Corporate Governance Report

CORPORATE GOVERNANCE

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Bewith, Inc.
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The corporate governance of Bewith, Inc. (the "Company") is described below.

I. Basic Views on Corporate Governance, Capital Structure, Corporate Attributes, and Other Key Information

1. Basic Views

The Company, upholding its corporate philosophy of "Contributing to society through insights," is committed to its mission of constantly pursuing optimal and new services that align with the times while at the same time enhancing its corporate value and maintaining positive relationships with a broad range of stakeholders including its shareholders by generating insight into the ideal society and economy and creating joy and value for society. To bring these goals to life, the Company considers the reinforcement of corporate governance as one of the crucial management tasks of the Group, and through its improvement, it will strive to ensure and maintain a sound and highly transparent management execution structure thereby ultimately realizing new business strategies and increasing the profitability of existing businesses.

<Corporate Philosophy>

Contributing to society through insights

We will constantly generate insights into optimal services and the ideal society and create joy and value for society.

<Principles of Conduct>

・Fair and honest conduct

We will be committed to integrity, fairness, and honesty in every aspect of our conduct.

・Pursuit of customer satisfaction

We will persist in our pursuit of improved customer satisfaction.

・Proactive human resources

Each and every of us will become proactive talent capable of autonomous actions.

・Challenge to aspirations

We will continually aspire to lofty goals and take on the challenge of accomplishing them.

<Basic Management Policy>

1. Establishing a corporate growth cycle toward achieving a sustainable society

We will take on the challenge of creating an enriched society by creating new businesses as well as further bolstering our existing businesses to support the problem-solving of society and our client companies.

2. Co-existence and co-evolution with customers

We will proactively solve the essential issues of our client companies with knowledge, experience, skill, insight, and execution capabilities and build true partnerships that can evolve together.

3. Pursuit of employee comfort and enrichment

We will provide an environment for our employees, where they feel adequately fulfilled in their work, treatment, and emotional support, their values are respected, and they are given opportunities for personal growth, by respecting the employee's individuality and pursuing both material and moral enrichment.

4. Instilling the spirit of contributing to the local community

We, as a member of society, will contribute to the development of the regional economy through business activities and fulfill our role as a good corporate citizen.

5. Meeting the demands of society

We will be aware of our social responsibility and public mission as an enterprise and we will engage in fair and honest corporate activities.

Reasons for Non-compliance with the Principles of the Corporate Governance Code

The Company complies with all principles of the Corporate Governance Code.

Disclosure Based on each Principle of the Corporate Governance Code

[Principle 1-4 Cross-shareholdings]

The Company, while upholding its basic policy of not investing in listed shares as part of cross-shareholdings, may hold listed shares as cross-shareholdings, if it gives rise to a situation determined to be beneficial, such as strengthening and maintaining relationships of trust with its business partners or increasing transactions to the end of increasing the corporate value of the Group.

When holding listed shares, the individual cross-shareholdings shall be examined each year by the Board of Directors as to whether the holding purpose is appropriate and whether the investment demonstrates economic rationale, after which the significance and policy of such shareholding shall be reviewed and the results of the verifications shall be disclosed.

The voting rights attached to the cross-shareholding shall be exercised appropriately upon determining whether the agenda aligns with the Company's policy for holding the shares and whether it is conducive to the enhancement of corporate value and the shareholder interests of the investee as well as the shareholder interests of the Company.

[Principle 1-7 Related Party Transactions]

Transactions with related parties shall be conducted, upon deliberating in advance such factors as the rationale and adequacy of the transaction terms and obtaining the approval of the Board of Directors based on the opinions of the Outside Directors and the Audit and Supervisory Committee, under the "Related-party Transaction Management Regulations." Additionally, a list of parties considered to be related parties is prepared and updated after the closing of the general meeting of shareholders or when any changes occur and is communicated to the employees, while all such transactions are recorded and managed on a

monthly basis.

Furthermore, related-party transactions approved by the Board of Directors are reported promptly to the Board of Directors upon their completion.

[Supplementary Principle 2-4-1 Ensuring Diversity]

The Company aspires to the formation of a corporate culture where employees respect and acknowledge each other's individuality and bring out each other's virtue to enable proactive career formation and the promotion of diverse human resources under the slogan of "Let's collaborate with you ☆!" The Company also aims to provide an environment where all human resources can take an active role regardless of their gender, nationality, age, or whether they have disabilities.

<Promotion of Women to Management Positions>

The Company promotes diversity and inclusion activities to enable diverse human resources to demonstrate their own potential. Among these initiatives, the Company considers the promotion of women to play active roles to be a crucial task.

Promoting women to play active roles is not limited to the system allowing women to balance their careers with the important milestones in their lives but is thought to encourage the development of a corporate climate with a deeper understanding of diversity and conducive to healthy discourse, by increasing the role of women involved in the decision making of the entire Company. Accordingly, the Company will implement measures to raise the percentage of women in positions that entail a certain level of responsibility and ultimately improve the wage disparities between men and women.

The Company believes that there are three obstacles facing women who aspire to management positions:

1) The corporate culture in which managers must work longer that makes it difficult for women to balance work with important milestones
2) Delays in promotion from having to suspend one's career due to important milestones
3) Mental/physical changes and health at each milestone

The Company is promoting the following measures to eliminate these obstacles to ensure that women can plan their careers with peace of mind.

・Presenting best practices of female employees demonstrating efficient management workstyles
・Holding panel discussions to support any concerns that female employees may have about their careers and disseminating relevant information
・Implementing measures to raise internal literacy on health issues unique to women

[Status of female employees] (As of May 31, 2024)

Percentage of female employees: 75.8%

Percentage of regular female employees: 38.5%

Percentage of female executive officers: 20.0%

Percentage of women in management positions: 19.8%

Percentage of female employees returning to work after childbirth: 100%

Percentage of female employees returning to work after taking childcare leave: 100%

Average years of service of regular female employees: 9 years 1 month

*The average years of service of regular female employees include the period prior to their hiring as regular employees.

(Reference) Database on Promotion of Women's Participation and Advancement in the Workplace (website of the Ministry of Health, Labour and Welfare)
https://positive-ryouritsu.mhlw.go.jp/positivedb/detail?id=5584

<Promotion of Foreign Nationals to Management Positions>

The Company proactively hires exceptional talent, regardless of nationality, based on their skills and aspirations. However, given the small percentage of foreign nationals among the Company's employees and the domestic orientation of the Company's business, it has not set any quantitative targets for the promotion of foreign nationals to management positions.

<Promotion of Mid-career Hires and Internal Appointees to Management Positions>

The Company aims to provide an environment where all human resources can take active roles without being discriminated against not only based on their gender, nationality, age, and whether they have a disability or not but also their employment status, i.e., whether they are new graduate hires, mid-career hires, or internal appointees from fixed-term employees. As indicated by the statistics below, the Company also presents mid-career hires and fixed-term employees with an environment and career paths that allow them to pursue a wide range of management positions. The Company aims to maintain the current percentages and going forward, it will fairly and proactively offer opportunities to outstanding talent to be promoted to management positions and provide an environment for them to flourish.

[Percentage of employees in management positions by employment category] (As of May 31, 2024)

Mid-career hires: 46.4%

Internal appointees from fixed-term employees: 44.7%

*The statistical parameter as of May 31, 2024 comprises the number of regular employees including employees seconded to other companies from the Company.

Additionally, to allow all employees to polish their careers and rack up their experience and knowledge, the Company has open-recruitment systems to boost their careers through in-house transfers, as well as a side-job system to allow them to expand their knowledge outside of the Company.

(Reference) Company's website: Initiatives for Diversity and Inclusion (available only in Japanese)
https://www.bewith.net/company/diversity.html

[Principle 2-6 Roles as Asset Owners of Corporate Pension Plan]

The Company has not adopted a defined benefit corporate pension plan but it supports the stable asset formation of its employees through the adoption of a corporate-type defined contribution pension plan for regular employees and has been upgrading its asset management education to assist regular employees in their asset building. Specifically, the Company uses such devices as the company newsletter app to familiarize employees with the basic knowledge of the system and the caution

points of investing and providing ongoing investment education, including communicating the importance of long-term, continuous, and diversified investments based on the employee's life plan. The Company also follows up through the use of the portal site which allows each contributor to easily check up on his or her investment status or change his or her investment policy. The monitoring reports by the asset management institution are utilized, for example, in the selection of content for e-learning according to the contributor's preference and this system of support is also revised when necessary.

[Principle 3-1 Expansion of Disclosure]

The Company, in an effort to ensure the transparency and fairness of its decision-making and practice effective corporate governance, shall disclose the following matters as well as matters required by the Corporate Governance Code, in addition to making appropriate statutory disclosures, and shall be mindful of providing concrete information with higher added value for the users including investors.

(1) The Company's goals (e.g. management philosophy), management strategies, and management plans:

These matters are disclosed on the Company's websites, or at the financial results briefing sessions, and general meetings of shareholders, etc.

(2) Basic approach to and basic policy on corporate governance based on the principles of the Corporate Governance Code:

The Company, upholding its corporate philosophy of "Contributing to society through insights," is committed to its mission of constantly pursuing optimal and new services that align with the times while at the same time enhancing its corporate value and maintaining positive relationships with a broad range of stakeholders including its shareholders by generating insight into the ideal society and economy and creating joy and value for society. To bring these goals to life, the Company considers the reinforcement of corporate governance as one of the crucial management tasks of the Group, and through its improvement, it will strive to ensure and maintain a sound and highly transparent management execution structure thereby ultimately realizing new business strategies and increasing the profitability of existing businesses.

(3) Policies and procedures of the Board of Directors in determining remunerations of senior management and Directors:

The Company has established the "Policy on the Determination of the Details of Remuneration of Directors (excluding Directors Who Are Audit and Supervisory Committee Members) on an Individual Basis" and discloses this policy on its website.

The Audit and Supervisory Committee determines whether or not to express an opinion at the general meetings of shareholders on the remunerations of the Directors who are not Audit and Supervisory Committee Members and the details of such an opinion and expresses the opinion at the general meetings of shareholders when it decides to do so.

(4) Policies and procedures of the Board of Directors in electing/dismissing senior management and appointing Director candidates:

For Director candidates, the Company has a basic policy of selecting talent with outstanding character and insight based on the Company's criteria for election and dismissal, and for Outside Directors, in particular, the Company selects talent with knowledge of management, finance, accounting, legal affairs, etc., to enable sustained growth and the medium- to long-term enhancement of corporate value.

While the Director candidates are determined by a resolution of the Board of Directors, factors such as the reason for their selection and their career histories are explained in advance to the Outside Directors, recommendations are obtained upon

consulting the Nomination and Remuneration Committee regarding the proposed candidates and the determination is made based on such recommendations. For Directors who are Audit and Supervisory Committee Members, a proposal for their election is submitted to the general meetings of shareholders upon obtaining the consent of the Audit and Supervisory Committee in advance.

If a Director is deemed inappropriate as an officer of the Company in light of the Company's election and dismissal criteria, the reason for dismissal is explained to the Outside Directors in advance, recommendations are obtained upon consulting the Nomination and Remuneration Committee regarding the proposed dismissal, the dismissal agenda is presented to the general meeting of shareholders upon being resolved by the Board of Directors based on the recommendation by the Nomination and Remuneration Committee.

The Audit and Supervisory Committee determines whether or not to express an opinion at the general meetings of shareholders on the election, dismissal, or resignation of a Director and the details of such an opinion and expresses the opinion at the general meetings of shareholders when it decides to do so.

(5) Explanation of individual elections, dismissals, and nominations when the Board of Directors based on (4) above elects or dismisses senior management and nominates candidates for Director or Audit and Supervisory Committee Member:

The Company discloses the reasons for the individual election and nomination of Director candidates in the Reference Documents for the General Meeting of Shareholders.

[Supplementary Principle 3-1-3 Sustainability Initiatives]

<Sustainability Initiatives>

The Company, in its Basic Management Policy, promotes "Establishing a corporate growth cycle toward achieving a sustainable society" and takes on the challenge of creating an enriched society by creating new businesses as well as further bolstering our existing businesses to support the problem-solving of society and client companies. The Company also discloses its sustainability initiatives including the promotion of the SDGs and the status of initiatives on investment in human capital and intellectual property in its disclosed materials and website.

(Reference) Company's website: Sustainability Initiatives (available only in Japanese)
https://www.bewith.net/sustainability/

The Company also understands the impact the issues of climate change have on its business and recognizes it as a priority issue among the issues to be addressed in terms of business continuity. Accordingly, it has announced its agreement with the recommendations of the TCFD (Task Force on Climate-related Financial Disclosures) in July 2022 to proactively address various measures towards the resolution of such issues.

Details of disclosures based on the recommendations of the TCFD may be found below.

The Company's website: Environment Initiatives (available only in Japanese)
https://www.bewith.net/sustainability/environment.html

<Initiatives for the Respect of Human Rights>

In June 2024, the Company established the "Bewith Human Rights Policy," a roadmap for the respect of human rights, which

will be indispensable for each individual to generate happiness through the Group business. The Company shall practice this policy while promoting initiatives for the respect of human rights with its stakeholders.

Details of the Bewith Human Rights Policy may be found below.

The Company's website: Bewith Human Rights Policy (available only in Japanese)

https://www.bewith.net/sustainability/human-rights.html

<Investments in Human Capital and Intellectual Property>

・Investment in human capital

The Company believes that there can be no corporate growth without the growth of its employees and that maximizing employee potential will lead to the Company's medium- to long-term development. Therefore, the Company strives to enhance its corporate value by practicing and promoting human resources strategies that maximize the potential of all human capital and sustainably enhance its value. The Company also believes that its employees are its most valuable capital, thus strategically and systematically promoting management oriented to their well-being in which all employees can maintain a sound mind and body while feeling job satisfaction and self-fulfillment.

Furthermore, to make "Contributing to society through insights" a reality, the Company aims to nurture professional staff that take ownership in solving client issues that undergo various changes with the times. In its Medium-term Management Plan, the Company considers growth investments in human resources as one of the key drivers of business growth, and promotes human resources strategies that depend on the three pillars of "1. Embodying a vibrant corporate culture," "2. Improvement of human resources portfolio," and "3. Growing the next generation."

・Investments in intellectual property

The Company has registered its intellectual property rights, mainly the trade names, trademarks of the services rendered, and the like. In terms of protecting the intellectual property rights held by the Group, the Company, under the supervision of its legal counsel and patent attorneys, investigates any infringements on the intellectual properties held by the Group and instigates the necessary actions.

[Supplementary Principle 4-1-1 Scope of Matters Delegated to Senior Management]

The Company has a Board of Directors as the decision-making body concerning important management matters and the Management Council and the Executive Officers' system as the business execution arm based on such decision-making to ensure the separation of management decision-making and business execution. The corporate governance system of the Company is disclosed on the Company's website, in this report, and other media.

The Board of Directors deliberates and resolves important matters of the Group stipulated in the Board of Directors Regulations and Organizational Authority Regulations, in addition to the agenda designated by laws and the Articles of Incorporation as matters exclusive to the Board of Directors.

The individual execution of business based on the policies and details determined by the Board of Directors has been delegated to the CEO, the executive Directors, and the Executive Officers, upon designating their responsibilities and authority in the Organizational Authority Regulations.

The Management Council is attended by full-time officers, Executive Officers, and others to deliberate and report on important

matters including matters to be submitted to the Board of Directors in an effort to facilitate appropriate decision-making processes in the individual execution of business.

[Principle 4-9 Independence Standards and Qualifications for Independent Outside Directors]

The Outside Directors and candidates for Outside Directors of the Company shall meet the Independence Standards set forth by the Company.

The Independence Standards are as follows.

The Company has three Outside Directors, three of whom are Outside Directors who are Audit and Supervisory Committee Members. Regarding the selection of candidates for Outside Directors, the Company has established the Independence Standards in its "Officers Regulations" based on the Independence Tests stipulated by the Tokyo Stock Exchange. Each candidate must not fall under any of the items below.

(1) A person for whom the Company is a major business partner or an executive thereof

(2) A person who is a major business partner of the Company or an executive thereof

(3) A consultant, accounting professional or legal professional who receives a large amount of money or other assets from the Company other than officer remuneration (if a person who receives such assets is an organization such as a corporation or association, a person who belongs to such organization)

(4) A person who fell under any of the above (1), (2) or (3) in the past three fiscal years

(5) A person who fell under any of the following a. through c. at any point during a period of 10 years before assuming the office

a. An executive or a non-executive Director of a parent company of the Company

b. An auditor of a parent company of the Company (only in the case of designating an Outside Director who is an Audit and Supervisory Committee Member as Independent Director)

c. An executive of a sister company of the Company

(6) A relative within the second degree of kinship of a person (excluding those without significance) falling under any of the following a. through f.

a. A person listed in the above (1) through (5)

b. An executive of a subsidiary of the Company

c. A non-executive Director of a subsidiary of the Company

d. An executive or non-executive Director of a parent company of the Company

e. An executive of a sister company of the Company

f. A person who fell under any of the above b. or c. or an executive of the Company in the past three fiscal years (including a non-executive Director in the case of designating an Outside Director who is an Audit and Supervisory Committee Member as Independent Director)

[Supplementary Principle 4-10-1 Nomination and Remuneration Committee]

The Company is a company with an audit and supervisory committee as set forth in the Companies Act as well as a listed company with a parent company. The Audit and Supervisory Committee comprises a majority of independent Outside Directors. Meanwhile, although the number of independent Outside Directors has not yet reached the majority of the Board of

Directors, as an initiative to ensure the independence of management of the Company, a non-statutory Nomination and Remuneration Committee has been established. The Nomination and Remuneration Committee deliberates and makes recommendations upon being consulted by the CEO and the Board of Directors on the nomination and determination of remuneration of Directors and entrusted Executive Officers. To ensure its independence, the Nomination and Remuneration Committee has been set to comprise three or more Directors appointed by resolution of the Board of Directors, the majority of whom are independent Outside Directors, and as of the submission date of this report, all members of the Committee are independent Outside Directors.

[Supplementary Principle 4-11-1 Views on the Overall Balance of Knowledge, Experience, and Skills, Diversity, and Size of the Board of Directors]

In the selection of Director candidates, the Company strives for the overall balance of knowledge, experience, and skills of the Board of Directors as well as diversity in terms of such factors as gender and international experience and the appropriate size of the Board. In the election of Directors who are Audit and Supervisory Committee Members, the Company requires that the person possess the relevant experience and skills and the requisite knowledge of finance, accounting, or legal affairs, while in the election of independent Outside Directors, the prerequisite of management experience at other companies is included.

Regarding proposed Director candidates, the non-statutory Nomination and Remuneration Committee, the majority of which comprises independent Outside Directors, upon being consulted, deliberates and makes recommendations, after which they are approved by the Board of Directors.

In convening general meetings of shareholders with the election of Directors on the agenda, the Company discloses a skill matrix illustrating the knowledge, experience, skills, etc. of Director candidates in the Reference Documents for the General Meeting of Shareholders and the Company's website. For the skill matrix of the Directors as of the submission date of this report, please refer to the final page of this report.

[Supplementary Principle 4-11-2 Concurrent Positions Held by Directors]

To ensure that Directors sufficiently fulfill their responsibilities, the Company in the process of determining Director candidates verifies that the number of concurrent positions that they hold are appropriate, and for Directors including part-time Directors and Outside Directors, the Company periodically confirms the status of concurrent positions held even during the term. The Company also plans to disclose the status of significant concurrent positions of Directors each year in the Reference Documents for the General Meeting of Shareholders and the Business Report.

[Supplementary Principle 4-11-3 Evaluation of Effectiveness of the Board of Directors]

The Company conducts a questionnaire survey each year on the Directors regarding the evaluation of the effectiveness of the Board of Directors as a whole.

The questionnaire asks for opinions on such items as "Board composition," "Operation of the Board," "Matters deliberated," "Role of the Board as a decision-making body," "Monitoring," "Internal controls," etc. The results of the evaluation and analysis are reported to the Board of Directors, and a summary of the results is disclosed.

In the fiscal year ended May 31, 2024, the survey and analysis/evaluation were conducted during November and December 2023 and the results were reported at the meeting of the Board of Directors held in January 2024.

Overall, each item was evaluated to be generally appropriate or sufficient. However, issues that should be examined and addressed going forward—"Ensuring diversity among members of the Board of Directors including raising the percentage of female officers," "Increasing training opportunities for Directors," "Earlier distribution of materials for the Board of Directors when distributing them in advance," "Promoting discussions that are more consciously consistent with management strategies," "Improving the whistleblowing system so that it can be easily understood and utilized from an employee's perspective," etc.—where also pointed out.

Bearing in mind these opinions, the Company will continue to periodically evaluate the overall effectiveness of the Board of Directors and make ongoing improvements so that the Board of Directors can fully perform its role.

[Supplementary Principle 4-14-2 Policy on Training of Directors]

The Company provides Directors including Directors who are Audit and Supervisory Committee Members training opportunities to obtain and update their knowledge such as legal and compliance training required to fulfill their duties of supervision and auditing over the Group's businesses. Training includes outside seminars and when fees are required, the Company foots the bill.

Furthermore, to continuously deepen their understanding of the Group, it also provides opportunities for the exchange of information between the Directors and senior management involved in business execution and providing information on the business, organization, management resources, etc. of the Company.

[Principle 5-1 Policy for Constructive Dialogue with Shareholders]

The Company upholds the basic policy of engaging in constructive dialogue with shareholders by such means as offering appropriate information on management policies and initiatives toward achieving sustained growth and the enhancement of corporate value over the medium- to long-term in a timely manner as well as providing accessible and ongoing explanations while reporting the opinions gleaned from shareholders to senior management the Directors including the Outside Directors (including the President and CEO and the CFO).

The Company is also taking the following actions to encourage constructive dialogue with the shareholders.

(i) The Director who oversees the Corporate Planning Division has been appointed the Director in charge of IR.

(ii) The Company has in place a system for appropriate disclosures in which the Corporate Planning Division, as the in-house body that provides accessible information to the shareholders and assists with dialogues, has assumed the role of overseeing the information provided by the other relevant divisions and coordinating with the Accounting and Finance Division, the General Administration Division and other divisions.

(iii) The Company provides opportunities for a wide range of dialogues between senior management and shareholders (including those held online) by holding results briefings and personal interviews for institutional investors and analysts, briefings intended for individual investors and shareholders, and participating in briefings for individual investors. The President and CEO, the Vice President and Director, the CFO, and the divisions responsible for IR participate in these dialogues with shareholders.

(iv) In the past fiscal year, the major themes for the above dialogues and the main concerns of the shareholders were as indicated below.

・Status and outlook of businesses and business performance and growth strategies (Medium-term Management Plan)

・The external environment such as society and the industry and its outlook

・Improvement of disclosures on our approach to sustainability

・Policies on cash allocation and shareholder returns

・Relationship with the parent company and future outlook

(v) Shareholder opinions gleaned from briefings, interviews, and other events are summarized by the Corporate Planning Division, reported to senior management at the meetings of the Board of Directors and the Management Council, and countermeasures thereof are examined. As for the dialogues conducted and the examination status of such dialogues, the Company discloses the items outlined in (iv) above in the annual securities report, and the Medium-term Management Plan 2025 Rolling Plan 2024 announced on July 11, 2024.

[Action to Implement Management that is Conscious of Cost of Capital and Stock Price]

The Company, upon conducting analysis and evaluation of the cost of capital, return on capital, and market assessment using specific metrics, has disclosed the relevant actions and future policy in the Medium-term Management Plan 2025 Rolling Plan 2024.

2. Capital Structure

Foreign Shareholding Ratio	Less than 10%

Status of Major Shareholders

Name or Company Name	Number of Shares Owned (shares)	Percentage (%)
Pasona Group Inc.	7,842,900	55.68
Custody Bank of Japan, Ltd. (Trust Account)	1,252,600	8.89
The Master Trust Bank of Japan, Ltd. (Trust Account)	1,049,000	7.44
BNP PARIBAS LUXEMBOURG/2S/JASDEC/FIM/LUXEMBOURG FUNDS/UCITS ASSETS	306,400	2.17
BNYMSANV RE BNYMIL RE LF ZENNOR JAPAN EQUITY INCOME FUND	259,200	1.84
Tomohiro Yoshida	195,500	1.38
GOVERNMENT OF NORWAY	180,500	1.28
Bewith Employee Shareholding Association	165,200	1.17
Morgan Stanley MUFG Securities Co., Ltd.	129,339	0.91
Global Tiger Fund IV Investment Limited Partnership	73,400	0.52

Name of Controlling Shareholder, if applicable (excluding Parent Company)	——
Name of Parent Company, if applicable	Pasona Group Inc.
Listed Stock Exchange of Parent	Tokyo

Supplementary Explanation

*The “Status of Major Shareholders” including the following supplementary explanation represents the situation as of May 31, 2024.

1) The above percentages have been calculated based on the total number of issued shares less the number of treasury shares and rounded down to two decimal places.
2) The Large Volume Holding Report available for public inspection as of May 9, 2024 indicated that Sumitomo Mitsui DS Asset Management Company, Limited and its joint holder, SMBC Nikko Securities Inc., held the shares of the Company as of April 30, 2024. However, the Company did not include this information in the Status of Major Shareholders above, because the Company could not confirm the number of shares beneficially held by them as of May 31, 2024.

[Name of person of company/Number of shares owned and Percentage]

Mitsui DS Asset Management Company, Limited/ 610,800 shares/4.35%

SMBC Nikko Securities Inc./ 107,100 shares/0.76%

Total: 717,900 shares/5.12%

3. Corporate Attributes

Listed Stock Exchange and Market Segment	Tokyo Prime Market
Fiscal Year-End	May
Business Sector	Services
Number of Employees (Consolidated) as of the End of the Previous Fiscal Year	500 or more but fewer than 1,000
Net Sales (Consolidated) for the Previous Fiscal Year	¥10 billion or more but less than ¥100 billion
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	Fewer than 10

4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholders

The Company is a listed company with a parent company. While currently, it has not appointed a majority of independent Outside Directors, it has stipulated that independent Outside Directors comprise one-third or more of the members of the Board.

Furthermore, transaction terms with the parent company, Pasona Group Inc. and its group companies (collectively, the "Parent Company Group") are determined fairly and appropriately from the standpoint of protecting minority interests by considering market prices and other factors and settling on prices equivalent to the prices of arms-length transactions upon negotiations. In conducting transactions with the Parent Company Group, the Company obtains the approval of the Board of Directors according to the provisions of the Related Parties Management Regulations. Especially concerning important transactions and actions that pose conflicts of interest between the controlling shareholders and the minority shareholders, the Company has established a Special Committee comprising exclusively independent Outside Directors to deliberate the adequacy and rationale of such transactions to ensure that deliberations and examinations are conducted from both the standpoints of the Company's management policies/management status and objectivity/independence.

5. Other Special Circumstances Which May Have a Material Impact on Corporate Governance

Although the Company has Pasona Group Inc. as its parent company, it deals with the risk of conflicts of interest between the Company and its minority interests and the parent company in the following manner.

[Approach to and Policy of Group Management of the Parent Company]

・The position of the Company in the parent company's business portfolio strategies and the business domain carved out by the Company in the parent company's Group, as well as the future outlook thereof, are as follows.

(a) Capital relationship

As of May 31, 2024, Pasona Group Inc., the Company's parent company, held more than half or 55.7% of the issued shares of the Company and may significantly impact the outcome of resolutions of the general meeting of shareholders of the Company such as the election of officers, organization restructuring including mergers with other companies, and changes to the Articles of Incorporation. There are no matters of the Company requiring the prior approval of the parent company and its independence

is assured by such means as establishing a non-statutory Nomination and Remuneration Committee comprising exclusively independent Outside Directors including the chairperson. Nevertheless, Pasona Group Inc. could potentially influence matters that require the approval of the Company's general meeting of shareholders.

(b) The Bewith Group's position in the Pasona Group

The corporate group centered on the holding company, Pasona Group Inc., is engaged in human resources-related business, regional revitalization business, and other businesses with Pasona Inc., a consolidated subsidiary as its core.

The Company is the sole operating company among the Parent Company Group dedicated to offering contact center services and while it offers BPO services centering on outsourcing services (using in-house management resources), its business attributes are inherently different from the companies of the Parent Company Group, which offer BPO services, primarily temporary staffing services based on the Dispatched Worker Act (supply of human resources) as a result of changes in its business lines. The Company, since its founding, has been mainly offering BPO services (business operations) based on expertise including process design as a specialist group in customer service and BPO services.

While representing a different trajectory in business development, the Parent Company Group (Pasona Inc.), in certain cases, offers a certain level of periodic BPO services that do not require expertise such as process design and that do not include contact center services. In this aspect, there exists or there is a possibility of business competition with the Company. The portion of the Company's consolidated net sales affected by this business competition or the possibility of business competition may be said to be minimal. The Company has carved out a distinct position among the Parent Company Group as the sole operating company offering specialized contact services. It offers unique contact center services in Japan leveraging Omnia LINK, the internally-developed cloud PBX, while also engaging in independent and competitive businesses for customers both within and outside of the Parent Company Group by taking advantage of its experience and expertise in BPO services, mainly in the operation of processes, which the Company has accumulated to date. Accordingly, the Bewith Group is not in a position where its independence of management would be impaired due to competition within the Parent Company Group.

The Bewith Group intends to maintain its management independence while, at times, competing with the Parent Company Group companies in the services that pose competition, and at other times, cooperating with them to expand the businesses of the Bewith Group and to also contribute to the business expansion of the Parent Company Group as a whole, thereby raising our profile in the personnel services industry and ultimately enhancing the corporate value of both the Bewith Group and the Parent Company Group.

(c) Personnel relationships with the Pasona Group companies

As of May 31, 2024, Hirotaka Wakamoto, a Director of the Company concurrently serves as the Executive Officer & Vice President of Pasona Group Inc. Mr. Wakamoto was invited to the Company so that his extensive experience and management insight could be utilized in the Company's management and accordingly, the Company's independence is assured. As of May 31, 2024, the Company has not received any other person from Pasona Group Inc. and the Pasona Group companies excluding the Bewith Group.

(d) Trading relationships with the companies of the Pasona Group

The Bewith Group and the group companies of the Pasona Group centering on Pasona Group Inc. engage in sales and other

transactions based on trading terms that are applied to arms-length transactions or fair and adequate terms reached through socially reasonable estimates. Additionally, although a certain portion of the consolidated net sales of the Group includes projects referred by the Pasona Group companies, referrals from existing business partners and inquiries resulting from various business seminars sponsored by the Bewith Group, exhibitions, Internet advertising, and via the Company's website account for about 90% of the commercial flow of new project acquisition of the Group, and the Group is minimally dependent on the Pasona Group companies. The largest account the Group has with the Pasona Group companies is with Pasona Inc., accounting for 15.4% of sales for the fiscal year ended May 31, 2024. However, the majority of them are contracted projects with master clients and the Company has contracted BPO projects in various industries through Pasona Inc. Furthermore, regardless of whether a project was referred by a Pasona Group company or not, the Group independently decides whether a transaction is feasible and independently negotiates the terms and conditions in individual transactions.

When engaging in transactions with Pasona Group companies, the Company recognizes the potential risk of conflicts of interest with general shareholders and the division in charge of the management of related-party transactions confirms whether the counterparty is a related party according to the Group's Related-party Transaction Management Regulations prior to the commencement of the transaction, to ensure the appropriateness of the trading terms. Furthermore, the Management Council deliberates and examines the rationale (business necessity) of the transaction and the adequacy of the trading terms, after which the Board of Directors resolves the matter based on the opinions of the Audit and Supervisory Committee. Even after the transaction has commenced, periodic monitoring is conducted, and new resolutions are passed by the Board of Directors when renewal in the following year onward or modifications during the fiscal year to the transaction details or terms is made, or when transaction amounts are expected to excess the limits.

(e) Initiatives to reinforce governance in the presence of a parent company

As an initiative to continuously ensure the Group's independence, the Company has strengthened the monitoring by the internal audit divisions and the Audit and Supervisory Committee by having the full-time Audit and Supervisory Committee Member and the Audit Department inspect application documents for related-party transactions and conduct auditing on independence. The monitoring process shall involve regular and ad-hoc checks, as necessary, on the presence of any situation that may impede independence such as related-party transactions and undue business coordination to ensure governance, while also clearly disclosing the specifics of the Company's relationships with the Parent Company Group to enable monitoring by the stock market and investors.

・Cash management between the Company and the Parent Company

The Group's cash management is conducted independently from the Parent Company Group and at the Group's discretion.

[Approach to and Measures to Ensure Independence from the Parent Company, Which is Necessary from the Viewpoint of Protecting Minority Shareholders]

・Presence, if any, of involvement by the parent company in the decision-making process and details thereof

The business activities of the Company are not under any restrictions, such as requiring prior approval by the parent company. The Company has entered into an agreement with the parent company to provide information and accordingly, offers information, for example, on consolidated financial results and information on the Bewith Group required for the timely disclosures of the

parent company in a timely and appropriate manner. This agreement shall expire when the Company is excluded from the consolidated accounting of the parent company.
As of the submission date of this report, one officer has been dispatched from the parent company but no employees have been seconded. Going forward, to ensure the independent and autonomous management and business execution of the Company, the receiving of seconded officers and employees from the Parent Company Group will be kept down to a minimum and the receipt of such personnel will be at the discretion of the Company.

・Overview of the Special Committee established to ensure the Company's independence from the parent company
The Company is a subsidiary of Pasona Group Inc. and also a listed subsidiary of such company. In light of the risk of conflicts of interest occurring with general shareholders, the Company has established the Special Committee according to the Practical Guidelines for Group Governance Systems, to examine important transactions and actions that may give rise to conflicts of interest between the controlling shareholder and the general shareholders.
The Special Committee comprising exclusively independent Outside Directors convenes on the request of the Audit and Supervisory Committee prior to the execution of a transaction or action to deliberate and examine the necessity and adequacy of the transaction and the rationale of the trading terms, after which the results are reported to the Board of Directors.

・The methods of utilization and the role of the Nomination and Renumeration Committee in ensuring the independence of Independent Directors from the parent company
The Company has established a non-statutory Nomination and Remuneration Committee to strengthen the fairness, transparency, and objectivity of procedures surrounding the nomination and remunerations of Directors and entrusted Executive Officers and enhance corporate governance. The Nomination and Remuneration Committee is an advisory body for the CEO and the Board of Directors with three Directors selected by a resolution of the Board of Directors as members. To ensure its independence, the Company has stipulated that the majority of the members must be Outside Directors and all members including the chairperson meet this requirement.
The Nomination and Remuneration Committee is convened, as necessary, when a Director or an entrusted Executive Officer is to be elected or dismissed, or when the CEO or any other Director with a special title is to be appointed or removed, to examine the proposed appointment of candidates or the proposed dismissal/removal. Additionally, in determining the remuneration of Directors and entrusted Executive Officers, the Nomination and Remuneration Committee, in principle, is convened twice a year to conduct deliberations and examinations and make recommendations upon the request of the CEO and the Board of Directors.

[Approach to and Policy for the Exercise of the Voting Rights of the Parent Company in the Election and Dismissal of Independent Directors]
The Company is aware that the parent company has a policy to fully respect the decision of the Nomination and Remuneration Committee of its listed subsidiaries in exercising rights related to the election and dismissal of officers of its listed subsidiaries and in the process of nominating officers.

II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight

1. Organizational Composition and Operation

Corporate Governance System	Company with an Audit and Supervisory Committee

Directors

Number of Directors Stipulated in Articles of Incorporation	11
Directors' Term of Office Stipulated in Articles of Incorporation	1 year (2 years for Directors who are Audit and Supervisory Committee Members)
Chairperson of the Board	President
Number of Directors	7
Election of Outside Directors	Elected
Number of Outside Directors	3
Number of Independent Directors	3

Outside Directors' Relationship with the Company (1)

Name	Attributes	Relationship with the Company*1										
		a	b	c	d	e	f	g	h	i	j	k
Hiroyuki Tomimatsu	Attorney-at-law											
Miwako Iyoku	From another company											
Takako Masai	From another company											

*1. Categories for the relationship with the Company
a. An executive of the Company or its subsidiary
b. An executive of a non-executive director of the Company's parent company
c. An executive of a sister company of the Company
d. A person for whom the Company is a major business partner or an executive thereof
e. A person who is a major business partner of the Company or an executive thereof
f. A consultant, accounting professional or legal professional who receives a large amount of money or other assets from the Company other than officer remuneration
g. A major shareholder of the Company (in cases where the shareholder is a corporation, an executive of such corporation)
h. An executive a client of the Company (excluding persons categorized as any of d, e, or f above) (applies to director him/herself only)
i. An executive of an entity that holds cross-officerships with the Company (applies to director him/herself only)
j. An executive of an entity receiving donations from the Company (applies to director him/herself only)
k. Other

Outside Directors' Relationship with the Company (2)

Name	Designation as an Independent Officer	Supplementary Explanation of the Relationship	Reasons for Appointment
Hiroyuki Tomimatsu	○	—	Mr. Tomimatsu has extensive experience as an attorney-at-law and a patent attorney. The

			Company has appointed him having determined that he is qualified as an Outside Director who is an Audit and Supervisory Committee Member, given that he is expected to utilize his deep legal expertise and knowledge and his experience in the financial field at a law office whose major business area is financial legal affairs, to supervise the management of the Company, while strengthening decision-making, auditing, and supervising functions of the Board of Directors from an independent standpoint. The Company has determined that he poses no risk of conflicts of interest with the general shareholder and designated him as an Independent Director, as he has satisfied both the criteria of independent officers of the Tokyo Stock Exchange and the Company's Independence Standards of Outside Directors.
Miwako Iyoku	○	—	Ms. Iyoku has experience in launching multiple new businesses as an internal entrepreneur, experience and broad insight as a Director at other companies, and knowledge of human resource management and ESG as a manager of a listed company. The Company has appointed her having determined that she is qualified as an Outside Director who is an Audit and Supervisory Committee Member, given that she is expected to utilize her experience and expertise, to supervise the management of the Company, while strengthening decision-making, auditing, and supervising functions of the Board of Directors from an independent standpoint. The Company has determined that she poses no risk of conflicts of interest with the general shareholder and designated her as an Independent Director, as she has satisfied both the criteria of independent officers of the Tokyo Stock Exchange and the Company's Independence

			Standards of Outside Directors.
Takako Masai	○	—	Ms. Masai has experience in promoting operations related to financial markets at foreign and domestic banks and being involved in the formulation of monetary policy at the Bank of Japan as a Member of the Policy Board. The Company has appointed her having determined that she is qualified as an Outside Director who is an Audit and Supervisory Committee Member, given that she is expected to utilize her extensive experience in financial markets and expertise in finance and economics, to supervise the management of the Company, while strengthening decision-making, auditing, and supervising functions of the Board of Directors from an independent standpoint. The Company has determined that she poses no risk of conflicts of interest with the general shareholder and designated her as an Independent Director, as she has satisfied both the criteria of independent officers of the Tokyo Stock Exchange and the Company's Independence Standards of Outside Directors.

Audit and Supervisory Committee

Composition of Audit and Supervisory Committee and Attributes of the Chairperson

	All Committee Members	Full-time Members	Inside Directors	Outside Directors	Committee Chair
Audit and Supervisory Committee	4	1	1	3	Inside Director

Appointment of Directors and/or Staff to Support the Audit and Supervisory Committee	Not Appointed

Matters Concerning Independence of Said Directors and/or Staff from Executive Directors

Although there are currently no dedicated Directors or staff members appointed to support the duties of the Audit and Supervisory Committee, the full-time Audit and Supervisory Committee Member coordinates with the Audit Department to conduct effective information gathering and auditing. If requested by the Audit and Supervisory Committee, the Company shall assign the

Committee dedicated staff or those who hold concurrent positions, and in the assignments, it shall fully take into consideration the opinions of the Audit and Supervisory Committee on the specific allocation of human resources including the number of staff.

Cooperation Among the Audit and Supervisory Committee, Accounting Auditors and Internal Audit Divisions

The Audit and Supervisory Committee Members maintain close cooperative relationships with the Accounting Auditor in performing its audit duties, by receiving explanations on the accounting audit plan and the accounting structure and deliberating with the Accounting Auditor, while also periodically receiving reports on the audits and exchanging opinions at an Audit and Supervisory Committee meeting.

The Company has put in place a structure, in which the Audit Department, an internal auditing division directly under the President and CEO, conducts audits from a position that is completely independent of other administrative and business divisions and makes direct reports of the status of audits and remediation measures to the President and CEO, the Board of Directors, the Audit and Supervisory Committee Members, and the Audit and Supervisory Committee.

The full-time Audit and Supervisory Member meets with the Audit Department, once a month, in principle, to exchange information on such matters as the auditing status and audit results, makes the necessary arrangements as required, and exchanges opinions, while convening an information exchange session for the three parties including the Accounting Auditor once every three months to share details of audits conducted by one another and the issues discovered in the course of audits, and reports the details thereof at an Audit and Supervisory Committee meeting.

The General Manager of the Audit Department maintains a close back and forth of information with the Audit and Supervisory Committee by reporting the status of internal audits and the results of such audits at a Committee meeting once every three months.

Non-statutory Committee(s)

Establishment of Non-statutory Committee(s) equivalent to Nomination Committee or Remuneration Committee	Established

Status and Composition of Non-statutory Committee(s), and Attributes of the Committee Chairperson

	Committee's Name	All Members	Full-time Members	Inside Directors	Outside Directors	Inside Experts	Other	Chairperson
Non-statutory Committee Equivalent to Nomination Committee	Nomination and Remuneration Committee	3	0	0	3	0	0	Outside Director
Non-statutory Committee Equivalent to Remuneration Committee	Nomination and Remuneration Committee	3	0	0	3	0	0	Outside Director

Supplementary Explanation

The Company has established the Nomination and Remuneration Committee, as an advisory body for the CEO and the Board of Directors, to strengthen the fairness, transparency, and objectivity of procedures surrounding the nomination and remunerations of Directors and entrusted Executive Officers and enhance corporate governance.

To ensure its independence, the Nomination and Remuneration Committee comprises three Directors selected by a resolution of the Board of Directors and who meet the requirements of the Tokyo Stock Exchange for designation as independent officers, and the Chairperson is also a Director who meets these requirements.

The Nomination and Remuneration Committee is convened, in principle, twice a year to deliberate and make recommendations in response to the consultation by the CEO and the Board of Directors on the nomination of and the determination of remuneration of Directors and entrusted Executive Officers and other matters.

Matters Concerning Independent Directors

Number of Independent Directors	3

Other Matters Concerning Independent Directors

All outside officers who are qualified as independent officers have been designated as Independent Directors.

Incentives

Implementation Status of Measures related to Incentives Granted to Directors	Other

Supplementary Explanation for Applicable Items

The Company, while it has not adopted a stock option system that awards stock options based on a given set of criteria, it may award stock options as non-monetary remuneration to officers and others to provide incentives for the medium- to long-term enhancement of corporate value and the sustained increase of shareholder value of the Company within the upper limit of remunerations approved by the general meeting of shareholders separate from basic compensation, based on the "Policy on the Determination of the Details of Remuneration of Directors (excluding Directors Who Are Audit and Supervisory Committee Members) on an Individual Basis."

Persons Eligible for Stock Options	

Supplementary Explanation for Applicable Items

Director Remuneration

Status of Disclosure of Individual Director's Remuneration	No Disclosure for any Directors

Supplementary Explanation for Applicable Items

Directors' remuneration in the fiscal year ended May 31, 2024 was as follows:
2 Directors (excluding Directors who are Audit and Supervisory Committee Members) (*1): ¥58,080,000 (basic remuneration)
5 Directors (who are Audit and Supervisory Committee Members): ¥37,800, 000 (basic remuneration)
Total of 7 Directors (*1) (including 4 outside officers): ¥95,880,000 (including ¥21,600,000 for outside officers)

*1 Although there are three Directors, one non-paid Director has been excluded. The non-paid Director has also been excluded from the total of 8 Directors.

Policy on Determining Remuneration Amounts and Calculation Methods	Established

Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods

The policy on determining remuneration amounts and calculation methods for the Directors of the Company are as stated in (3) Policies and procedures of the Board of Directors in determining remunerations of senior management and Directors under [Principle 3-1 Expansion of Disclosure].

Support System for Outside Directors (Outside Auditors)

To facilitate the effective operations of the Board of Directors and the Audit and Supervisory Committee, a secretariat for the Board of Directors (General Administration Division) and a secretariat for the Audit and Supervisory Committee (Audit Department) have been established, both of which are responsible for distributing the agenda and reporting materials no later than three days prior to the meetings, in principle, and ensuring ample time for the Outside Directors to examine the matters to be discussed. Additionally, if inquiries on the matters to be discussed are received by an Outside Director in advance or if it is determined that a preliminary briefing would be beneficial for the Outside Directors in examining the agenda, the full-time Directors and the full-time Audit and Supervisory Committee Member strive to ensure the sufficient understanding of the Outside Directors in advance by conducting preliminary briefings on the matters to be discussed by the Board of Directors and the Audit and Supervisory Committee.

Other Related Matters

—

2. Matters Concerning Functions of Business Execution, Auditing and Supervision, Nomination, and Remuneration Decisions (Overview of Current Corporate Governance System)

The Company has adopted the corporate structure of a company with an Audit and Supervisory Committee and has established the following major bodies related to internal controls.

(1) Board of Directors

The Board of Directors, as the decision-making body of the Company's management matters, meets once a month, in principle, to determine or approve the basic management policy and important business execution matters and supervises the performance of Directors' duties.

As of the submission date of this report, the Board of Directors comprised three Directors who were not Audit and Supervisory Committee Members and four Directors who were Audit and Supervisory Committee Members.

Of the four Directors who are Audit and Supervisory Committee Members, three are Outside Directors and have been designated as Independent Directors. By having more than one-third of the members of the Board be independent Outside Directors, the Company has reinforced the oversight function of the Board of Directors.

The CEO serves as the Chairperson of the Board.

In the fiscal year ended May 31, 2023, 16 meetings of the Board of Directors were held and the attendance rate by all the Directors was 100% (Ms. Miwako Iyoku attended all 13 meetings held after her appointment in August 2023).

(2) Audit and Supervisory Committee

The Audit and Supervisory Committee audits the status of the Directors' performance of duties, the status of reporting by Directors at the Board of Directors and other meetings, the status of decision-making by the Board of Directors, the development and operation status of the internal control system, the compliance system and risk management system, etc.

The Audit and Supervisory Committee also meets once a month, in principle, to receive reports from the Accounting Auditor and the internal audit divisions on the method and results of audits, while confirming the adequacy of financial reporting and the performance of duties through attendance at important meetings such as the Board of Directors and the Management Council and strives to enable effective audits.

As of the date of submission of this report, the Audit and Supervisory Committee comprised one full-time inside Director and three Outside Directors.

The full-time Audit and Supervisory Committee Member serves as the Chairperson of the Audit and Supervisory Committee.

In the fiscal year ended May 31, 2024, 13 meetings of the Audit and Supervisory Committee were held and the attendance rate of all Directors who were Audit and Supervisory Committee Members was 100% (Ms. Miwako Iyoku attended all 10 meetings held after her appointment in August 2024).

(3) Nomination and Remuneration Committee

The Nomination and Remuneration Committee meets twice a year, in principle, to deliberate and make recommendations in response to the consultation by the President and CEO and the Board of Directors on the nomination and determination of remuneration of the Directors and entrusted Executive Officers.

As of the submission date of this report, the Nomination and Remuneration Committee, to ensure its independence, comprised three Directors selected by a resolution of the Board of Directors and who met the requirements of the Tokyo Stock Exchange for designation as independent officers, and the Chairperson was also a Director who met these requirements.

(4) Special Committee

The Special Committee is an ad-hoc body established when consulted by the Audit and Supervisory Committee to deliberate, examine, and make recommendations to the Board of Directors regarding important transactions and actions that pose conflicts of interest between the controlling shareholders and the minority shareholders.

As of the submission date of this report, there have been no meetings of the Special Committee but its members comprise exclusively Directors who have been selected in advance and who meet the requirements of the Tokyo Stock Exchange for designation as independent officers and the Chairperson, likewise, is required to be a person who meets similar requirements. The committee is always ready to be convened promptly prior to the execution of relevant transactions and actions.

(5) Management Council

The Management Council meets once a week, in principle, to ensure quick and efficient decision-making on important matters other than those resolved by the Board of Directors that are likely to have a companywide impact.

As of the submission date of this report, the Management Council comprised 20 members including three full-time Directors, the Executive Officers, the General Managers of the business divisions, and the Audit Department.

The CEO serves as the Chairperson of the Management Council and the full-time Audit and Supervisory Committee Member attends each Management Council meeting, in principle.

(6) Executive Officers' system

To maintain the separation between management and execution, the Company has adopted the Executive Officers' system.

(7) Other advisory bodies, etc.

The following committees, chaired by the CEO or a person designated by the CEO, have been established to conduct various surveys, deliberate, and consult with or make recommendations to the CEO on important management matters.

a. Risk Management Committee

The Risk Management Committee, chaired by the CEO, has been established as an advisory body to oversee risk management in the Group's business activities and support the decision-making relating to risk management policies and risk management measures, among others. The Risk Management Committee convenes seven regular meetings a year.

b. Security Committee

The Security Committee, chaired by the CEO, has been established as a companywide decision-making body regarding security. The Security Committee convenes a regular meeting each month.

c. Compliance Committee

The Compliance Committee, chaired by the CEO, has been established as an advisory body to support the decision-making relating to compliance by monitoring companywide compliance incidents and measures and examining countermeasures when major compliance incidents and accidents occur. The Compliance Committee convenes whenever an important incident occurs as well as once a month at regular meetings.

d. Disciplinary Committee

The Disciplinary Committee has been established as an advisory body to determine the necessity of imposing disciplinary actions on employees and to ensure fair treatment when making disciplinary decisions. The Disciplinary Committee is convened by a Chairperson designated by the CEO whenever necessary.

e. SDGs Promotion Committee

The SDGs Promotion Committee, chaired by the CEO, has been established as a body to continuously and cross-sectionally promote the Company's initiatives toward achieving the SDGs and to deliberate and make decisions on important policies and measures to promote the SDGs. The SDGs Promotion Committee convenes a plenary session twice a year with all Committee Members including senior management as well as meetings once a month by Committee Members who have been recruited and selected from each business location.

f. Investment Committee

The Investment Committee has been established as an advisory body to determine the validity of executing mergers and acquisitions of companies, equity investments and capital alliances, transfers of businesses, etc., among the investment projects of the Company and to monitor them post-execution. The Investment Committee is convened periodically or as necessary, and as frequently as required by the agenda.

<Status of Audits by the Audit and Supervisory Committee>

a. Organization and number of members

The Company's Audit and Supervisory Committee comprises four members including one full-time Director and three Outside Directors who are Audit and Supervisory Committee Members.

Mr. Hiroyuki Tomimatsu, Outside Director, is an attorney-at-law and a patent attorney at a law office whose major business area is financial legal affairs. He has a high level of expertise and extensive experience in this field of law, while also possessing considerable knowledge in finance and accounting. Ms. Miwako Iyoku, Outside Director, has experience in launching multiple new businesses as an internal entrepreneur, as well as experience and broad insight as a Director of other companies. She also has knowledge of human resources management and ESG as a manager of a listed company. Ms. Takako Masai, Outside Director, has experience in promoting operations related to financial markets at foreign and domestic banks and being involved

in the formulation of monetary policy at the Bank of Japan as a Member of the Policy Board. She has extensive experience in the financial markets and expertise in finance and economics.

b. Activities of the Audit and Supervisory Committee

The Audit and Supervisory Committee meets once a month, in principle. In fiscal 2023, 13 meetings were held and all Committee Members attended all Audit and Supervisory Committee meetings (Ms. Miwako Iyoku attended all 10 meetings held after her appointment in August 2023). In fiscal 2023, the longest meeting of the Audit and Supervisory Committee took 1 hour and 40 minutes, and on average the meetings took 1 hour and 11 minutes (the average of the monthly meetings). During the year, 10 matters were resolved, 4 matters were deliberated, and 79 matters were reported, the major items of which are as follows.

[Resolved matters] Audit report from the Audit and Supervisory Committee; Audit policy and audit plans; Reelection of the Accounting Auditor; Election of the full-time Audit and Supervisory Committee Member and the Chairperson of the Audit and Supervisory Committee; Election of Selected Audit and Supervisory Committee Members; Consent to the remuneration, etc. of the Accounting Auditor; Opinion on the election, etc. of Directors who are not Audit and Supervisory Committee Members; Consent to the submission of the agenda for the election of Directors who are Audit and Supervisory Committee Members, etc.

[Deliberated matters] Whether to reelect the Accounting Auditor; Election of a Director who is an Audit and Supervisory Committee Member to the Nomination and Remuneration Committee; Evaluation of the effectiveness of the Audit and Supervisory Committee, etc.

[Reported matters] Regular reports from the Audit Department; Reports from the Accounting Auditor; Exchanges of opinions with the CEO and Directors; Reports from Executive Officers; Audits of subsidiaries; Related-party transactions; Reports on risk management; Reports on ESG, SDGs, and outsourcing management, etc.; Timeline of the audits by the Audit and Supervisory Committee, etc.

The Audit and Supervisory Committee Members attend the meetings of the Board of Directors to audit the running of the agenda and the details of the resolutions; monitor and examine the appropriateness of the Directors' performance of duties; and express opinions when necessary. Additionally, the full-time Audit and Supervisory Committee Member engages in the exchange of opinions with the President and CEO every six months, in principle, and reports back to the Audit and Supervisory Committee, while receiving reports from Directors, as necessary, to ensure that a system is in place that can sufficiently monitor the Directors' performance of duties. Furthermore, the full-time Audit and Supervisory Committee Member, under the annual audit plan, attends important meetings including the meetings of the Management Council, the Compliance Committee, the Risk Management Committee, the Security Committee, and the SDGs Promotion Committee, and reports back the Audit and Supervisory Committee. The full-time Audit and Supervisory Committee Member also gains an understanding of the overall picture of business operations, reports to the Audit and Supervisory Committee, and strengthens the audit functions through information sharing, by holding the semi-annual liaison meeting for Group Auditors, auditing relevant divisions and subsidiaries, inspecting reports of major accidents, etc., inspecting important approval documents and contracts, inspecting rules related to internal controls, and exchanging information through regular meetings with the internal audit divisions and the Accounting Auditor. The Audit and Supervisory Committee of the Company conducts audits of the Directors' performance of duties, the reporting by the Directors and the decision-making at meetings such as the Board of Directors meetings, the internal control system, the compliance structure, the risk management structure, etc. The Audit and Supervisory Committee

also forms audit opinions on the appropriateness of audit methods and results upon examining the adequacy of the audit methods and results of the Accounting Auditor and confirms that a system is in place that allows for appropriate audits by the Accounting Auditor. In addition, the Audit and Supervisory Committee formulates the accounting policy and plan; prepares and submits the audit reports; conducts verifications and evaluations on the election, dismissal, or non-reelection of the Accounting Auditor, and considers whether to consent to the Accounting Auditor's compensation.

By attending important meetings other than the Board of Directors, such as the Management Council, auditing relevant divisions and subsidiaries, inspecting reports of major accidents, etc., inspecting important approval documents, etc., inspecting rules related to internal controls, and exchanging information through regular meetings with the internal audit divisions, the internal control auditing divisions, and the Accounting Auditor, the full-time Audit and Supervisory Committee Member gains an understanding of the overall picture of business operations, reports to the Audit and Supervisory Committee, and strengthens the audit functions through information sharing.

<Status of Internal Audits>

The internal audits of the Company are conducted, under the Internal Audit Regulations, by the Audit Department (three members), a body independent from the business execution divisions. The Audit Department performs the audits by first presenting the Internal Audit Basic Policy and the annual plan for the regular internal audit to the CEO and obtaining approval. The manager of the audited department is notified of the audit results, and if observations and recommendations for improvements are noted, the manager of the audited department immediately notifies the General Manager of the Audit Department of the corresponding remediation measures and puts them into action. A system is in place that allows for internal audit divisions to report the audit results and the status of the remediation measures to the President, while also directly reporting to the Audit and Supervisory Committee and the Board of Directors (dual reporting system).

The full-time Audit and Supervisory Committee Member convenes regular meetings once a month with the Audit Department (internal audit and internal control auditing divisions), receives reports on the internal audit and internal control auditing plans and their implementation reports, meets regularly with the Accounting Auditor to mutually share information on internal audits and internal control auditing, the details of which are reported to the Outside Directors who are Audit and Supervisory Committee Members at the meetings of the Audit and Supervisory Committee. The full-time Audit and Supervisory Committee Member also attends the meetings of the Compliance Committee, the Security Committee, and the Risk Management Committee to report on the status of deliberations at the respective committees and to report the audit results of the internal control divisions to the Audit and Supervisory Committee. The Outside Directors who are Audit and Supervisory Committee Members regularly receive the internal audit and internal control auditing plans and implementation reports from the Audit Department described above at the meetings of the Audit and Supervisory Committee and exchange information as necessary.

<Status of Accounting Audits>

(1) Name of the accounting firm

Deloitte Touche Tohmatsu LLC

(2) Continuous auditing period

5 years

(3) Names of the certified public accountants who performed the duties

Takuya Nagashima, Designated Limited Liability Partner, Engagement Partner

Takenao Ohashi, Designated Limited Liability Partner, Engagement Partner

(4) Assistants for audit services

7 certified public accountants and 15 others

<Details of the Limited Liability Agreement>

The Company has established provisions for a limited liability agreement for Directors (excluding those who are executive Directors) in the Articles of Incorporation and has entered into limited liability agreements with all Outside Directors who are Audit and Supervisory Committee Members and one non-executive Director. Based on this agreement, the liability stipulated in Article 423, Paragraph 1 of the Companies Act shall be limited to the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act and shall be borne by the Company, provided that the Directors performed their duties in good faith and without gross negligence.

3. Reasons for Adoption of Current Corporate Governance System

The Company has adopted a corporate governance structure that involves having an Audit and Supervisory Committee, for the purpose of improving management efficiency by delegating authority to Directors so that quick decisions can be made, in addition to strengthening the audit and supervisory functions of the Board of Directors as well as enhancing corporate governance. It is believed that by adopting this structure, the Company will be able to make management decisions quickly in response to changes in the business environment and to conduct business in a timely and appropriate manner.

III. Implementation of Measures for Shareholders and Other Stakeholders

1. Measures to Vitalize General Meeting of Shareholders and Facilitate Exercise of Voting Rights

	Supplementary Explanation
Early Posting of Notice of the General Meeting of Shareholders	For the 25th Annual General Meeting of Shareholders held on August 28, 2024, the Company posted the Notice prior to the statutory date of posting. The Company will continue to strive for the early posting of the relevant documents.
Scheduling of the General Meeting of Shareholders on a Non-Peak Day	The Company's fiscal year-end is in May and holds its annual general of shareholders in August, thus avoiding the peak days for shareholders' meetings.
Electronic Exercise of Voting Rights	Shareholders may exercise their voting rights electronically by accessing the site for the exercise of voting rights designated by the Company.
Participation in a Platform for the Electronic Exercise of Voting Rights and Other Initiatives to Enhance Environment for Institutional Investors to Exercise Voting Rights	Institutional investors may use the "Electronic Voting Platform" operated by ICJ, Inc.
Provision of Notice (or Summary of Notice) of the General Meeting of Shareholders in English	The Company strives to enhance shareholder convenience by preparing an English translation of the Notice of the Annual General Meeting of Shareholders and Reference Documents and posting them simultaneously as the Japanese version on the Company's website and other sites.
Other	Shareholders are notified of the convening of the annual general meeting of shareholders through the posting of the Notice of the Annual General Meeting of Shareholders, Notice of Resolutions and the results of the exercise of voting rights on the Company's website.

2. Status of IR-related Activities

	Supplementary Explanation	Explanation by a representative director or a representative executive officer
Formulation and Publication of Disclosure Policies	The Company has established and posted its Disclosure Policy on the Company's website for the fair, timely, and appropriate disclosure of important information pertaining to the Company (including management, business, and financial matters) to encourage all stakeholders, including shareholders, investors, and local communities, to develop a greater understanding of the Company and to earn due recognition and trust from society.	
Regular Investor Briefings held for Individual Investors	The Company plans to hold briefings for individual investors twice a year.	Not Held

Regular Investor Briefings held for Analysts and Institutional Investors	The Company holds a results briefing each quarter to explain the status of financial results and future outlook. The supplementary materials for the results briefings are disclosed on the Company's website.	Yes
Regular Investor Briefings held for Overseas Investors	While tentative at present, the Company will consider holding briefings for overseas investors, in line with their needs.	Yes *If held
Online Disclosure of IR Information	The Company has a dedicated website for the disclosure of IR information (financial results, supplementary financial results briefing materials, Medium-term Management Plan, press releases including timely disclosures, annual securities reports/quarterly reports, Notice of the Annual General Meeting of Shareholders, Notice of Resolutions, stock information, IR schedules, etc.).	
Establishment of Department and/or Placement of a Manager in Charge of IR	The person in charge of IR has been appointed at the Corporate Planning Division.	

3. Status of Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanation
Establishment of Internal Rules Stipulating Respect for the Position of Stakeholders	The Company upholds its corporate philosophy of "Contributing to society through insights" and is committed to its mission of constantly generating insight into optimal services and the ideal society and creating joy and value for society. The Company aspires to be "a company that continues to grow healthily from the roots to buds" and despite the massive changes in the market environment, by always striving to create new value, it aims to bolster its competitive edge and maintain sound growth. To this end, the Company has formulated and disclosed its Medium-term Management Plan on its website and has also posted its initiatives toward sustainability.
Implementation of Environmental Preservation Activities and CSR Activities, etc.	In June 2021, the Company launched the SDGs Promotion Committee; in August 2021, it identified its material themes to promote its initiatives for SDGs; and in October of the same year, it announced the "Bewith SDGs Declaration." Major initiatives include the Company's participation in the Corporate Forest project run by Wakayama Prefecture for the conservation of the forest environment and engaging in forest conservation activities such as planting and replanting trees and underbrush clearing, in addition to collecting unwanted clothing from employees and donating them overseas as relief supplies and donating stockpiled food to food banks. Additionally, in March

	2023, the Company, aiming to leverage its services and expertise to solve the issues of local communities, signed a comprehensive partnership agreement with Unzen City, Nagasaki Prefecture.
Formulation of Policies, etc. on Provision of Information to Stakeholders	The Company proactively releases management information, information on client services, initiatives toward sustainability, etc. on its website.
Other	The Company promotes “Diversity & Inclusion” measures from the following three perspectives. (1) Supporting women to balance their careers and important milestones The Company aims to bring to life work-from-home systems to accommodate the needs of childcare and care for older adults and workstyles utilizing telecommuting, as well as promoting the taking of childcare leave by male employees and a 100% track record in the taking of maternity leave and returning from maternity leave. (2) Creating innovation by fusing diverse races and cultures The Company will proactively hire foreign nationals, internally promote foreign national engineers and provide opportunities for them to flourish. (3) Forming a rewarding experience beyond disabilities The Company aims to not only provide a place of work but also create a place where the disabled can thrive as e-sports players with the cooperation of the e-sports business of the Company. If commuting becomes an obstacle, the Company will adopt telecommuting, aiming to provide a work environment that continues to be easily accessible.

IV. Matters Concerning the Internal Control System

1. Basic Views on Internal Control System and Status of Development

The Company has established the basic policy on the internal control system as follows, under the Companies Act and the Regulations for Enforcement of the Companies Act.

1. The framework to ensure that the Directors and all employees, etc. of the Company and its subsidiaries comply with laws and regulations as well as the Articles of Incorporation in the performance of their duties
   a. The Company shall establish the corporate philosophy and Principles of Conduct and thoroughly instill awareness of compliance with laws and regulations in the Directors and all employees, etc. of the Company and its subsidiaries by making sure that they fully understand the underlying concepts of the Group's corporate activities, and shall promote sound corporate activities based on high ethical standards.
   b. The Company shall establish "Bewith Inc. Code of Conduct" as items to be observed and noted by the Directors and all employees, etc. of the Company. To complement this code, the Company shall also establish the "Compliance Regulations" and set up the "Compliance Committee" chaired by the CEO as a body that sets forth the principles of compliance and activities of the Company, maintains and enhances the Company's compliance, and supports decision-making relating to compliance.
   c. The Company, aware of the importance and impact of information security, shall establish the "Security Policy" and the "Privacy Policy," upon ensuring the Directors and all employees, etc. of the Company understand its purpose and commit to taking appropriate actions to avoid the unauthorized disclosure and leakage of information assets in the "Declaration of Information Security." Furthermore, the Company shall establish the "Security Committee" chaired by the CEO or a Director appointed by the CEO as a body for important decision-making on information security.
   d. The internal audit divisions, independent from the business execution divisions, shall set forth the framework and procedures of internal audits in the "Internal Audit Regulations," thoroughly communicate and enforce them, inspect, evaluate, and improve the business execution of the various organizations and subsidiaries from an objective viewpoint, and monitor the appropriateness and efficiency of the business activities of the Company.
   e. The Company, based on the corporate philosophy and Principles of Conduct, shall be resolute in its commitment to cut off all ties with anti-social forces. The Company shall also designate a department to deal with any undue claims and other matters while setting forth the framework for reporting and responding in the event of an incident in the "Regulations on the Elimination of Antisocial Forces," and decisively respond by coordinating with the police and other authorities.
   f. The Company shall ensure legal compliance by electing Outside Directors who have no stake or interest in the Company and strengthening the monitoring and oversight functions of the Directors.
2. The framework for the retention and management of information with respect to the performance of duties by the Directors of the Company and the framework for reporting matters relating to the performance of duties by the Directors, etc. of subsidiaries to the Company
   a. The status of the performance of duties by the Directors shall be reported at a meeting of the Board of Directors as stipulated by laws and regulations or as necessary.
   b. The Company, based on laws and regulations, the Articles of Incorporation, the "Board of Directors Regulations" and the "Organizational Authority Regulations," shall make important management decisions by resolutions of the general

meeting of shareholders or the Board of Directors, or by means of a designated approval document (including electronic documents), and minutes of such meetings and the approval documents shall be retained for a period specified in the "Document Management Manual."

c. The status of the performance of duties by the Directors of subsidiaries and important management matters including the business performance and the progress of sales of subsidiaries shall be reported regularly at a meeting of the Board of Directors of the Company through the Company's Directors seconded to the subsidiaries.

d. The internal audit divisions shall report the results of internal audits of the subsidiaries, as necessary, to the Audit and Supervisory Committee and the CEO.

3. Rules relating to the management of the risk of loss and other frameworks of the Company and subsidiaries

a. The Company shall establish the "Basic Rules on Risk Management" setting forth basic matters relating to risk management to maintain and enhance financial soundness and corporate value, secure business opportunities, and avoid major accidents. In these rules, the Company shall systematically identify risks that could potentially impair the value of the corporate group as well as pose a threat to sustained growth in corporate activities, define the various risks by type including governance, strategies and plans, business processes and management infrastructure, compliance, disclosures, etc., and practice appropriate risk management by designating the responsible department for each type of risk. In the event of an incident occurring, the Company shall respond swiftly and appropriately according to these rules. The Company shall also establish the "Risk Management Committee" chaired by the CEO as a body to oversee risk management in the Group's business activities and support the decision-making on risk management policies and measures.

b. In the event of a major loss or damage (including the possibility of loss) occurring, subsidiaries shall promptly report to and consult with the Company and determine through deliberations the policy for responses according to the provisions of the "Organizational Authority Regulations." The internal audit divisions of the Company shall also monitor and evaluate the development status of frameworks for the management of loss and damage of subsidiaries and the results of responses through regular and ad-hoc audits.

4. The framework for ensuring efficiency in the performance of duties by Directors of the Company and its subsidiaries

a. The Board of Directors shall meet regularly once a month, in principle, and as necessary to ensure agile decision-making.

b. The Board of Directors shall determine the management goals for the business year and the annual budget, and supervise the performance of duties of the President and the executive Directors.

c. The President and the other executive Directors shall articulate the mission of each division, personally execute business according to the "Organizational Authority Regulations," or have managers of each division under the purview of the Director execute business through Executive Officers who have been selected by the Board of Directors. The "Organizational Authority Regulations" shall be revised as necessary when laws and regulations are revised or changes take place in the business environment, or from the standpoint of improving business efficiency.

d. The status of performance of duties by Executive Officers shall be reported at a meeting of the Management Council, as necessary.

e. The “Board of Directors Regulations” shall set forth that subsidiaries convene regular meetings of the Board of Directors once a month, in principle, and ad-hoc meetings, as necessary. The meetings of the Board of Directors of the subsidiaries shall be supported by the Corporate Department of the Company serving as the secretariat.

5. The framework to ensure the appropriateness of operations of the Company and the corporate group comprising the parent company and subsidiaries
   a. In addition to the provisions outlined in paragraphs 1 through 4, the Company shall conclude with its subsidiaries a “Management Contract” regarding important matters of group management and operate a framework requiring prior consultation and reporting on important matters according to the provisions of the “Organizational Authority Regulations” and the “Regulations on the Management of Affiliates,” and maintain close coordination in the sharing of information by such means as holding information exchange sessions as necessary.
   b. The Company shall dispatch a Director or an Auditor to its subsidiaries and by having said Director or Auditor supervise and audit the performance of duties at the subsidiaries, the Company shall strive to have the Directors and all employees, etc. of its subsidiaries comply with laws and regulations as well as the Articles of Incorporation in the performance of their duties.
6. Matters concerning Directors and employees, etc. who are to assist the duties of the Audit and Supervisory Committee; matters of independence of such Directors and employees, etc. from the other Directors (excluding Directors who are Audit and Supervisory Committee Members) of the Company; and matters for ensuring the effectiveness of the Audit and Supervisory Committee’s directives to such Directors and employees, etc.
   a. An Audit and Supervisory Committee Member may designate a member of the internal audit divisions as a person to assist the duties of the Audit and Supervisory Committee.
   b. When a member of the internal audit divisions assists the duties of the Audit and Supervisory Committee, such person shall not be under the command of the Directors (excluding Directors who are Audit and Supervisory Committee Members) but only under the command of the Audit and Supervisory Committee.
   c. Personnel changes and personnel evaluations of employees, etc. of internal audit division shall respect the opinions of the Audit and Supervisory Committee and ensure independence from the Directors (excluding Directors who are Audit and Supervisory Committee Members).
   d. The Directors and employees, etc. shall cooperate in providing an audit environment that facilitates the duties of the persons assisting the Audit and Supervisory Committee.
7. The framework for the Directors and employees, etc. of the Company and subsidiaries to report to the Audit and Supervisory Committee and the framework to ensure that those who reported to the Company’s Audit and Supervisory Committee and the subsidiaries’ auditors do not suffer disadvantages on account of the report
   a. When an incident occurs or is likely to occur that could severely deteriorate the Company’s credibility or the Company’s business performance, or when illegal or fraudulent acts by an employee, etc. are discovered, the Director or the employee, etc. of the Company shall immediately report it to the Audit and Supervisory Committee via the division head and the divisions in charge of compliance or the division in charge of risk management.
   b. When a Director or an Auditor of a subsidiary receives a report from an employee, etc. on the occurrence or the possibility of occurrence of an incident that could severely deteriorate the company’s credibility or the company’s

business performance, said Director or Auditor shall immediately report it to the Audit and Supervisory Committee of the Company.

c. The Company shall establish a whistleblowing contact to be contacted when an employee, etc. of the Company or its subsidiaries discovers a violation of laws and regulations, the Articles of Incorporation, and internal rules or any problematic facts involving compliance ("compliance incident(s)").

d. When a whistleblowing report of a compliance incident is received at the Company or its subsidiaries, the Audit Department, which is in charge of the whistleblowing contact, shall report it immediately to the Audit and Supervisory Committee of the Company.

e. To protect the whistleblower, the whistleblowing contact shall keep the confidentiality of the report and its details while ensuring the anonymity of the whistleblower. Furthermore, based on laws and regulations and the "Whistleblowing Regulations," the matter shall be treated without causing a disadvantage to the whistleblower.

8. The policy on the processing of expenses or obligations arising in the performance of duties by the Audit and Supervisory Committee Member (limited to the performance of duties of the Audit and Supervisory Committee) and the other frameworks for ensuring audits by the Audit and Supervisory Committee are performed effectively

a. When an Audit and Supervisory Committee Member requests the Company for payment of expenses incurred in the performance of duties including the prepayment of expenses based on laws, regulations, and internal rules, such expenses or obligations shall be processed immediately, unless such expenses or obligations were clearly not required for the performance of the Audit and Supervisory Committee Member's duties.

b. The Audit and Supervisory Committee shall strive to maintain open channels of communication and the exchange of information by strengthening the coordination with the President and CEO, the Accounting Auditor, the internal audit divisions, and the Auditors of the subsidiaries, and holding sessions for the exchange of opinions, when necessary.

2. Basic Views on Measures for Eliminating Anti-Social Forces and Status of Development

(1) Basic views on eliminating anti-social forces

As a socially responsible company and also from the standpoint of compliance and corporate defense, the Company has established the "Regulations on the Elimination of Anti-social Forces" to cut off all ties with anti-social forces, the "Protocols for Handling Anti-social Forces" to set forth appropriate responses to anti-social forces, and the "Protocol for Surveys on Anti-social Forces" for investigating anti-social forces. When ties are requested by anti-social forces or when any undue claim is received, the Company shall be resolute and refuse all demands.

(2) Status of elimination of anti-social forces

The General Administration Division oversees the actions to eliminate anti-social forces. Specifically, when the Company is about to receive an investment or the Company is about to make an investment, the Company confirms that the investor or investee and its related parties including the representative, officers, major shareholders do not have ties with anti-social forces.

Risks relating to anti-social forces are managed, at the time of commencement of new transactions, by only allowing transactions to commence when confirmation is made that the counterparty company and its representative have no ties to anti-social forces. The counterparty is required to represent that it does not correspond to anti-social forces and clauses excluding anti-social forces are also incorporated into the contract to the effect that if this representation is violated or if, subsequently, ties to anti-social

forces are discovered, the contact will be immediately canceled. Furthermore, continuing investments and transactions are regularly confirmed at least once a year in a similar manner.

V. Other

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not Adopted

Supplementary Explanation for Applicable Items
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2. Other Matters Concerning the Corporate Governance System

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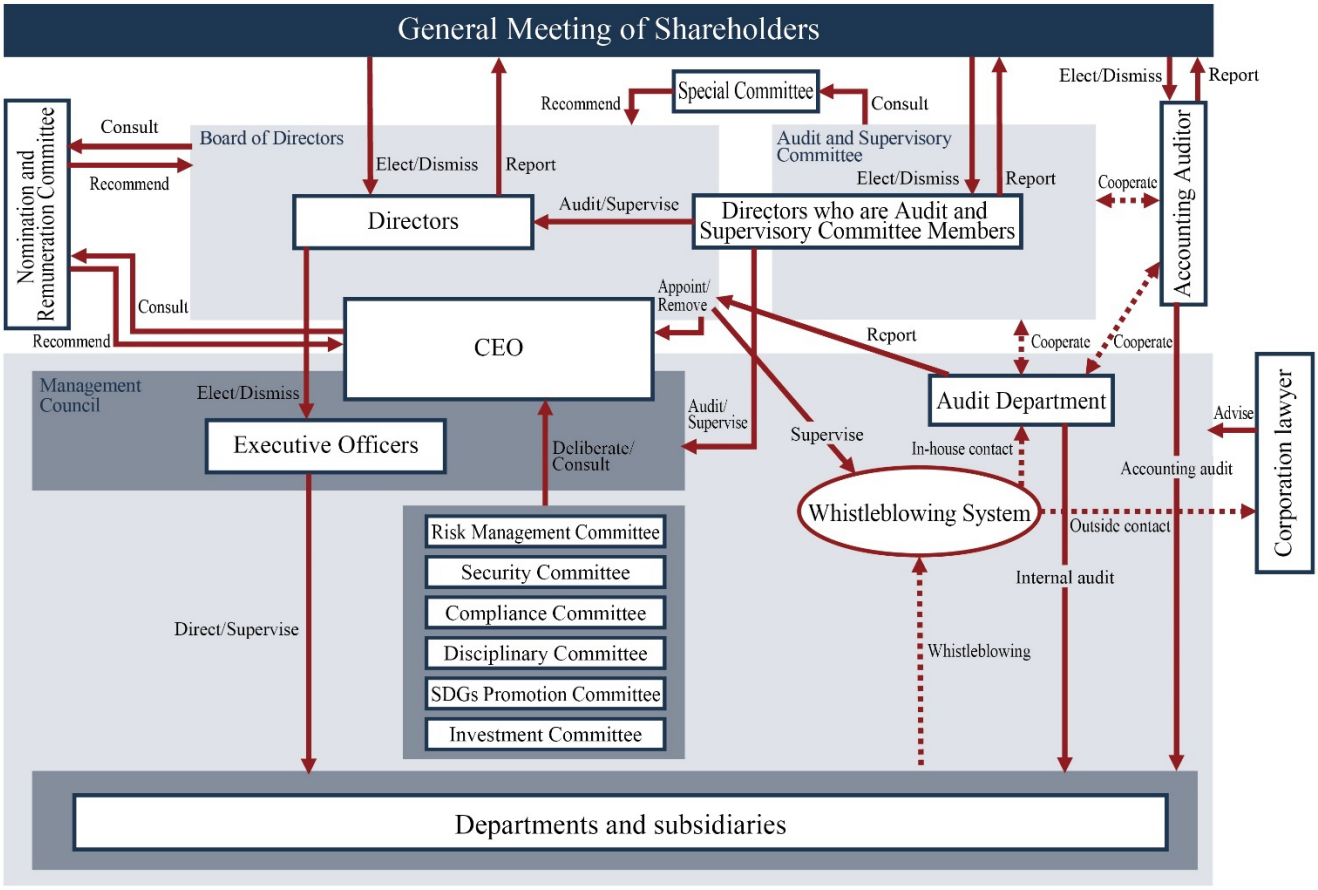
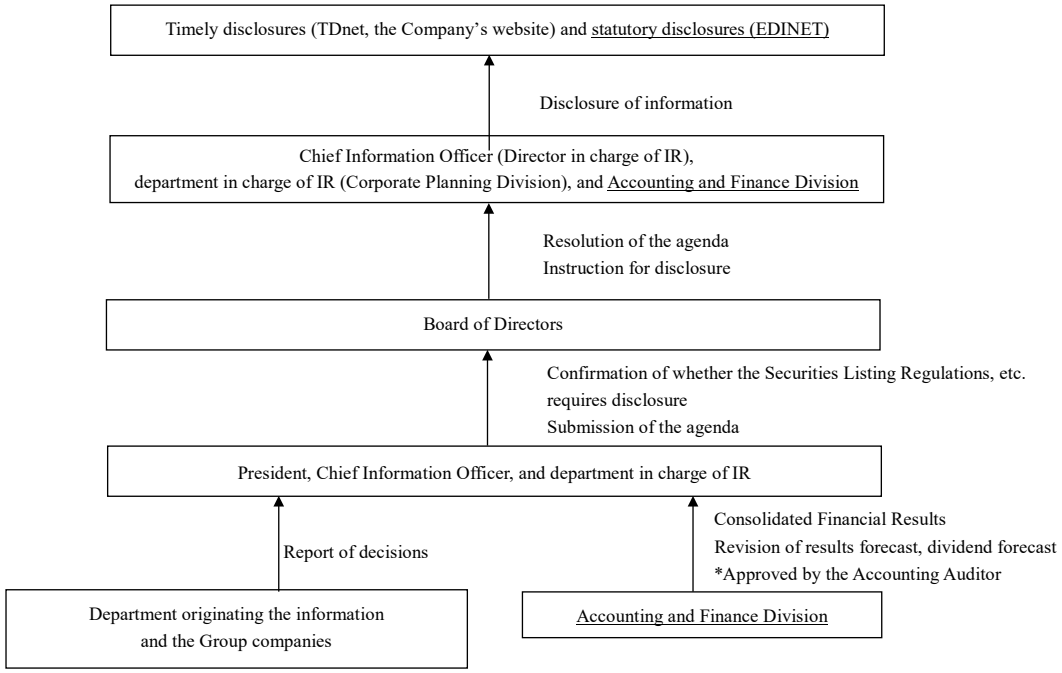
[Governance Structure Diagram (Reference Materials)]



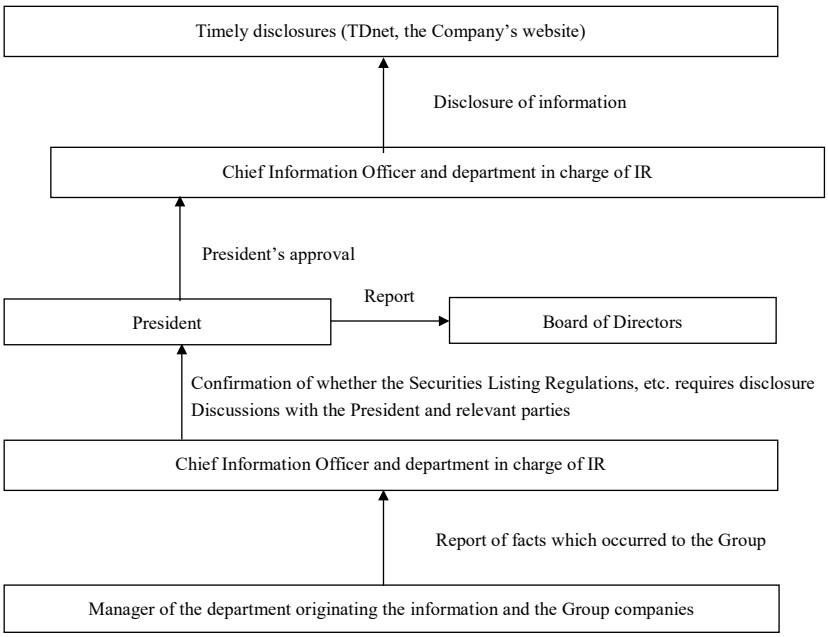
[Overview of the Timely Disclosure System (Diagram)]

< Information, etc. on Decisions Regarding or Financial Results of the Group>

Underlines indicate cases where information on financial results is involved.



<Information on Facts Which Occurred to the Group>



[Skill Matrix of Directors]

Name		Knowledge/Experience/Ability							
		Corporate Management	Human Resource Management	Business Development	DX/ IT	International Experience	Legal Affairs/Risk Management	Finance/ Accounting	ESG
Koichi Morimoto		●	●	●	●	●			
Kenji Iijima		●	●	●	●				
Hirotaka Wakamoto	Part-time	●	●	●					●
Takashi Nakajima	Full-time Audit and Supervisory Committee Member		●				●		●
Hiroyuki Tomimatsu	Outside Director and Audit and Supervisory Committee Member				●		●	●	●
Miwako Iyoku	Outside Director and Audit and Supervisory Committee Member	●	●	●	●				●
Takako Masai	Outside Director and Audit and Supervisory Committee Member	●		●		●		●	●

END