INTEGRATED REPORT 2025

BASE, Inc.

Mission

Payment to the People, Power to the People.

BASE provides a platform in which individuals can transmit their thoughts, sensitivities and talents to any and all that are in need of them.
Our hope is that our service gives way to new projects, ideas and activities, as well as fair compensation for our valued merchants.
Means of payment should be available to everyone in the world and beyond.
As a company, we aim to provide each and every individual with the opportunity to freely transform their potential into value.
Creating an economy for People through the Power of Payment.



Foundation

We are All Owners

We believe.

The day will come when the internet places individuals at the forefront of society.

We believe.

Economic activity starts with the individual, supporting each and every person in their pursuit of happiness.

What BASE makes are more than just tools.

They are a social infrastructure, empowering people to be proactive and live life to the fullest,

empowering people to be "owners of their lives".

Together we thrive.

We are All Owners.



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Editorial Policy

The Integrated Report 2025 presents financial and non-financial information to provide stakeholders with a comprehensive overview of the performance, management policies, business strategies, and sustainability efforts of BASE, Inc., PAY, Inc., and want.jp, Inc. By actively disclosing information, we aim to use this report as a key communication tool for engaging with stakeholders and to create new dialogue opportunities.

Scope: BASE, Inc., PAY, Inc., and want.jp, Inc.

Reporting period:
January 1, 2024, to December 31, 2024
However, some activities before and after the reporting period are also included.

Publication Date: May 2025

Cautionary Note on Forward-looking Statements

Forward-looking statements in this report are based on the company's judgment at the time of production. They may vary due to various uncertain factors, including economic trends, market conditions, and industry trends. Please be aware that actual results may differ from the forecasts described.

Contact Information: BASE, Inc. IR Contact
Inquiry Form: https://binc.jp/contacts

History

2012 Launched Online Shop Opening Service "BASE" Established BASE, Inc.

2015 Launched Online Payment Service "PAY.JP"

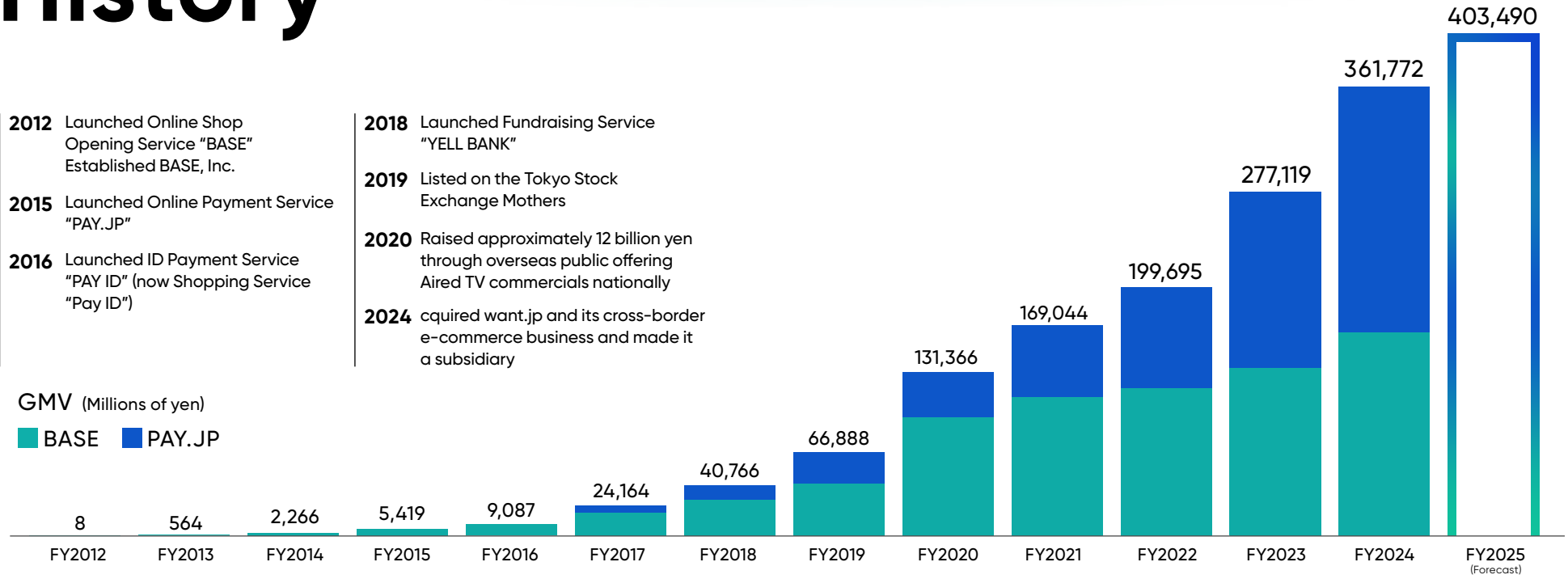
2016 Launched ID Payment Service "PAY ID" (now Shopping Service "Pay ID")

2018 Launched Fundraising Service "YELL BANK"

2019 Listed on the Tokyo Stock Exchange Mothers

2020 Raised approximately 12 billion yen through overseas public offering Aired TV commercials nationally

2024 cquired want.jp and its cross-border e-commerce business and made it a subsidiary



2012-2014
Founding and Business Launch

The Online Shop Opening Service BASE was launched in November 2012, enabling individuals and small teams to open online shops and implement payment solutions--endeavors previously only possible for large corporations. After making Pureca, Inc. a subsidiary in 2014, we launched the Online Payment Service "PAY.JP" the following year for startups, and since then have been working hard to help all teams introduce payment solutions through the internet.

2015-2019
Business Growth and Expansion of Business Domains

In the BASE business, we expanded our service foundation by enhancing payment methods for "BASE Easy Payment," offering the "BASE Apps" extension features, and launching physical shop spaces "SHIBUYA BASE" and "BASE Design Market." We also intensified our marketing investments. In 2016, we released the ID Payment Service "PAY ID" (now Shopping Service "Pay ID"), and in 2018, we introduced the Fundraising Service "YELL BANK," with the aim of increasing the added value for merchants using "BASE."

2020-2022
Rapid Growth Triggered by COVID-19

COVID-19 generated a surge in stay-at-home consumption and "support consumption," which resulted in a significant increase in the number of shops using BASE and substantial GMV (Gross Merchandise Value) growth. To meet the high demand for new shop openings, we secured large-scale funding in September 2020, boosting marketing and organizational expansion investments. In April 2022, we introduced the Monthly-fee Plan. The PAY.JP business also grew robustly, supported by startups, which expanded the merchant base empowered by the Group.

2023-
Pursuit of Growth and Profitability

As COVID-19 subsided, the BASE business experienced a decline associated with Japan's reopening, but it returned to a growth trajectory in 2023. As "PAY.JP," "Pay ID," and "YELL BANK" continue to grow steadily, we are pursuing both growth and profitability by creating synergies among existing products and conducting M&A for inorganic expansion. In the fiscal year ending December 2024, we achieved operating profitability one quarter ahead of the initial projection.

Value Creation

BASE Payment to the People, Power to the People.

Input

Social and Relationship Capital

Trust in the BASE Group and its products

- ○Recognition as products that empower individuals and SMBs
- ○Building sustainable win-win relationships with local communities and corporate partners

Human Capital

Environment where diverse talent can thrive

- ○Promotion of DE&I
- ○Employee training programs
- ○Competitive compensation packages

Financial Capital

Capital-efficient financial strategy

- ○A value-enhancement investment strategy encompassing growth investments, M&A, and new business development
- ○Strong financial base and diversified funding sources
- ○Robust financial governance

Digital Capital

Strong digital infrastructure underpinning value creation

- ○Rigorous cybersecurity measures
- ○Investment in enhancing employees' digital skills and literacy

Natural Capital

Eco-conscious management

- ○Eco-efficient management across business and office functions
- ○Proactive disclosure of information

Business

BASE
Payment / Online Shop Opening

PayID
ID Payment / Shopping App

YELL BANK
Financial

PAY.JP
Payment

「want」
Cross-border E-commerce

Output

Social and Relationship Capital

Expansion of existing and new customer base

- ○Group GMV: 361.7 billion yen
- ○Five partner municipalities

Human Capital

Diverse and competitive organizational structure

- ○Ratio of female managers: 25%
- ○Disability employment: 2.5%

Financial Capital

Strong group growth

- ○Net sales: 15.9 billion yen (YoY +36.8%)
- ○Gross profit: 7.1 billion yen (YoY +42.4%)
- ○Operating income: 700 million yen (YoY +1.2 billion yen)

Digital Capital

Safe trading environment

- ○Compliance with PCI-DSS
- ○Ongoing improvement of security systems

Natural Capital

Carbon neutral management

- ○Support for and disclosure aligned with TCFD recommendations
- ○Carbon offsetting for office electricity usage

Outcome

Social and Relationship Capital

Enhancing the added value of the BASE Group and its products

- ○Improving the brand value of the BASE Group and its products
- ○Further expanding the scope for empowerment

Human Capital

An organization that engages sincerely with diverse stakeholders

- ○Improved engagement
- ○Improved productivity

Financial Capital

Strengthening the management foundation

- ○Maximizing the economic value created by the group
- ○Choosing diverse and dynamic corporate actions

Digital Capital

Enhancing reliability as a social infrastructure provider

- ○Reducing security incident risks
- ○Enhancing competitive edge as a secure platform

Natural Capital

Contributing to an environmentally friendly society

- ○Mitigating business and compliance risks through environmental impact reduction
- ○Lowering funding costs through improved ESG ratings

Robust corporate governance supports value creation

Materiality

Material Issue Identification Process

STEP1

Selecting Material Issue Candidates

We referred to international standards such as GRI Standards, SDGs (United Nations' Sustainable Development Goals), SASB (Sustainability Accounting Standards Board), and ISO, as well as international ESG rating criteria. Based on our business characteristics, we selected candidates for material issues related to the environment, society, and governance.

STEP2

Narrowing Down and Evaluating Material Issue Candidates

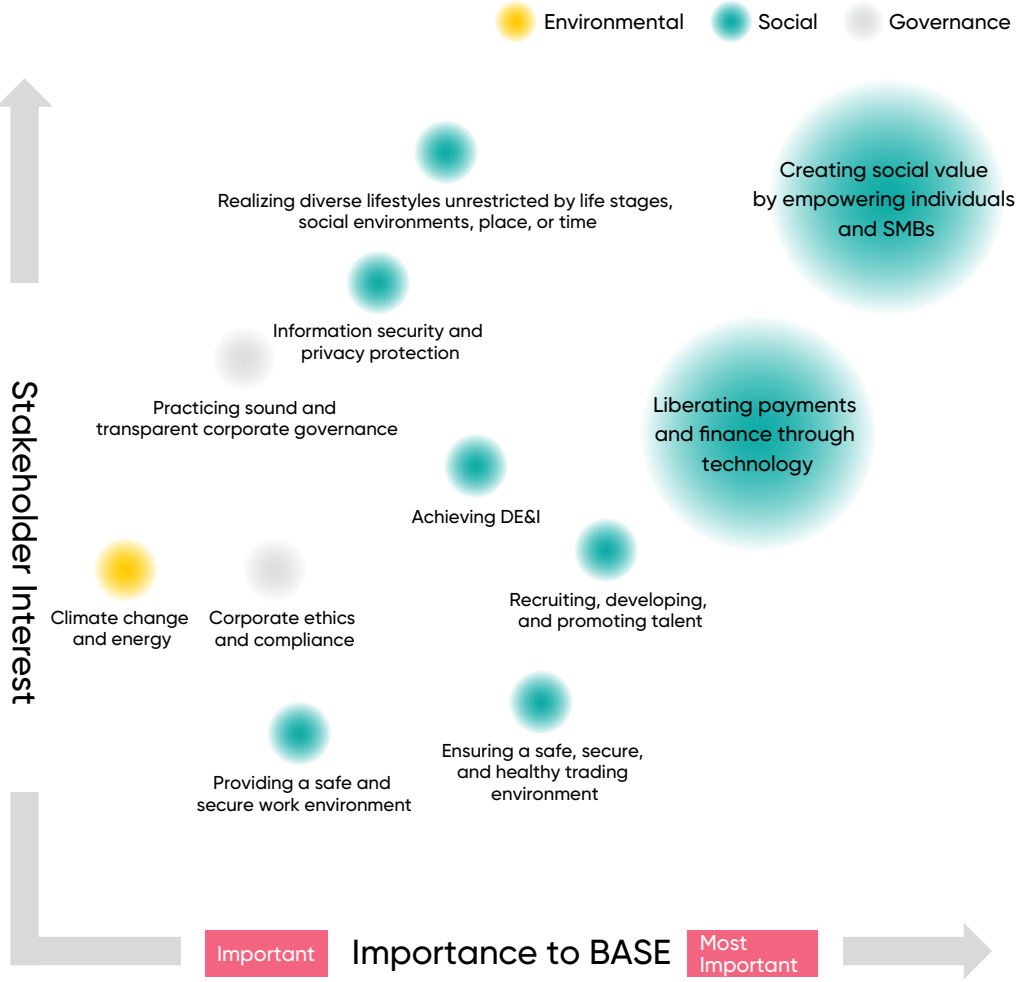
We interviewed internal and external directors, senior executive officers, auditors, shareholders, and investors. Based on the results, we narrowed down the material issue candidates by comprehensively assessing them in terms of "issues important to the company" and "issues of high interest to stakeholders."

STEP3

Identifying Material Issues

Through discussions at the Board of Directors and management meetings, we evaluated the relevance of these issues to our mission and management strategy. Subsequently, the most important issues to prioritize were identified through a resolution of the Board of Directors.

Materiality Map





CEO Message

Expanding the BASE Group's growth and profitability while restructuring the e-commerce and payment sectors to sustainably deliver value to society

Representative Director and Senior Executive Officer, CEO
Yuta Tsuruoka

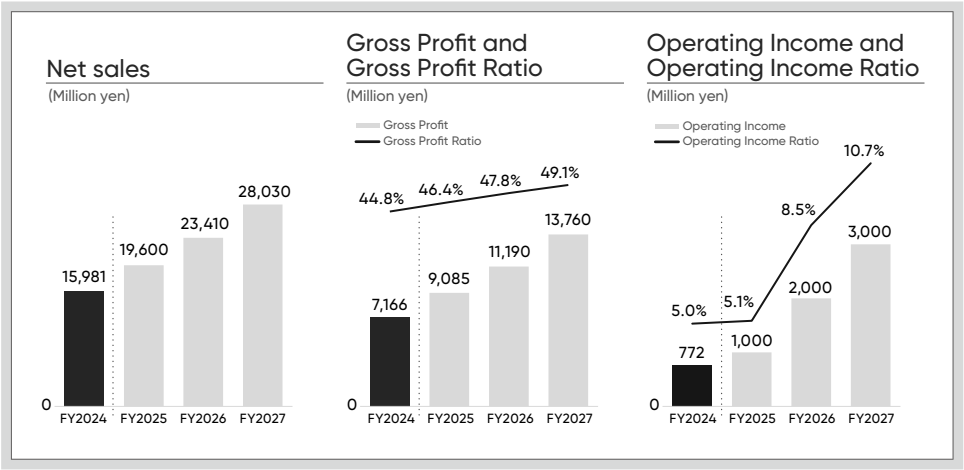
Medium- to Long-term Management Policy and Medium-term Management Plan Disclosure Objectives

Under our mission, "Payment to the People, Power to the People." we uphold our core principle of empowering individuals, small teams, and startups. Our medium- to long-term management policy is founded on this mission, and we are committed to navigating the complex challenge of balancing top-line growth with improved profitability while delivering substantial value to society in a sustainable manner. Furthermore, in February 2025, we disclosed our first medium-term management plan. The plan targets net sales of 28 billion yen, gross profit of 13.7 billion yen, and operating income of 3 billion yen for the fiscal year ending December 2027.
When BASE had approached its 10th anniversary, we developed a very long-term

management policy covering a decade, and since then we have been updating it according to our business progress. Given that our mission requires time to achieve, we adopt a long-term management approach, not letting ourselves be affected by short-term circumstances. This management policy has helped me organize my thoughts and take actions that would achieve greater results over longer time frames without hesitation. It has also facilitated employees' understanding of the long-term strategy behind short-term actions. I believe we can make more sophisticated decisions in the next decade compared to our first ten years.

Looking Back on the Fiscal Year Ended December 2024

Based on our medium- to long-term policy, this year, we not only improved each business's initiatives but also enhanced the company's organizational capabilities. In fiscal year 2024, we achieved net sales growth of 36.8% YoY and operating income of 772 million yen, realizing profitability one year earlier than initially anticipated. Previously, only the BASE business drove company-wide growth, and some stakeholders were concerned about us providing multiple products and spreading resources too thin. However, in 2024, both the PAY.JP and YELL BANK businesses experienced strong growth, with their revenue contributions to the Group gradually expanding. Now, we can finally demonstrate the results of our diversified management. Ensuring that all businesses achieve self-sufficiency and continuous growth is crucial for bold decision-making and remains our top priority. Additionally, we began creating synergies between businesses, making this an extremely fruitful year.





Future Growth Strategy

As part of the BASE Group's growth strategy, we will implement aggressive M&A to promote inorganic growth. In August 2024, we welcomed want.jp Inc. to the Group and initiated full-scale cross-border e-commerce initiatives. Furthermore, we plan to complete the M&A with Estore Corporation in July 2025, aiming to acquire new merchant segments and maximize synergies across the Group. While this is new territory and we are likely to make many missteps, we are committed to applying what we learn to create a significant long-term impact.

Until about ten years ago, startup founders were expected to "create products." Back then, "creating internet products" was itself significantly risky, and achieving success from it was not as common as it is today. That's why such entrepreneurs could attract risk capital and why I could take on various challenges. Recently, however, with the rise of AI and other advancements, creating internet products has become commoditized; for better or worse, anyone can now make them. Consequently, the skills that entrepreneurs need have evolved and expanded with the times. In that context and to my eyes, as someone whose strength lies in product creation, M&A appeared to be a dry method driven solely by economic rationality and a field where someone like me couldn't thrive. However, I started to recognize that there are some types of M&A that can only be executed by specific individuals and some unique synergies that can only be created between specific companies, which has

broadened our options both as entrepreneurs and as a company.

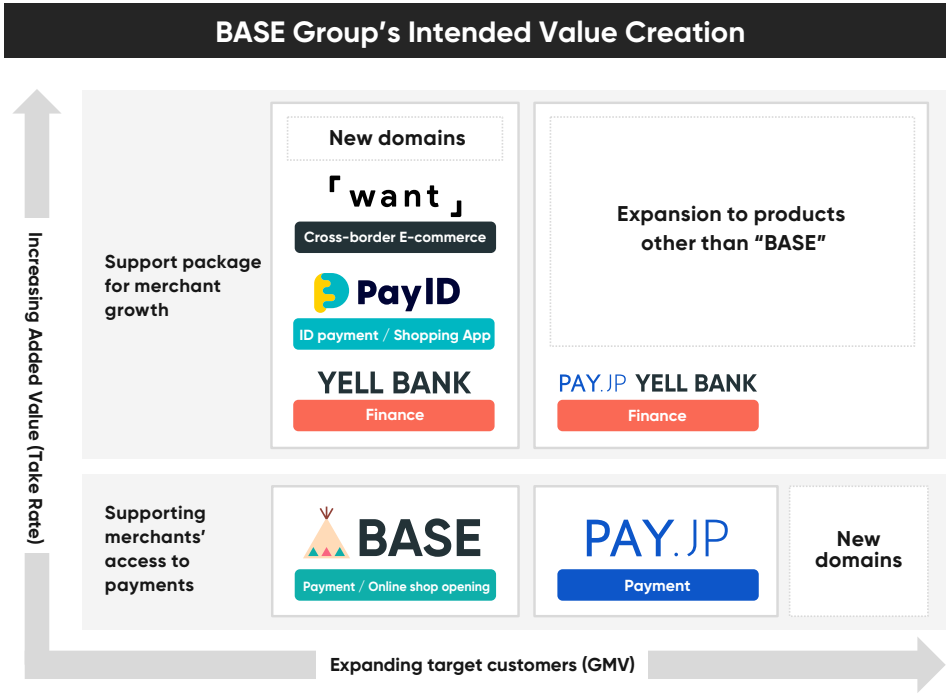
Organizational Capabilities and Governance Structure

While there were no changes to the senior executive officer structure in 2024, we saw remarkable growth and increased depth in the layers below the executive officer level. I believe our organization is evolving alongside our company's growth.
Regarding the Nomination and Compensation Committee, since Mr. Shimura assumed the role of chairperson, the committee has actively revamped evaluation methods and improved information dissemination. The presence of outside directors also fosters positive tension within our management team.

To Our Stakeholders

While continuing to prioritize the growth of our existing businesses, we aim to create synergies and drive Group growth through unique M&A opportunities that only we can deliver, such as "enabling partners who join the BASE Group to increase their GMV and take rates". Additionally, how to integrate AI into management and products is a major topic for us. We believe it presents a transformative opportunity for the individuals and small teams we support.
At a time when the workforce is shrinking, every company must of course utilize AI to enhance operational efficiency, but I believe that we must also make industry-wide productivity improvements to increase our societal impact. Otherwise, the burden of sustained high prices, declining quality, and so on will ultimately affect end users, and we will fail to maximize our value creation. Therefore, we believe that some industry restructuring is necessary, and, as a first step, the successful M&A with Estore could significantly influence the future of the e-commerce and payment industry's SMB sector.
Since we achieved profitability in 2024, I believe our profits have garnered increased attention. While we're grateful for this milestone in company growth and committed to steadily achieving the promised profit growth, we also believe that top-line growth is crucial for fulfilling our mission. I hope stakeholders understand that both profit and top-line growth are essential for enriching individuals and small teams, as well as enhancing society. We hope you will continue to look forward to the BASE Group's future.





COO Message

BASE Group's business strategy: Maximizing value creation by growing each business and creating business synergies

Senior Executive Officer COO

Nao Takahashi

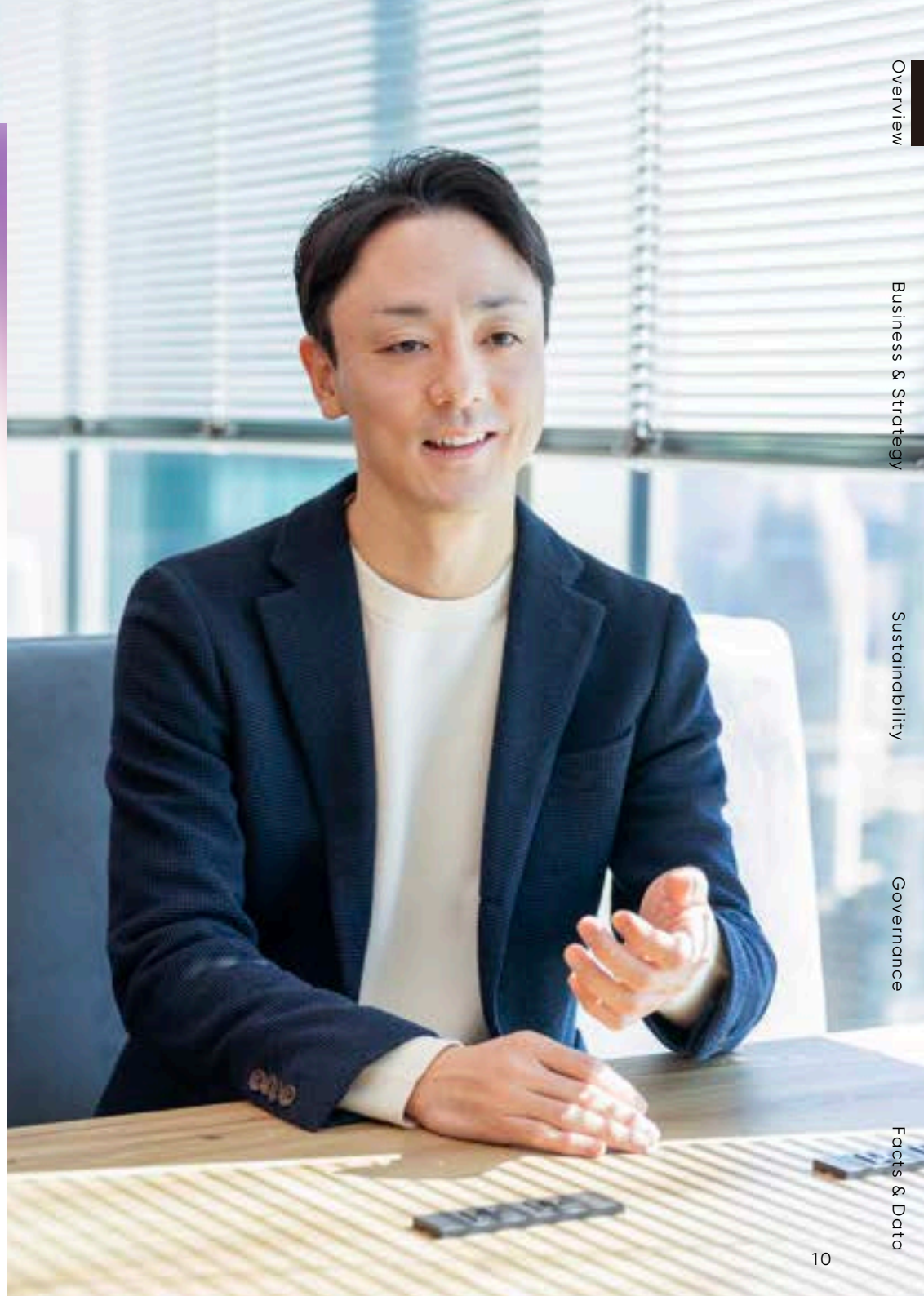
Looking Back on the Fiscal Year Ended December 2024

Overall, I believe we took the first step toward achieving a balance between growth and profitability this year. While we had previously focused on growth, we also began to improve profitability. Although they are in different growth phases, in 2024, we improved cost efficiency in both the BASE and PAY.JP businesses.

For the BASE business, we focused on improving profitability through enhanced take rates and cost efficiency. Product upselling played a key role, with GMV increasing by 13% YoY and the take rate improving as expected. Consequently, we achieved growth exceeding the overall market average, which was encouraging.

For the PAY.JP business, while the market's average growth rate in the payment service provider (PSP) is 10-15%, we achieved remarkable top-line growth of 47% YoY. By optimizing both pricing and costs, we secured a 130% YoY increase in gross profit, driving the Group's top-line growth.

Additionally, as our first attempt to create synergies between Group businesses, we



launched PAY.JP YELL BANK. In terms of the evolution of PAY.JP's functionality, adding financial capabilities alongside standard payment processing updates has been a major milestone. It's rare for a PSP in Japan to expand into in-house financial services, and we were able to take the lead in this area.

While the PAY.JP business drove top-line growth, the YELL BANK business contributed to profits over the year. It's well known that we significantly expanded the existing YELL BANK service for shops using BASE. In addition to that, we have developed a comprehensive product lineup, including PoC, that contributes in many ways to cash flow improvements for the long-tail segment. Factoring alone remains a niche with limited target shops, but we're working on product additions and updates to expand its user base. Rather than assembling a full lineup like a bank, we're adding products that seem likely to contribute significantly to the long tail and SMEs. With YELL BANK alone, we can only support the deposit side for shops, which is insufficient; however, by expanding to withdrawal-side products, we believe our overall financial capabilities have increased.

In 2024, we launched Pay ID 3-installment Post Pay, a BNPL installment payment service for Pay ID. While this business is in an earlier phase compared to our other products, we're steadily moving toward our Group goal of building a "two-sided network" of merchants and purchasers to provide in-house payment services. As standard functions for payment products in the Japanese market, we need to support not only convenience store payments but also account transfers, and not just lump-sum payments (monthly clearance) but also installment payments. With these releases, we now offer the same functionality as credit cards, the most widely used payment method in Japan. In this sense, Pay ID Post Pay has finally become a full-fledged payment service this year. Furthermore, we're preparing for shopping app monetization and associated product and perception improvements.

Reasons for Above-Market Growth

For the BASE business, I believe the growth factor was that the value proposition of our product exceeded market expectations.

For the PAY.JP business, even as payment processing industry players, including US companies, increasingly target enterprises, our consistent niche strategy of focusing on long-tail merchants has proven successful. Over the past several years, we've acquired merchants with significant future growth potential, and the robust growth of these promising merchants has greatly enhanced PAY.JP's business growth.

Medium- to Long-term Management Policy and Fiscal Year Ending December 2025 Policy

We will continue to aim for maximizing value creation through (1) expanding our target customers and (2) enhancing added value. Primarily, BASE and PAY.JP will drive (1), while YELL BANK and Pay ID will lead (2).

The BASE business will pursue GMV growth while expanding the added value of its products and introducing new add-on features. Monetizing the Pay ID App will also help improve the take rate. To achieve this, we'll continue to enhance our products so that shops can experience the customer acquisition benefits of the app.

The PAY.JP business will continue to pursue growth in GMV while also seeking synergies across the Group in financial and other areas. Additionally, with METI leading efforts to strengthen countermeasures against fraudulent payments, we will also emphasize fraud detection. Furthermore, as our target users have broadened, increasing the diversity of payment method needs, we're considering expanding beyond credit cards. We're also promoting product enhancements and marketing strategies to improve new merchant acquisition. By adopting alternative approaches to bolster the PAY.JP business, distinct from the brand awareness strategies that we implemented for the BASE business until a few years ago, we're now gradually starting to see results.

For the YELL BANK business, we will enhance our efforts for product lineup expansion and external deployment. While YELL BANK has experienced strong growth recently, it remains a niche service within the broader financial services sector, with a limited user base. Therefore, when deploying externally, we aim to offer comprehensive financial services for the long tail and SMEs, addressing wider user needs. External deployment will require some time, but we plan to move forward steadily. From the business progress of PAY.JP YELL BANK, launched in 2024, we have learned that adjusting services according to merchant sales scale is essential. We will modify service design, rates, and other factors to suit the characteristics of merchants on each platform.

For the want.jp business, we'll proceed with development on schedule to provide features jointly developed with the BASE business. We expect to deliver these several years earlier than if the BASE business proceeded alone. We aim to leverage want.jp's expertise in international shipping and platform deployment in various countries for shops that use BASE as well.

To Our Stakeholders, as the New COO

Balancing growth and profitability is not easy, but group management makes this an attainable goal. It's crucial to have multiple businesses in different phases, each growing steadily.

As the new COO, I believe I'm expected to consolidate business decision-making and accelerate execution, so I'll focus on these areas. Furthermore, I will regain momentum by refocusing on our mission. By leveraging synergies with Estore and other initiatives, we'll progressively address the gaps in our value creation strategy diagram and build a sustainable growth foundation. We look forward to your continued support and expectations.



CFO Message

Achieving sustainable growth and profitability improvement, expanding target customers, including through inorganic growth, and accelerating synergy creation

Director and Senior Executive Officer, CFO

Ken Harada

Reflecting on the Fiscal Year Ended December 2024

In the fiscal year ended December 2024, we successfully achieved both top-line growth and improved profitability across the entire Group. Group-wide GMV saw strong year-over-year growth, and the YELL BANK business exceeded our anticipated growth rates, resulting in consolidated net sales of 36.8% YoY and consolidated gross profit of 42.4% YoY, surpassing our performance forecasts. Meanwhile, external environmental changes such as sudden fluctuations in foreign exchange rates and operational policy adjustments at certain overseas e-commerce platforms significantly impacted the want.jp business, leading to impairment of

goodwill and non-current assets. Despite these challenges, we steadily improved cost efficiency, allowing us to achieve operating profit one year earlier than our initial plan.

Medium- to Long-term Management Policy

The BASE Group will continue to focus on empowering individuals and small teams in line with our mission, "Payment to the People, Power to the People." Through organic growth, we will achieve both sustainable top-line growth and improved profitability, thereby achieving EBITDA growth and creating corporate value that meets investor expectations. We have also disclosed our medium-term management plan based on this policy. We consider this plan our minimum target and will strive for even higher growth. To achieve inorganic growth, we will actively engage in M&A and other initiatives to expand the Group's target customer base. We are set to integrate Estore Corporation as a subsidiary in July 2025, thereby accelerating the acquisition of our new merchant base and driving synergies across the Group.

Shareholder Return Policy

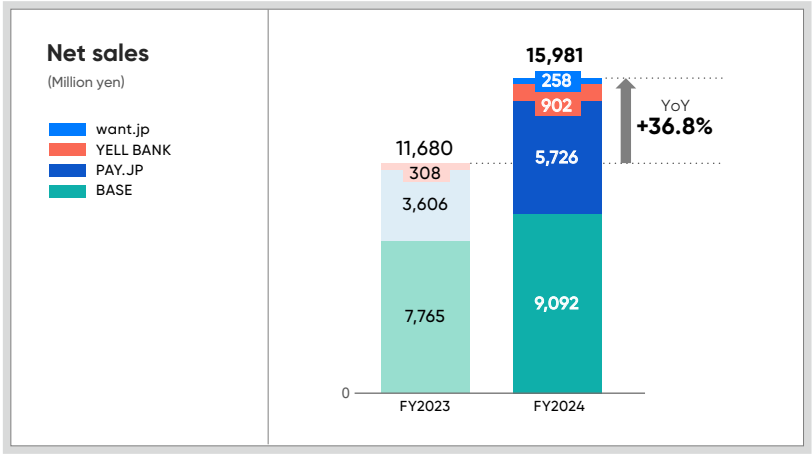
After achieving profitability in fiscal 2024 and attaining a financial position that allows us to provide shareholder returns, we conducted our first share buyback from February to April 2025 to enhance capital efficiency and maximize shareholder value. We plan to implement future shareholder returns flexibly, primarily through share buybacks to adapt to funding needs from M&A and other activities. Once we achieve more stable profit growth, we also plan to consider cash dividends.

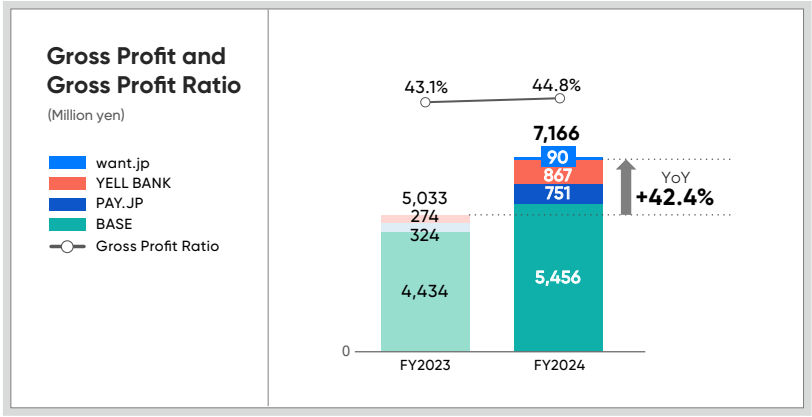
Earnings Forecast for the Fiscal Year Ending December 2025 and Management Policy

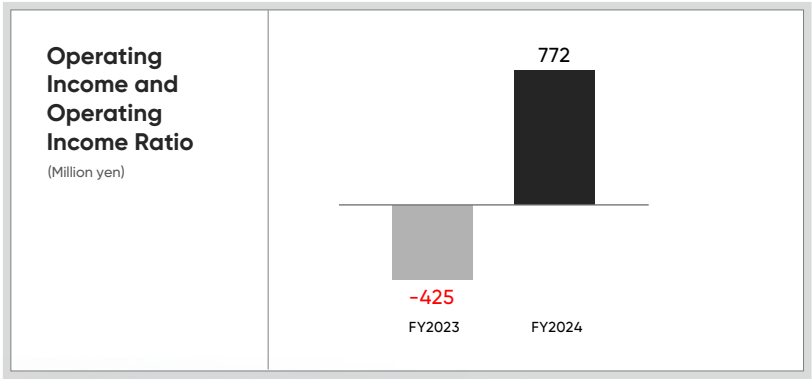
In the fiscal year ending December 2025, we forecast consolidated net sales growth of 22.6% YoY and consolidated gross profit growth of 26.8% YoY. In the BASE business, we will focus on promoting new shop openings and improving take rates through Pay ID monetization. In the PAY.JP business, we will enhance new merchant acquisition, and in the YELL BANK business, we will advance product functionality improvements and establish a sound operational base to achieve further growth.

To Our Stakeholders

We sincerely thank our shareholders, investors, business partners, and all users of BASE Group services for their support in our growth so far.
The BASE Group will continue to provide consistent support to more individuals, small teams, and startup companies, enabling them to embrace new challenges. We will also challenge ourselves to keep pace with the rapid technological and social changes while striving to maximize the Group's value creation. We look forward to your continued support.









Business & Strategy

BASE Online Shop Opening Service

Characteristics

BASE Online Shop Opening Service

BASE offers optimal pricing plans to all individuals and small teams running online shops. The non monthly-fee plan, which incurs no fixed costs as shop owners pay fees only when they make sales, is perfect for small businesses and first-time online shop owners. For shops that exceed a certain sales volume, we offer a monthly-fee plan that includes a fixed monthly charge and, in return, features a lower sales fee, helping online businesses reduce operating costs as they scale.

"BASE Easy Payment" – Instantly Ready for Use

Our "BASE Easy Payment" system allows shops to start selling immediately after launch. It eliminates the need for complex screenings and procedures, and, once set up, supports a variety of payment methods, including credit cards, BNPL "Post Pay (Pay ID)," and bank transfers. This significantly shortens the time between opening an online shop and generating revenue.

Wide-Ranging Features and Services Tailored to Sales Volume

We provide a wide range of features tailored to each shop's business scale. In addition to the standard features necessary for basic online shop management, advanced features can be easily added through the "BASE Apps" extensions. We also offer extensive support that includes assistance with opening offline shops—such as pop-up stores—in addition to online shops, and access to our fundraising service "YELL BANK" that provides shop owners with funding by purchasing their future receivables. (See page 17 for details.)

Shopping Service "Pay ID"

We partner with "Pay ID," a shopping service for purchasers that has over 16 million cumulative user registrations. Through "Pay ID," purchasers enjoy a seamless online payment experience at the shops using "BASE." At the same time, shops can leverage the service as a powerful sales promotion tool, driving repeat purchases and increasing the average order value.
(See page 18 for details.)

Growth Strategy

GMV Growth

We will strengthen the opening of new shops by stepping up promotion efforts, including mass market-oriented initiatives, targeting a wide range of latent users. Furthermore, through joint development with the want.jp business, we aim to swiftly launch cross-border e-commerce services to attract overseas customers.

Improving Profitability

We will enhance extension features that boost shop sales and convenience, such as logistics, marketing, and cross-border e-commerce, through BASE's proprietary tools and partnerships with external platforms. In addition, we will leverage the "Pay ID" shopping application to acquire new customers and increase the average purchase value.

PAY.JP Online Payment Service

Characteristics

3-Step Simple Payment Integration

"PAY.JP" is a simple and highly flexible online payment system that enables startups to easily integrate payment services into their websites. Its intuitive dashboard and clear, well-designed API support a smooth implementation process from the initial steps, enabling a quick transition from account registration to integration and live operation. Even startups and companies in the early stages of launching a new business—who may not have the time and resources to integrate payment features—can swiftly begin operations using this system.

Flexible and Reasonable Pricing Structure

The system offers a flexible pricing structure tailored to business size, with a range of options, from a no-monthly fee Standard Plan to an Enterprise Plan designed for high-volume merchants.

Robust Security Compliant with Global Standards

"PAY.JP" is fully compliant with PCI DSS Version 4.0, the global security standard for the industry, ensuring the highest level of information security. Since credit card information is tokenized and transmitted directly to "PAY.JP," merchants are not required to retain or process any card data, significantly lowering the risk of information leakage. Furthermore, by consistently strengthening security measures, such as real-time fraud monitoring and regular security audits, the system provides a reliable infrastructure that ensures safe use at all times.

Growth Strategy

Strengthening of Payment Features

We will advance initiatives to introduce new payment methods, develop more easily-integrable payment systems, and strengthen fraud prevention measures. In addition, by expanding the "PAY.JP Platform," we will actively work to attract new platform merchants.

Upgrading the Group's Unique Features

We will differentiate ourselves from the competition by strengthening value-added services in the financial domain, such as "PAY.JP YELL BANK."

Enhancing Marketing and Support for Existing Merchants

We will diversify the merchant acquisition channels through enhanced sales and marketing measures, while also promoting continued use by building stronger relationships with existing large-scale merchants.

YELL BANK Fundraising Service

Characteristics

"YELL BANK" is an online-based fundraising service that we provide to shop owners who use "BASE." This service operates in a factoring model, where "YELL BANK" predicts a shop's future sales based on its sales history and purchases the future receivables from the shop owner. By enabling appropriate funding even to small-scale businesses that are difficult for traditional financial institutions to evaluate, this service allows shop owners to swiftly secure funds when they need them, without screening, guarantors, collateral, or other complex procedures. For individual and small team shop owners who use "BASE," "YELL BANK" offers a highly flexible fundraising option tailored to their needs—something not typically available through conventional bank loans or factoring.
Furthermore, under this mechanism, the purchased receivables (claims held by our company against the purchasers) are collected directly by us through payment service providers, etc., thereby reducing the collection risk for our company.

Growth Strategy

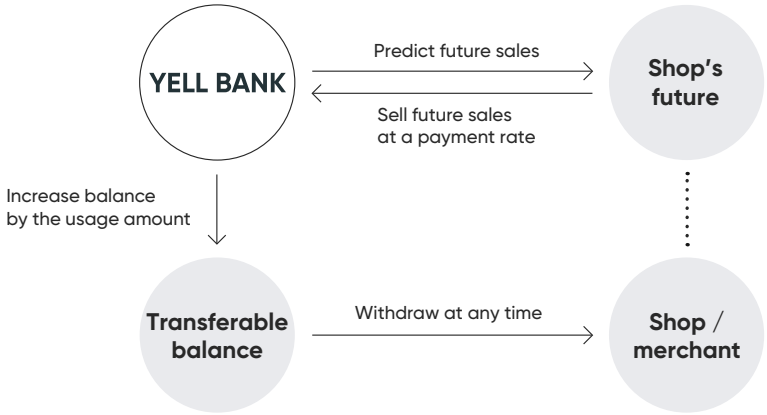
Boosting Added Value for Existing Merchants

We will establish a robust management foundation in order to ensure that an even broader range of "BASE" merchants can continue to use "YELL BANK." Also, "PAY.JP YELL BANK," established in June 2024, will continue to fine-tune its products to align with the characteristics of "PAY.JP" merchants, with the goal of accelerating business growth. Furthermore, in addition to factoring future receivables, we will expand our lineup of financial products related to the cash flow of group merchants.

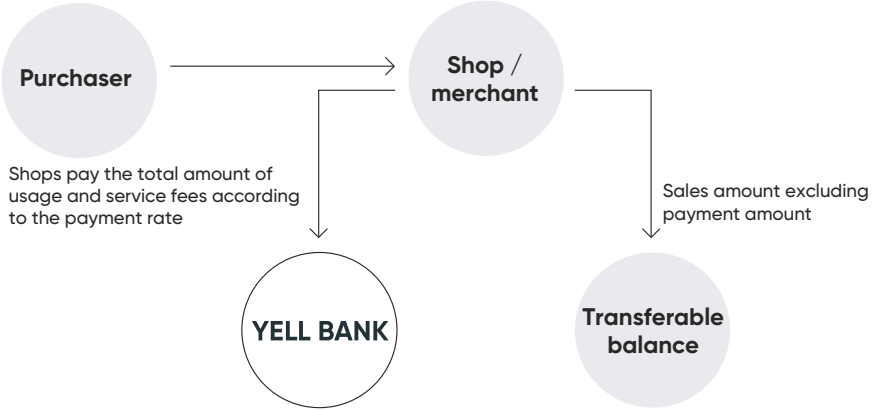
Driving New Merchant Acquisition

We will aim to expand our existing products laterally across merchants newly joining the group, including those on the "Estore shopserve " platform operated by Estore Corporation, which we plan to acquire through M&A in July 2025.

Fundraising Process



Payment Process



Pay ID Shopping Service

Characteristics

Shopping App

The “Pay ID” service provides users with a smartphone shopping app that allows them to browse and purchase products from shops on the “BASE” platform. Users can follow their favorite shops to receive push notifications with the latest updates on new product launches, coupons, and more. They can also view their order history, track shipments, and contact shops for a seamless shopping experience.

ID Payment

Using the ID payment feature, purchasers only need to register their address and credit card information with “Pay ID” once. After that, they can enjoy a seamless checkout experience at any shop on the “BASE” platform simply by logging in with their email address and password.

BNPL “Post Pay (Pay ID)”

“Post Pay (Pay ID)” is a payment method that allows purchasers to pay after receiving their order. Payment can be made in a single installment in the following month or in three interest-free installments. This service allows purchasers to enjoy shopping even without cash on hand, and shops can boost their sales opportunities without the risk of uncollected payments.

Growth Strategy

We will implement initiatives to monetize purchaser assets held within “Pay ID” and enhance the efficiency of the cost structure, thereby contributing to improved profitability for the BASE business. Furthermore, by introducing the BNPL “Post Pay (Pay ID)” to platforms beyond “BASE,” such as for purchasers who checkout at PAY.JP merchants, we will strengthen the group’s two-sided network across both merchants and purchasers.

⌜want⌟ Cross-border E-commerce Service

Characteristics

want.jp is a cross-border e-commerce service that supports Japanese online businesses in selling their products on overseas marketplaces, primarily in Asia. It streamlines many of the complex tasks businesses often face in overseas sales, including pricing, logistics, and inventory management, by handling them on behalf of businesses, thereby supporting their efficient overseas expansion. Its most notable features include a pricing function that automatically optimizes cost calculation for each product by country and marketplace, and a logistics optimization function that automatically selects the most appropriate shipping carrier, depending on the destination. These features ensure both strong price competitiveness and high shipping efficiency in overseas sales. Furthermore, the service is automated to handle each country’s language, currency, and shipping conditions, making cross-border sales as easy and simple as domestic e-commerce.

Growth Strategy

Existing Businesses

We will focus efforts on securing stable sales on high-impact overseas marketplaces, aiming to swiftly rebuild and strengthen existing businesses by expanding sales channels, reviewing pricing strategies, and broadening the product lineup.

Collaboration with “BASE”

By creating an environment where shops on the “BASE” platform can easily venture into overseas sales, we will aim to offer new growth opportunities to individuals and small teams that have traditionally faced high barriers to entering the cross-border e-commerce field.



Using the Online Shop as a Place to Meet Repeat Customers

Riyad Vintage
Ms. Saori Takemura

With BASE, the Possibilities Expand for a Vintage Shop that Carefully Selects Exciting Items

I started my vintage fashion store, Riyad Vintage, with the desire to create "a space for collecting exciting items." While I offer advice on how to wear items stylishly, witnessing customers receive compliments on their styling and seeing their delight is my greatest satisfaction. My physical store is in Omotesando, Tokyo, but since it's a room in an apartment building, it's not easy for customers to visit casually. As a reservation-only store, many people feel a high barrier to first-time shopping visits. I therefore considered opening an online shop and selected BASE from various services because it appeared user-friendly and offered plenty of payment methods. Since many customers often hesitate when buying vintage items without seeing them in person, my online shop sales weren't very strong initially. However, during COVID-19, I ran discount coupon campaigns which lowered the purchase barrier, leading to increased online purchases and subsequently boosting repeat customers at my physical store. Thanks to this, I was able to overcome the challenging business environment and I am very grateful for this. Even now, my first encounter with repeat customers is often through the online shop.

Recently, many fraudulent websites have emerged that deal in vintage items. However, BASE's strong service reputation enables shoppers to buy with confidence, making it a valuable place to meet first-time customers.

Even if reservations at my physical store are fully booked, I can continue to grow my brand through online sales and via dialogue using BASE's communication tools. I participate in the BASE Community, and beyond meeting other shop owners, the opportunity to learn about the philosophy of BASE team members is absolutely wonderful as a user.

Instead of only serving large, profitable companies, BASE's strong commitment to considering small, one-person stores like mine as their primary focus is shared by all staff members, which I find impressive. When I suggested that BASE hold seminars, they organized them as BASE Community initiatives, and I was pleased to see that user feedback is genuinely valued.

Given the current weak yen, I aim to expand sales internationally, so features that facilitate purchasing for overseas customers would be greatly appreciated. Additionally, since vintage items don't have fixed prices, an auction functionality could allow for event-style sales, which could be beneficial. Furthermore, I hope for shop-to-shop matching capabilities. For example, when we have vintage clothing but no shoes, collaborating with shoe brands for photography would be really worthwhile.

What I value most are relationships with repeat customers. When I was uncertain about my store's future, I strongly felt, "I want to maintain long relationships with repeat customers," so moving forward, I want to cherish and increase repeat customers even more. I'll continue working hard to create a store that collects only items that are truly exciting while utilizing the user-focused BASE service.

Payment Services that Lead to Business Expansion



CaSy Co., Ltd. Representative Director, CEO & CFO
Mr. Yuichi Kamo

Delivering Diverse Businesses Worldwide that Create Free Time

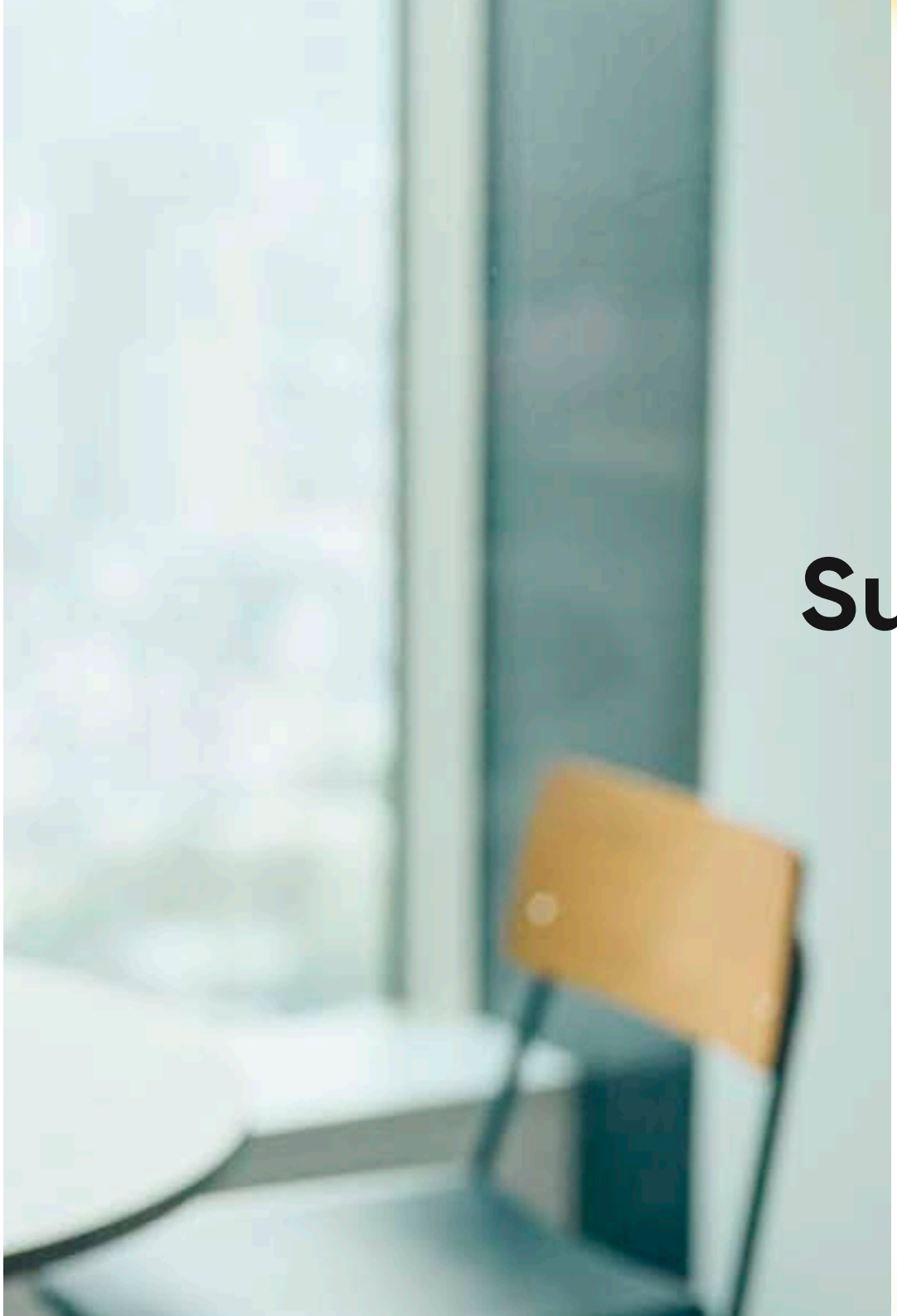
CaSy operates under the mission "Creating time to cherish what matters most," providing housekeeping and house cleaning services for households. When we founded the company in 2014, both our Representative Director and COO, Hiroki Ikeda, and I actually used housekeeping services and found that everyone in our households was smiling more, especially compared to when we were chore-sharing, which strained relationships. When we considered why such a good service wasn't spreading, we realized that the issues were high prices and the hassle incurred before use. Under the mission of controlling both price and hassle through a housekeeping service × sharing economy mechanism, we decided to provide services for those wanting a little more time. However, when we received the same voice from many users, "When I was busy and about to give up, CaSy helped me think I could work a little harder", we recognized CaSy could become lifestyle infrastructure beyond just housekeeping, which inspired our current mission. Going forward, by developing various services that provide "free time" through more than just housekeeping, we aim to create emotional space and free time, allowing people worldwide to dedicate time to altruistic actions. Our target figure, based on the world population, is 9 billion hours by 2050. Thus, we aim to expand the platform not just in Japan, but also overseas.

We chose PAY.JP as CaSy's payment service for two reasons. The first is the cost advantage in payment fees. Reducing fee costs allowed for significant investment in end users and our cast (workers). The second reason involves administrative aspects. While we originally used another service, we struggled significantly with the migration process. PAY.JP is cooperative during data migration to other companies, giving us the impression that they have confidence in their product.

And we continue to use PAY.JP because of the cost benefits and payment transfer timing it provides. Since we added instant payment functionality for cast compensation, PAY.JP's transfers, which take place twice a month at 15-day intervals, help optimize working capital and assist company management.

Going forward, we plan to expand our services to include house cleaning, organization and storage, partnerships with government entities, support for housekeeping businesses, and services for the elderly. Our goal is to create a platform where people can request helper services similar to shopping on Amazon. We hope PAY.JP will introduce payment methods beyond credit cards and broaden its implementation conditions. Since "providing a sense of security for workers" is also part of our focus, we aim to eventually offer financial guarantees, including lending options, to our cast, and this includes corporations too.

BASE was founded around the same time as us, and many of its employees use CaSy; therefore, we want to encourage each other to create services that can firmly establish a presence in the world.



Sustainability

Sustainability

In March 2022, the BASE Group established a Sustainability Committee to discuss, coordinate, and monitor significant sustainability-related matters, including our basic policy, materiality, and related initiatives. The committee also reviews and considers important issues to be presented to management meetings. Matters that have passed through the Sustainability Committee and have been deliberated and decided upon by management meetings are regularly reported to the Board of Directors along with progress status updates. The response policies and measures agreed upon at management meetings are spearheaded by the CEO, who chairs the Sustainability Committee, and implemented by each department within the company.

Basic Sustainability Policy

Our group is driven by the mission "Payment to the People, Power to the People." Our goal is to leverage internet technology to enhance accessibility to payment and financial services, which many people need but have not yet been able to benefit from, thereby empowering individuals and small teams, and realizing a society where everyone can thrive. Since our inception, we have believed more than anyone else that "when the internet empowers individuals and small teams, the world becomes a much better place." This belief has guided our product planning and development and will continue to do so. We aim to realize this mission as soon as possible, acting as a responsible platform provider of open payment and financial services and promoting ESG initiatives throughout the group to achieve a sustainable society.

Risks Associated with Sustainability

Moving forward, a department responsible for sustainability will identify and evaluate climate change-related risks and opportunities with the cooperation of relevant departments and report them to the Sustainability Committee along with recommendations, promoting a company-wide response to climate change. Critical environment risks and social challenges related to climate change issues raised in the Sustainability Committee will be integrated into company-wide risk management in collaboration with the Risk Management and Compliance Committee.

Business Continuity Plan (BCP) Initiatives

As a platform provider of payment and financial services, our company views the occurrence of large-scale disasters as a grave risk to business continuity. To ensure prompt recovery while securing the safety of our employees and their families and minimizing the impact on business activities as our top priority tasks, we identify potential risks in advance and take various measures to prevent and mitigate them. In June 2023, the BASE Group formulated Business Continuity Plan (BCP) regulations, established a crisis management structure led by the CEO, introduced a safety confirmation system, and created various manuals (including a Disaster Prevention and Preparedness Manual and a Critical Business Recovery Plan). Through these efforts, we now have the capability to implement swift initial response in emergency situations and secure the continuity, early recovery, and normalization of business operations. Also, we formulate an annual BCP activity plan through the department overseeing BCP, and conduct regular safety confirmation and firefighting drills during normal operations in anticipation of potential emergencies. Through such drills, we confirm that departmental role assignments and communication systems function correctly and smoothly in emergency situations, and implement revisions as necessary. The results of these initiatives are reported at the quarterly meeting of the Risk Management and Compliance Committee, which establishes mechanisms to discuss necessary response policies and to monitor the status of those responses. Going forward, we will continue to implement a PDCA cycle based on the BCP regulations and will reinforce risk management.

Human Capital Policies

Human Resource Development Policy

The BASE Group sees human resources as the most crucial management resource for achieving sustainable growth and enhancing business value. Therefore, supporting employees in taking ownership of their work and careers and continuously challenging themselves is essential for their development.

Internal Environment Development Policy

Under a corporate culture that respects diversity, we aim to create systems and workplace environments that allow each individual's personality and abilities to be fully realized. This involves promoting work-life balance and cultivating a DE&I environment to enhance employee engagement.

Individual Themes

Human Resource Development

The BASE Group defines nine areas of skills common to all job types, and promotes educational and training measures tailored to each grade, position, and career path in accordance with a set priority order. Through these measures, we will foster employees' professional growth and thereby aim to enhance the overall competitiveness of the organization.

Work-Life Balance

In order to provide a hybrid working model for our employees, we continue to operate a flex-time system and a work-from-home scheme. Also, we have achieved a 100% usage rate of five or more days of paid leave and an average monthly overtime of less than 10 hours. We have also introduced and regularly test-run support systems tailored to each employee's life stage. In FY2024, we achieved 100% usage of parental leave among women and over 80% among men, and a 100% return to work rate for both men and women. Going forward, we will provide a framework that enables our diverse employees to work productively, and will ensure an environment where all talent can thrive.

DE&I

As a company striving to create a society where all individuals can succeed, we have established a human rights policy of zero tolerance for discrimination or harassment based on gender, gender identity or sexual orientation, disability, nationality, or any other personal differences. In line with this policy, we conduct DE&I training, update internal systems, support the Ally Community activities of volunteer employees, and promote a workplace environment where members with diverse backgrounds can work comfortably. We implement measures tailored to the needs of women in the workplace to create an environment where they can thrive. By broadening the diversity of our talent in terms of gender, nationality, disability, etc., and leveraging the various perspectives this diversity brings, we aim to drive business growth. We have set the following goals to be achieved by 2030:

Ratio of female officers:

30% or more

Ratio of female managers:

30% or more



Member Interview | BASE Group

We want to show that even the world's smallest team can become the world's greatest team

BASE Business Development
Yukina Yamada

BASE Business Manager
Shuhei Hayashida

PAY.JP Merchant Management
Chika Osanai

BASE BANK Business Planning
Ai Yoneda

Why We Chose BASE Group as Our First Career Change

Yamada:
I joined a logistics company as a new graduate taking on general duties and stayed there for about 11 years. I gained experience in human resources and business management, was seconded to an affiliated company, and ultimately handled service planning for e-commerce businesses. In that final role, I learnt that many people in the e-commerce field pursue their passions regardless of location or scale. While it was very enjoyable to work with them, I felt there were limits to the areas a logistics company could support. This prompted me to consider changing jobs. Also, since I had general duties, I was liable to be transferred to other locations at the company's discretion; however, after finding something I wanted to master, I thought about switching to a company where I could engage in e-commerce from a more upstream position.
I had several reasons for choosing BASE out of all the other e-commerce firms. I first learned about BASE through a TV commercial that left a very good impression on me, prompting me to investigate further via their website. The main reason I chose to work here was the feeling that their stated mission perfectly matched the services they actually offer.
At BASE, I work on business development, planning high-value-added features and services. Since I'm particularly involved in planning related to product delivery, my previous experience is very valuable. With a good grasp of users, logistics companies, and clients from the logistics companies' perspective, I can accurately assess users' problems. During negotiations with logistics companies to develop services, understanding each company's position and strengths allows me to help create a structure where BASE, shop owners, and logistics companies achieve "win-win-win" outcomes. While BASE's business development involves many medium- to long-term initiatives, it's vital for the organization to generate revenue early, so I believe I've gained valuable insight into business development by contributing in that area.
Moreover, while I transitioned from the generalist role at my previous job to develop my expertise, it also meant I could no longer use being a generalist as an excuse. I was anxious that things wouldn't turn out well if I couldn't perform in this more specialized area. As it turned out, my career aligned well with physical product e-commerce. Not only was the first sub-sector the company assigned to me in an area where I could leverage my strengths, but my direct



BASE Business Development
Yukina Yamada



BASE Business Manager
Shuhei Hayashida

supervisor at the time also provided detailed guidance and specific instructions, which I believe enabled me to achieve results.

Hayashida:
Previously, I worked at a foreign consulting firm, providing management strategy planning and implementation support mainly for large enterprises in consumer goods and telecommunications. Throughout my career, I have always sought to help passionate individuals who want to achieve something, and I found great satisfaction in assisting such clients at my previous job. However, every day, I felt the significant difference between being in a decision-making position versus offering decision-making advice. Sensing from clients the weight of taking decisive action while accepting the risks and responsibilities that accompany it, I wanted to challenge myself on that side, which led to my decision to switch from a consulting firm to an operating company.
In that context, I met Mr. Tsuruoka, and I particularly liked his words, "even the world's smallest team can become the world's greatest team." I held onto the assumption that Mr. Tsuruoka would continue to believe in this sentiment, which was my reason for choosing BASE. Additionally, being from a rural area, I noticed a significant difference in the sheer density of information available when I moved to the metropolitan area or even overseas for university and work. This proved a formative experience of mine and connected deeply to me by revealing that by accumulating effort toward goals and visions that one can choose via one's own free will, regardless of the many factors beyond our control, like birthplace or gender, we can achieve anything. Internet products like BASE can impact the world, regardless of region, and support anyone to succeed and live authentically, which was yet another reason I chose BASE.
When I joined, I was in the Corporate Strategy Unit; now, I serve as the business manager for the BASE business. Currently, I believe my previous experience is valuable in two areas. First is my ability to organize discussions and think logically within an extremely diverse team, where everyone shares the same mission while also holding a plethora of opinions based on their roles and responsibilities. Teams with deeply embedded missions are resilient in the face of change. And this is just one way being in such a team has benefited me. Second are my analytical skills in pursuing facts. It's not easy to empower small teams and make this work as a business. The mindset of thinking things through thoroughly to achieve this is quite valuable in my current role.
When I joined BASE, the Corporate Strategy Unit had just been created and was in the process of establishing its role within the company. Transitioning from a consulting firm to an operating company was also a challenge, and with almost no employees who shared my background, I was anxious about whether I would be accepted. There were issues on my end as well, and it took some time before I truly felt included. During that period, I focused on thoroughly unlearning and rebuilding from scratch what I had accumulated so far, a process I've repeated four times since joining. I feel that BASE, as an organization, is really receptive toward individuals who demonstrate such attitudes. When considering a job change, I also looked at unlisted startups, so I had a strong motivation to take on challenges and didn't feel a risk in moving to BASE itself.



Roles at Previous Jobs and BASE Group

Yoneda:
At my previous job, I worked in new business sales for online shopping systems at a company that manufactured and sold ERP systems, which was where I started as a new graduate. Although my previous employer was also a venture company, it already had a large organizational structure. Having



BASE BANK Business Planning
Ai Yoneda

interned at a startup as a student, I wanted to work in a smaller company again, which is why I changed the job. I initially applied for a customer success position at BASE where I could leverage my sales experience, but Mr. Yamamura (current executive officer), who interviewed me, proposed a human resources position. Although I had no HR or recruiting experience, I believed I could leverage my communication skills developed through sales and my web media management experience from my internship days to recruitment PR, so I decided to join BASE. I also felt that startup recruitment had a significant impact on company growth.
I think it's relatively unusual for young startups seeking industry-ready talent to hire someone with little experience, but with my startup experience, I think they weren't worried about cultural fit. After joining and engaging in recruitment work, I developed a desire to master this field and aim to become the CHRO. When I joined BASE, there were no experienced recruitment PR staff in the company, and we didn't yet have the solid recruitment organization of large companies, so I was initially overwhelmed



PAY.JP Merchant Management
Chika Osanai

just handling immediate tasks. However, when I said, "I want to try this," I was never flatly refused; they supported me in figuring out how to make it happen.

Osanai:
I previously worked at a funeral company, handling everything from funeral arrangements to follow-ups for memorial services. That role involved flexibly responding to sudden events while honoring the family's wishes. Before that, I had done back-office work, such as HR, at a venture company. However, when I had learned about the funeral industry, I had been drawn to the opportunity to support bereaved families immediately after their loss and to help conduct ceremonies smoothly. Seeing peers active in the field had motivated me to transfer to the funeral company, despite it being a completely different industry. While I had found fulfillment, I began to feel a disconnect with my career goals in an industry steeped in old traditions. I wanted to be in an environment where both the company and I could grow together, which led me to decide to transfer to PAY.
In addition to customer-focused, flexible responses, I focused on smooth internal communication in an environment where mistakes weren't tolerated, which I believe was appreciated when I transferred to PAY. At PAY, I handle merchant management, supporting merchants so they can continue using our services with confidence. I also handle behind-the-scenes design and troubleshooting when we launch new services or make system modifications. As it was a job



change during the COVID-19 pandemic and I started to work remotely, I initially struggled to adjust to text-based communication. However, since this was a common team challenge, we all worked together on "paying it forward"—giving back what we had received to benefit others, to create a positive atmosphere. And as a result, my communication anxieties disappeared.

What We Gained Through Job Changes, Transfers, and Leave

Yoneda:
I've made two job changes within the company. I started in recruitment, then moved to the Corporate Strategy Unit, and now I handle business planning for YELL BANK. I was inexperienced when I joined BASE, and I didn't yet have experience in any of the roles I've since been allowed to take on. If I had been transferring to another company, it would have been difficult to secure an offer without experience, but I think BASE recognized my attitude and track record so far. As the company grows and business diversifies, everyone faces new challenges, but I believe I was given these opportunities because I've been able to do my best in each situation and produce tangible results.
Among these, establishing the field-driven recruitment style that is now our company's approach was a key area where I could contribute significantly. I rethought BASE's recruitment systems from scratch and was able to create and promote a culture where immediate managers and team members take the initiative in recruiting. I'm proud that this practice continues even though I'm no longer in charge of recruitment. For me, career advancement means aiming for

positions closer to management, and in that regard, I believe I'm gaining the necessary experience for my target career through various roles. Not only essential for career progression—being able to think "this looks fun" is very important to me in choosing roles, and I was fortunate to have such opportunities within the company.
However, not everything has been smooth sailing. There were times when my performance reviews seemed wanting, and I painfully realized I lacked a management perspective. Especially after I moved to the Corporate Strategy Unit, I struggled to meet the high level of output that management required. Additionally, with my goal of becoming CHRO in the future, I thought I wouldn't be able to make HR work properly without a solid understanding and knowledge of our business. As I remained concerned with my lack of business experience, I once considered changing a company.
At that time, YELL BANK business manager Mr. Yanagawa gave me the opportunity to handle business planning while the business was experiencing tremendous growth. Although I faced challenges that I couldn't overcome, confronting them with determination and focusing on how to improve and take action has shaped who I am today.

Osanai:
At PAY, I have a flexible environment and growth opportunities. I once fell ill and took leave, but work became truly enjoyable after I returned. Previously, we were a very small team handling various duties, but around the time I returned, as the business expanded, the organization grew slightly, and responsibilities became more divided among the teams. At that time, I also clarified what I wanted to do; when I communicated this to my supervisor, I was grateful to be assigned to the perfect department.
My previous duties were focused on "continuing immediate tasks without incident." However, in my current role, I can effectively engage in activities beyond those immediate tasks. I have more chances to say, "I want to do this and try that," and with help from other departments, I can connect these to business improvements. While the PAY.JP business is growing significantly, I can contribute to establishing operational systems while being encouraged to actively try things I couldn't do before, and I really feel a sense of personal growth as a result.
In addition to my daily duties, I am responsible for a large annual survey. I'm gradually improving it each year while ensuring it's effectively completed without causing any issues for merchants. To be honest, I really believe I'm supporting the foundation of our business operations. Back-office work revolves around avoiding mistakes, but it's challenging to actually gain recognition for the act of not making an error. Although it is clear that mistakes can lead to significant trouble for both customers and the company; maintaining motivation in this context can be somewhat difficult. However, at PAY, they appropriately recognize accident-free task execution, and I am also grateful that I can feel a strong sense of place here as management policies are effectively shared to all levels amidst incredibly rapid growth.

BASE Group from the Perspective of PAY.JP and YELL BANK

Osanai:
PAY.JP currently has fewer features than its competitors if we take a simple comparison, so I feel there's still much room for growth. Since new feature development and initiatives are proceeding at an incredible speed, I want to create strong back-office operations that can keep up with this business growth. It should become a service chosen by companies and payment staff across a broader, more diverse range of industries, so the thought of being able to see that process up close really gets me excited. Additionally, I love the atmosphere within the PAY team, especially our culture of praising one another, and I don't want that to change.

Career Plans and Aspirational Goals

Yoneda:
The YELL BANK business encompasses multiple products, and I'm eager to enhance the value of this business division by continuously introducing new offerings. Generally, launching financial services from the ground up involves significant challenges, but BASE Group has already established foundations in the BASE and PAY.JP businesses, enabling the financial business to create various new value propositions for them. I believe we're fortunate to focus on diverse challenges and enhance Group-wide profitability. By leveraging this position, we're diligently working to surpass existing businesses in terms of growth while maintaining a healthy rivalry.

Hayashida:
BASE will continue to be a team that contributes to society by believing that "when individuals and small teams are empowered, the world becomes a better place" and by evolving as a platform that maximizes the potential of individuals and small teams. In an era of uncertain changes like technological trends and social conditions, I believe that having an established presence—one where all sorts of people know that "apparently there's a service called 'BASE' that's creating a big impact through its individual and small team empowerment"—is what will lead to value contribution to society. To achieve this, while we continue to pursue our mission, we'll also focus on business growth to meet expectations. We'll keep creating solid user value. With support from users, we'll see profits rise. People who share our mission will join the team, enabling us to create greater value. This cycle is simple yet extremely challenging, and I want to tackle it head-on. By doing so, I want us to prove to ourselves that "even the world's smallest team can become the world's greatest team."



Member Interview | PR Division

PR team culture of autonomy and trust supporting diverse working styles

Manager

Yuko Hayakawa **Yoko Tanaka** **Harumi Samata**

Tanaka:
The PR Division handles both corporate and business PR, sharing responsibilities. Currently, we have a team of five: four regular employees and one contractor. Ms. Samata and I work full-time, while Ms. Misawa and Ms. Kimura are on childcare leave, and Ms. Hayakawa works half the week (2.5 days).
Samata:
I joined BASE in November last year, and including members who are raising children, I feel it's great that we can work in a flexible and reasonable way. The manager flexibly adjusts work allocation.
Hayakawa:
When I started working at BASE, my husband was on a solo assignment, which left me in a situation of working while single-handedly raising two children. Because of this, I chose contract work to better balance my family responsibilities. At BASE, even as a contractor, I don't feel any barriers with full-time members and I felt that I was working in trusting relationships. Information is thoroughly shared in manager 1 on 1s and regular team meetings, allowing me to focus on work without anxiety.
Tanaka:
Regardless of each person's employment type, since our members can think and act autonomously to produce results, I can trust them and delegate tasks, fostering an environment where we can work flexibly with a focus on output. Also, when it comes to our working styles, we are not overly considerate of each individual's personal circumstances, as everyone has different lives and lifestyles. What is common between us all, however, is our working hours. Since each person knows best how to use their own time efficiently to be as productive as they can be during their working hours, we should avoid delays as a team or backing down from challenges simply in favor of pandering to each person's individual circumstances. I have informed everyone that we should adopt an honest self-assessment system to sustain team output, under the shared understanding that working hours are equal for everyone, and this policy ultimately allows members to have flexible working styles.
Hayakawa:
Children's sudden circumstances often necessitate changes to schedules, and I'm truly grateful they accommodate this so readily. The flexibility in work hours and location allows me to maintain a work-family balance.
Samata:
While our lifestyles vary, I believe the team has built trusting relationships that enable exchanges of opinion frankly. Being able to support one another with necessary skills while respecting each other's circumstances is reassuring.
Tanaka:
I'm looking forward to our members on childcare leave returning to work. Going forward, I want the whole team to continue supporting each other's circumstances while aiming for maximum results.

On childcare leave: Mari Misawa

Wanting to stay involved in work even during childcare leave, I'm utilizing the semi-childcare leave system to work reduced hours. Supported by the company's flexible systems, remote environment, and team cooperation, I can work with peace of mind. The PR team regularly shares information and communicates actively on Slack, making communication straightforward and enabling working styles tailored to individual circumstances, which is what I prefer.

On childcare leave: Ayano Kimura

This was my first time taking childcare leave, and I could prepare and give birth with peace of mind thanks to the company's systems and attentive labor relations support. Despite being a small team, they gave me a warm send off, and when I return, I want to continue my career while utilizing company systems. Supported by flexible work arrangements, a remote environment, and thoughtful responses from my team and the business divisions I handle PR for, I'm really excited to come back.



Practical Examples from the Field:

Online Shop Creation Experience Program Where Teachers Learn and Introduce into Their Classes

Oita Prefectural Tsukumi High School Teacher
Ms. Nobuko Watanabe

As part of our materiality goal of "realizing diverse lifestyles unrestricted by life stages, social environments, place, or time, " the BASE Group has been working on early e-commerce education support through partnerships with local governments since 2022. We offer an online shop creation experience program using BASE for teachers and public high school students in partner prefectures and cities. This has brought about some practical examples where teachers who attended the program have introduced online shop creation experience programs into their own classes. We are also considering implementing this at a special needs high school.

When Application of Skills Matters More Than Knowledge

When we were students, our studies focused on the amount of knowledge we gained. However, we now live in an era where information can be obtained instantly by searching. What's important now is how we utilize what we learn. By allowing students to experience the everyday action of online shopping from the seller's side, students can see the real-world application of subjects like marketing, bookkeeping, and information processing. Rather than simply imparting knowledge, I want students to encounter challenges, think critically, and solve problems, so I implemented the online shop creation experience program in my own classes.

The Significance of Teachers Learning First

Having worked in various jobs before teaching, I emphasize "how what we learn in class can be applied in the real world." I felt it was meaningful to experience it for myself first, so I participated in the online shop creation course for teachers. Initially, I thought the course would focus on learning how to use the service, but after hearing the instructor's experiences and learning about the background of service design, I was surprised by the diverse possibilities of e-commerce. The BASE system, which offers many free features, was also a major discovery, and being able to have the idea that "anyone can start" myself gave me such great motivation to create classes. After attending the course, I told my students about the program straightaway, and they responded, "It's not fair that only you get to do it!" so I wanted to let students experience it too. I really connected to the instructor who was of a similar age to me, and their thoughtful follow-up and encouragement also helped me with my own implementation.

Student Reactions and Growth Beyond Imagination

When I actually ran the class myself, the results went far beyond my initial expectations. Students began operating the system without waiting for me to explain and went ahead and delved into areas of their own interest. I was amazed by their creativity and ability to absorb information quickly, as they focused on photography for social media and learned related bookkeeping and marketing knowledge of their own accord. I heard them say, "The textbook is outdated; this is more mainstream." The students also said, "I want to carry on creating an online shop at home," and "I have things I want to sell myself," which makes it clear that e-commerce was an abstract thing but actually a realistic option for students.

Future Development and Challenges

Currently, I am collaborating with other tech-savvy teachers in the school to plan more advanced classes for next year and beyond. However, there is a lot more to sort out related to getting into actual sales—such as managing sales proceeds and arranging equipment. I believe that having teaching materials, guidelines, and support would help get this implemented more quickly. As students will have difficulty grasping the concepts if teachers don't fully understand them themselves, it is crucial for us teachers to study it for ourselves beforehand.



Taking the First Steps in e-commerce Practical Education at a Special Needs High School:

Students' Futures Expand Through Online Shop Management

Sapporo Minami-no-mori Special Needs High School Teacher
Mr. Shiryu Miyotsue

How Practical Education at Special Needs High School and e-commerce Can Work Together

Sapporo Minami-no-Mori Special Needs High School fosters the ability of students with disabilities to work independently in society. The school emphasizes practical education and features an on-campus café that is open to the public, providing students with experience in customer service and shop operations. In order to explore the possibilities of online shops and see if it is a good fit, I participated in the course alongside the principal at that time.

Online Shops Where Students' "Strengths" Can Be Utilized

Our school has six specialized courses, including customer service, design, and product management. And there are opportunities to apply the skills from each course in online shop management. For instance, design course students create layouts and product pages, while those in the customer service course write descriptions and social media posts. Studying e-commerce lets the students completely experience the whole business process. The school's participation in the course was decided after consulting with the principal, influenced by the partnership agreement between the Sapporo City Board of Education and BASE. The BASE system offers a wide variety of layouts and is user-friendly, and I felt that students would enjoy working on it with teacher support. Our school already uses AI for research and marketing to attract customers to our café. And through engaging in activities such as these in IT and DX, our students can identify their own strengths, weaknesses, and preferences. Here, online shops too can act as a platform for such self-discovery.

A Future Where Students Create Their Own Ways of Working

Our school curriculum lets students line up jobs, with four internships in their second year. The school works with companies to ensure students are able to do the job they wish to try. In the past, internships typically involved behind-the-scenes tasks; however, students now request various job placements. Also, post-graduation employment has diversified and now includes the aviation industry and gaming centers, and I anticipate that e-commerce knowledge will open up new career choices.

Recently, there was a student who dreamed of working at a general goods store, but when we had trouble finding an internship location and consulted with a local business owner, who told us, "If there isn't one, start your own business!" I also believe we're entering an era where students will start their own businesses to pursue their dreams. I think now is the time when anyone, regardless of disability, can pursue what they enjoy wherever they like. And I hope it stays this way. As the students are able to engage in online shop management that is connected to career support, they can further expand their own possibilities.

Our role is to support the initial step so students can turn what excites them into their work. This is a time when anyone can work in their preferred environment, and e-commerce offers students great possibilities as an entry point.

Our school is continually seeking internship opportunities, and it would be fantastic if, in the future, we could help address the talent shortage at companies that promote IT and DX. To that end, we would appreciate the chance to apply the materials used in the teacher online shop creation course to our classes as well. Should we implement an online shop creation experience program for students, we, as teachers, could rest assured with BASE's support. We look forward to your future assistance.

Climate Change and Energy

TCFD-Based Information Disclosure

The BASE Group recognizes climate change as a critical issue that impacts our business. We have been actively addressing climate change across the Group as one of our material issues, and in March 2023, we declared our support for the Task Force on Climate-related Financial Disclosures (TCFD). We disclose climate-related information in line with TCFD recommendations on “Governance,” “Risk Management,” “Metrics and Targets,” and “Strategy.”

Governance

In March 2022, we established a Sustainability Committee to discuss, coordinate, and monitor significant sustainability-related matters, including our basic policy, materiality, and related initiatives. The committee also reviews and considers important issues to be presented to the management meeting. Matters that have passed through the Sustainability Committee and have been deliberated on and decided upon by the management meeting are regularly reported to the Board of Directors along with their progress. The response policies and measures agreed upon at the management meeting are spearheaded by the Representative Director, Senior Executive Officer, and CEO, who chairs the Sustainability Committee, arranged by the ESG Promotion Office, and implemented by each department within the company.

Risk Management

The BASE Group’s Risk Management and Compliance Committee identifies and prioritizes risks that must be addressed in our business activities. Chaired by the Representative Director and CEO, the committee comprises members selected by the CEOand meets quarterly. It regularly reports especially significant risks to the Board of Directors. Moving forward, the department responsible for sustainability will identify and evaluate climate-related risks and opportunities with the cooperation of relevant departments and report them to the Sustainability Committee with recommendations, promoting a company-wide response to climate change. Critical environmental risks related to climate change and social issues that include climate change raised by the Sustainability Committee will be integrated into company-wide risk management in collaboration with the Risk Management and Compliance Committee.

Metrics and Targets

The BASE Group calculates GHG*1 emissions as an assessment metric related to climate change. The table on the right shows our GHG emissions for the last two years.

Regarding Scope 1 and Scope 2*2 emissions, since September 2023, we have fully transitioned to renewable energy for all electricity used at the head office. As for the electricity use at BASE-managed physical shop spaces (locations provided to BASE merchants to use as pop-up shops) at commercial facilities in Tokyo, we have implemented carbon offsetting by purchasing credits for electricity derived from renewable energy sources. As a result, in the fiscal year ended December 2023, the BASE Group achieved net-zero GHG emissions for both Scope 1 and Scope 2.

As for Scope 3 emissions, starting this fiscal year, we have initiated phased disclosure of information for Category 6 (Business travel), Category 7 (Employee commuting), and Category 9 (Downstream transportation and distribution). We have implemented carbon offsetting of the GHG emissions under these categories by purchasing credits for electricity derived from renewable energy sources. GHG emissions for Category 9 (Downstream transportation and distribution) are based on data provided by Yamato Transport Co., Ltd., and, according to our internal estimates, are equivalent to approximately 40% of the total GHG emissions resulting from transportation and distribution (downstream) generated through the use of our platform. These GHG emissions (the amount generated in the fiscal year ended December 2023) are also being offset by purchasing credits for electricity derived from renewable energy sources. Moving forward, we will continue to advance initiatives toward carbon neutrality for transportation and distribution (downstream), which account for a large share of the indirect emissions associated with our business activities. As for the Scope 3 calculations for other categories, we will continue to explore and discuss the feasible calculation ranges based on the characteristics of our business.

Calculating GHG Emissions to Address Climate Change and Other Environmental Issues

Category		FYE Dec. 2023	FYE Dec. 2024
Scope 1: (Direct emissions from fuel use, etc.)		0 (t-CO2)	0 (t-CO2)
Scope 2*2: (Indirect emissions from purchased electricity use)		85 (t-CO2)	102 (t-CO2) *3
Scope3: (All other indirect emissions related to business activities)	Total: Categories 5 to 9	164 (t-CO2)	248 (t-CO2)
	Category 5: Waste generated in operations	1 (t-CO2)	1 (t-CO2)
	Category 6: Business travel	21 (t-CO2)	69 (t-CO2)
	Category 7: Employee commuting	31 (t-CO2)	30 (t-CO2)
	Category 9: Downstream transportation and distribution	111 (t-CO2)	148 (t-CO2)

*1 Abbreviation for Greenhouse Gas
*2 Calculated using market-based criteria
*3 Calculated including electricity used by want.jp, Inc., a consolidated subsidiary (at a separate site)

Strategy

Based on the framework proposed by TCFD, the BASE Group conducted a scenario analysis in light of the characteristics of our business, identifying the following risks and opportunities brought about by climate change.

Identification of Risks

Classification		Assumed Scenario	Risk	Impact	Countermeasures
Transition Risk	Policy and Regulations	Introduction of carbon tax in Japan due to stricter regulations	Increased tax burden due to the carbon tax	Low	• Reducing GHG emissions • Using renewable energy for electricity at the head office Carbon offsetting for electricity usage outside the head office
	Market	Sharp increase in various energy prices due to rising demand for clean energy Changes in consumer preferences leading to customer attrition due to decreased demand for services that are not environmentally friendly	Increased SG&A expenses due to rising renewable energy prices	Low	• Reducing costs through research, diversification, and optimization of office electricity procurement
		Fall in reputation of companies not disclosing ESG-related information as ESG-driven investment accelerates	Revenue decrease due to reduced usage of our services	Low	• Promoting and disclosing information on environmentally friendly initiatives
	Reputation	Fall in reputation of companies not disclosing ESG-related information as ESG-driven investment accelerates	Stock price decline and negative impact on fundraising from financial institutions and investors due to insufficient climate change response and inadequate disclosure	Low	• Promoting and disclosing information on environmentally friendly initiatives • 100% reduction of Scope 1 and 2 emissions • Proper dialogue with financial institutions and investors
Physical Risk	Acute	Frequent and severe disasters such as heavy rains and floods due to abnormal weather caused by climate change	Service operations suspension due to office and data center flooding, resulting in system downtime	High	• Formulating business continuity plans (BCP) • Relocating to offices with BCP measures • Promoting remote work • Promoting the use of robust cloud services

Identification of Opportunities

Classification	Assumed Scenario	Opportunity	Impact	Countermeasures
Energy Source	Introduction of carbon tax in Japan due to stricter regulations	Non-taxable status due to achieving zero GHG emissions	Low	• Reducing GHG emissions • Using renewable energy for electricity at the head office • Carbon offsetting for electricity usage outside the head office
Product and Service	Changes in consumer preferences leading to increased demand for environmentally friendly companies and cloud services	Enhanced corporate competitiveness and increased demand for our services due to improved brand image	High	• Promoting and disclosing information on environmentally friendly initiatives
Resilience	Demand for platform providers providing payment and financial services to establish resilient platforms and systems	Increased reliability and demand for our services	High	• Formulating business continuity plans (BCP) • Relocating to offices with BCP measures • Promoting remote work • Promoting the use of robust cloud services

Ensuring a Safe, Secure, and Healthy Trading Environment

Merchant Management

Guideline Formulation and Monitoring

We disclose information about the use of our platform primarily through our help pages, and revise them as needed based on customer inquiry trends. We have also developed guidelines to promote appropriate descriptions in commercial transactions and monitor compliance. When deficiencies or violations in sales conditions or product descriptions are identified, we provide proper guidance and take action to create an environment where purchasers can choose products with peace of mind.

Security and Fraud Countermeasures

Measures Against Fraudulent Transactions

We implement measures in compliance with the "Credit Card Security Guidelines" established by the Japan Consumer Credit Association. In addition to operating a dedicated department year-round, we work to prevent fraudulent use of our services through a multifaceted approach. This includes machine learning analysis using transaction data held by the BASE Group, referencing credit card companies' databases of fraudulent shipping addresses, and introducing 3D Secure.

Ensuring Account Security

To secure against unauthorized access, we have adopted security features such as passkey authentication. As part of our ongoing efforts to enhance user safety, we also restrict access to and functionality of accounts that have remained inactive for a specified period.

Protection of Personal Information

To enable individuals and small teams to operate shops securely, we offer features such as non-disclosure settings for addresses and phone numbers, as well as anonymous shipping that allows people to send products without including their personal information. Through such measures, we protect user privacy while supporting smooth transactions.

Purchaser Protection

Disclosure of Shop Information

By displaying information based on the Act on Specified Commercial Transactions and enabling buyer ratings and reviews, we facilitate buyers' access to accurate information about shops and products.

Handling Purchase Issues

In cases of defective products or delivery delays, we promptly request the shop to respond and make improvements according to our terms of service. By taking rigorous measures to prevent recurrence and responding to buyer inquiries with care, we support safe and secure transactions.

Participation in Industry Partnerships and Organizations

To improve trust in the online marketplace overall and promote an environment where consumers can engage in safe transactions, we work with peer companies and government authorities while actively advancing voluntary efforts.

Japan Online Marketplaces Consortium (JOMC)

JOMC aims to build a safer and more secure trading environment through cooperation and information sharing on measures against malicious sellers and approaches to providing information to consumers.

Japan Consumer Credit Association (JCA)

JCA supports the proper operation of credit transaction businesses and works to enhance consumer safety and convenience while promoting the sound growth of the credit industry.

Corporate Ethics and Compliance

At the BASE Group, we believe that it is crucial to comply with laws and regulations, adhere to ethical standards and social norms, and act with a social conscience. To ensure thorough compliance, we have implemented the following initiatives.

Human Rights Policy and Ethics Code

We have established a human rights policy, available on our website, that aims to contribute to the development of a sustainable society by respecting human rights across all corporate activities.
We have also established an ethics code, which requires all officers and employees to fully understand and adhere to all social norms and their spirit, and to act with a social conscience. This code is included in our compliance training to ensure thorough understanding and adherence.

Whistleblowing System

We have established a whistleblowing system with reporting channels to internal contacts, auditors, and external lawyers to detect and correct legal violations and other compliance issues promptly. This system is made known to all employees to facilitate early detection and prevention of problems. Our whistleblowing regulations ensure a thorough investigation and appropriate action upon receiving reports and protect whistleblowers from any disadvantageous treatment resulting from their reporting.

Compliance Promotion System

Based on our “Risk Management and Compliance Regulations,” we have established a Risk Management and Compliance Committee, chaired by the Representative Director, to prevent risks in each department and minimize company losses. The committee conducts company-wide risk management, comprehensively identifying, evaluating, and implementing countermeasures for risks in each business division. The committee meets regularly and reports the results to the Board of Directors and the Board of Auditors as necessary.

Compliance Training

Compliance training is conducted for all employees upon joining the company and annually thereafter. It covers general compliance, the Act on the Protection of Personal Information, insider trading prevention, and harassment prevention. The training includes company-wide topics and specific content tailored to each department’s operations to enhance effectiveness. In 2024, the training participation rate was 100%.

Information Security and Privacy Protection

To enable safe and secure use of our services, we effectively mitigate various information security risks and strengthen our organization-wide security system. Specifically, we work to build a stronger and more adaptive information security framework based on four pillars: organizational, human, technological, and physical.

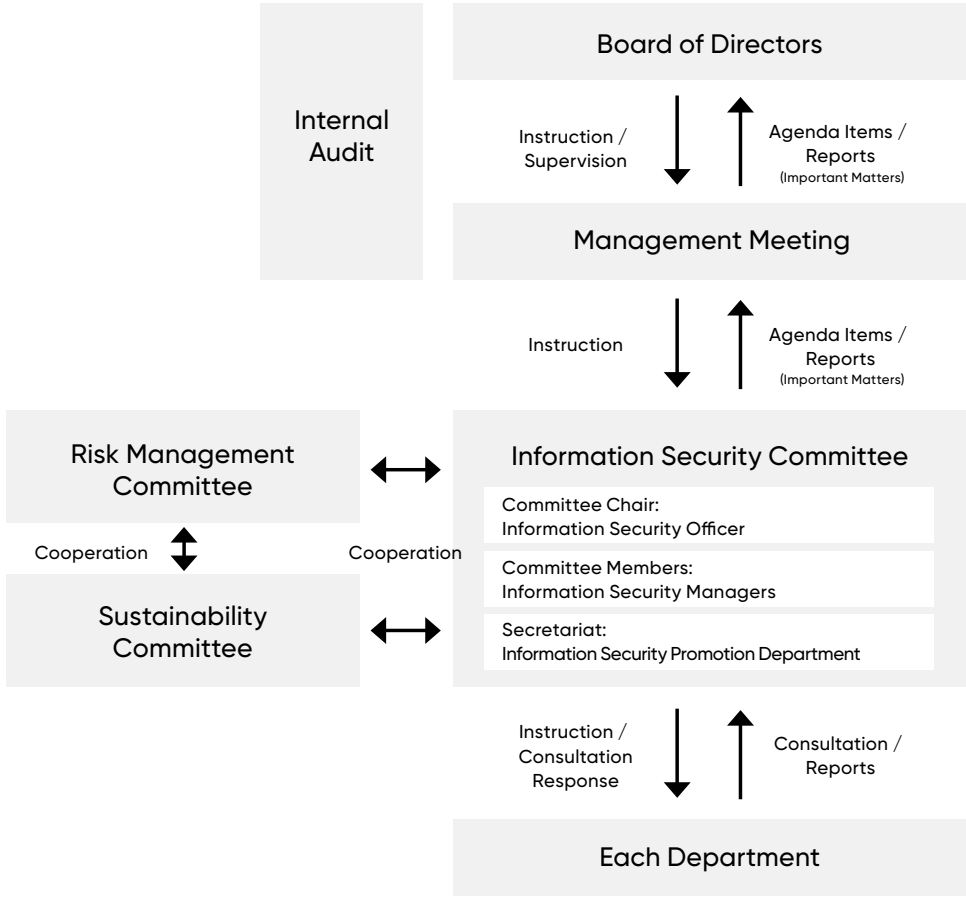
Governance Structure

Information Security Committee

We have established an Information Security Committee, chaired by an Information Security Officer and composed of information security managers from each department, to promote and oversee information security initiatives company-wide. Moreover, to implement effective security measures, we have established an Information Security Promotion Department that swiftly promotes and coordinates information security-related initiatives and plans.

Information Security Managers

We have appointed information security managers who are responsible for protecting and properly managing information assets, supporting officers and employees, and exercising comprehensive oversight of information security measures in each department.



Organizational Measures

Legal Compliance

We properly handle information assets in compliance with applicable laws, regulations, relevant standards, and contracts concluded with customers, business partners, and employees.

Continued Improvement

We respond to evolving risks, and continuously improve information security by regularly reviewing and assessing our organizational and business risk responses.

Information Asset Management

We are committed to ensuring and maintaining the confidentiality, integrity, and availability of our information assets.

Response in Emergency Situations

In anticipation of potential disasters and other emergencies, we have established response procedures and frameworks to minimize the impact on our business and information security.

Management of Outsourced Service Providers

When outsourcing services to external parties, we conduct appropriate oversight at the time of selection and through regular checks afterward to ensure that the service provider maintains a security level equal to or higher than our own. We also enter into non-disclosure agreements (NDAs) with such parties.

Handling of Personal Information

We are committed to implementing, strengthening, and upholding privacy measures to ensure that users can enjoy our services with peace of mind.

Refer to our Privacy Policy for details.
https://binc.jp/privacy

Human-level Measures

Non-disclosure Agreement

We have entered into NDAs with all employees.

Improvement of Information Security Awareness

We provide information security-related education to all officers and employees on a regular basis.

Technological Measures

System Security Measures

We are committed to ensuring and enhancing security by formulating measures to prevent and prepare for various types of attacks, building robust systems, and protecting information assets against all kinds of threats.

Vulnerability Assessment

We regularly assess the security of our platforms and applications to detect potential vulnerabilities, and address any identified issues in accordance with our vulnerability management process.

Monitoring

We monitor for unauthorized access and various other events, and promptly respond when incidents with significant user impact are identified.

Physical Measures

Establishment of Security Perimeters

We establish physical security perimeters appropriate to the information assets being handled, and monitor access accordingly.

Management of Information Terminals

Employees are provided with company-issued PCs equipped with the necessary security management tools, and are required to perform their duties using these PCs.

Third-party Certification

We obtain security-related certifications from third-party organizations to ensure that users can use our services safely and with peace of mind.
BASE, Inc. has obtained PCI DSS SAQ A, the global security standard in the credit industry.
PAY, Inc. holds credit card information and manages it through operations in full compliance with PCI DSS Version 3.2.1.

Major Business Risks

Categories	Risk	Response	Materiality
External Environment and Market	• Stagnant e-commerce and online payment service market growth caused by changes in consumer activity due to economic reopening and soaring prices • Business stagnation due to the introduction of regulations related to payments and the internet	• Agile review of business plans • Investment in new technologies • Information gathering and lobbying	• Liberating payments and finance through technology
Competition	• Intensifying competition by existing and new entrants in the independent e-commerce and online payment service markets	• Maintaining a position as a predominantly chosen service • Strengthening marketing and feature development	• Liberating payments and finance through technology
Service Integrity	• BASE Group being held liable, as the provider of a trading platform, for actions of service users that threaten the integrity of the service • Refunds and damage claims due to fraudulent transactions	• Establishing a specialized department to analyze transaction data possessed by the company using machine learning to detect and prevent inappropriate actions and fraudulent transactions	• Ensuring a safe, secure, and healthy trading environment
Human Resources	• Business stagnation due to failure to hire and retain top talent as competition for talent intensifies	• Strengthening recruitment • Human resource development and support for autonomous career building • Creating a company environment where everyone's abilities can be maximized	• Recruitment, development, and promotion of talent • Achieving DE&I • Providing a safe and secure work environment
Compliance	• Trust erosion, business activity restrictions, increased related costs, and damage to corporate value due to compliance violations or infringement of third-party intellectual property rights	• Conducting compliance training to raise awareness of legal compliance • Establishing an intellectual property strategy, acquiring intellectual property, and conducting training	• Corporate ethics and compliance
Information Security and Information Systems	• Legal liabilities and loss of the BASE Group's credibility due to the leakage of personal information • Inability to provide stable services due to large-scale system problems	• Discussing and implementing security measures through the Information Security Committee • Raising awareness among officers and employees through information security training • Managing personal information in compliance with the Act on the Protection of Personal Information • Strengthening server facilities and establishing appropriate internal systems	• Information security and privacy protection • Ensuring a safe, secure, and healthy trading environment

Governance



Discussion with Outside Directors

Strengthening the Supervisory System while Avoiding the Risk of Not Taking Risks to Support the Company's Leap Forward

Outside Director (Newly Appointed)
Naoko Suzuki

Outside Director
Misa Matsuzaki

Outside Director
Masayuki Shimura

2024 Evaluation

Shimura:

In addition to developing medium- to long-term financial targets and roadmaps for non-business departments, we invited external instructors to conduct sustainability training for the management team, strengthening both the executive and supervisory functions throughout the year. The sustainability team also took the lead in conducting internal awareness campaign activities, which was excellent. Additionally, we held preliminary discussions with management members outside of board meetings, and I hope these dialogues have stimulated communication among management members and fostered synergies between businesses.





Outside Director (Newly Appointed)
Naoko Suzuki

Matsuzaki:
The introduction of "new blood" through M&A was an essential step in enhancing the overall capabilities of the BASE Group. Naturally, those who join the Group must possess a high level of compliance awareness required of a publicly traded company, so I want to collaborate with Ms. Suzuki in developing such systems and nurturing that culture. However, since the impairment loss occurred immediately after completing the M&A, I believe we, as outside directors, need to closely monitor whether the lessons from this experience are being applied to future M&As and partnerships.

2025 Governance Themes

Shimura:
If everything goes according to schedule, Estore Corporation will join the Group this summer. To succeed in such discontinuous growth initiatives, we expect further growth from existing businesses, and we must maintain appropriate governance so that these businesses can accelerate their growth even more. Establishing suitable group governance systems is essential with the increase in Group companies. Therefore, we aim to firmly fulfill our role in establishing this foundation. Additionally, as we look ahead to becoming an even larger organization in the future, I believe we need to develop our management talent. While this is a long-term initiative, it's a crucial aspect of continuing growth, so we will support this as a supervisory body.
Matsuzaki:
In 2025, we are restructuring our management team, with Senior Executive Officer Takahashi assuming the role of COO. To promote synergies between businesses, one person will oversee the existing businesses to expedite decision-making. Mr. Yamamura, who has led the growth of the BASE business as COO, will now play a key role in realizing the Group's discontinuous growth. We have high expectations for both.

Aspirations for 2025 with the New Structure

Matsuzaki:
Group-wide talent management and corporate culture development discussions progressed in 2024. Since Ms. Suzuki has strengths in the HR field, I hope we can collaborate to further advance the momentum that has continued since last year.
Suzuki:
I, too, am very much looking forward to it. I have experience in both startup and large company environments, not only in front-line roles but also in HR and management. Generally, as companies grow, many face what's called the "valley of death." To overcome this challenge and enhance the management team's overall capabilities, we need to systematize areas that have typically relied on the strong individual abilities of player-managers and increase reproducibility. As a result, the organization can grow alongside business growth. I believe this will be an essential theme for the BASE Group as it aims for future inorganic growth, and I want to contribute to that. I love "people with aspirations" and "challenging environments." The BASE Group has many people with aspirations taking on various challenges, from management to members and even users, so I'm excited.
Shimura:
While it's important to have a member on the executive team managing the HR team as CHRO, I believed we also needed a supervisory team member with specific expertise in that area, which is why I recommended Ms. Suzuki.
Matsuzaki:
Ms. Suzuki, what was your impression of our CEO, Mr. Tsuruoka?
Suzuki:
Doing the business targeted at individuals and small teams and growing it is very difficult, and some may feel it counters economic rationality. However, Mr. Tsuruoka's appeal and strength lie in his unwavering belief in that significance. Furthermore, it's wonderful how that mindset has spread throughout the company and become firmly ingrained. The outside directors also integrate well with the company, and it is evident that they are working together as one team to achieve "Payment to the People, Power to the People."

To Our Stakeholders

Shimura:
Going forward, management decisions that significantly impact the company's future will be more necessary than ever. While "governance" might sound like it restricts everything, in times of great change like today, "the risk of not taking risks" is also enormous. With Ms. Suzuki joining us and our supervisory system strengthened, I hope we can adequately support better management decisions from a governance perspective as a foundation for the BASE Group's leap forward.

Outside Director
Masayuki Shimura

Outside Director
Misa Matsuzaki

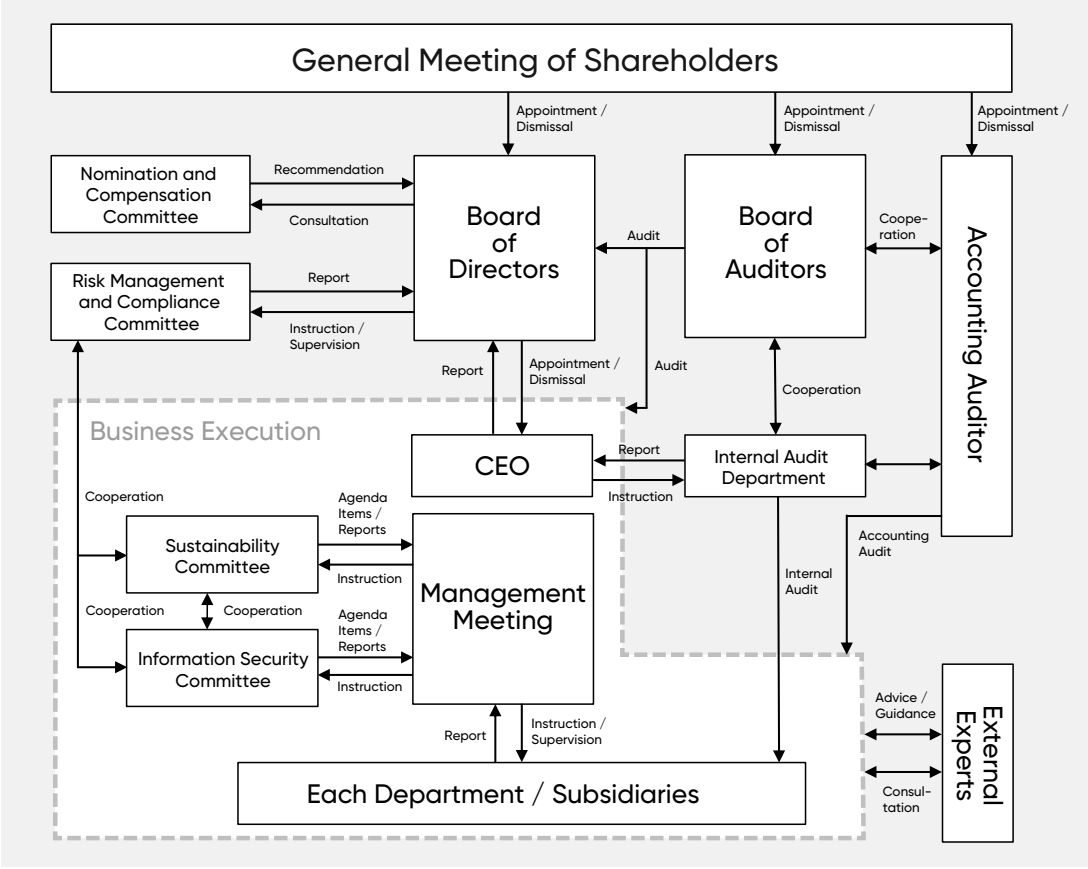




Corporate Governance

Upholding our mission of "Payment to the People, Power to the People," we aim to be a company that contributes to society. To sustainably enhance corporate value under this mission, we recognize the importance of improving management soundness, efficiency, and transparency, as well as establishing an organizational structure that can respond swiftly and flexibly to changes in the business environment. Therefore, we are committed to strengthening and enriching our corporate governance system.

Corporate Governance Structure



Evolution of Corporate Governance Enhancement

To further strengthen and enhance our corporate governance, we separated the executive and supervisory functions—thus speeding up decision-making and reinforcing the supervisory function—by introducing an executive officer system and establishing management meetings in 2021. In the same year, we also established a voluntary Nomination and Compensation Committee to enhance management objectivity and rationality.
In March 2025, we appointed Ms. Naoko Suzuki as a new outside director, making outside directors the majority, strengthening the Board of Directors' supervisory function.

Corporate Governance Status

Organizational form	Company with a Board of Auditors
Board of Directors composition	Five members
Outside directors	Three (all are independent outside directors)
Voluntary committees	Nomination and Compensation Committee
Accounting auditor	KPMG AZSA LLC

Board of Directors

Approach to the Composition of the Board of Directors

BASE's Articles of Incorporation stipulate that the number of directors shall not exceed eight. To strengthen the Board of Directors' supervisory function, the Board's membership must consist of at least one-third and a minimum of two independent outside directors. When selecting Board members, we consider the balance of knowledge, experience, abilities, and diversity, ensuring that at least one female director is appointed. Specifically, after deliberation of candidates by the voluntary Nomination and Compensation Committee, we use a skill matrix to select directors. Currently, our Board comprises five directors (three males and two females): two internal and three independent outside directors, all three of whom have management experience at other companies.

Process for Selecting Director Candidates

When nominating director candidates, we aim to select individuals possessing extensive business knowledge and experience who can significantly contribute to the company's business and enhance its corporate value by fulfilling their duties as directors. The voluntary Nomination and Compensation Committee develops candidate proposals based on these criteria. The Board of Directors then discusses and approves these proposals before they are presented at the General Meeting of Shareholders for election.

Evaluation of the Effectiveness of the Board of Directors

We evaluate the Board of Directors' effectiveness at least once a year with the aim of identifying issues related to the Board, implementing countermeasures and improvements, and thereby improving the Board's functionality, governance levels, and corporate value. In FY2024, continuing from the previous year, we confirmed that the effectiveness of the Board and other bodies was maintained.

Approach to Compensation

Composition of Compensation

Compensation for our directors is linked to shareholder interests to effectively function as an incentive to sustainably enhance corporate value. When determining the compensation of individual directors, our basic policy is to ensure an appropriate level that reflects their respective responsibilities. Specifically, the compensation for executive directors consists of a basic salary and stock compensation as fixed compensation. Similarly, outside directors responsible for supervisory functions receive fixed compensation, including basic salary and stock compensation. This policy is deliberated by the Nomination and Compensation Committee, a consultative body of the Board of Directors comprised of a majority of outside directors and is decided by the Board of Directors.

Decision Process

Regarding individual compensation amounts, CEO Yuta Tsuruoka is delegated by the Board of Directors to determine the specific contents. The delegation's scope includes deciding the basic salary amounts for each director, considering their responsibilities, contributions, and execution of duties, as well as the company's performance and economic conditions. The delegation is based on the judgment that the CEO is best suited to evaluate each director, considering the company's performance and other factors. To ensure the appropriate exercise of this authority by the CEO, the Nomination and Compensation Committee reviews a draft proposal from the Board of Directors and provides recommendations, which the CEO must follow in making decisions. Additionally, the Board of Directors decides the allocation of stock compensation to individual directors based on the Nomination and Compensation Committee's recommendations. The Nomination and Compensation Committee comprises three directors appointed by the Board, with a majority being outside directors.

Directors

	Name	Position	Career	Reason for Appointment
	Yuta Tsuruoka	Representative Director and Senior Executive Officer, CEO	Started the "BASE" project, an online shop opening service, while attending university. Founded the company in December 2012 at age 22 and became Representative Director.	Having led the company as Representative Director since establishing it in December 2012 and possessing extensive knowledge of the e-commerce and payment industries, he is deemed suitable for continuing to make critical management decisions and supervise business execution.
	Ken Harada	Director and Senior Executive Officer, CFO	Joined the company in June 2015 after working at MIXI, Inc., FreakOut, Inc. (now FreakOut Holdings, Inc.), and other companies. Appointed Director in February 2016.	Since joining the company, he has driven its growth by consistently overseeing the corporate department, and with his extensive experience and deep insight in financial strategy plus his familiarity with the company as CFO, he is deemed suitable for continuing to make critical management decisions and supervise business execution.
	Masayuki Shimura	Outside Director	Held positions as Executive Officer at Mitsui Bank, Ltd. (now Sumitomo Mitsui Banking Corporation) and Representative Director Senior Executive Officer at Sumitomo Mitsui Card Co., Ltd. Appointed Outside Director in August 2019.	With his experience as a director at payment-related companies and deep knowledge of the finance and payment industries, he is deemed suitable for continuing to make critical management decisions and supervise business execution.
	Misa Matsuzaki	Outside Director	Founded Agasta Co., Ltd. , and led the company to be listed on the TSE Mothers (now TSE Growth). Appointed Outside Director in March 2022.	With her experience as Representative Director or Director of multiple companies, including the companies she founded, she is deemed suitable for continuing to make critical management decisions and supervise business execution.
	Naoko Suzuki	Outside Director	Worked at Mitsubishi Corporation, BP Japan Co., Ltd., and Renova, Inc. as Executive Officer and CHRO, and MedPeer, Inc. as Executive Officer and other positions. Appointed Outside Director in March 2025.	With her experience in corporate management as a Representative Director, HR organizational development as an Executive Officer and CHRO, and her extensive knowledge gained from working in various roles at companies with different organizational cultures, including Japanese companies, foreign companies, startups, and large corporations, she is deemed suitable to make critical management decisions and supervise business execution.

Skills Matrix

Name	Position	Management Experience	Finance & Accounting	Legal, Compliance, Risk Management	ESG & Sustainability	HR & Organizational Development	Technology	Industry Knowledge (E-commerce, Payment, Finance)	International Experience	Investment & M&A
Yuta Tsuruoka	Representative Director and Senior Executive Officer, CEO	●			●	●	●	●		
Ken Harada	Director and Senior Executive Officer, CFO	●	●	●	●					●
Masayuki Shimura	Outside Director	●		●				●	●	●
Misa Matsuzaki	Outside Director	●				●			●	●
Naoko Suzuki	Outside Director	●			●	●			●	

Facts & Data



Financial Information

		FY2020 (ended Dec. 31, 2020)	FY2021 (ended Dec. 31, 2021)	FY2022 (ended Dec. 31, 2022)	FY2023 (ended Dec. 31, 2023)	FY2024 (ended Dec. 31, 2024)
Consolidated income statement	Net sales	8,288	9,931	9,739	11,680	15,981
	Gross profit	4,992	5,623	4,737	5,033	7,166
	Operating profit (loss)	803	△ 977	△ 1,508	△ 425	772
	Ordinary profit (loss)	747	△ 960	△ 1,495	△ 409	796
	Net profit (loss)	584	△ 1,194	△ 1,732	△ 606	340
Consolidated Balance Sheets	Current assets	27,693	31,433	30,946	36,965	45,252
	Non-current assets	811	558	332	331	1,036
	Total assets	28,505	31,991	31,278	37,297	46,288
	Current liabilities	12,224	16,823	17,720	24,244	31,888
	Non-current liabilities	63	61	57	52	799
	Net assets	16,217	15,105	13,501	13,000	13,600
Cash flow statement	Cash flows from operating activities	3,128	1,782	△ 1,706	△ 80	3,657
	Cash flows from investing activities	△ 471	△ 21	△ 28	△ 53	△ 159
	Cash flows from financing activities	12,419	21	26	16	3
	Cash and cash equivalents at end of period	22,271	24,053	22,344	22,227	25,730

(Million yen)

ESG Data

Environment

Category / Item		Unit	FY2024
Global warming prevention			
GHG emissions	Scope1	t-CO2	0
	Scope2	t-CO2	102
	Scope3	t-CO2	248
	-Category 5	t-CO2	1
	-Category 6	t-CO2	69
	-Category 7	t-CO2	30
	-Category 9	t-CO2	148

Governance

Category / Item		Unit	FY2024
Officers			
Board of Directors composition	Internal directors (of which female)	Persons	2 (0)
	Outside directors (of which female)		2 (1)
Board of Auditors composition	Outside auditors (of which female)		3 (1)
Executive officers composition	Senior executive officers (of which female)		5 (0)
	Executive officers (of which female)		3 (0)
Nomination and compensation committee composition (of which outside members)		Persons	3 (2)

Society

Category / Item		Unit	FY2024
Basic employee data			
Number of employees	Total employees	Persons	290
	Men		183
	Women		107
	Percentage of women	%	36
Number of managers	Total managers	Persons	40
	Men		30
	Women		10
	Percentage of women	%	25
Average age		Years old	35
Average tenure		Years	3
Employment and DE&I			
Number of hires	Mid-career hires	Persons	38
	Men		31
	Women		7
	Percentage of women	%	18.4
Wages	Average annual salary	Thousand yen	7,276
	Gender pay gap	%	69
Employment rate of persons with disabilities		%	2.5
Turnover rate		%	12.8
Work-life balance			
Childcare	Number of employees taking childcare leave (cumulative)	Persons	17
	Men		9
	Women		8
	Rate of male employees taking childcare leave	%	90
	Return rate after childcare leave		100
Paid leave	Number of annual paid leave days taken	Days	11
	Annual paid leave utilization rate	%	76

*Figures for full-time and contract employees at consolidated subsidiaries (excluding part-time workers)
*The employment rate of persons with disabilities represents figures for BASE, the parent company.

Company Information

Company Overview	
Company Name	BASE, Inc.
Representative	Representative Director and Senior Executive Officer CEO Yuta Tsuruoka
Head office	37F Sumitomo Fudosan Roppongi Grand Tower, 3-2-1 Roppongi, Minato-ku, Tokyo
Established	December 11, 2012
Business	Web service planning, development, and operation
Capital	8,735million yen
Fiscal year end	December 31
Number of employees	290 (consolidated)
Affliated company	PAY, Inc., want.jp, Inc.

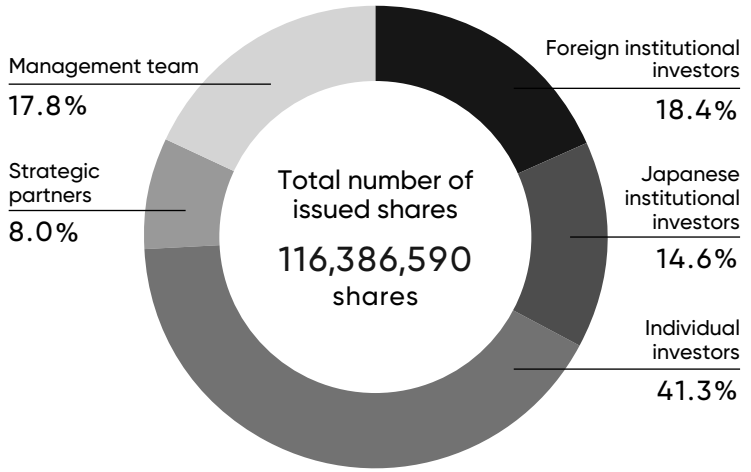
Stock Information

Basic Stock Information	
Code number	4477
Stock exchange listing	Tokyo Stock Exchange Growth Market
Total number of authorized shares	376,440,000 shares
Total number of issued shares	116,386,590 shares
Number of shareholders	32,773
Number of shares per trading unit	100 shares
Record date	December 31
Shareholder registry administrator	Mitsubishi UFJ Trust and Banking Corporation

Major Shareholders (Top 10)

Shareholder Name	Shareholding Ratio (%)
Yuta Tsuruoka	15.95
MARUI GROUP Co., Ltd.	5.41
Custody Bank of Japan, Ltd. (Trust Account)	3.43
SBI SECURITIES Co., Ltd.	2.99
GOLDMAN,SACHS & CO.REG (Standing Proxy: Goldman Sachs Japan Co., Ltd.)	2.49
MORGAN STANLEY SMITH BARNEY LLC CLIENTS FULLY PAID SEG ACCOUNT (Standing Proxy: Goldman Sachs Japan Co., Ltd.)	2.32
Yasuyoshi Yanagisawa	2.26
BNYM SA/NV FOR BNYM FOR BNYM GCM CLIENT ACCTS M ILM FE (Standing Proxy: MUFG Bank, Ltd.)	1.97
CyberAgent, Inc.	1.93
The Master Trust Bank of Japan, Ltd. (Trust Account)	1.90
Total	40.70

Shareholder Composition

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