March 28, 2025
SpiderPlus & Co.
Kenji Ito, Representative Director
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Securities Code: 4192

Translation

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

The corporate governance of SpiderPlus & Co. (the "Company") is as described below.

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

1. Basic Views

The Company's basic approach to corporate governance is to perpetually operate a corporate structure that is capable of promptly making decisions in response to any changes in the economic environment in order to consistently improve its corporate value.

Specifically, we believe it is important that the Representative Director and other Directors and officers, who are entrusted with the Company's management, maintain self-discipline and make managerial decisions appropriate to their duties to pursue profits through the Company's business; proactively disclose information to fulfill their accountability; and build an effective internal control system. We also believe it is important for Audit & Supervisory Board Members to maintain their independence to sufficiently perform their audit function.

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

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

2. Capital Structure

Foreign shareholding ratio	10% or more and less than 20%

Status of Major Shareholders Updated

Name or company name	Number of shares owned (shares)	Percentage (%)
Kenji Ito	18,781,800	53.19%
THE BANK OF NEW YORK 133652 (Standing proxy: Settlement & Clearing Services Department, Mizuho Bank, Ltd.)	2,045,333	5.79%
CHIYOMARU STUDIO, Inc.	809,900	2.29%
THE BANK OF NEW YORK MELLON 140051 (Standing proxy: Settlement & Clearing Services Department, Mizuho Bank, Ltd.)	655,267	1.85%
Hiroo Masuda	566,600	1.60%
Junya Yoshida	450,000	1.27%
Takamasa Noda	351,624	0.99%
SBI Securities Co., Ltd.	349,353	0.98%
Masato Suzuki	346,600	0.98%
STATE STREET BANK AND TRUST COMPANY 505001 (Standing proxy: Settlement & Clearing Services Department, Mizuho Bank, Ltd.)	257,700	0.72%

Controlling shareholder (except for parent company)	Kenji Ito

Name of parent company	None

Supplementary Explanation Updated

The information above is as of the voting record date of December 31, 2024. The percentage of shares owned by each of the major shareholders has been calculated after deducting 160 treasury shares.

3. Corporate Attributes

Listed stock exchange and market segment	Tokyo Stock Exchange Growth Market
Fiscal year-end	December 31
Business sector	Information & Communication
Number of employees (consolidated) as of the end of the previous fiscal year	100 or more and fewer than 500
Net sales (consolidated) as of the end of the previous fiscal year	Less than ¥10 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 Updated

The Company's and the Group's basic policy is to conduct transactions with controlling shareholders under the same appropriate terms and conditions as those of ordinary transactions. The adequacy of the details and terms and conditions of important transactions and acts shall be reported to the Board of Directors after deliberated and examined by the Special Committee, the majority of which are Independent Outside Directors or Audit & Supervisory Board Members. In this way, we shall comply with laws and regulations and other rules and take appropriate measures to ensure that such transactions and acts will not be disadvantageous to the Company and its minority shareholders.

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

Structure of organization	Company with an Audit & Supervisory Board

Directors Updated

Maximum number of directors stipulated in the Articles of Incorporation	8
Directors' term of office stipulated in the Articles of Incorporation	1 year
Chairperson of the Board	Representative Director
Number of directors	6
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
Junya Yoshida	From another company											
Daichi Hiroki	From another company											
Ryutaro Mori	From another company								○			

*1: Categories for "Relationship with the Company"

a. Person who executes business of the Company or its subsidiary
b. Person who executes business or a non-executive director of a parent company of the Company
c. Person who executes business of a fellow subsidiary of the Company
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 a large amount of monetary consideration or other property from the Company in addition to officers' compensation
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) (the person only)
i. Person who executes business for another company holding cross-directorships/cross-auditorships with the Company (the person only)
j. Person who executes business for an entity receiving contributions from the Company (the person only)
k. Other

Outside Directors' Relationship with the Company (2) Updated

Name	Designation as independent director	Supplementary explanation of the applicable relationship	Reasons for appointment
Junya Yoshida	○	—	Mr. Junya Yoshida maintains an independent and neutral position and has no special interest with the Company. He also possesses a wealth of knowledge and experience cultivated as a venture capitalist. The Company therefore believes that he is capable of performing his duties as Director (Outside Director) appropriately. After reviewing the attributes of independent officers, among other things, the Company judged that he does not fall under any of the categories that might constitute a conflict of interest with general shareholders. Based on the judgment, he has been designated as independent officer.
Daichi Hiroki	○	—	Mr. Daichi Hiroki maintains an independent and neutral position and has no special interest with the Company. He also possesses extensive experience in IT-related companies, where he has been responsible for various departments and engaged in

			technological strategies and organization building. The Company therefore believes that he is capable of performing his duties as Director (Outside Director) appropriately. After reviewing the attributes of independent officers, among other things, the Company judged that he does not fall under any of the categories that might constitute a conflict of interest with general shareholders. Based on the judgment, he has been designated as independent officer.
Ryutaro Mori	○	Mr. Ryutaro Mori served as an advisor to the Company through Anon Inc., a company he runs, from July 2023; however, the Company terminated the advisory agreement with him as of the end of February 2024. The amount of compensation he received in the past as an advisor was small at 300,000 yen per month, and the Company therefore judged that it was not in conflict with the criteria for independence of independent officer.	Mr. Ryutaro Mori maintains an independent and neutral position and has no special interest with the Company. He also possesses extensive knowledge and experience in innovation management. The Company therefore believes that he is capable of performing his duties as Director (Outside Director) appropriately. After reviewing the attributes of independent officers, among other things, the Company judged that he does not fall under any of the categories that might constitute a conflict of interest with general shareholders. Based on the judgment, he has been designated as independent officer.

Voluntarily Established Committees

Voluntary establishment of committee(s) equivalent to nomination committee or compensation committee	Established

Status of Establishment of Voluntarily Established Committees, Committee Composition and Attribute of the Chairperson

	Committee's name	All members (persons)	Full-time members (persons)	Inside directors (persons)	Outside directors (persons)	Outside experts (persons)	Other (persons)	Chair-person
Voluntarily established committee equivalent to nomination committee	Nomination and Compensation Advisory Committee	4	0	1	3	0	0	Indepen-dent Outside Director
Voluntarily established committee equivalent to compensation committee	Nomination and Compensation Advisory Committee	4	0	1	3	0	0	Indepen-dent Outside Director

Supplementary explanation Updated

The Nomination and Compensation Advisory Committee is chaired by an Independent Outside Director, and the majority of its members are Independent Outside Directors. The purpose of the establishment of this committee is to give greater independence and objectivity to the Board of Directors' functions related to the nomination and compensation of Directors as well as to strengthen its relevant accountability, thereby enhancing the Company's corporate governance. As the majority of members of the Company's Nomination and Compensation Advisory Committee are Independent Outside Directors, the Company believes that the objectivity and independence of the committee's composition are ensured.

Audit & Supervisory Board Members

Establishment of Audit & Supervisory Board	Established
Maximum number of Audit & Supervisory Board Members stipulated in the Articles of Incorporation	3
Number of Audit & Supervisory Board Members	3

Cooperation among Audit & Supervisory Board Members, Accounting Auditor, and Internal Audit Department

The internal audit department, the Audit & Supervisory Board, and the Accounting Auditor work together among the three parties to ensure the greater effectiveness of three-way audits by periodically sharing information through such means as exchanging information based on their respective audits.

Specifically, Audit & Supervisory Board Members receive annual audit plans and reports on audit results from the internal audit department and, as necessary, accompany the internal audit department on its physical inspections. Moreover, the internal audit department and Audit & Supervisory Board Members hold meetings as needed to report on the results of internal audits and exchange opinions on risks, compliance, and other matters.

They, together with the Accounting Auditor, hold a meeting at the beginning of the fiscal year to confer on the schedule of three-way audits and the details of their audit plans. Subsequently, they share their audit results and exchange opinions according to the plans.

Appointment of outside Audit & Supervisory Board Members	Appointed

Number of outside Audit & Supervisory Board Members	3
Number of independent Audit & Supervisory Board Members	3

Outside Audit & Supervisory Board Members' Relationship with the Company (1)

Name	Attributes	Relationship with the Company*1											
		a	b	c	d	e	f	g	h	i	j	k	l	m
Hiroyuki Koga	From another company													
Yoshitaka Sasaki	From another company													
Isaka Takeda	Lawyer													

*1: Categories for "Relationship with the Company"

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

Outside Audit & Supervisory Board Members' Relationship with the Company (2)

Name	Designated as independent Audit & Supervisory Board Members	Supplementary explanation of the applicable relationship	Reasons for appointment
Hiroyuki Koga	○	—	Mr. Hiroyuki Koga maintains an independent and neutral position and has no special interest with the Company. He also possesses experience in serving as a director of a listed company and as CFO or other key executives of affiliated companies of a major general trading firm in Japan and overseas. The Company therefore believes that he is capable of performing his duties as Audit & Supervisory Board Member (Outside Audit & Supervisory Board Member) appropriately. After reviewing the attributes of independent officers, among other things, the Company judged that he does not fall under any of the categories that might constitute a conflict of interest with

			general shareholders. Based on the judgment, he has been designated as independent officer.
Yoshitaka Sasaki	○	—	Mr. Yoshitaka Sasaki maintains an independent and neutral position and has no special interest with the Company. He also possesses extensive experience and knowledge gained from serving as a director of a listed company and an outside Audit & Supervisory Board member at many companies. The Company therefore believes that he is capable of performing his duties as Audit & Supervisory Board Member (Outside Audit & Supervisory Board Member) appropriately. After reviewing the attributes of independent officers, among other things, the Company judged that he does not fall under any of the categories that might constitute a conflict of interest with general shareholders. Based on the judgment, he has been designated as independent officer.
Isaka Takeda	○	—	Ms. Isaka Takeda maintains an independent and neutral position and has no special interest with the Company. She also possesses extensive experience and expertise as a qualified attorney-at-law. The Company therefore believes that she is capable of performing her duties as Audit & Supervisory Board Member (Outside Audit & Supervisory Board Member) appropriately. After reviewing the attributes of independent officers, among other things, the Company judged that she does not fall under any of the categories that might constitute a conflict of interest with general shareholders. Based on the judgment, he has been designated as independent officer.

Independent directors and Independent Audit & Supervisory Board members

Number of independent directors and Audit & Supervisory Board Members	6

Other Matters Concerning Independent directors and Independent Audit & Supervisory Board members

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Incentives

Implementation status of measures related to incentives granted to directors	Introduction of a stock option plan

Supplementary Explanation for Applicable Items

The Company has adopted a stock option plan to raise the motivation of the recipients to improve the Company's business performance and corporate value. The Company has also established a trust for share acquisition rights issued at market value with Mr. Ryuhei Ando, advisory Labor and Social Security Attorney, as trustee, and issued share acquisition rights to him. The objective of this trust is to allot share acquisition rights to the Company's officers and employees who meet the beneficiary eligibility requirements. Unlike traditional stock options, this scheme allows the Company to allot share acquisition rights for the personnel evaluation of existing officers and employees to be performed in the future as well as to officers and employees to be hired in the future.

Recipients of stock options	Inside Directors, Outside Directors, Audit & Supervisory Board Members, executive officers, employees, and outside collaborators

Supplementary Explanation for Applicable Items

The Company determines the recipients of the stock options to raise their awareness of participating in the Company's management and performance improvement and motivate them to contribute to enhancing its corporate value.

Compensation for Directors

Disclosure of individual directors' compensation	No disclosure for any Directors

Supplementary Explanation for Applicable Items

The information on individual directors' compensation is not disclosed as there is no director whose total compensation amounts to ¥100 million or more.

Policy on determining compensation amounts and calculation methods thereof	Established

Disclosure of Policy on Determining Compensation Amounts and Calculation Methods Thereof

Updated

The policy for determining the amounts and calculation methods of individual officers' compensation is as outlined below.

1. Outline of method and details of decision making policy

   The policy for determining the content of compensation, etc. for individual Directors is set forth by a resolution of the Company's Board of Directors based on reports made by the Nomination and Compensation Advisory Committee. The policy is determined within the maximum amount of compensation resolved at the General Meeting of Shareholders by comprehensively considering a range of factors, including responsibilities, years in office, other companies' compensation levels, the Company's business performance, and the degree of contribution to the Company's business performance. The Nomination and Compensation Advisory Committee has been established as a voluntary advisory body to the Board of Directors. The committee is chaired by an Independent Outside Director and its members are composed of one Director and thee Independent Outside Directors.

2. Reasons why the Board of Directors has determined that individual Directors' compensation for the fiscal year under review is in line with the above policy

   In determining the content of compensation, etc. for individual Directors, the Board of Directors has made decisions based on reports made by the Nomination and Compensation Advisory Committee. This objectively ensures consistency with the decision-making policy, and the Board of Directors believes that the content of such compensation is in line with the decision-making policy.

3. Matters concerning resolutions of the General Meeting of Shareholders on compensation, etc. of Directors and Audit & Supervisory Board Members

   The 20th Ordinary General Meeting of Shareholders held on March 29, 2019 resolved that the annual compensation for Directors shall not exceed 200 million yen (including 30 million yen for Outside Directors) and that for Audit & Supervisory Board Members shall not exceed 40 million yen.

4. Matters concerning the determination of the details of compensation, etc. of individual Audit & Supervisory Board Members

   The amount of compensation for each individual Audit & Supervisory Board Member shall be determined by consultation of the Audit & Supervisory Board Members at the Audit & Supervisory Board within the scope of the total amount of compensation approved at the General Meeting of Shareholders.

Support System for Outside Directors and/or Outside Audit & Supervisory Board Members

The Management Control Group is responsible for providing support for outside officers. The group distributes the agenda of a Board of Directors' meeting to outside officers in advance to ensure that they have enough time to thoroughly review the content, and gives a preliminary explanation about the agenda. Specifically, the group prepares an annual schedule of meetings and notifies outside officers of the meeting schedule agreed by all relevant officers beforehand. In addition, the group sends attendees in advance a convocation notice of a Board of Directors' meeting with a list of matters to be reported at the meeting as well as agenda information and briefing papers containing information necessary to review such matters, and puts in place a system for receiving inquiries from the attendees. The group also holds a preliminary information session for outside directors in advance of a Board of Directors' meeting.

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

a. Board of Directors

The Company's Board of Directors is composed of six Directors (including three Outside Directors). In addition to monthly ordinary meetings, the Board of Directors holds an extraordinary meeting, if necessary.

On top of the matters stipulated by laws and regulations or the Articles of Incorporation, the Board of Directors serves as a management decision-making body to deliberate and decide on important matters on management policies in the presence of Audit & Supervisory Board Members, and supervises the business execution of each Director.

For the details of insights and experience owned by each Director, refer to a skills matrix prepared and attached as a reference to the end of this report.

b. Audit & Supervisory Board Members and Audit & Supervisory Board

The Company's Audit & Supervisory Board is composed of a total of three Audit & Supervisory Board Members, including one full-time Audit & Supervisory Board Member and two part-time Audit & Supervisory Board Members, of which three are Outside Audit & Supervisory Board Members. In addition to monthly ordinary meetings, the Audit & Supervisory Board holds an extraordinary meeting, if necessary. Each Audit & Supervisory Board Member reviews a wide range of issues concerning the Company's overall management by attending meetings of the Board of Directors and inspecting important documents.

For the details of insights and experience owned by each Audit & Supervisory Board Member, refer to a skills matrix prepared and attached as a reference to the end of this report.

c. Internal audits

The Company has established the Internal Audit Office as a department dedicated to internal audits. With the manager of the Internal Audit Office designated as the internal audit manager, the Internal Audit Office conducts the Company's internal audits. The office prepares an internal audit plan in accordance with the Internal Audit Rules established by the Company and obtains approval for the plan from the Representative Director to conduct internal audits that cover all departments. Subsequently, the office reports the audit results to the Representative Director, Directors and Audit & Supervisory Board Members, provides the audited departments with guidance for improvement, and checks on the progress of improvements made by such departments. In this way, the Company is striving to improve the effectiveness of its internal audits.

d. Executive Officers Meeting

The Company has established the Executive Officers Meeting. Functioning as an advisory body to the Representative Director, the Executive Officers Meeting discusses the business execution policy, shares the status of business execution, shares matters to be resolved at a meeting of the Board of Directors in advance of the meeting, formulates company-wide policies, shares other business challenges, and considers the solutions of such challenges. As such, the Executive Officers Meeting is operated to ensure smooth business operations across the Company.

e. Risk Compliance Committee

The Company has established the Risk Management Rules and the Risk Compliance Committee as a cross-functional risk management system to manage various risks associated with its business operations, such as market, information security, environment, labor, and product quality and safety. The Company positions the Risk Compliance Committee as a place for employees and officers, especially full-time Directors and officers with a rank of executive officer or higher, to report on company-wide and comprehensive risk management associated with the Company's business operations and to consider countermeasures against the aforementioned risks. The head of each department shall serve as a risk management officer of the department to manage risks in daily business activities, communicate the content of relevant laws and regulations and developments of amendments and repeals of such legislation to members of the department, and, in case of unexpected circumstances, report to the Risk Compliance Committee.

f. Nomination and Compensation Advisory Committee

The Nomination and Compensation Advisory Committee is chaired by an Independent Outside Director, and the majority of its members are Independent Outside Directors. The purpose of the establishment of this committee is to give greater independence and objectivity to the Board of Directors' functions related to the nomination and compensation of Directors as well as to strengthen its relevant accountability, thereby enhancing the Company's corporate governance.

As the majority of members of the Company's Nomination and Compensation Advisory Committee are constituted by Independent Outside Directors, the Company believes that the objectivity and independence of the committee's composition are ensured.

Specifically, the Nomination and Compensation Advisory Committee deliberates the following matters in response to the consultation by the Board of Directors and reports back to the Board of Directors.

- Matters related to the appointment and dismissal of Directors
- Matters related to the appointment and removal of Representative Directors and Directors with special titles
- Matters related to the basic compensation policy, compensation system, etc. for Directors
- Matters related to individual Directors' compensation, etc.
- Other matters deemed necessary by the Board of Directors

The Board of Directors shall make decisions on the mattes mentioned above with full respect to the reports of the Nomination and Compensation Advisory Committee.

g. Special Committee

The Special Committee is chaired by an Independent Outside Director, and the majority of its members are Independent Outside Directors. Should the Company and a controlling shareholder conduct a transaction that conflicts with the interests of minority shareholders, such a transaction shall be deliberated and examined by the Special Committee and approved by the Board of Directors. When such a transaction is executed, important facts about the transaction shall be reported at the Board of Directors' meeting without delay.

The Board of Directors shall make decisions on the mattes mentioned above with full respect to the reports of the Special Committee.

3. Reasons for Adoption of Current Corporate Governance System

As described above, the Company has established the General Meeting of Shareholders, the Board of Directors, the Audit & Supervisory Board, and the Accounting Auditor, as well as assigned a role to conduct audits of daily operations to the Internal Audit Office. The Company has adopted the current corporate governance system based on the belief that mutual cooperation among these bodies will ensure the continuous improvement of its corporate value and the effective functioning of its governance system.

III. Implementation of Measures for Shareholders and Other Stakeholders

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

	Supplementary explanation
Early notification of general meeting of shareholders	The Company strives to send a convocation notice as early as possible so that shareholders can exercise their voting rights after thoroughly reviewing the details of the agenda.
Scheduling of general meeting of shareholders during non-peak days	Although the Company currently holds a general meeting of shareholders in March, it is considering scheduling future meetings to avoid peak days of other companies' meetings so that more shareholders will be able to attend our meetings.
Electronic exercise of voting rights	The Company allows shareholders to exercise their voting rights via the internet.
Participation in electronic voting platform and other efforts to enhance the voting environment for institutional investors	The Company has regarded this as an issue to be considered.

2. IR Activities Updated

	Supplementary explanation	Explanation by representative
Preparation and publication of disclosure policy	The Company is considering posting the disclosure policy on the IR page of its corporate website.	
Regular investor briefings held for individual investors	The Company holds a financial results briefing for individual investors on a regular basis.	Yes
Regular investor briefings held for analysts and institutional investors	The Company holds a briefing and one-on-one meeting for analysts and institutional investors on a regular basis.	Yes
Regular investor briefings held for overseas investors	The Company holds a briefing and one-on-one meeting for institutional investors on a regular basis.	Yes
Online disclosure of IR information	The Company discloses IR information on the IR page of its corporate website.	
Establishment of department and/or placement of manager in charge of IR	The Company has established a dedicated IR department.	

3. Measures to Ensure Due Respect for Stakeholders

	Supplementary explanation
Establishment of internal rules stipulating respect for the position of stakeholders	The Company's basic policy is not only to fulfill its responsibility as a listed company to timely and appropriately disclose its corporate information to all stakeholders including shareholders and investors but also to promote its voluntary disclosure activities in a timely and consistent manner by always taking the viewpoint of shareholders and investors. In addition, the Company has established a timely disclosure manual, in which it sets a basic policy to fulfill its corporate social responsibility through the timely and appropriate disclosure of its corporate information to shareholders and investors.
Implementation of environmental preservation activities, CSR activities, etc.	The Company has regarded this as an issue to be considered.
Formulation of polices on information provision to stakeholders	The Company intends to actively disclose its information to stakeholders by means of, among others, its corporate website and financial results briefings.

IV. Matters Concerning Internal Control System

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

The Company operates an internal control system based on the Basic Policy concerning the Internal Control System. The outline of this policy is as follows:

1. Systems to ensure that execution of duties by Directors and employees complies with laws and regulations and the Articles of Incorporation

(1) In accordance with the "ValueWay," the Company fosters a spirit of compliance with laws and regulations, Articles of Incorporation, rules, and social ethics among all officers and employees, and ensures that compliance with laws and regulations, Articles of Incorporation, rules, and social ethics is a prerequisite for corporate activities.

(2) To appropriately handle reports of violation of laws and regulations, etc., the Company establishes the Whistleblowing Rules and operates a whistleblowing system based on these rules for the purpose of early detection and correction of violations of laws and regulations, the Articles of Incorporation, and other internal rules, or actions that could potentially lead to such violations.

(3) The Company appoints Outside Directors to maintain and improve the supervisory function of the Board of Directors.

(4) The Audit & Supervisory Board audits, from an independent standpoint, the execution of duties by the Directors in accordance with the Rules on Audits by Audit & Supervisory Board Members, including the development and operation of the internal control systems.

(5) The internal auditors audit whether the Company's operations are properly conducted in accordance with laws and regulations, the Articles of Incorporation, and other rules.

(6) As a measure to ensure and raise awareness of compliance, the Company holds training sessions for Directors and employees on the basics of compliance and information management essential for business operations, and conduct ongoing education and dissemination activities.

2. System for the storage and management of information related to the execution of duties by Directors

(1) The Company prepares, stores, and preserves information related to the execution of duties by Directors in documents (including electromagnetic records) in accordance with laws and regulations, and internal rules including the Document Management Rules. In addition, the Company verifies the status of operation and reviews the rules as necessary.

(2) The Company establishes and maintains a document management system that enables Directors and Audit & Supervisory Board Members to immediately inspect the above documents, etc., when necessary for the performance of their duties.

3. Rules and other systems for managing the risk of loss

(1) The Company effectively and comprehensively implements risk management under a consistent policy based on the Risk Management Rules.

(2) The Company reports risk information, etc. at the Risk Compliance Committee by the responsible person of each department.

(3) In the event of an unforeseen event, the Company establishes a task force under the direction of the Representative Director, and together with outside professional organizations such as a legal advisory firm, etc., as necessary, the Company establishes a system to take prompt and appropriate action to minimize the spread of loss, damage, etc.

4. Systems to ensure the efficient execution of duties by Directors

(1) In compliance with the Rules of the Board of Directors, the Company holds a regular meeting of the Board of Directors consisting of Directors, including Outside Directors once a month and an extraordinary meeting of the Board of Directors as necessary.

(2) The Company ensures to prepare and submit sufficient materials in advance of the Board of Directors meeting for agendas requiring discussion in the Board of Directors meeting stipulated by the Rules of the Board of Directors.

(3) The Company clarifies the goals and responsibilities of each department based on management objectives and the medium-term management plan, and achieves the desired performance targets through the variance analysis between budget and actual results.

(4) To speed up a decision-making process, the Company establishes internal rules such as Rules on Organization, Rules on Division of Duties, and Rules on Administrative Authority to clarify roles, authority, and responsibilities.

(5) The Company establishes and operates a decision-making system whereby matters beyond the authority of the Director's duties are approved by a consensus of the Representative Director and the Director in charge, after reflecting the expert opinions of the divisions in charge.

5. System to ensure the appropriateness of operations of the corporate group consisting of the Company and its subsidiaries

(1) System concerning reports to the Company on matters pertaining to execution of duties by directors and employees of subsidiaries

(i) The Company establishes Rules on Management of Overseas Subsidiaries and operates its subsidiaries in accordance with the rules.

(ii) The Company holds a regular meeting between the Company's Directors and other personnel and directors and other personnel of subsidiaries to ensure that everyone is informed of the Company's management policies, and receives reports on business conditions and other matters from the subsidiaries to check whether all matters to be reported set forth in the preceding paragraph have been reported.

(2) Rules and other systems for managing the risk of loss of subsidiaries

(i) The Company requires subsidiaries to build their own risk management systems by establishing Rules on Management of Overseas Subsidiaries and receives reports from the subsidiaries on a regular basis.

(ii) In the event that a risk of loss arises at a subsidiary, the Company requires the subsidiary to make an immediate report to the Company in accordance with Rules on Management of Overseas Subsidiaries, and discusses and implements countermeasures against the risk with the subsidiary in order to prevent the loss from increasing.

(3) System to ensure the efficient execution of duties by directors of subsidiaries

(i) In principle, the Company dispatches directors or business managers to subsidiaries to give management guidance in order to ensure the efficient execution of duties by directors of the subsidiaries through such guidance.

(4) System to ensure that execution of duties by directors and employees of subsidiaries complies with laws and regulations and the Articles of Incorporation

(i) In principle, the Company dispatches directors or business managers to subsidiaries to check whether execution of duties by directors and employees of the subsidiaries complies with laws and regulations and the Articles of Incorporation through attendance at the Board of Directors' and other meetings of the subsidiaries.

(ii) In principle, the Company's Internal Audit Office takes responsibility for conducting internal

audits of subsidiaries to check whether execution of duties by directors and employees of the subsidiaries complies with laws and regulations and the Articles of Incorporation, as well as to verify the effectiveness of their internal control systems.

6. Matters concerning employees who are requested by Audit & Supervisory Board Members to assist them in their duties, matters concerning the independence of such employees from Directors, and matters concerning the effectiveness of instructions given to such employees

(1) When required by the Audit & Supervisory Board Members, the Company assigns employees to assist them in their duties, and the selection of such employees shall be discussed among the Audit & Supervisory Board Members.

(2) To ensure the independence of employees assisting the Audit & Supervisory Board Members from Directors, employees assisting the Audit & Supervisory Board Members shall not be subject to the direction or orders of Directors, and their appointment, transfer, evaluation, dismissal, etc. during such period shall be subject to the consent of the Audit & Supervisory Board Members.

(3) Employees who are assigned to assist the duties of the Audit & Supervisory Board Members shall follow the instructions and orders of the Audit & Supervisory Board Members when providing assistance at their request.

7. System for Directors and employees to report to Audit & Supervisory Board Members and other systems related to reporting to the Audit & Supervisory Board

(1) The Audit & Supervisory Board Members shall have the authority to attend meetings of the Board of Directors and any other internal meetings as necessary.

(2) Upon request of the Audit & Supervisory Board Members, Directors and employees shall report on the status of business and internal controls, and internal auditors shall report the results of internal audits.

(3) Directors and employees shall promptly report to the Audit & Supervisory Board Members any serious violation of laws and regulations or the Articles of Incorporation, any misconduct, or any fact that may cause significant damage to the Company, when they become aware of such fact.

8. Systems to ensure that a person who makes a report as described in the preceding item will not be subjected to any disadvantageous treatment because of such report

Directors and employees who report to the Audit & Supervisory Board Members shall be prohibited from being treated unfavorably because of such reporting, and shall be protected in accordance with the protection of whistleblowers as stipulated in the Whistleblowing Rules.

9. Matters concerning the policy for the treatment of expenses and obligations incurred in connection with the execution of duties by Audit & Supervisory Board Members

The Company establishes procedures for requesting expenses, etc. incurred in the performance of duties by Audit & Supervisory Board Members, and when Audit & Supervisory Board Members request advance payment or reimbursement, etc., the Company complies with such request in accordance with the prescribed procedures, unless such expenses are clearly deemed not necessary for the performance of the Audit & Supervisory Board Member's duties.

10. Other systems to ensure that audits by Audit & Supervisory Board Members are conducted effectively

(1) The Company invites experienced and knowledgeable persons familiar with corporate management and qualified persons such as lawyers, etc. as Outside Audit & Supervisory Board Members to maintain independence from the Representative Director, Directors, and others who execute the Company's business.

(2) The Audit & Supervisory Board Members hold regular meetings with the Representative Director to exchange opinions and information.

(3) The Audit & Supervisory Board Members maintain close cooperation with the internal auditors and may request the internal auditors to conduct investigations as necessary.

11. Establishment of a system to ensure the reliability of financial reporting

To ensure the reliability of financial reporting, the Company develops accounting rules and at

the same time establishes a basic policy for the development of internal control over financial reporting to manage the risk of fraud and errors in financial reporting, to develop, operate, and evaluate preventive and checking functions, and to establish a system to correct any deficiencies.

12. System to eliminate anti-social forces
The Company takes a resolute stance against anti-social forces that threaten social order and sound corporate activities, including cooperation with related organizations, and severs all relationships with anti-social forces. In addition, the Company shall continue to promote the development of a system to eliminate anti-social forces in cooperation with the police, relevant agencies, and specialized institutions such as lawyer firms.

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

In order to practice compliance, the Company has established the Code of Conduct, which stipulates that "We shall deal with anti-social forces posing a threat to public order or healthy corporate activities with a resolute stance, never involve ourselves in any illegal or anti-social conduct, and never provide any economic or other benefit to anti-social forces, regardless of the pretext."

As a system to eliminate anti-social forces, the Company has established the Rules for Dealing with Anti-social Forces, Anti-social Forces Check Manual, and Manual for Dealing with Anti-social Forces, and operates them, designating the General Affairs Department as the responsible department.

V. Other

1. Adoption of Anti-takeover Measures

Adoption of anti-takeover measures	Not adopted

Supplementary Explanation for Applicable Items

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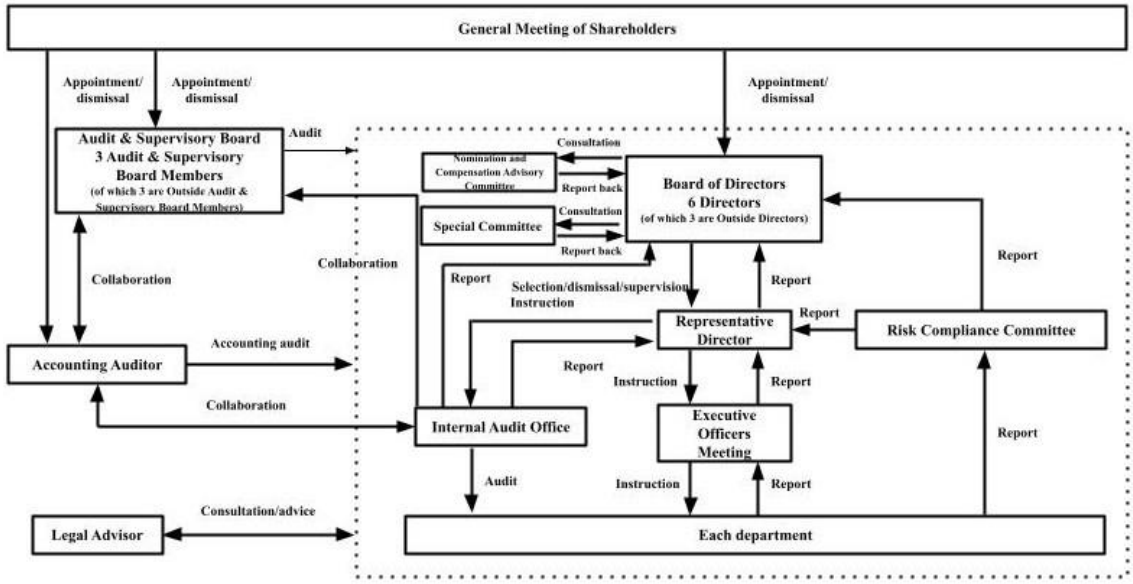
2. Other Matters Concerning the Corporate Governance System

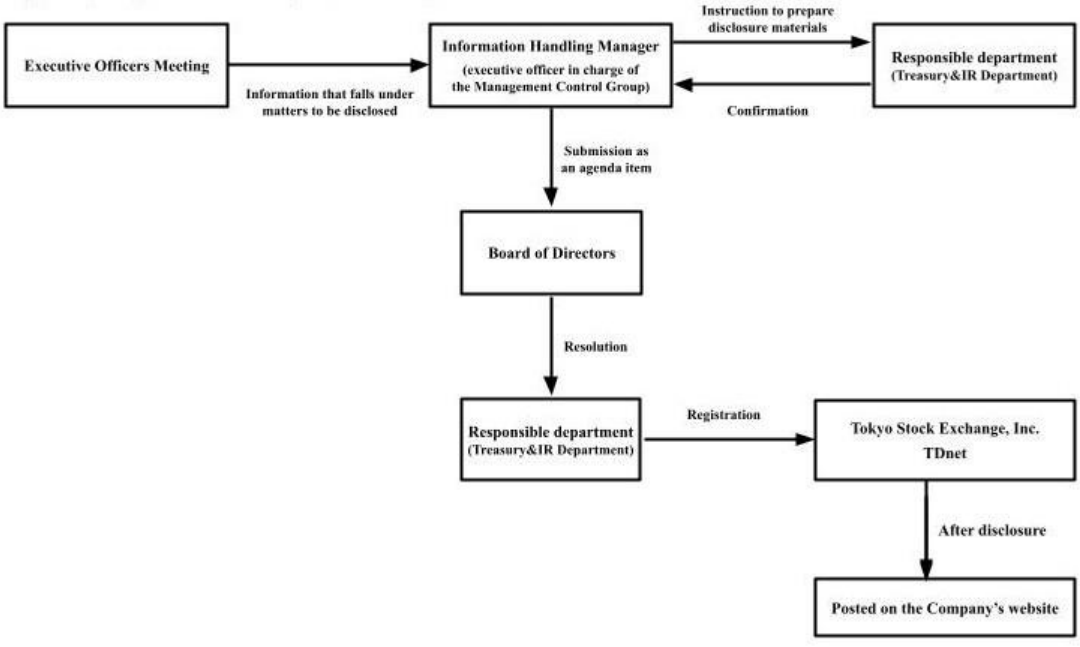
Schematic diagrams of the Company's corporate governance system and the flows of timely disclosure procedures and a skills matrix of the Board of Directors are attached for reference.

Schematic Diagram (Reference) Updated

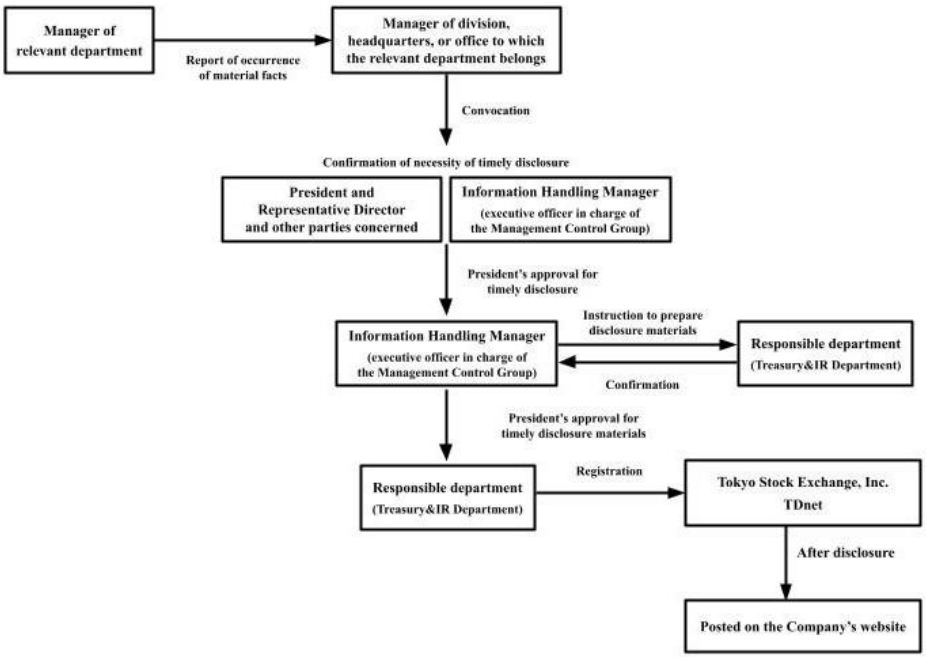
(Appendix 1) Corporate Governance System Diagram



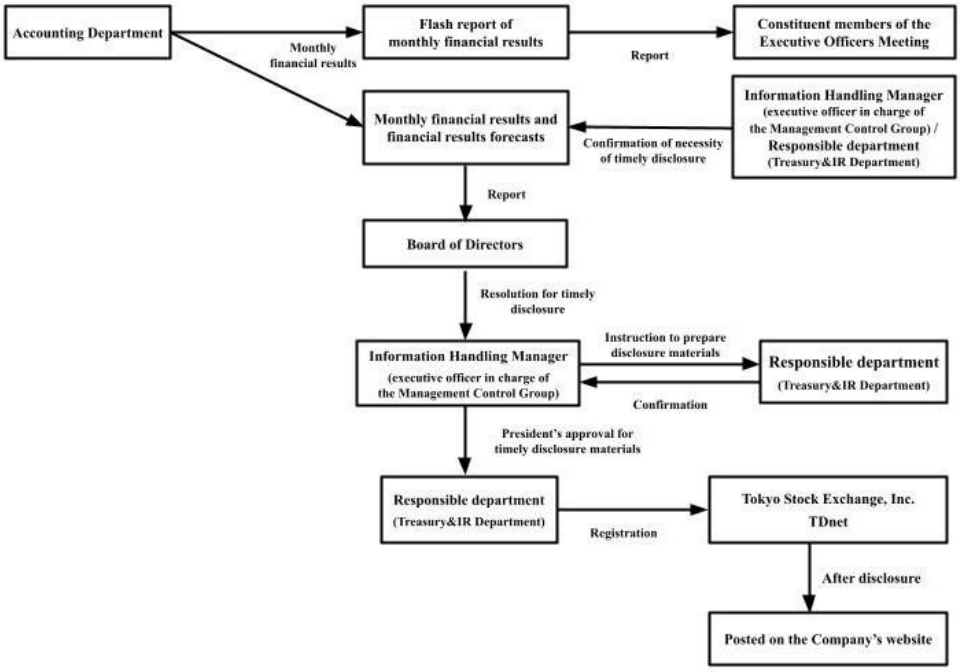
(Appendix 2) Timely Disclosure Flow Diagram (Facts Decided)



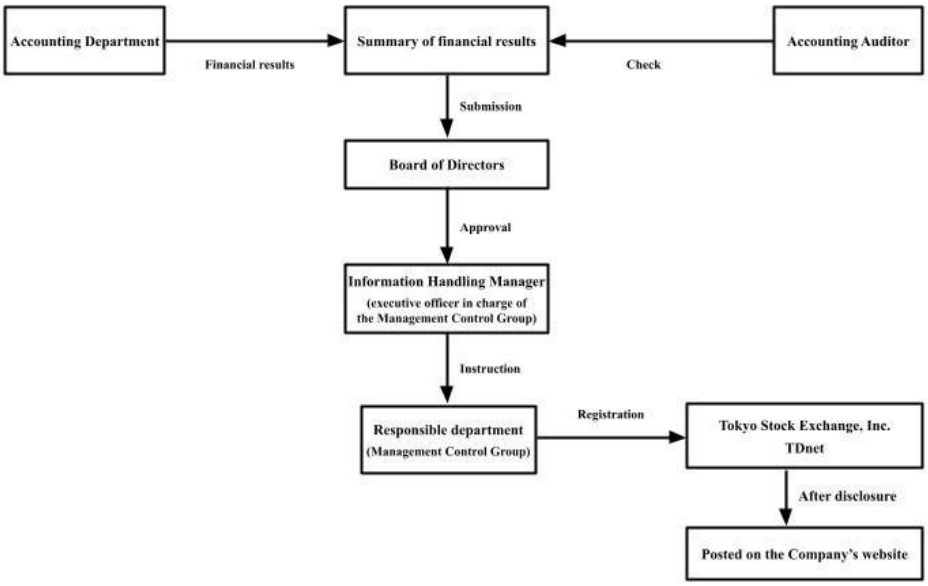
(Appendix 3) Timely Disclosure Flow Diagram (Facts Occurred)



(Appendix 4) Timely Disclosure Flow Diagram (Information Related to Monthly Financial Results)



(Appendix 5) Timely Disclosure Flow Diagram (Information Related to Quarterly/Annual Financial Results)



(Appendix 6)Skills Matrix of the Board of Directors (Reference)

Full-time / Outside	Name	Corporate management	Industry knowledge / Understanding of vertical SaaS	Innovation / Technology	Finance / Accounting	Legal affairs / Compliance / Risk management	Talent development	Sustainability/ ESG
Full-time Director	Kenji Ito	●	●	●				
	Masao Suzuki	●	●					●
	Yutaka Fujiwara		●		●	●	●	
Outside Director	Junya Yoshida		●	●	●			
	Daichi Hiroki		●	●			●	
	Ryutaro Mori			●		●		●
Full-time Audit & Supervisory Board Member	Hiroyuki Koga	●			●	●		●
Outside Audit & Supervisory Board Member	Isaka Takeda					●		●
	Yoshitaka Sasaki		●		●	●		