate appraiser is appointed as external committee member.

(Note 2) In the event that an external committee member is unable to attend the Investment Management Committee meeting due to an accident or other circumstances beyond his or her control, and when urgency is required,

the Committee Chair may appoint an individual recognized to possess knowledge, etc. equivalent to said external committee member and have said individual serve temporarily in his or her stead.

b. Compliance Committee

Members	The President & CEO, Auditor, Compliance Officer (Chair) (Note 1), and at least one external committee member (Note 2) (Note 3) (an individual qualified as a lawyer or certified public accountant, and has been judged by the Asset Management Company to have knowledge and experience relating to compliance).
Duties	<ul style="list-style-type: none"> i. Deliberation and resolution of matters relating to the Asset Management Company's risk management ii. Deliberation and resolution of matters relating to the alteration or abolition of the Asset Management Company's Compliance Rules and Compliance Committee Rules iii. Deliberation and resolution of matters relating to the formulation, alteration, or abolition of the Compliance Manual and Compliance Program iv. Deliberation and resolution of matters relating to the processing of complaints, etc. against the Asset Management Company v. Deliberation and resolution of matters requested by the Compliance Officer vi. Deliberation and resolution of matters deemed necessary by the Compliance Officer and of matters set forth separately in the Asset Management Company's Division of Duties Rules or other internal rules, etc. vii. Deliberation and resolution of other incidental matters
Methods	<ul style="list-style-type: none"> ▪ The Compliance Committee Meeting is held when there is attendance of the Compliance Officer and at least two-thirds of the Compliance Committee members including at least one external committee member. ▪ Compliance Committee resolutions shall be passed when there is attendance of the Compliance Officer and at least one external committee member, unanimous approval by the Compliance Officer and all external committee members who are present, and approval by at least two-thirds of the Compliance Committee members who are present. It should be noted that when the Compliance Committee deliberates on transactions with an Interested Party defined in the Asset Management Company's Interested Party Transaction Rules, any committee member with an interest in the Interested Party shall not be permitted to participate in said deliberation and resolution.

(Note 1) As an emergency provision in the event the Compliance Officer is unable to attend the Compliance Committee meeting due to an accident or other circumstances beyond his or her control, a representative for the Compliance Officer in the Compliance Committee meeting may be designated in advance by a resolution of the Compliance Committee.

(Note 2) As of the date of this document, one certified public accountant is appointed as external committee member.

(Note 3) In the event that an external committee member is unable to attend the Compliance Committee meeting due to an accident or other circumstances beyond his or her control, and when urgency is required, the Committee Chair may appoint an individual recognized to possess knowledge, etc. equivalent to said external committee member and have said individual serve temporarily in his or her stead.

c. ESG Committee

Members	The President & CEO, Head of the Investment Management Division, Head of the Corporate Planning Division, Head of the Finance & Accounting Division, the Compliance Officer, and the Chief Sustainability Officer(Chair).
Duties	<ul style="list-style-type: none"> i. Deliberations and resolutions concerning policies, strategies, plans and measures related to ESG promotion ii. Deliberations and resolutions concerning matters related to performance evaluations and monitoring of ESG promotion iii. Deliberations and resolutions concerning matters related to acquisition and maintenance of certifications pertaining to ESG iv. Deliberations and resolutions concerning matters related to initiatives and information disclosure pertaining to ESG v. Deliberations and resolutions concerning other incidental matters
Methods	<ul style="list-style-type: none"> ▪ The ESG Committee Meeting is held when there is attendance of at least two-thirds of the ESG Committee members. ▪ A majority of the ESG Committee members present at the meeting shall vote in favor of the resolutions.