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Last Update: March 19, 2025

COLOPL, Inc.
Takashi Miyamoto, President and CEO
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Securities code: 3668
https://colopl.co.jp/en/

The corporate governance of COLOPL, Inc. (the “Company”) is described below.

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

1. Basic Views

The Company’s basic approach to corporate governance is to engage in fair, logical and speedy decision-making on the premise of "collaborative creation" with shareholders, users, employees, business partners, local communities, and other stakeholders for the purpose of enhancing corporate value.

The Company has a basic policy of seeking to balance decision-making, business execution and management oversight functions to support appropriate management decisions and business execution by the President and Representative Director.

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

[Supplemental Principle 1-2-5]

Since not having been asked by institutional investors who hold shares in street name to attend a General Meeting of Shareholders or to exercise voting rights, the Company have not taken measures to meet such requirements. Going forward, the Company will be pursuing initiative designed to consider and develop guidelines for the attendance of beneficial shareholders at General Meeting of Shareholders giving adequate consideration for their requirements and the trends of trust banks, etc.

[Supplemental Principle 2-4-1]

The Company’s group, as an entertainment company, recognizes the importance of workforce with a variety of experiences, skills, and attributes for our sustainable growth. In addition, the Company conducts personnel evaluations based on the abilities of each employee, and treats them in accordance with such evaluations, including promotions and advancement. In spite of not having made appointments based on gender, nationality, or hiring method, the Company has taken various measure such as childcare, nursing care, and personnel training to create a comfortable working environment for diverse personnel, including women, non-Japanese, and mid-career hires, thereby promoting diversity in its human resources.

Please refer to the following.

https://colopl.co.jp/recruit/welfare (Japanese only)

[Supplemental Principle 4-1-2]

In the entertainment industry to which the Company belongs, the standard users require for this industry is becoming more

sophisticated with astonishing technological innovation.

Although the Company does not disclose its medium- to long-term management plan, it has formulated and disclosed three strategies as its mid-term management policy: proactive expansion into overseas markets, utilization of domestic IP, and providing new UX. The Company will continue to provide explanations through IR activities and other means, and work to ensure that shareholders and investors have a sufficient understanding of the situation.

[Supplemental Principle 4-1-3]

Over the long-term, the Company has been developing candidate who can succeed the President and Representative Director. The Board of Directors and the Nomination and Compensation Advisory Committee have not yet held specific discussions on succession planning as an urgent issue, but the Company have formulated a policy for the nomination of Representative Directors and Directors, and regularly review the composition of the Board of Directors and the officers system. The Company will consider the details of succession planning in the future.

[Supplemental Principle 4-8-1]

The Board of Directors has active discussions with opinions from independent Outside Directors based on their objective standpoints. The way of exchanging information and developing a shared awareness among themselves from an independent and objective standpoint will be considered as necessary, in cooperation with independent Outside Directors.

[Supplemental Principle 4-8-2]

The Corporate Planning Department is responsible for liaison between the independent Outside Directors and management, while the full-time Audit and Supervisory Committee member, who is also an independent Outside Director, is responsible for liaison between the Outside Directors who are Audit and Supervisory Committee members. They work together internally as needed to coordinate with the independent Outside Directors and the Audit and Supervisory Committee. The Company will continue to work with the independent Outside Directors to develop a system for liaison and coordination with management, and cooperation with the Audit and Supervisory Committee members and the Audit and Supervisory Committee, considering such arrangements as necessary.

[Principle 5-2]

Due to the rapid and short-term pace of change in the business environment to which the Company belongs to, it is difficult to calculate appropriate and reasonable targets for our performance outlook. Therefore, the Company does not disclose earnings forecasts. Specific measures regarding the allocation of management resources, etc., will be disclosed in business reports, financial statements, and financial results briefings providing clear explanations with using understandable expressions to shareholders and investors. Accordingly, the Company will be pursuing to ensure that our shareholders fully understand the Company's business activities at various briefings and meetings with its shareholders such as financial results briefings.

Disclosure Based on the Principles of the Corporate Governance Code

[Principle 1-4: Strategic Shareholdings]

Given an acquisition of the shares of listed companies as strategic shareholdings, the Company has the policy only which can be

reasonably explained that the shares are strongly tied to business including a capital and business alliance, and that such an alliance proceeds more smoothly as a result of the holding.
After that, strategic shareholdings are periodically examined the effectiveness of the alliance by the Board of Directors with considering the transition of appraised value of the shares holding.
With respect to exercising of voting rights, the Company basically approves the proposals of the issuing company provided unless no conflict with the Company's interest, since the relationship is usually a capital and business alliance, etc.

[Principle 1-7: Related Party Transactions]
Given related party transactions, the Company has the policy that the Board of Directors discusses its terms and conditions and validation of the method of making decisions and implements it.
In addition, accounting division and internal audit division review the detail of transactions after making decision by the Board of Directors.

[Principle 2-6: Roles of Corporate Pension Funds as Asset Owners]
The Company has introduced a defined contribution corporate pension plan to support stable asset formation by employees.
In addition, the Company holds seminars for employees on basic knowledge of systems and investment precautions to start asset management.

[Principle 3-1: Full Disclosure]
i) Company objectives (e.g., business principles), business strategies and business plans
Please find the Company's Mission and Vision as below.
Mission; "'Entertainment in Real Life': Making everyday more enjoyable and wonderful through entertainment,"
Vision; Delivering "New Experiences" with the latest technology and creative ideas.

ii) Basic views and guidelines on corporate governance based on each of the principles of the Code;
The Company discloses its basic views for corporate governance in the Company's website and Corporate Governance Report.

iii) Board policies and procedures in determining the remuneration of the senior management and Directors
To ensure objectivity and transparency in the process of nominating Directors and determining compensation for them and to strengthen the corporate governance system, the Company has established the Nomination and Compensation Advisory Committee. The committee submits reports on draft plans about the selection and dismissal of Directors, the Directors' compensation system, and the distribution of compensation to each Director, among other matters.
First, each Director conducts a self-assessment of accomplishments and contributions to the board of directors during the year and reports its results to President and Representative Director. The President and Representative Director prepares a proposal for compensation for each Director and decides final compensation after thoroughly considering the report on the proposal from the Nomination and Compensation Advisory Committee established voluntarily by the Company. The Representative Director subsequently interviews each Director to provide feedback on contributions and results and once again communicate management objectives.

iv) Board policies and procedures in the appointment/dismissal of the senior management and the nomination of candidates for Directors.

Please find the Company's policies as below.

<Policies for nominating Directors>

1. Have knowledge, experience, and abilities for their role and serving to maintain balance to the Board of Directors

2. Contribute to the lasting growth of business and having character and insight suitable to being a Director

3. Contribute to the maximization of med to long term corporate value by understanding and implementing the Company's group philosophy

<Policies for dismissing (non-renewal) Directors>

1. Violate or be likely to violate laws and regulations or the articles of incorporation

2. Cause a significant loss in the appropriate execution of the duties

3. Not display the potential to meet each requirement of the policies

<Policies for nominating a President and Representative Director>

1. Have highly effective leadership and quickly adapt to changes

2. Have knowledge, experience, abilities, being decisive and highly ethics suitable for the decision maker of management

<Policies for dismissing (non-renewal) a President and Representative Director>

1. Violate or be likely to violate laws and regulations or the articles of incorporation as a Representative Director

2. Being pursued for Representative Director's responsibility that is attributable to significant misconduct

3. Being regarded as the cause to significant loss in the Company's group management

4. Being regarded as difficult to execute of duty from health problem

5. Clearly Not satisfy each requirement of policies for nominating the candidates for President and Representative Director

Based on the above policies, the Company’s policies are to formulate multiple evaluation items required of Directors and Outside Directors and to appoint candidates taking into consideration the degree to which they satisfy the evaluation criteria. With regard to Outside Directors in particular, the company has policy is to appoint persons with knowledge of professional fields such as corporate management, law, accounting, marketing, and management strategy and persons with a wealth of experience and broad insight.

In addition, the Company judges whether a candidate is suitable to appoint as a Director of the Company in light of areas of expertise the Company wishes to add to the Board of Directors as a whole and its diversity. As a procedure, the Nomination and Compensation Advisory Committee is consulted on the pros and cons of a nomination before reporting to the Board of Directors, which deliberates on the above evaluation items and makes the final decision.

v) Explanations with respect to the individual appointments/dismissals and nominations based on iv)

The Company discloses the reasons for the appointment of all the candidates for Directors in the Notice of the General Meeting of Shareholders.

[Supplemental Principle 3-1-3: Sustainability initiatives]

Establishing basic policies on sustainability, the Company get to make every day more enjoyable and wonderful, solving social

challenges through business activities. The Company's basic policies and initiatives related to sustainability are publicly disclosed on the Company's website.

In December 2022, the Company announced its support of the recommendations of the Task Force on Climate -related Financial Disclosure (TCFD), considering growing movement which companies analyze the impact of climate change-related on their business activities. Please refer to the following for disclosure based on TCFD initiative.

https://colopl.co.jp/en/sustainability/environment/

[Supplemental Principle 4-1-1: Determination of scope of delegation to management and disclosure]

The Board of Directors makes business determination and major managemental, organizational, and financial decisions, in compliance with agenda matters stipulated in the Rules for Delegation of Authority.

The Management Council also makes business determination and decisions other than agenda items in the Board of Directors for management and organization, and items concerning new businesses and certain investment and contractual matters.

[Principle 4-9: Independence standards and qualification for independent Directors]

The company deems our Outside Directors and Outside Director candidates to have independence if they do not fall into any of the following categories.

- Relatives up to the second degree of current or past Inside Director of the Company or its subsidiaries.
- Incumbent business executives or employee of counterparties of the Company that exceed 1% of sales of either the Company or its subsidiaries during the past three business years.
- Outside Directors has received compensation exceeding 10 million yen directly from the Company as a legal, accounting, or tax professional or consultant during the past three business years (excluding compensation as a Director of the Company or compensation paid to an institution or office to which they belong).
- The Company’s donations to a nonprofit organization where Outside Directors serve as an executive officer have exceeded 10 million yen and exceeded 1% of said organization’s total revenue during the past three business years.

[Supplemental Principle 4-10-1: Independence, authority and roles of the nominating and remuneration committees]

The Company has established the Nomination and Compensation Advisory Committee optionally. Independent Outside Directors compose a majority of this Committee, and each of these Directors possess abundant knowledge and broad insight related to corporate management. As an advisory body to the Board of Directors related to the nomination and compensation of the executive management and directors, the chairperson and members are selected by a resolution of the Board of Directors to ensure an appropriate composition.

Resolutions are passed by this Committee with a majority of members when a majority of members who can take part in the passing of resolutions are present.

[Supplemental Principle 4-11-1: Views on overall balance of knowledge, etc., diversity, and size of the board of Directors]

The Company creates a skill matrix that defines evaluation index and contribution field such as the knowledge, experience, and skills of each Director, and judges by the appropriate balance in the Board of Directors as a whole, diversity, and its scale in light of the combination of those attributes. The Company also considers whether Director appointments are optimal for the Board of

Directors as a whole in light of evaluation index and contribution field.

Details are disclosed in the Integrated Report.

https://colopl.co.jp/en/ir/library/other/

[Supplemental Principle 4-11-2: Status of concurrent positions of external Directors and external audit & supervisory board members]

The status of concurrent positions of Directors at other listed companies is a matter to be resolved by the Board of Directors. The Company also periodically monitors any negative aspects the status of concurrent positions may have on officers' roles, responsibilities, and results at the Company. Including the above-mentioned situation, The Company periodically discloses the status of concurrent positions at other listed companies held by Directors, through convocation notices and by other means.

[Supplemental Principle 4-11-3: Analysis and Evaluation of the Effectiveness of the Board of Directors]

Please refer to a summary of Self-evaluations of the Board of Directors during the fiscal year ended September 30, 2024, as below.

i) Officers surveyed

All Directors

ii) Purpose of the surveys

Analyzing the survey results to objectively confirm that the Board of Directors is operating effectively, clarify issues that the Board of Directors should address in the next fiscal year regarding any identified issues, and seek to improve its effectiveness.

iii) Summary of the results of analysis and evaluation of the effectiveness of the Board of Directors during the fiscal year ended September 30, 2024

The following matters were raised as points requiring improvement in the Board of Directors in the future.

a) Further expansion of Board of Directors discussions on medium- and long-term management problems

b) Expansion of discussions on how to improve shareholder value from a broad perspective

iv) Future initiative

The results of this analysis and evaluation will be addressed as operational issues for the Board of Directors, including ongoing discussions at Board of Directors meetings and the establishment of systems. In addition, the Board of Directors will continue to conduct self-evaluations to improve its functioning.

[Supplemental Principle 4-14-2: Training policy for Directors and audit & supervisory board members]

Contributing to improve the overall effectiveness of the Board of Directors, the Company has instituted a training program that aims to further enhance the skills required of each Director (operational skills for the divisions under their charge).

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

The Director, Senior Executive Officer and CFO in charge of investor relations supervises dialogue with shareholders. The Director, Senior Executive Officer and CFO in charge of investor relations and the executive officer in charge of investor relations attend meetings of the Board of Directors and the Management Council and exchange information with supervisors of corporate planning and legal affairs. Supervisors of investor relations, accounting and finance, and general affairs hold general

meetings for parties involved in practical operations weekly chaired by the executive officer, who is in charge of investor relations, and through implementing a cross-departmental exchange of information, The Company is strengthening our system for publicly disclosing information to shareholders.

[Action to Implement Management that is Conscious of Cost of Capital and Stock Price] [Update date: December 23, 2024]

To increase profitability and capital efficiency, the Company’s group considers ROE (return on equity) as a management indicator.

Since the business environment surrounding the Company’s group is subject to rapid short-term changes and it is difficult to calculate appropriate and reasonable performance forecasts, the Company has not set specific numerical targets. However, the Company will continuously explain performance trends policies for the next fiscal year, and mid-term management policy through information disclosure at financial results briefings and on our website to ensure that shareholders and investors fully understand the Company's operations.

Details of the Group's value creation process and strategies and foundations for value creation are disclosed in the Integrated Report.

https://colopl.co.jp/en/ir/library/other/

[Dialogue with Shareholders]

As part of our dialogue with shareholders, the Company hold information sessions for institutional investors once a quarter, and as necessary, offer separate individual interviews for institutional investors. At the debriefing from the division under each Directors charge in the Board of Directors, they share important opinions and concerns obtained through dialogue with shareholders. The Company has also developed a system for the immediate sharing of matters requiring urgency between the President and Representative Director, Senior Executive Officer and CEO and the Director, Senior Executive Officer or Executive Officer in charge.

Dialogue with shareholders is undertaken with careful consideration given to insider trading regulations. Accordingly, efforts are made to manage and utilize the content of such dialogue by working to preserve records of meetings, e-mails and telephone conversations.

In the fiscal year ended September 30, 2024, the Company held information sessions for institutional investors. In addition, dialogue was held mainly between the Director, Senior Executive Officer and CFO and Executive Officer in charge of investor relations, and fund managers and analysts at institutional investors in Japan and overseas, as well as analysts at securities firms. During the dialogues, the Company explained performance trends and future policies, etc.

2. Capital Structure

Foreign Shareholding Ratio	10% or more and less than 20%

Status of Major Shareholders

Shareholder name	Number of shares	Shareholding ratio (%)
Naruatsu Baba	61,781,792	48.13
Custody Bank of Japan, Ltd. (Trust account)	8,976,700	6.99
THE BANK OF NEW YORK MELLON 140051 (Standing proxy: Settlement & Clearing Services Division, Mizuho Bank, Ltd.)	6,468,200	5.04
The Master Trust Bank of Japan, Ltd. (Trust account)	5,835,400	4.55
The Master Trust Bank of Japan, Ltd. (Trust account) Trust business (3,928,577 shares of investment trust, 35,200 shares of pension trust)	3,963,777	3.09
BANK JULIUS BAER AND CO. LTD. SG (Standing proxy: MUFG Bank, Ltd.)	3,695,300	2.88
THE BANK OF NEW YORK 133612 (Standing proxy: Settlement & Clearing Services Division, Mizuho Bank, Ltd.)	3,222,300	2.51
Custody Bank of Japan, Ltd. (Trust account) Trust business (1,394,000 shares of investment trust, 103,300 shares of pension trust)	1,497,300	1.17
THE HONGKONG AND SHANGHAI BANKING CORPORATION LTD - SINGAPORE BRANCH PRIVATE BANKING DIVISION A/ C CLIENTS (Standing proxy: Custody Business Department, Tokyo branch, The Hongkong and Shanghai Banking Corporation Limited)	1,200,000	0.93
STATE STREET BANK WEST CLIENT - TREATY 505234 (Standing proxy: Settlement & Clearing Services Division, Mizuho Bank, Ltd.)	892,000	0.69

Name of Controlling Shareholder, if applicable (excluding Parent Company)	――
Name of Parent Company, if applicable	None

Supplementary Explanation

The above status of major shareholders is based on the 16th Annual Securities Report disclosed on December 23, 2024, and is current as of September 30, 2024.

The 16th Annual Securities Report also includes the following information on shareholders, the number of shares held, and shareholding ratios against the total number of issued shares (excluding treasury stock).

GOLDMAN SACHS INTERNATIONAL (Standing proxy: Goldman Sachs Japan Co., Ltd.) 649,400shares 0.51%

JP MORGAN CHASE BANK 385781 (Standing proxy: Settlement & Clearing Services Division, Mizuho Bank, Ltd.) 605,274shares 0.47%

3. Corporate Attributes

Listed Stock Exchange and Market Segment	Prime Market
Fiscal Year-End	September
Business Sector	Information & Communication
Number of Employees (Consolidated) as of the End of the Previous Fiscal Year	1,000 or more
Net Sales (Consolidated) as of the End of the Previous Fiscal Year	10 billion yen or more and less than 100 billion yen
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	10 or more and fewer than 50

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

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5. Other Special Circumstances which May have Material Impact on Corporate Governance

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

1. Organizational Composition and Operation

Corporate Governance System	Company with Audit and Supervisory Committee

Directors

Number of Directors Stipulated in Articles of Incorporation	16
Directors' Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board	President
Number of Directors	9
Election of Outside Directors	Elected
Number of Outside Directors	5
Number of Independent Directors	4

Outside Directors' Relationship with the Company (1)

Name	Attributes	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Koichiro Iida	Lawyer								○			
Koji Yanagisawa	From another company											
Masako Takeda	From another company											
Akira Tozawa	From another company											
Mizuho Abe	CPA											

*Categories for "Relationship with the Company."

(Use "○" when the director presently falls or has recently fallen under the category; "△" when the director fell under the category in the past; "●" when a close relative of the director presently falls or has recently fallen under the category; and "▲" when a close relative of the director fell under the category in the past.)

a. Person who executes business of the Company or a subsidiary
b. Person who executes business or a non-executive director of a parent company
c. Person who executes business of a fellow subsidiary
d. Person/entity for which the Company is a major client or a person who executes business for such person/entity
e. Major client of the Company or a person who executes business for such client
f. Consultant, accounting expert, or legal expert who receives large amounts of cash or other assets in addition to director/Audit and Supervisory Board Member compensation from the Company
g. Major shareholder of the Company (in cases where the shareholder is a corporation, a person who executes business of the corporation)
h. Person who executes business for a client of the Company (excluding persons categorized as any of d, e, or f above) (applies to self only)
i. Person who executes business for another company holding cross-directorships/cross-auditorships with the Company (applies to self only)
j. Person who executes business for an entity receiving contributions from the Company (applies to self only)
k. Other

Outside Directors' Relationship with the Company (2)

Name	Membership of Audit and Supervisory Committee	Designation as Independent Director	Supplementary Explanation of the Applicable Relationship	Reasons for Appointment
Koichiro Iida	○		He is a partner of Mori Hamada & Matsumoto, with whom the Company has a business relationship such as provision of services. However, considering the size and nature of the transaction, there is no risk of influencing the judgment of shareholders and investors, and therefore, a summary description is omitted.	In addition to his high degree of expertise as an attorney-at-law, he has long-term experience in corporate legal affairs and is deemed suitable as an Outside Director.
Koji Yanagisawa		○	——	He has abundant experience and broad insight as a corporate manager and is deemed suitable as an Outside Director. In addition, the Company have determined that there is no risk of conflict of interest with general shareholders and have designated them as an independent officer.
Masako Takeda		○	——	She has extensive experience and practice in human resources, general affairs and business promotion, having served as director at major corporations in Japan and in other positions, and is deemed suitable as an Outside Director. In addition, the Company have determined that there is no risk of conflict of interest with general shareholders and have designated them as an independent officer.
Akira Tozawa	○	○	——	He has extensive experience and knowledge gained through his positions at financial institutions, as well as experience as an auditor, and is deemed suitable as an Outside Director. In addition, the

				Company have determined that there is no risk of conflict of interest with general shareholders and have designated them as an independent officer.
Mizuho Abe	○	○	She was a member of Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC), which is the accounting auditor of the Company, but the remuneration paid by the Company was minimal compared to the size of the auditing firm, and no significant amount of money was paid to the auditing firm that would result in a financial dependence. In addition, she retired from the auditing firm in September 2016.	She has a high level of expertise related to finance and accounting as a certified public accountant, as well as past record as an auditor and is deemed suitable as an Outside Director. In addition, the Company have determined that there is no risk of conflict of interest with general shareholders and have designated them as an independent officer.

Audit and Supervisory Committee

Composition of Supervisory Committee and Attributes of the Chairperson

	All Committee Members	Full-time Members	Inside Directors	Outside Directors	Committee Chair
Audit and Supervisory Committee	3	1	0	3	Outside Director

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

Reasons for Adopting the Current Framework

Since the Audit and Supervisory Committee conducts audits in cooperation with the internal audit office, there are no employees assigned to assist the Audit and Supervisory Committee in its duties.

Status of Coordination between Supervisory Committee, Accounting Auditor, and Internal Audit Department

The Audit and Supervisory Committee members share information necessary for auditing by periodically holding meetings with the Internal Audit Office and accounting auditor to share information necessary for audits and to strengthen mutual cooperation in order to enhance the effectiveness and efficiency of the audit function.

Voluntary Established Committee

Voluntary Establishment of Committee equivalent to Nomination Committee or Remuneration Committee	Established

Status of Voluntarily Established Committee, Attributes of Members Constituting the Committee and the Committee Chair (Chairperson) [Updated]

	Committee's Name	All Members	Full-time Members	Inside Directors	Outside Directors	Outside Experts	Other	Chairperson
Voluntarily Established Committee Equivalent to Nomination Committee	Nomination and Compensation Advisory Committee	5	0	2	3	0	0	Outside Director
Voluntarily Established Committee Equivalent to Remuneration Committee	Nomination and Compensation Advisory Committee	5	0	2	3	0	0	Outside Director

Supplementary Explanation [Updated]

To ensure objectivity and transparency in the process of nominating Directors and determining compensation for them and to strengthen the corporate governance system, the Company has established a Nomination and Compensation Advisory Committee the majority of whose members are outside directors who meet the Company's independence standards. The committee submits reports on draft plans about the selection and dismissal of Directors, the Directors' compensation system, and the distribution of compensation to each Director, among other matters.

In order to ensure that the majority of the members of the Nomination and Compensation Advisory Committee are outside directors, the members and chair of the Nomination and Compensation Advisory Committee selected.

Matters Concerning Independent Directors

Number of Independent Directors	4

Other Matters Concerning Independent Directors

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Incentives

Implementation Status of Measures related to Incentives Granted to Directors	Other

Supplementary Explanation for Applicable Items

For Directors (excluding Outside Directors and Directors who are members of the Audit and Supervisory Committee), The Company has offered restricted stock-based compensation plan to provide them with incentives to continuously improve the Company's corporate value and to further promote value sharing with shareholders.

Persons Eligible for Stock Options	-

Supplementary Explanation for Applicable Items

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Director Remuneration

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

Supplementary Explanation for Applicable Items

The amount of remuneration, etc. is not listed individually since no Director whose it exceeds 100 million yen. However, the total amount of it during the fiscal year ended September 30, 2024, are disclosed.

Policy on Determining Remuneration Amounts and the Calculation Methods Thereof	Established

Disclosure of Policy on Determining Remuneration Amounts and the Calculation Methods Thereof

The respective upper limits are set on the remuneration, etc. of Directors (excluding Directors who are Audit and Supervisory Committee members) and Directors who are Audit and Supervisory Committee members through resolution of the General Meeting of Shareholders. The amount of remuneration for Directors (excluding those who are members of the Audit Committee) is determined by a resolution of the Board of Directors at the discretion of the President and Representative Director, who makes the decision based fully on the report of the Nomination and Remuneration Advisory Committee established by the Company on a voluntary basis. Directors who are members of the Audit and Supervisory Committee are determined by consultation of the Directors who are members of the Audit and Supervisory Committee.

Support System for Outside Directors

Although Outside Directors (including Audit and Supervisory Committee members) do not have a section in charge of assisting them, internal Directors and relevant departments provide prior explanations of the contents of resolutions and reports of the Board of Directors meetings to those Directors who wish to do so.

For Directors who are Audit and Supervisory Committee members, information is shared directly by the full-time Audit and Supervisory Committee member.

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

In order to enhance the business promotion capabilities of the Group and to achieve sustainable growth in corporate value, as well as to further strengthen the corporate governance that forms the foundation of this, the Company introduced a system of senior executive officers. In addition, by appointing CxOs, the Company will seek to clarify the executive responsibilities of each person in accordance with their area of specialization.

(1) Board of Directors

The Company’s Board of Directors consists of one Representative Director, five Directors (excluding those who are not Audit and Supervisory Committee members), and three Directors who are Audit and Supervisory Committee members, making nine Directors in total. Two of the Directors who are not Audit and Supervisory Committee members and three of the Directors who are Audit and Supervisory Committee members are Outside Directors under the Companies Act as of the date of submission of this report. To ensure efficient, speedy decision-making, the Board of Directors holds regular meetings once a month and extraordinary meetings, as necessary. The Board of Directors functions as a management decision-making and supervisory body pursuant to the Articles of Incorporation, laws, and regulations.

Chairperson: President and Representative Director Takashi Miyamoto

Members: Chairman and Representative Director Naruatsu Baba, Director Yoshiaki Harai, Director Yu Sakamoto, Director Koji Yanagisawa, Director Masako Takeda, Full-time Audit and Supervisory Committee Member & Outside Director Akira Tozawa,

Audit and Supervisory Committee Member & Outside Director Koichiro Iida, and Audit and Supervisory Committee Member & Outside Director Mizuho Abe

(2) Audit and Supervisory Committee

The Company's Audit and Supervisory Committee consists of three members. All the members are Outside Directors, including one certified public accountant and one attorney-at-law. The Directors who are Audit and Supervisory Committee members attend meetings of the Board of Directors and other internal meetings to express opinions about the Directors' performance of duties as appropriate. The Directors who are Audit and Supervisory Committee members conduct audits based on an audit plan, and the Audit and Supervisory Committee holds meetings once a month, along with extraordinary meetings as necessary. In addition, they share information necessary for auditing by periodically holding meetings with the Internal Audit Office and accounting auditor.

Chairperson: Full-time Audit and Supervisory Committee Member & Outside Director Akira Tozawa

Members: Audit and Supervisory Committee Member & Outside Director Koichiro Iida, and Audit and Supervisory Committee Member & Outside Director Mizuho Abe

(3) Management Council

The Company seeks to ensure management transparency by holding meetings of the Management Council once a week in principle, where important decisions other than matters for resolution by the Board of Directors and reporting matters from business divisions are introduced and discussed.

Chairperson: President and Representative Director, Senior Executive Officer and CEO Takashi Miyamoto

Members: Director, Senior Executive Officer and CFO Yoshiaki Harai, Director, Senior Executive Officer and CPO Yu Sakamoto, Senior Executive Officer and CIO Kenta Sugai, Senior Executive Officer and CDO Yoichi Ikeda, Senior Executive Officer and CLO Satoshi Yamazaki, Senior Executive Officer CSO Kazunobu Takita, Executive Officer Rintaro Mori, Executive Officer Ryoji Tsunoda, Full-time Audit and Supervisory Committee member & Outside Director Akira Tozawa, and employees that officers etc. consider necessary to facilitate meetings

(4) Accounting Auditor

The Company has entered into an audit agreement with Deloitte Touche Tohmatsu LLC.

The firm conducts accounting audits in accordance with the Companies Act and the Financial Instruments and Exchange Act.

3. Reasons for Adoption of Current Corporate Governance System

Since the industry in which the Company belongs to is still in its growth stage and the competition with other companies is fierce, it is necessary to expeditiously execute business strategy. Accordingly, the Company has adopted this governance system in the interest of ensuring management transparency and soundness to earn public trust.

III. Implementation of Measures for Shareholders and Other Stakeholders

1. Measures to Vitalize the General Shareholder Meetings and Facilitate Exercise of Voting Rights

	Supplementary Explanation
Early Posting of Notice of the General Shareholders Meeting	The Company pursues to disclose the notice of convocation promptly. In addition, for shareholders to ensure sufficient time is secured for considering proposals at General Meeting of Shareholders, the Company discloses it before its issue (by disclosing to the Tokyo Stock Exchange and posting on the Company's website)
Scheduling of the General Shareholders Meeting During Non-Peak Days	The Company schedules the General Meeting of Shareholders on off-peak days when meetings of many other companies are not concentrated.
Electronic Exercise of Voting Rights	To allow a greater number of the shareholders to exercise their voting rights, a system for executing voting rights through the Internet by PCs or smartphones is available.
Participation in a Platform for the Electronic Exercise of Voting Rights and Other Initiatives to Enhance Environment for Institutional Investors to Exercise Voting Rights	The Company uses the Voting Platform for institutional and other investors in order for shareholders to ensure sufficient time is secured for considering proposals.
Provision of Notice (or Summary of Notice) of the General Shareholders Meeting in English	The Notice of Convocation (written in English) is available on the Company's website.
Other	"Virtual-only shareholders meeting" to be held only over the internet is held at the Annual General Meeting of Shareholders. The shareholders are able to watch live streamed video, exercise their voting rights, ask questions about agenda items, and submit a motion, etc. through the internet.

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’s website shows matters related to information disclosures including the basic policy, and the quiet period. etc. https://colopl.co.jp/en/company/governance/ https://colopl.co.jp/en/ir/	
Regular Investor Briefings held for Individual Investors	In spite of not holding briefings for individual investors, the Company pursues measures designated to prevent information gaps between institutional investors and individual investors, such as the same-day disclosure of financial results briefing materials for institutional	Not Held

	investors and analysts, which contain sufficient supplementary information that contributes to investment decisions, and the publication of integrated reports.	
Regular Investor Briefings held for Analysts and Institutional Investors	Financial results briefing sessions are held after the end of each quarter and after the end of the annual financial results.	Held
Regular Investor Briefings held for Overseas Investors	Periodic meetings with overseas investors are held by the director in charge, etc.	Not Held
Online Disclosure of IR Information	Financial results, timely disclosure materials, various presentation materials, annual securities reports, quarterly reports, and integrated reports are posted on the IR site of the Company's website. https://colopl.co.jp/ir/ For overseas investors, English translations of disclosure materials and corporate information are available on the English IR site of the Company's website. https:/colopl.co.jp/en/ir/	
Establishment of Department and/or Placement of a Manager in Charge of IR	The Corporate Administration Department is established to manage IR.	

3. Status of Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanation
Implementation of Environmental Preservation Activities and CSR Activities, etc.	With the Group's mission, "'Entertainment in Real Life': Making everyday more enjoyable and wonderful through entertainment," the Company get to make every day more enjoyable and wonderful, solving social challenges through business activities. The Company aims to increase our corporate value over the med to long-term by identifying materiality (important challenge to address) to be addressed from the perspectives of both "expectations from society and stakeholders" and "three elements (human resources, technology, and business environment) necessary for the development of COLOPL" and promoting them throughout the Company's group in order to realize a sustainable society, and the Company will contribute to the realization of a sustainable society. Please refer to the following for specific initiatives. https://colopl.co.jp/en/sustainability/
Formulation of Policies, etc. on Provision of Information to Stakeholders	The Company recognizes the importance of providing timely and appropriate corporate information to its stakeholders, including customers, shareholders,

	and employees. Therefore, the Company will provide such information through its corporate website and company information sessions scheduled from time to time.

IV. Matters Concerning the Internal Control System

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

To ensure transparency and fairness in its business management, the Company has established a basic policy and regulations related to internal controls and created a system for internal controls. With these initiatives, the Company seeks to make sure that its operations are fully fair and transparent. In addition, the Company implements internal audits performed by the Internal Audit Office to confirm that the system for internal controls is functioning effectively. Under the Companies Act and the Ordinance for Enforcement of the Companies Act, the Company has developed its basic policy on the establishment of an internal control system, which is described below, to ensure the appropriateness of its operations.

i) System to ensure that execution of duties by Directors and Senior Executive Officers (hereinafter collectively referred to as "Officers" in this basic policy), and employees conform to laws, regulations, and the Articles of Incorporation

(1) At the Company, the Officers and employees will perform their duties in consideration of compliance with laws and regulations, the Articles of Incorporation, and internal regulations, etc.

(2) The Company will systematically deal with anti-social forces that threaten the order and safety of civil society, adopting a resolute attitude in cooperation with attorneys and the police, etc.

(3) The Board of Directors will make decisions on business execution and supervise the Officers' performance of their duties to ensure legality under laws and regulations and adequacy based on management decisions.

(4) The Audit and Supervisory Committee will exercise authority under laws and regulations and audit the Directors' performance of duties.

(5) The Company will provide a point of contact for consultation on corporate ethics and whistle-blowing and build a system to early detect and correct violations of laws and regulations, the Articles of Incorporation, and internal regulations, etc. and acts that are at risk of violating them (hereinafter "public whistle-blowing system").

(6) Violations of laws and regulations by Officers and employees will be subject to punishment imposed by the disciplinary panel, under the rules of employment, etc.

(7) The Company will establish administrative authority to make clear responsibilities and authority and establish a system for business execution in each department.

(8) The Company will establish necessary authorization systems and prepare internal regulations and manuals, etc., make them known internally, and use them.

(9) The Company will designate the personal information management officer and build a personal information protection system centered around the officer. The Company will establish a secretariate under the direction of the officer to protect personal information properly and continue to improve the protection.

ii) Matters regarding the retention and management of information relating to the execution of duties by Officers

(1) The Company will establish document management regulations and properly save and manage important documents

(including electromagnetic recordings) related to the performance of duties of the Officers, including the minutes of important meetings, under the regulations, etc.
(2) The Company will establish information management regulations to protect and manage information assets.

iii) Regulations concerning management of the risk of loss and other relevant systems
(1) The Officers will identify a range of risks related to the entire Group's business. They will recognize the importance of integrated risk management and strive to identify, evaluate and manage them.
(2) The Company will formulate business continuity plans in anticipation of unforeseeable events, such as disasters, accidents, and system failures.

iv) System for ensuring Officers' efficient performance of their duties
(1) The meetings of the Board of Directors will be held monthly and facilitated under the Articles of Incorporation and the Regulations for the Board of Directors. Extraordinary meetings will be held as needed.
(2) The Officers will closely exchange opinions and share information to perform their duties efficiently and promptly and with agility.
(3) The Company will establish organizational regulations, regulations for the division of duties, and internal approval regulations for the Officers to perform their duties efficiently.

v) System to ensure appropriateness of operations in the group consisting of the Company and Its subsidiaries
(1) The Company will work to build a compliance system in the entire Company's group under its management philosophy.
(2) The Company will manage the subsidiaries as needed according to the situation of each subsidiary under the Regulations for the Management of Subsidiaries and Associates. The Company will require each subsidiary to regularly report their operating results and financial position and other important information.
(3) The Company will regularly review each subsidiary's organizational design and business execution system, taking into account their business, scale and position in the Company's group and will supervise them for them to build a system to execute operations efficiently.
(4) The Company will audit the business of each subsidiary as needed.

vi) Matters related to employees who are requested by the Audit and Supervisory Committee to help the committee perform its duties
(1) The Audit and Supervisory Committee may request the Board of Directors to assign employees who will follow the orders and instructions of the committee (hereinafter "Assistants to the Audit and Supervisory Committee").
(2) Changes in the Assistants to the Audit and Supervisory Committee, the evaluation of them, and disciplinary actions against them require prior consent of the Audit and Supervisory Committee.
(3) The Company will build a system where the Assistants to the Audit and Supervisory Committee will follow the orders and instructions if they receive orders or instructions from the committee about their work.

vii) System for the Officers and employees of the Company and its subsidiaries to report to the Audit and Supervisory Committee

(1) The Officers and employees of the Company and its subsidiaries will report without delay to the Audit and Supervisory Committee legal matters, matters that may have significant effects on the Company, matters resolved in important meetings, matters related to the public whistle-blowing system, and the status of internal audits, etc.
(2) The Officers and employees of the Company and its subsidiaries will report promptly the status of business execution, etc. to the Audit and Supervisory Committee at its request.
(3) The Company will prohibit any disadvantageous treatment of Officers and employees because of their reports to the Audit and Supervisory Committee under the preceding two paragraphs. The Company will make the prohibition known to the Officers and employees of the Company and its subsidiaries.

viii) Policy on procedures for the handling of expenses and liabilities generated from the Audit and Supervisory Committee members' performance of their duties and the advance payment and reimbursement of expenses
If Audit and Supervisory Committee members request the advance payment of expenses necessary for the performance of their duties, the Company will promptly handle expenses or liabilities.

ix) Other systems to ensure effective auditing by the Audit and Supervisory Committee
(1) The Audit and Supervisory Committee regularly exchange opinions with the Representative Director and interviews Officers and important employees as needed.
(2) Members of the Audit and Supervisory Committee attend meetings of the Board of Directors and management meetings and other important meetings as needed.
(3) The Audit and Supervisory Committee exchanges opinions with the auditing firm as needed.
(4) The Audit and Supervisory Committee can independently receive help from attorneys, certified public accountants, and other experts as needed.
(5) The Audit and Supervisory Committee regularly exchange opinions with the General Manager of the Internal Audit Office to strengthen their cooperation.

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

In order to prevent our stakeholders from being harmed by anti-social forces, the Company shall take a resolute stance against such forces and sever all relationships with them. In addition, the Company shall cooperate closely with external specialized organizations such as relevant administrative agencies and attorneys in order to obtain appropriate advice and cooperation in the event of undue demands from antisocial forces.

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

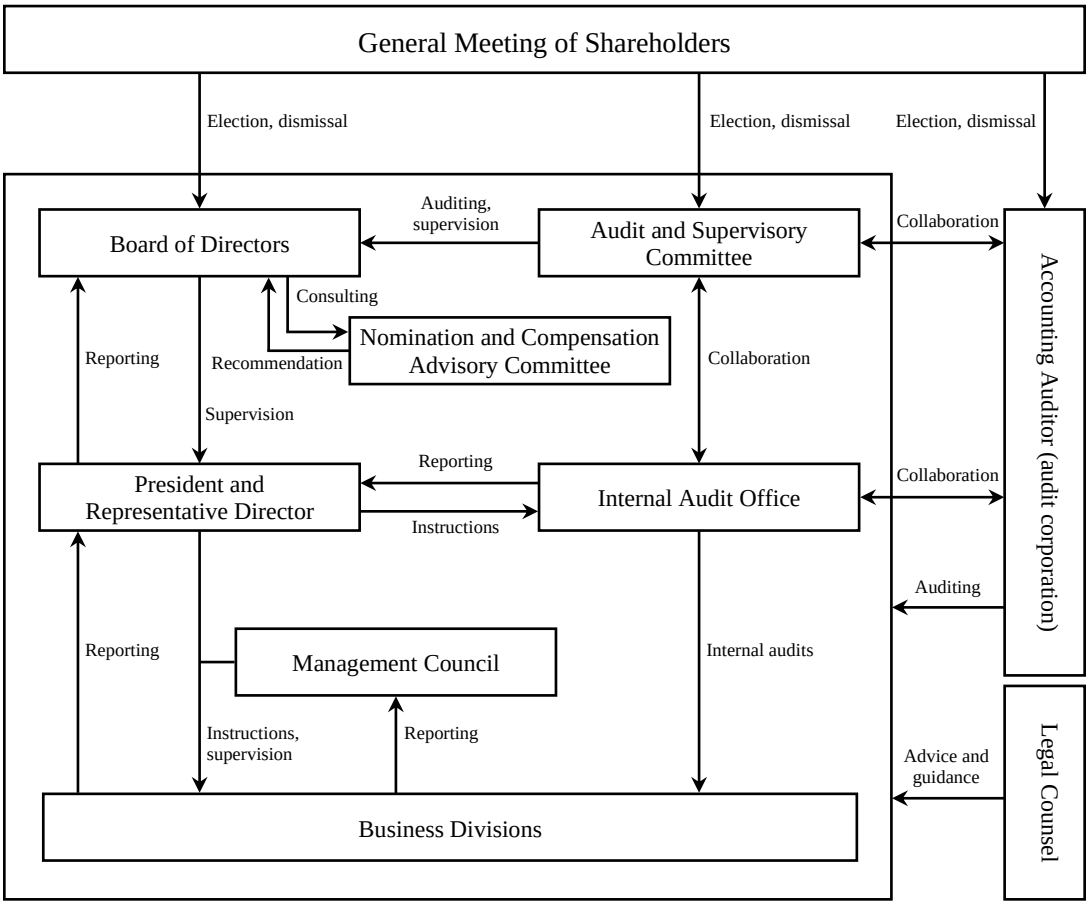
- Timely Disclosure System

With the goal of "ensuring that corporate securities are fairly valued," the Company is committed to disclosing information to the public in a timely and appropriate manner in compliance with laws, regulations, and internal rules, and has established an internal system to achieve this goal. The Company's system for timely disclosure is as follows.

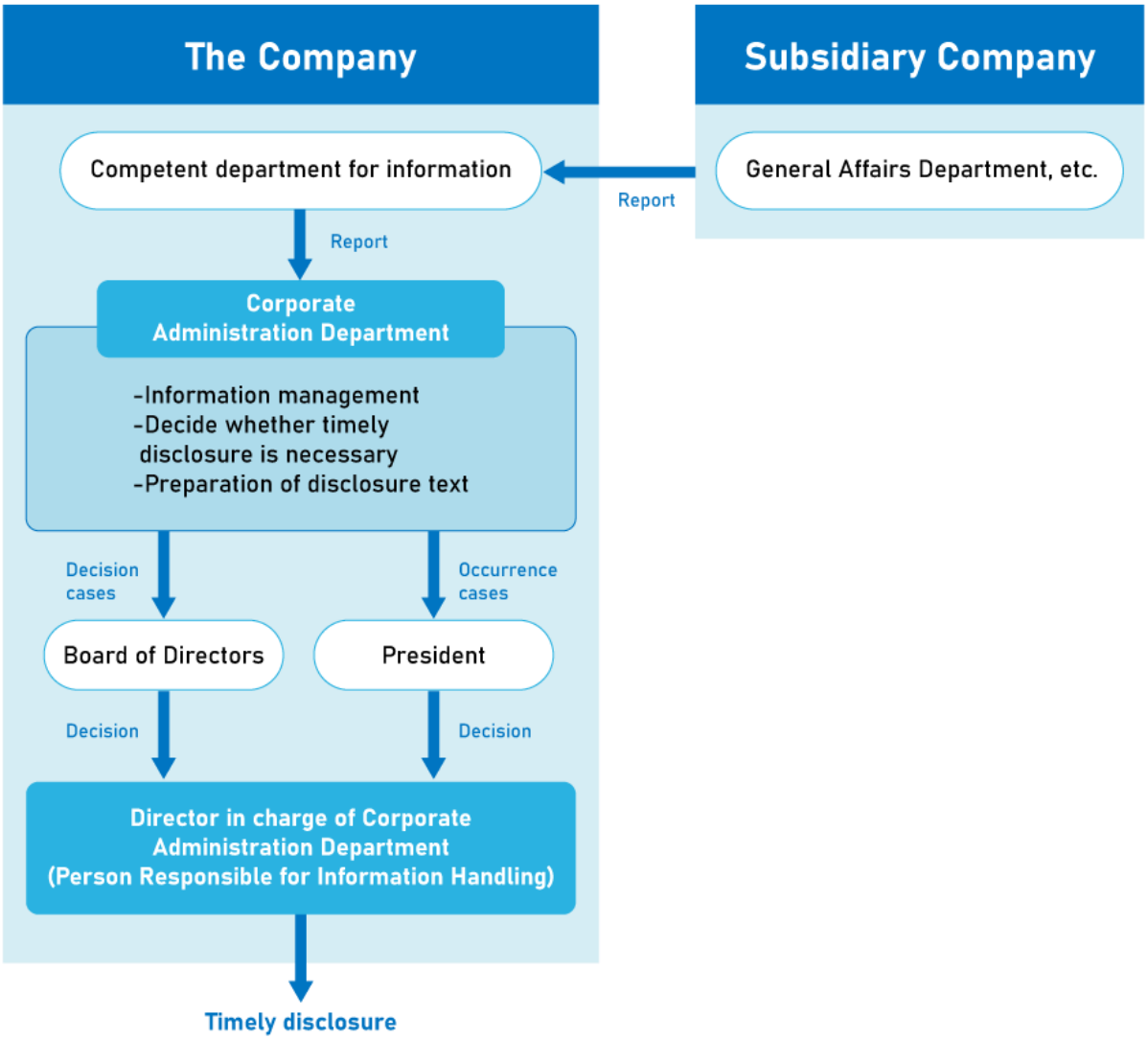
When the possibility of timely disclosure arises, the relevant information is reported to the Corporate Administration Department by the relevant department, and the Corporate Administration Department determines the necessity of timely disclosure, the timing of disclosure, and the content of disclosure in accordance with the Timely Disclosure Rules, while consulting with accounting auditors and legal advisors as appropriate. Of the material facts deemed necessary for disclosure, the Board of Directors deliberates and decides on decisions, and the director in charge of the Corporate Administration Department promptly discloses such information in a timely manner after receiving confirmation from the President and Representative Director.

Regarding financial information such as financial results, dividends, and earnings forecasts, the Corporate Administration Department plays a significant role in collecting related information (including that related to subsidiaries). When the possibility of timely disclosure arises, the divisions within the Corporate Administration Department work together to determine the necessity of timely disclosure and prepare disclosure documents. After deliberation and decision by the Board of Directors, the director in charge of the Corporate Administration Department becomes the person in charge of handling information and discloses the relevant information in a timely manner.

In managing information for timely disclosure, the Corporate Administration Department oversees information control of the relevant information and is striving to prevent insider trading by minimizing the number of persons who met such information. We strive to ensure that all employees throughout the Company are thoroughly aware of the importance of handling material information through daily compliance education.


General Meeting of Shareholders
Election, dismissal
Election, dismissal
Election, dismissal
Board of Directors
Auditing, supervision
Audit and Supervisory Committee
Collaboration
Accounting Auditor (audit corporation)
Consulting
Nomination and Compensation Advisory Committee
Reporting
Recommendation
Collaboration
Supervision
President and Representative Director
Reporting
Instructions
Internal Audit Office
Collaboration
Auditing
Reporting
Management Council
Internal audits
Instructions, supervision
Reporting
Advice and guidance
Legal Counsel
Business Divisions

Timely Disclosure System for Decisions and Occurrences



Timely Disclosure System for Financial Results

