Corporate Governance

Latest update: June 25, 2025
Sega Sammy Holdings Inc.
Haruki Satomi,
President and Group CEO (Representative Director)
Contact: Internal Control Division: 03-6864-2034
Securities Code: 64600
https://www.segasammy.co.jp/en

The status of Sega Sammy Holdings Inc. (the "Company") corporate governance is as set forth below:

I. Basic Principles for Corporate Governance, Capital Composition, Corporate Attributes, and Other Basic Information

1. Basic Principles

The Company and the Group position corporate governance as the most important foundation for facilitating good corporate behavior. The Company and the Group uphold "improving efficiency," "securing soundness," and "enhancing transparency" of corporate management as its basic policy for corporate governance. On this basis, the Company and the Group make determinations on important management issues, including the appointment of director candidates, determining director and auditor remuneration, and management oversight.

Improving Efficiency
By establishing a prompt and appropriate decision-making process and improving the efficiency of corporate management, the Company aims to maximize its corporate value, thereby striving to provide appropriate returns to various stakeholders, including shareholders.

Securing Soundness
Amid significant changes in the business environment, to maximize the Company's corporate value, the Company and the Group will appropriately recognize and manage the various risks surrounding the Company and the Group. The Company and the Group will strive to secure sound management by establishing a system (compliance system) to ensure compliance not just with laws and regulations, but with ethical standards and societal norms.

Enhancing Transparency
With the growing importance of information disclosure for companies, the Company and the Group will fulfill their accountability to all stakeholders, including shareholders, and further improve disclosure through proactive engagement in IR activities, thereby cultivating highly transparent management.

[Reasons for Noncompliance with Principles Set Forth in the Corporate Governance Code]

The Company complies with all principles set forth in the revised version of Corporate Governance Code effective in June 2021.

[Disclosure in Accordance with Principles Set Forth in the Corporate Governance Code]

[Principle 1.4 Cross-shareholding]
The Company possesses shares for purposes other than investment only in cases in which the Company believes the possession thereof will enable business alliances, expand transactions, and will lead to an improvement in corporate value, thereby benefitting shareholders.
The Company periodically examines the economic rationale, future outlook, and other aspects regarding the possession of such shares at its Board of Directors meetings and discusses whether the future possession thereof is justifiable.
In general, the Company exercises the voting rights corresponding to such shares on all proposals based

on whether adopting such proposals will contribute to the sustainable growth and mid-to-long-term corporate value enhancement of both the Company and the investee.

[Principle 1.7 Related Party Transactions]
In accordance with laws and regulations, the Company requires a resolution of a Board of Directors meeting to permit competitive or conflict of interest transactions with officers of the Company or with companies substantively controlled by any officer of the Company.
Transaction conditions, the policy for determining transaction conditions, and related matters are disclosed in the annual securities report and other documents.
If any officer of the Company, any company substantially controlled by any officer of the Company, or any major shareholder engages in transactions as a customer of the Company, the Company has established a scheme whereby the Company will not be subject to disadvantageous treatment.

Annual Securities Report (https://www.segasammy.co.jp/ja/ir/library/printing_yuhou/)

[Supplementary Principle 2.4.1]
The Group has established the mission/purpose articulated in the following slogan: Constantly Creating, Forever Captivating: Making Life More Colorful with the vision to Be a Game Changer. The Group sees, as its reason for being, continuing to deliver fresh excitement by making life more colorful for people around the world and by inspiring sympathy, in an age of dramatic volatility, through its products and services.
Since consolidating the head office functions of the Group companies at Osaki in 2018, the Group has been a pioneering figure in moving forward with an agenda known today as human capital management. The goal has been to build human resources, a culture, and an environment that will help realize its vision. The current Mid-Term Plan (for the year ending March 2025 through the year ending March 2027) sets forth its Human Capital Development Goals as a group human resource strategy that identifies shared topics and goals to be addressed by each Group company. Progress on the important elements of these goals is monitored regularly based on proprietary and quantifiable targets.
The Group strives to achieve sustainable growth by creating an environment and culture conducive to continual innovation through bringing together diverse human resources as creators of moving experiences who can demonstrate unique individual strengths in solidarity with their colleagues.

① Multicultural talent: No. (ratio) of persons

Back by a DNA of persistently pursuing progress, the Group seeks to be a global brand capable of tackling the challenges of overturning preconceptions as an innovative Game Changer and delivering moving experiences to users that reflect the trends of the times. The Group's reason for being is to continue to deliver moving experiences and diverse entertainment options to people around the world. Sega Corporation, one of the Group's main operating companies, is expanding its userbase in overseas markets by leveraging outstanding development capabilities and a wealth of beloved IP products deployed worldwide across a diverse range of channels. It operates numerous business facilities and development studios in Europe, the Americas, and Asia. The current industry standard is to advance projects simultaneously across multiple regions. For this reason, it is increasingly important that team members in various regions work closely, based on a mutual understanding of their cultures. Human capital is the key factor in these efforts.
The markets for the Gaming Business, positioned to serve as a new pillar of the Group's businesses, are overseas markets. As we expand our business capabilities and coverage by acquiring firms overseas, securing and developing capable human capital remain the keys to continuing growth. Sammy Corporation and other Group companies are currently seeking to venture into new business domains and build more effective and efficient value chains. These and related efforts have also significantly expanded the range of points of contact in overseas markets.
To hire and train human capital and to expand the human resources capable of thriving in this business environment, the Group has taken steps to strengthen overseas hiring and deploy English-language educational programs to all employees who wish to benefit from them. It achieved the target set for the year ending March 2031 in March 2025, six years ahead of schedule. Given the key role of enhancing multicultural talent in the Group human resource strategy, Sega Sammy Holdings Inc., Sega Corporation, and Sammy Corporation will monitor the number of multicultural talents (those with foreign-language

skills, experience working abroad, and non-Japanese nationality) as a major indicator.

② Female managers: No. (ratio) of persons

To respond to a rapidly changing market landscape and meet the needs of a diverse userbase, we must incorporate a diversity of attributes and awareness that transcends efforts under the theme of multicultural talent. Only by doing so can the Group reflect the diversity of global markets. Continuing to broaden the coverage of Group human resources to accommodate more diverse values and work lifestyles is a critical part of the agenda for making Group strategies more effective and efficient.
Toward this end, promoting the role of women in the workplace is a priority theme. In an industry with relatively lower percentages of female employees as most positions involve engineering work where female applicants remain small, the Group is striving to increase the presence of women within the workplace by providing further opportunities for success. These efforts, including women-focused hiring, career workshops, and workstyles that offer greater latitude with respect to place and time, led to the achievement, in March 2025, of a target originally set for the year ending March 2031: 8% of managerial posts filled by women. Based on the conviction that this approach reflects the demands of today's society, Sega Sammy Holdings Inc., Sega Corporation, and Sammy Corporation will continue to monitor the ratio of women in managerial posts as a critical indicator.

③ Amount invested in education

The skills and capabilities its human capital continually gain account for the source of the Group's growth. International comparisons of the sums invested by employers in training and education show that Japanese firms invest relatively little. While this, in part, reflects an approach that emphasizes on-the-job training based on the premise of long-term employment, the dramatic change and evolution characteristic of the entertainment industry make it vital to invest more in human resources. The Group must rapidly adopt new technologies and concepts to generate innovative content and services and thereby establish new ways to connect to markets and to consumers, that, in turn, make it possible for the Group to remain a Game Changer.
The Sega Sammy College was established in 2018 as a Groupwide educational institution designed to expand opportunities for all employees to learn both new and universal skills. The Group also focuses on elective and tiered training to enable individuals to become leaders in the Sega Sammy tradition who should demonstrate their growing abilities to the fullest and generate organizational synergies. In all, some 61,000 individuals have attended Sega Sammy College, from its inception in 2018 through the end of March 2025. At roughly ¥480 million, the amount invested in education in the year ended March 2025 exceeded the figure originally envisioned. Future plans call for further broadening of the content and style of education and addressing individual companies' strategies and growth themes for the individuals working in them. The Group regards the amounts invested in education to develop the next generation of talent as an important indicator.

④ Workplace environment improvement (engagement score)

One distinguishing feature of human capital is how the ideal pairing of a given employee with a job and environment can lead to dramatic improvements in evaluations and performance. The Group can improve organizational and individual engagement not merely by targeting standard environments that most find comfortable, but by linking individual values, perspectives on work, and individual strengths to the mission, purpose, and strategies of the organization and by providing conditions in which such individuals can thrive.
Since 2016, the Group has continually undertaken a series of surveys to identify the status of employee engagement at major domestic Group companies. These comprehensive employee engagement surveys cover engagement factors related to the company, superiors, and workplaces. More than 97% of employees of eligible companies answered these surveys. Survey results are totaled by organization, gender, age, position, and other attributes, making it possible to extract high-resolution findings concerning organizational issues.
Over eight years, repeating the cycle from surveys to efforts to foster engagement has led to marked improvements in engagement scores for Group companies. The Group average in the survey in the year ended March 2025 was 57.5, just slightly below the target for the year ending March 2031 of 58.0. This

score indicates progress in developing environments in which employees feel their work is rewarding; the next phase will involve unique organizational designs that better reflect the medium- to long-term vision and strategy of each company. Plans call for monitoring progress through these surveys to take employee engagement to the next level.
The Company will continue to use these engagement scores at major domestic Group companies as important indicators. Group companies overseas carry out similar surveys. Plans call for further enhancements of the Groupwide monitoring system to contribute to the growth of the entire Group.

The above indicators are disclosed on the Company website in its fiscal year results presentation.
Sustainability page (https://www.segasammy.co.jp/en/sustainability/)
Fiscal Year Results Presentation (https://www.segasammy.co.jp/en/ir/library/presentation/)
Integrated Report (https://www.segasammy.co.jp/en/ir/library/printing_annual/)

[Principle 2.6 Roles of Corporate Pension Funds as Asset Owners]
To ensure the future provision of pensions and other benefits, the Company and some of its consolidated subsidiaries have established a foundation and set forth rules and regulations. The pension funds are managed in accordance with these rules and regulations.
Given the potential impact of the management of these corporate pension funds on stable asset accumulation for employees and the corporate finances of the Company group, the corporate pension division enlists asset management experts with the necessary experience and qualities.
In addition, corporate pension funds are managed under an appropriate system whereby the state of asset management is monitored through regular investment reports made by the fund management agencies and regular reports to the Company's Board of Directors.

[Principle 3.1 Full Disclosure: (1) Company's objectives (e.g., business principles), business strategies, business plans]
(i) For our group mission, business strategies, business plans, focused business indicators, and objectives, please refer to the Company website, settlement of accounts documents, integrated reports, and other documents. (Note)

Group Mission/Purpose (https://www.segasammy.co.jp/en/corp/mission/)
Business Strategies and Business Plan (https://www.segasammy.co.jp/en/ir/management/strategy/)
Settlement of Accounts Document (https://www.segasammy.co.jp/en/ir/library/)
Integrated Report (https://www.segasammy.co.jp/en/ir/library/printing_annual/)

(Note) The Company presented the focused business indicators and objectives at the briefing session on the settlement of accounts held May 12, 2025.

[Principle 3.1 Full Disclosure: (2) Basic principles and policies on corporate governance based on each of the principles of the Code]
(ii) The Company upholds a Basic Policy for Corporate Governance that comprises "improving efficiency," "securing soundness," and "enhancing transparency" with regard to corporate management, in order to maximize corporate value for stakeholders, including shareholders. Based on this policy, the Company determines and addresses important management issues, including the appointment of director candidates, determining director remuneration, and management oversight.
The foregoing is disclosed in the annual securities report, corporate governance reports, and other documents.

[Principle 3.1 Full Disclosure: (3) Policies and procedures for determination of remuneration for senior management and directors by the Board of Directors]
(iii) The basic policy for the system of remuneration for directors (excluding directors serving as Audit and Supervisory Committee members ["Audit and Supervisory Committee members" hereinafter] and external directors) highlights the need to provide incentives to work to enhance corporate value, further the sustainable growth of the Group, and provide a determination process characterized by high transparency and objectivity.
Regarding the policy for determining the amounts of remuneration for directors (excluding Audit and Supervisory Committee members), the President (Representative Director) presents the remuneration

structure, the method for calculating each category of remuneration, and other relevant particulars to the Independent Advisory Committee. The Independent Advisory Committee then deliberates on and evaluates proposed details and submits the results of this process as its opinion to the President (Representative Director). The President (Representative Director) then refers a policy for determining director remuneration reflecting this opinion to the Board of Directors for resolution.

The remuneration for Audit and Supervisory Committee members and external directors is composed of fixed remuneration (basic remuneration only) from the perspective of their role and independence. The amounts for Audit and Supervisory Committee members are determined through deliberations of the Audit and Supervisory Committee. The amounts for external directors are determined by the Board of Directors.
The details are disclosed in the annual securities report.

[Principle 3.1 Full Disclosure: (4) Policies and procedures for appointment and dismissal of senior management and nomination of director candidates by the Board of Directors]
(iv) The Company has formulated a skills matrix based on the experience and knowledge required for management of a listed company and the experience and knowledge required to achieve the Company's long-term vision. The basic policy calls for selecting and determining director candidates based on comprehensive assessment of both character and fit with the skills matrix. The Independent Advisory Committee examines a proposal for such candidates submitted by the President (Representative Director), conducts interviews and the like with such candidates, and submits the evaluation results as its opinion to the President (Representative Director). Based on these evaluation results, the President (Representative Director) judges the director candidates in accordance with the above-mentioned policy. The Board of Directors then discusses and approves such judgment. The same applies when the Independent Advisory Committee recommends director candidates to the President (Representative Director).
If a director is deemed unable to perform his or her duties due to mental or physical incapacity or if a material fact such as misconduct or violation of laws, regulations, or the Articles of Incorporation is recognized in the performance of his or her duties, the Independent Advisory Committee shall deliberate to determine the appropriate action in a timely manner. Base on the results of such deliberation compiled in a report to the Board of Directors, the appropriate action with regard to the director shall be determined by the Board of Directors.

[Principle 3.1 Full Disclosure: (5) Explanation of individual cases of appointment and dismissal of senior management and nomination of director candidates by the Board of Directors based on (4) above]
(v) Reasons for the appointment and dismissal of all directors are disclosed in the convocation notice for General Meeting of Shareholders (reference documents).

Convocation notice for General Meeting of Shareholders
(https://www.segasammy.co.jp/en/ir/stock/general_meeting/)

[Supplementary Principle 3.1.3]
To achieve sustainable improvement in corporate value and a sustainable society, the Group has identified the following five (5) materiality topics: "people," "products and services," "the environment," "addiction," and "governance" based on its sustainability vision. Each Group company has set specific milestones for addressing these topics.
The Group recognizes the need to build an environment that welcomes and supports the growth of human resources of diverse cultural backgrounds to achieve its goal of continuing to grow as a global Group capable of developing and deploying diverse entertainment solutions worldwide. To build a Group in which human resources can flourish, the Group is focusing on enhancement of its educational environment and expansion of various systems. The Group has also positioned intellectual property as an important element in boosting corporate competitiveness and as a management resource in support of corporate management and is engaged in corresponding efforts based on the policies established for each business.
Furthermore, the Group supports the goals of the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations and discloses what it sees as the risks and opportunities posed by climate change. Such information on the Group's sustainability initiatives is disclosed on the Company website and in integrated reports.

Integrated Report (https://www.segasammy.co.jp/en/ir/library/printing_annual/)

[Supplementary Principle 4.1.1]
The Company is a pure holding company. In principle, decisions on business management are made at each business company to bolster agile decision-making. Nevertheless, important management matters are determined by the Board of Directors of the Company, after the scale and operating results of each business company have been taken into account and individual standards for money amounts established.
A resolution made at a Board of Directors meeting of the Company is required for actions taken by shareholders of business companies, including the appointment of officers of subsidiary companies.
In addition, the Board of Directors of the Company determines matters stipulated in the laws and regulations or the Articles of Incorporation, as well as important matters related to the Company and the Group, including Group reorganizations, mergers and acquisitions, and entry into new business areas.

[Principle 4.9 Independence Standards and Qualification for Independent External Directors]
The standards for the independence of independent external officers of the Company have been established as internal rules to ensure compliance with the Companies Act and regulations established by Tokyo Stock Exchange. The Board of Directors appoints, as independent external director candidates, individuals who meet said standards and are expected to contribute to constructive discussions in a candid and active manner at Board of Directors meetings.
A summary of the rules regarding independence is provided in the “Other matters related to independent officers” section of this report.

[Supplementary Principle 4.10.1]
For the corporate governance form, the Company has adopted the structure of a company with an Audit and Supervisory Committee. The Board of Directors is composed of thirteen (13) directors (including seven (7) independent external directors). To strengthen the independence, objectivity, and accountability of the functions of the Board of Directors on matters such as nomination and remuneration of the senior management and directors, the Company has established an optional Independent Advisory Committee under the Board of Directors. The Independent Advisory Committee, which is composed of all independent external directors, provides opinions to the President (Representative Director) of the Company, including opinions based on the perspectives of diversity and skills, in the review of such important matters as nomination and remuneration.
For decision-making on nomination, remuneration, and the like, the Board of Directors consults with and solicits reports from the Independent Advisory Committee.
The composition, authority, roles, and other aspects of the Independent Advisory Committee are disclosed in annual securities reports, integrated reports, and other documents.

Annual Securities Report (https://www.segasammy.co.jp/en/ir/library/printing_yuhou/)
Integrated Report (https://www.segasammy.co.jp/en/ir/library/printing_annual/)

[Supplementary Principle 4.11.1]
The Board of Directors is composed of five (5) internal directors (excluding Audit and Supervisory Committee members) who are familiar with domestic and overseas business and have the knowledge needed for business operations; as well as one (1) internal Audit and Supervisory Committee member and seven (7) external directors who bring with them special knowledge, experience, and expertise and provide advice and supervision for management from the general viewpoint of society at large. For their appointment, the Company nominates candidates from the perspective of diversity, including gender and internationality, who also offer a wealth of knowledge, experience, and other qualities as corporate managers, and considers the size of the Board of Directors appropriate.
The Company has also formulated a skills matrix based on the experience and knowledge required to manage a listed company and the experience and knowledge required to achieve the Company’s long-term vision. In connection with the appointment of directors, the Independent Advisory Committee evaluates each director candidate based on the skills matrix to determine whether he/she is capable of appropriately discharging his/her duty of care to serve as a responsible and prudent manager and to contribute to the Group’s sustainable growth and enhancement of corporate value, as entrusted by shareholders to the management, thereby seeking to secure and improve the functions of the Board of Directors.

The skills matrix, which presents the skills of the entire Board of Directors, is presented in this report and in the Notice of the Ordinary General Meeting of Shareholders.

Notice of the Ordinary General Meeting of Shareholders
(https://www.segasammy.co.jp/en/ir/stock/general_meeting/)

[Supplementary Principle 4.11.2]
Where Company directors also serve as directors at other companies, such positions should be limited to a reasonable number to fulfill their roles and responsibilities. The necessary time and effort should be devoted to fulfilling such duties and responsibilities.
The status of holding concurrent positions as directors is disclosed each year through the convocation notice for General Meeting of Shareholders or through the annual securities report. The same kind of disclosure is also made for the status of attendance by external directors at Board of Directors meetings.

[Supplementary Principle 4.11.3]
Evaluation of the effectiveness of the Board of Directors
1. Purpose of evaluation
The Company shall perform analyses and evaluations of the effectiveness of the Board of Directors each year to ensure that the Board of Directors effectively fulfills its roles and responsibilities to “improve efficiency,” “secure soundness,” and “enhance transparency” of the Company’s corporate management.

2. Method of evaluation
For the fiscal year ended March 31, 2025, the Company evaluated the effectiveness of the Board of Directors via questionnaires sent to all directors to ascertain the expectations and issues identified by each Director in his or her efforts to enable the Board to better contribute to the Company’s sustained growth. These questionnaires were used to confirm various matters deemed important in the Board’s roles and responsibilities, including Board composition, management, and the status of deliberations concerning strategy, as well as the effects of initiatives to address issues identified during the previous fiscal year. To ensure objectivity, the Company had an external organization design the questionnaire and analyze and evaluate the responses. Additionally, the Company confirmed performance of each external director. Based on the report on the results of the questionnaire prepared by the external organization, deliberations took place at meetings of the Board of Directors on various topics, including the effectiveness of the Board of Directors during the fiscal year, where issues might lie, and responses to such issues.

3. Summary of evaluation results
Based on these deliberations, the Board of Directors was judged, overall, to function effectively. Its free and open deliberations, based on a Groupwide perspective, were recognized as a key strength. The independent external directors participate in constructive deliberations from medium- to long-term points of view. The composition of the Board ensures diversity.
Reviewed and evaluated below are efforts to address issues recognized last fiscal year:
(1) Intensified efforts and more thorough reporting to the Board of Directors required to refine the risk management structure for the entire Group
(Review and evaluation of initiatives)
In the current fiscal year, the Board of Directors and the Group Management Committee found that risk management structures, including the activities of the Risk Governance Division, showed steady improvements, as indicated by the establishment of monitoring opportunities. The need for continuing efforts was acknowledged, given the importance of strengthening risk management for the entire Group.
(2) Further deliberations on resource allocation within the entire Group and on other key issues at the Board of Directors; deepening understanding throughout the Board of the current business environment and related matters, particularly in the Gaming Business, a core Group business
(Review and evaluation of initiatives)
During this fiscal year, the Board of Directors and the Group Management Committee created opportunities for deliberations on resource allocation within the Group and on other key issues. They also established opportunities to deepen understanding of the business environment for the Gaming Business. These efforts led to steady improvements. Also recognized was the need for improved deliberations on matters such as capital profitability as a target for the entire Group, given the inherent diversity of revenue structures between individual businesses.
(3) Need to enhance deliberations to reflect awareness of business portfolio management issues, including

the need to confirm consistency of individual mergers and acquisitions with Groupwide strategic policies, with the aim of contributing to the sustained growth of the entire Group
(Review and evaluation of initiatives)
This fiscal year, the Board of Directors and the Group Management Committee sought to achieve consistency between M&A initiatives and strategic policies for the entire Group. However, the need for continuing efforts to improve deliberations on and understanding of such matters was acknowledged.
In addition, the Board of Directors and the Group Management Committee acknowledged the need to monitor the allocation of human capital for the purpose of effective implementation of strategies across the Group, given the differing characteristics and strategies of the Group's individual businesses.
Having acknowledged these issues, the Company will strive to allow the Board of Directors to function even more effectively.

Evaluation of the effectiveness of the Audit and Supervisory Committee
1. Purpose of evaluation
The Audit and Supervisory Committee evaluates and improves the effectiveness through the plan-do-check-act (PDCA) cycle. This is intended to make the governance system more transparent and to continually improve audit functions.

2. Method of evaluation
Effectiveness was evaluated through qualitative evaluations based on materials from the Japan Audit & Supervisory Board Members Association on evaluations of Audit and Supervisory Committee effectiveness. The main items evaluated were the propriety of audit plans, the efficacy of governance, internal controls, business audits, and Group audits, attendance at important meetings, selection of key audit matters (KAMs), and coordination with the accounting auditor and internal audit sections.
The Committee is chaired by a standing Audit and Supervisory Committee member. Opinions were exchanged on the evaluation of each item, of various issues, and of the potential for further improvements. The findings were reviewed by the Audit and Supervisory Committee, which also deliberated on matters like efficacy, issues, and measures to address the issues in question.

3. Summary of evaluation results and reporting to the Board of Directors
The Audit and Supervisory Committee was judged to demonstrate satisfactory effectiveness. New business handling, information sharing, and response to risks were identified as issues to be tackled for further enhancement. The report to the Board of Directors noted the intention to cooperate with the Board and other parties to achieve further improvements.

[Supplementary Principle 4.14.2]
At the time they assume office, Company directors are provided with opportunities to participate in internally conducted orientation and training sessions to acquire knowledge on the roles and responsibilities expected of directors of a listed company, as well as knowledge of applicable laws and regulations and compliance. After assuming office, the directors are continuously provided with further opportunities to acquire necessary or new knowledge and to improve the same, including participating in training sessions provided by external lecturers such as attorneys and experts in each area, for example, after the conclusion of a Board of Directors meeting.
In addition, the Company encourages each director to voluntarily improve him/herself by participating in external seminars and lectures sponsored by organizations to which the Company belongs and provides support for the expenses necessary therefor.

[Principle 5.1 Policy on Constructive Dialogue with Shareholders]
To facilitate constructive dialogue with shareholders and investors, the Company works from the basic position of appointing an executive officer in charge of Investor Relations (IR) & Shareholder Relations (SR), establishing a department in charge of IR & SR, and implementing the following efforts:
In facilitating constructive dialogue with shareholders and investors, the Company acts to ensure close and positive cooperation between and among internal departments, including the corporate planning, finance and accounting, legal affairs, general affairs, and sustainability departments.
In line with the quarterly disclosure of operating results, the Company holds online briefing sessions. The President (Representative Director) of the Company and the Chief Financial Officer or others attend briefing sessions on the settlement of accounts and actively engage in direct interactions.

For shareholders and investors, the executive officer in charge of IR & SR and IR & SR personnel hold in-person meetings following the quarterly disclosure of operating results. In addition, the Representative Director of the Company or the Chief Financial Officer or other officers make themselves available to engage in dialogue with individual investors multiple times per year. In line with the direction of each business, small conferences or other gatherings may be held when appropriate.
Regarding the status of dialogue with shareholders and investors, the Company provides prompt feedback on a regular basis or as needed to the Representative Director, Chief Financial Officer, and other directors or external directors, executive officers, or persons responsible for business operations. The Company strives to use this information for sustainable growth and increased corporate value of the Company in the medium to long term.
In accordance with the basic view that shareholders should be treated equally, when engaging in dialogue with shareholders with respect to the handling of unpublished important matters, whether for briefing sessions on settlements of accounts or other meetings, the Company seeks to manage information in accordance with applicable laws, including the Financial Instruments and Exchange Act and the Sega Sammy Group Insider Trading Prevention Rules, which are internal regulations set for the purpose of eliminating insider trading.

[Efforts to Achieve Management Aware of Capital Costs and Share Price]

Details	Disclosure (update) of initiatives
English-language disclosure	Provided
Date updated	June 25, 2025

Explanation on Applicable Items

The Company pursues management with an emphasis on capital efficiency to maximize corporate value. It has identified the following target for ROE in the Mid-Term Plan: ROE averaging more than 10% from the year ending March 2025 through the year ending March 2027.
It has also established a capital allocation policy and presents its thinking on topics like investments in growth and returns to shareholders at the Fiscal Year Results Presentation and at other events.
Returns to shareholders are based on DOE of 3% or higher or a total payout ratio of 50% or higher, whichever would result in greater shareholder returns. Shareholder returns are made via dividends and treasury stock purchases.
The business portfolio is also managed from an ROIC management perspective. The goal for the medium term is for ROIC to exceed the weighted average cost of capital (WACC) based on investments in growth that may include M&A.
The Company also seeks to lower the cost of capital by improving the quality of management, through timely, appropriate, and highly transparent disclosure, and through dialogue with capital markets.

See the Integrated Report for more on Company efforts to pursue management aware of capital costs and share prices.
https://www.segasammy.co.jp/en/ir/library/printing_annual/

2. Capital Structure

(1) Foreign shareholding ratio	30% or more

(2) Status of major shareholders

Name / Company name	Number of shares owned	Percentage (%)
HS Company LLC	39,008,000	18.07
The Master Trust Bank of Japan, Ltd. (Trust Account)	26,670,800	12.35
STATE STREET BANK AND TRUST COMPANY 505001	16,848,459	7.80
FSC Co., Ltd	13,682,840	6.34
Custody Bank of Japan, Ltd. (Trust Account)	9,421,050	4.36
KOREA SECURITIES DEPOSITORY-SAMSUNG	5,644,600	2.61
THE BANK OF NEW YORK MELLON 140044	4,456,727	2.06
Hajime Satomi	4,178,638	1.93
STATE STREET BANK AND TRUST COMPANY 505103	4,018,518	1.86
Haruki Satomi	3,921,261	1.81

(3) Controlling shareholders (except for parent company)	None
(4) Parent company	None

Supplementary Explanation

In regard to the above-mentioned “Status of major shareholders,” calculations assume the following conditions:

* The status as of the end of March 2025 is stated.
* The shareholding ratio is calculated after deducting the number of treasury shares (25,420,837 shares). In these calculations, treasury stock excludes shares of Company stock held by the officer remuneration BIP trust account (50,000 shares) and shares of Company stock held by the stock-granting ESOP trust account (1,948,042 shares).

3. Corporate Attributes

(1) Listed stock exchange and market section	Tokyo Stock Exchange, Prime Market
(2) Fiscal year-end	March
(3) Type of business	Machinery
(4) Number of (consolidated) employees at the end of the immediately preceding fiscal year	1,000 employees or more
(5) (Consolidated) sales of the immediately preceding fiscal year	JPY 100 billion or more but less than JPY 1,000 billion
(6) Number of consolidated subsidiaries at the end of the immediately preceding fiscal year	50 companies or more but less than 100 companies

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

—

5. Other Special Circumstances with the Potential of Material Impact on Corporate Governance

In December 2017, one of the Company's consolidated subsidiaries, SEGA SAMMY CREATION INC. and its subsidiary Sega Sammy Creation USA INC. obtained a license to manufacture and sell gaming equipment in Nevada, U.S.A. The two (2) subsidiaries and the Company were subject to examination for the license. A wide-ranging and rigorous examination was conducted regarding the financial conditions, tax practices, transaction information, and governance—specifically on the rigor of the compliance system. This eventually resulted in official recognition of eligibility for the license. With an eye to maintaining the license and obtaining new licenses in other regions and countries, the Group will promote an enhanced compliance system, including legal compliance, and communicate its importance through training and education.

II. Management Organization for Managerial Decision-Making, Execution and Oversight, and Other Corporate Governance Structures

1. Organizational Structure, Organizational Management, etc.

Form of organization	Company with Audit and Supervisory Committee

[Directors]

Maximum number of directors stipulated in Articles of Incorporation	20
Term of office of directors stipulated in Articles of Incorporation	One year
Chairperson of Board of Directors meetings	President
Number of directors	13
Appointment of external directors	Yes
Number of external directors	7
Among external directors, number of persons designated as independent officers	7

Relationship to the Company (1)

Name	Attributes	Relationship to the Company (*)										
		a	b	c	d	e	f	g	h	i	j	k
Kohei Katsukawa	Individual from another company					△			△			
Melanie Brock	Individual from another company				△							
Fujiyo Ishiguro	Individual from another company	●										
Ankur Sahu	Individual from another company											
Kazutaka Okubo	Individual from another company										△	
Naoko Murasaki	Individual from another company											
Makiko Ushijima	Attorney-at-law											

* Categories for relationship to the Company
* "○" when the individual presently falls under or has recently fallen under the category; "△" when the individual fell under the category in the past
* "●" when a close relative of the individual presently falls under or has recently fallen under the category (excluding categories h to j); "▲" when a close relative of the individual fell under the category in the past (excluding categories h to j)
  a. An executive of a listed company or any of its subsidiaries
  b. An executive or non-executive director of a parent company of a listed company
  c. An executive of a fellow subsidiary of a listed company
  d. A party (or its executive) whose major clients are listed companies
  e. A major client (or its executive) of a listed company
  f. A consultant, accountant, or legal professional who receives a large amount of monetary consideration or other property from a listed company, besides remuneration as an officer
  g. A major shareholder of a listed company (or an executive of the said major shareholder if the

shareholder is a legal entity)

h. An executive (the individual himself/herself only) of a client (which does not fall under any of the foregoing items d, e, or f) of a listed company
i. An executive (the individual himself/herself only) of a party which has mutual appointments of external officers
j. An executive (the individual himself/herself only) of a party that receives a donation from a listed company
k. Other

Relationship to the Company (2)

Name	Audit and Supervisory Committee Member	Designation as Independent Officer	Supplementary Explanation of Relationship	Reasons for Appointment as External Director
Kohei Katsukawa		○	Mr. Katsukawa was formerly the Managing Executive Officer of Sumitomo Mitsui Banking Corporation, one of the Company's major clients, from April 2005 to April 2007. The Company has business relations with Sumitomo Mitsui Banking Corporation in terms of borrowings, deposits, and currency exchange.	Mr. Katsukawa has appropriately fulfilled the roles of an External Director to determine important management matters and oversee the execution of business from a fair standpoint. We have appointed Mr. Katsukawa again as External Director based on expectations that he will continue to provide valuable input on Company management, based on his wealth of experience and broad-ranging insight gained over many years as a corporate manager.
Melanie Brock		○	Ms. Brock concurrently serves as CEO of Melanie Brock Advisory Ltd., with which the Company engaged in transactions from August 2018 to April 2019. The total amount of these transactions was less than 10 million yen. No business transactions with that company are currently in progress.	Ms. Brock has appropriately fulfilled the roles of an External Director to determine important management matters and oversee the execution of business from a fair standpoint. We have appointed Ms. Brock again as External Director based on expectations that she will continue to strengthen the Company's corporate governance system and improve the quality of management decision-making, drawing on her diverse range of ideas and values and her extensive experience and career record as an international business leader.

Fujiyo Ishiguro		○	One relative within the third degree of kinship from Fujiyo Ishiguro is an employee of Sega of America, Inc., a specified affiliate business of the Company. However, the relative's position does not qualify as a managerial position equivalent to department manager or above.	Ms. Ishiguro has appropriately fulfilled the roles of an External Director to determine important management matters and oversee the execution of business from a fair standpoint. As a founder of Netyear Group Corporation, she brings with her a wealth of knowledge of corporate management and IT/DX fields, as well as experience serving as an external director of other listed companies. We have appointed Ms. Ishiguro again as External Director based on expectations that she will continue to provide valuable input on the management of the Company by drawing on this knowledge and experience.
Ankur Sahu		○	-	Mr. Sahu brings with him broad experience in corporate investment and has made significant contributions to corporate growth and revitalization at Goldman Sachs. We have appointed Mr. Sahu again as External Director based on expectations that he will provide helpful views and insights on the Company's future global business development and management, drawing on his wealth of knowledge and experience in finance governance and a track record of in-depth involvement with multiple international enterprises.
Kazutaka Okubo	○	○	Mr. Okubo was formerly a Senior Executive Board Member of Ernst & Young ShinNihon LLC. Although the Company attended external seminars held by Ernst & Young ShinNihon LLC, the transaction amounts did not exceed the Company's minor standards given in the supplementary explanation.	Mr. Okubo brings with him many years of experience in audit services as a certified public accountant and deep insights on finance and accounting. We have appointed him again as an External Director serving as an Audit and Supervisory Committee Member based on expectations that he will appropriately guide and oversee the Company's management from an objective standpoint, drawing on a wealth of knowledge in governance gained through his experience as an external director.

Naoko Murasaki	○	○	-	Ms. Murasaki has a high degree of expertise in the field of the global risk and governance which she gained over many years in the National Police Agency, the Ministry of Foreign Affairs and risk consulting firms. We have appointed her again as an External Director serving as an Audit and Supervisory Committee Member based on expectations that she will appropriately guide and oversee the Company's management from an objective standpoint, drawing on a wealth of knowledge in governance gained through her experience as an external director.
Makiko Ushijima	○	○	-	Ms. Ushijima is a licensed attorney at law (in Japan and New York State) and certified in the United States as a Certified Public Accountant. She combines a wealth of experience on topics like mergers and acquisitions and compliance at global firms with multifaceted perspectives on finance and law. We have appointed her again as an External Director serving as an Audit and Supervisory Committee Member based on expectations that she will effectively guide and oversee the Company's management from an impartial perspective as it seeks to expand globally, drawing on a wealth of knowledge concerning governance.

[Audit and Supervisory Committee]

Audit and Supervisory Committee's Composition and the Attributes of the Chairperson

	All Committee Members	Full-time Members	Internal Directors	External Directors	Chairperson
Audit and Supervisory Committee	4	1	1	3	Internal Director

Assignment of directors and employees to support Audit and Supervisory Committee members in their duties	Assigned

Matters related to the independence of such directors and employees from executive directors

An Audit and Supervisory Committee Office has been established to support Audit and Supervisory Committee and Audit and Supervisory Committee members in their duties. An appropriate number of Employees are exclusively assigned to support Audit and Supervisory Committee and Audit and Supervisory Committee members in their duties.

To ensure the independence of employees assigned to provide such support from any director other than Audit and Supervisory Committee members, such employees are positioned entirely and exclusively under the command and supervision of Audit and Supervisory Committee and Audit and Supervisory Committee members.
In addition, Audit and Supervisory Committee Audit Standards have been established whereby the opinions of the Audit and Supervisory Committee and Audit and Supervisory Committee members are sought in advance on any matters involving the appointment, dismissal, evaluation, transfer, or disciplining of employees supporting Audit and Supervisory Committee and Audit and Supervisory Committee members in their duties; such opinions will be given all due regard.

Status of cooperation among the Audit and Supervisory Committee, independent auditor, and internal auditing departments

Status of cooperation between the Audit and Supervisory Committee and independent auditor
To improve accounting compliance, the Company sees it as essential to implement effective cooperation between the Audit and Supervisory Committee and independent auditor. In general, twice a year, the Company holds meetings of the Holdings Audit Liaison Committee, composed of Audit and Supervisory Committee members of the Company and standing auditors, accounting departments, and internal auditing departments of SEGA CORPORATION and Sammy Corporation, and KPMG AZSA LLC, the independent auditor for the Company.

Status of cooperation between internal auditing departments and the independent auditor
While no regular meetings are held to promote cooperation between internal auditing independent auditor, matters identified during the course of evaluations related to internal audits of financial reports and matters identified during the course of accounting auditing, and other such matters are shared as appropriate and contribute to each body's respective auditing activities. Moreover, at fiscal year's end, the Company holds meetings to allow reporting to the independent auditor of the year's Group-wide internal audit results and internal control evaluation results. The above-mentioned Holdings Audit Liaison Committee allows sharing of information between internal auditing departments and the independent auditor.

Status of cooperation between the Audit and Supervisory Committee and internal auditing departments
On June 22, 2022, with the goal of expanding audits by the Audit and Supervisory Committee and ensuring the independence of internal auditing departments, these departments were moved from organizations under the direct jurisdiction of the President (Representative Director) to organizations under the direct jurisdiction of the Audit and Supervisory Committee. This means that internal audits now proceed based on instructions from the Audit and Supervisory Committee. The findings of internal audits and internal control evaluations related to financial reporting and the status of improvements are reported to standing Audit and Supervisory Committee members of the Company on each occasion and to the Audit and Supervisory Committee at least quarterly.

Status of cooperation between Group company auditors and internal audit departments
To "improve efficiency," "secure soundness," and "enhance transparency" of corporate management and to ensure the propriety of business operations, the Company sees it as essential to implement effective cooperation between Group company auditors and internal auditing departments. To this end, the Company holds quarterly meetings of Audit & Supervisory Board Members and Internal Auditing Office Liaison Committee, composed of standing Audit and Supervisory Committee members of the Company, standing auditors of Group companies, and the Company's internal auditing department.

[Voluntary Committees]

Voluntary Establishment of Committee(s) Corresponding to Nomination Committee or Remuneration Committee	Established

Voluntary Committee's Establishment Status, Composition and the Attributes of the Chairperson

	Committee Name	All Committee Members	Full-time Members	Internal Directors	External Directors	External Experts	Other	Chairperson
Voluntary Committee Corresponding to Nomination Committee	Independent Advisory Committee	7	0	0	7	0	0	N/A
Voluntary Committee Corresponding to Remuneration Committee	Independent Advisory Committee	7	0	0	7	0	0	N/A

Supplementary Explanation

"N/A" in the column of "Chairperson" means no ranks (including the rank of Chairperson) are established to enhance the independence and objectivity of each Committee member and promote impartial and judicious discussions and review; provided, however, that a person in charge of contact and coordination is assigned to receive referrals for the Committee and submit the opinions of the Committee.
The functions and roles of the Independent Advisory Committee, the frequency of Committee meetings, and other matters are as stated in "c) Voluntary Committees" in "Matters Related to the Functions of Business Execution, Auditing/Oversight, Nomination and Remuneration Decisions, etc."

[Independent Officers]

Number of independent officers	7

Other matters related to independent officers

The policy for appointment of independent officers of the Company is as follows:
(a) All external officers satisfying the qualifications for independent officers are designated as independent officers.
(b) Independence is judged based on the requirements for qualification stipulated in the Companies Act and the criteria for independence established by Tokyo Stock Exchange, Inc. The terms *major client*, *large sums of money*, and so forth are judged based on the criteria determined in accordance with the published appointment standards model for independent officers. An outline thereof is stated as follows:

In order for a candidate to qualify as an independent external officer of the Company, none of the following shall apply thereto:
1) A person (or its executive) whose major client is the Group. In this item, "major" means that the relevant client receives, from the Group, payments in an amount equivalent to 2% or more of the annual consolidated sales of the relevant client during the most recent fiscal year.
2) A major client (or its executive) of the Company. In this item, "major" means that the Company receives, from the client, payments in an amount equivalent to 2% or more of the annual consolidated sales of the Company during the most recent fiscal year.
3) A major shareholder (or its executive) possessing 10% or more of the total outstanding shares of the Company.
4) A person (or its executive) for whom 10% or more of their total outstanding shares are possessed by the Group.

5) The annual remuneration amount (excluding the remuneration as an officer of the Company) that the relevant external officer receives directly from the Group as a legal, accounting, or tax expert or consultant is JPY 10 million or more on average for the past three (3) years.
6) The amount of donations, etc., that the Group provides to a non-profit organization for which the relevant external officer serves as an executive officer is JPY 10 million or more for the most recent business year.
7) Any person falling under any of the preceding six (6) items during the past one (1) year.
8) A spouse of, a relative within the second degree of kinship with, or a relative living together with the relevant external officer falling under any of the seven (7) preceding items, or an executive director, executive officer, manager or other important employee of the Group. In this item, "important" means managerial positions equivalent to a department manager or higher.

(c) The Company determines the minor standards for information of attributes to be stated in a notification of independent officer as follows: for the period of the most recent fiscal year, and from the start date of the relevant fiscal year until the date of submission of the most recent notification of independent officer, respectively, "less than JPY 100 million in the transaction amount" for "transactions," and "less than JPY 10 million" for "donations."

[Incentives]

Performance Status of Incentive Policies for Directors	■ A performance-linked remuneration system is implemented. ■ A stock option system is implemented. ■ Other ☐ None implemented

Supplementary Explanation on Applicable Items

Please refer to the annual securities report.

Persons Eligible for Stock Options	Employees Directors of subsidiaries Employees of subsidiaries

Supplementary Explanation on Applicable Items

The Group has provided subscription rights to shares (stock options) to the following persons with the aim of improving motivation and morale towards enhancing the operating results of the Group, and increasing the corporate value of the Group as a whole.

Employees of the Company, and directors and employees of the Company's subsidiaries
Exercise period of the subscription rights to shares: July 1, 2024 to June 30, 2026
Date of the resolution: August 2, 2021 (Extraordinary Board of Directors meeting)

[Director Remuneration]

Disclosure of Individual Director Remuneration	Partial and individual disclosure

Supplementary Explanation on Applicable Items

The remuneration paid to directors for the fiscal year ended March 31, 2025 was as follows:
Annual total amount of remuneration: JPY 1,434 million for seventeen (17) directors (among such amount, JPY 97 million for eight (8) external directors)
(Note) The limit of the amount of remuneration to be paid to directors (excluding Directors serving as Audit and Supervisory Committee Members) was resolved to be JPY 1,700 million (of which the

amount for external directors is to be JPY 100 million) at the Ordinary General Meeting of Shareholders held June 22, 2022.

At the Ordinary General Meeting of Shareholders held June 22, 2022, the decision was made to set the maximum remuneration for Directors serving as Audit and Supervisory Committee Members to JPY 100 million.

Separately from the above amounts of Director's remuneration, the Ordinary General Meeting of Shareholders held June 25, 2024 resolved to adopt a system of restricted stock units for eligible Directors (excluding Directors serving as Audit and Supervisory Committee Members and External Directors), whereby eligible Directors will be issued total amounts of remuneration and shares under this system of up to JPY 3.6 billion and up to 900,000 shares for performance share units (PSUs) for the subject period and up to JPY 300 million and up to 75,000 shares for restricted share units (RSUs) annually, based on comprehensive consideration of their contributions and other factors.

The foregoing is disclosed in the business report and is published on the Company website. The annual securities report individually discloses only part of the same.

Policy on Determining Remuneration Amounts and Calculation Methods	Established

Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods

The basic policy for the system of remuneration for directors (excluding Audit and Supervisory Committee members and external directors) is to place chief focus on providing incentive to work toward corporate value enhancement and sustainable growth of the Group and provide a determination process characterized by high transparency and objectivity.

Regarding the policy for determining the amounts of director remuneration, the President (Representative Director) presents the remuneration structure, the method for calculating each category of remuneration and other relevant particulars to the Independent Advisory Committee. The Independent Advisory Committee then deliberates on and evaluates that content and submits the result of that process as its opinion to the President (Representative Director). The President (Representative Director) then refers a policy for determining director remuneration reflecting that opinion to the Board of Directors for resolution.

The remuneration for Audit and Supervisory Committee members and external directors who are not Audit and Supervisory Committee members is composed of fixed remuneration (basic remuneration only) from the perspective of their role and independence. Individual amounts are determined by the Audit and Supervisory Committee and by the Board of Directors, respectively.

The details are disclosed in the annual securities report.

[Support System for External Directors]

To support external directors, the Company has established an appropriate information communication system through the Secretariat to allow adequate advance review of the contents of the agenda items to be discussed at Board of Directors meetings.

In addition, the Secretariat takes the effort to help newly appointed external directors understand Group operations by implementing individually-based orientation on such matters with the aim of ensuring that newly appointed external directors are able to contribute to substantive discussions in Board of Directors meetings.

To support external directors serving as Audit and Supervisory Committee members, the staff belonging to the Audit and Supervisory Committee Office directly under the Audit and Supervisory Committee assist in their duties. Matters related to appointments, personnel transfers, evaluations, and other matters concerning such staff require prior approval from the Audit and Supervisory Committee. This is intended to ensure independence from directors who are not Audit and Supervisory Committee members. To allow adequate review of agenda items and other issues to be discussed in meetings attended by external directors serving as Audit and Supervisory Committee members, the Company has established an appropriate information communication system through the secretariat of each conference body, the Audit and Supervisory Committee Office, etc.

[Status of Persons Who Retired from Positions Such as President and Representative Director]

The names, etc. of advisers and consultants who retired from positions such as President and Representative Director

Name	Title and position	Duties	Working arrangements and conditions (full-time/part-time, with/without remuneration, etc.)	Date of retirement from position such as President	Term of office
-	-	-	-	-	-

Number of advisers and consultants who retired from positions such as President and Representative Director	0

Other matters
The Company has introduced an advisory and consultant system, but has no person to hold the office at the present moment.

2. Matters Related to the Functions of Business Execution, Auditing/Oversight, Nomination and Remuneration Decisions, etc. (Overview of Current Corporate Governance System)

The Company and its Group companies regard corporate governance as the most important basis for corporate conduct. Based on “improving efficiency,” “securing soundness,” and “enhancing transparency” as the basic policies for corporate governance, the Company determines important matters for management, including the appointment of director candidates, the determination of director remuneration, the management oversight, and the determination of auditing remuneration, etc.
To further promote productive discussions by the Board of Directors and to strengthen its oversight functions, the Company has chosen the structure of a company with an Audit and Supervisory Committee. This will allow it to delegate a considerable portion of important decisions on business execution to executive directors. In addition, by considering that directors with a wealth of knowledge and experience regarding the industry, market trends, products, merchandise, services, etc. can generate prompt and optimal management decisions, the Group companies have chosen the structure of a company with company auditors. The Company and the Group also appoint external directors and strengthen the executive officer and internal auditing systems, thereby improving corporate governance from the aspects of both oversight and execution.

Functions and roles to be performed by external directors for corporate governance of the Company

a) The Company selects external directors who are not Audit and Supervisory Committee members from among managers, etc., who are expected to provide advice on how to enhance the corporate value of the Company and the Group from external perspectives, and provide oversight functions over the execution of duties by directors, based on their deep insight and extensive experience.

b) The Company understands that Audit and Supervisory Committee members play an important role in realizing a corporate governance system which improves the neutrality and independence of the auditing system, and thus, selects external directors serving as Audit and Supervisory Committee members who are certified public accountants, attorneys and others, and from whom it is expected that the soundness of the management can be secured by conducting auditing, etc. from a neutral and objective standpoint.

Principles regarding the independence of external directors

The Company judges the independence of external directors based on the independence criteria established by Tokyo Stock Exchange, Inc., and judges the terms *major*, *large amount of*, and so forth based on the criteria determined referring to the published appointment standards model for independent officers, and judges that there is no possibility the persons who satisfy such criteria may cause any conflict of interests with general shareholders.

For the status of our efforts on the strengthening of the functions of Audit and Supervisory Committee members, please see the “Support System for External Directors” section.
In its aim to improve the execution of business operations and the functions of auditing and oversight, the Company operates the following conference bodies:

a) Board of Directors
At ordinary Board of Directors meetings held once a month in principle and extraordinary Board of Directors meetings held as appropriate, the Board of Directors aims to achieve flexible management through the current level of thirteen (13) directors. Certain important managerial matters at each business company are also resolved and reported at various bodies, including the Company’s Board of Directors.

b) Audit and Supervisory Committee
The Audit and Supervisory Board consists of four (4) Audit and Supervisory Committee members and holds its meetings generally once a month, or when otherwise necessary. The Audit and Supervisory Committee assigns duties to respective Audit and Supervisory Committee members, and deliberates on key matters for consideration such as those involving the Group’s corporate governance, the status of establishing and operating internal control systems, and evaluations of the independent auditor.

c) Voluntary Committees
Voluntary Committees are the bodies that discuss and inspect the specified matters regarding the management of the Group which are specifically referred by the Board of Directors, and report and submit the results of such discussions and inspections to the Board of Directors. Currently, following two (2) Committees are established as Voluntary Committees:

1) Independent Advisory Committee
The Independent Advisory Committee is composed of independent external directors of the Company. This Committee provides input from an independent perspective in response to referrals by the Board of Directors or the Representative Director, in order to ensure conformance with various principles related to the Corporate Governance Code (Principle 3.1 (iii), Principle 3.1 (iv), Supplementary Principle 4.1.3, Supplementary Principle 4.2.1, Principle 4.3, Supplementary Principle 4.3.1, Supplementary Principle 4.3.2, Supplementary Principle 4.3.3, Supplementary Principle 4.10.1, Supplementary Principle 4.10.1, Supplementary Principle 4.11.3). The Committee exchanges information as part of its oversight of the Board of Directors and holds meetings when appropriate.

2) Group Management Committee
The Group Management Committee has been established under the Company's Board of Directors and discusses and reviews the improvement of profitability, efficiency, strategic investments, and other aspects of Group businesses. This Committee is composed of directors (excluding the Chairperson [Representative Director]), and meets as appropriate. The Group Risk and Compliance Subcommittee and the Group Sustainability Subcommittee have been established under this Committee. Each subcommittee comprises directors matching the requirements for risk management, compliance, and sustainability respectively in the Board of Directors' skills matrix. In addition, the Group CFO sits on the Group Sustainability Subcommittee to ensure that information disclosure is based on the TCFD's recommendations.

d) Promotion Committees
Promotion Committees are the bodies that discuss, review, and coordinate the policies and other aspects of the Group regarding corporate governance and sustainability. Currently, the Group Risk and Compliance Promotion Committee has been established as a place where measures and information regarding internal control, compliance, risk management, and related matters are mainly discussed, reviewed, and shared. The Group Sustainability Promotion Committee has been established as a place where measures regarding sustainability are discussed, reviewed, and shared. The Group Risk and Compliance Promotion Committee is composed of officers, etc. in charge of risk management and compliance of major Group companies including the Company, SEGA CORPORATION and Sammy Corporation, while the Group Sustainability Promotion Committee is composed of officers, etc. in charge of ensuring the sustainability of major Group companies, including SEGA CORPORATION and Sammy Corporation. Meetings of these committees are held as needed.

e) Group Audit Liaison Committee
The Group Audit Liaison Committee is composed of standing Audit and Supervisory Committee members of the Company and standing auditors of Group companies. Meetings generally occur once a month. The purpose of these meetings is to share information on timely issues (including revised laws) affecting the Company and the Group and to ensure effective joint efforts among the standing Audit and Supervisory Committee members of the Company and auditors of Group companies.

f) Holdings Audit Liaison Committee
The Holdings Audit Liaison Committee is composed of standing Audit and Supervisory Committee members of the Company, standing auditors, accounting departments, internal auditing departments, and other departments in SEGA CORPORATION and Sammy Corporation, and KPMG AZSA LLC, the independent auditor for the Company. At Committee meetings generally held twice annually, opinions from their respective viewpoints are exchanged to improve accounting compliance.

g) Audit & Supervisory Board Members and Internal Auditing Office Liaison Committee
The Audit & Supervisory Board Members and Internal Auditing Office Liaison Committee is composed of standing Audit and Supervisory Committee members of the Company, standing auditors of Group

companies, and the Company's internal auditing department. Meetings are generally held quarterly, with the goal of securing soundness in corporate management through information shared among the aforementioned Audit and Supervisory Committee members, standing auditors of Group companies, and the Company's internal auditing department.

The (c) Voluntary Committees and (d) Promotion Committees discuss and review specified matters regarding the management of the Group.

The (e) Group Audit Liaison Committee, (f) Holdings Audit Liaison Committee, and (g) Audit & Supervisory Board Members and Internal Auditing Office Liaison Committee share information and exchange opinions among their members, thereby furthering cooperation between the Company and Group subsidiaries.

(Implementation of internal audits and internal control evaluations)
To ensure that the execution of duties complies with applicable laws and regulations and the Articles of Incorporation and to assure the propriety of business operations, an internal auditing department has been established within the Company. The Company approaches governance through a total of 30 persons at the Company, who handle internal audits and internal control evaluations related to financial reporting for the Company and Group companies.
The internal audit section and internal controls evaluation section report directly to the Board of Directors semiannually on the state of their activities and the results of their audit.
KPMG AZSA LLC, the independent auditor for the Company since the Company's establishment on October 1, 2004, provides the Company with advice on not only year-end auditing, but also accounting processing during the term, as appropriate, from its perspective as an accounting auditor.

3. Reasons for Adoption of Current Corporate Governance System

To further promote productive discussions by the Board of Directors and to strengthen its oversight functions, the Company has chosen the structure of a company with an Audit and Supervisory Committee. This will allow it to delegate a considerable portion of important decisions on business execution to executive directors. In addition, by considering that directors with a wealth of knowledge and experience regarding the industry, market trends, products, merchandise, services, etc. can generate prompt and optimal management decisions, the Group companies have chosen the structure of a company with company auditors. The Company and the Group also appoint external directors and strengthen the executive officer and internal auditing systems, thereby improving corporate governance from the aspects of both oversight and execution.

III. Implementation of Measures for Shareholders and Other Stakeholders

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

	Supplementary Explanation
a. Early dispatch of convocation notice for General Meeting of Shareholders	The Company has sent the convocation notice three (3) weeks before the General Meeting of Shareholders date on each occasion since the Ordinary General Meeting of Shareholders held in June 2010. For 2025, the convocation notice (access notice) was sent on June 3 and the Ordinary General Meeting of Shareholders was held June 24.
b. Determining date of General Meeting of Shareholders so as to avoid dates where general meetings of shareholders tend to be concentrated	The Company believes that it should hold its General Meeting of Shareholders on a date that will attract attendance of as many of its shareholders as possible based on the notion that the General Meeting of Shareholders acts as a forum for dialogue with its shareholders. As such, the Company schedules such meetings so as to avoid dates where general meetings of shareholders tend to be concentrated.
c. Exercise of voting rights through electromagnetic means	Exercise of voting rights through smartphones and personal computers, etc. has been conducted on each occasion since the Ordinary General Meeting of Shareholders held in June 2005.
d. Participation in platform for electronic exercise of voting rights and other measures towards improving the environment surrounding the exercise of voting rights by institutional investors	Since the Ordinary General Meeting of Shareholders held in June 2007, the Company has joined a platform for electronic exercise of voting rights for institutional investors operated by ICJ, Inc.
e. Providing convocation notice (summary) in English	The Company prepares an English translation of the convocation notice for General Meeting of Shareholders (full text) and publishes the translated notice on its website and on the website of Tokyo Stock Exchange, Inc. simultaneously with the Japanese original.
f. Other	To ensure that shareholders have sufficient time to consider how they will exercise their voting rights, the Company posts the convocation notice before mailing out the notice on its website and on the Company page of the Tokyo Stock Exchange, Inc. website. After the conclusion of the General Meeting of Shareholders, the Company posts the notice of resolutions, an extraordinary report on voting results, and a summary of the question and answer session on its website. In addition, since the Ordinary General Meeting of Shareholders held in June 2020, the Company has held a hybrid participation-type virtual shareholders meeting so that shareholders can watch the proceedings via the internet.

2. IR Activities

	Supplementary Explanation	Explanation by Representative(s)
a. Preparation and publication of disclosure policy	The Company publishes its IR policy detailing its basic approach to information disclosure to its website.	-
b. Holding regular briefing sessions for individual investors	Briefing sessions on the settlement of accounts held every quarter for analysts and institutional investors are streamed live on YouTube. In addition, archived videos of the briefing sessions are posted on the Company website to provide an environment in which individual investors can also view them. The Company thus strives for fairness in the dissemination of information. Company briefing sessions are also held as part of presentations organized by securities companies.	Yes
c. Holding regular briefing sessions for analysts and institutional investors	Briefing sessions on the settlement of accounts are held online each quarter to provide explanations on business performance and future prospects. Each of these includes a question and answer session. In addition, videos of the briefing sessions on the settlement of accounts are posted to the Company website promptly after the briefing day to provide an environment in which anyone can view them. For the fiscal year ended March 31, 2025, to provide briefings on the settlement of accounts, the President (Representative Director) and the Chief Financial Officer attended sessions for the second quarter and full-year settlement of accounts, while the executive officer in charge of IR & SR and SR & IR personnel attended sessions for the first and third quarter settlement of accounts. In addition, to deepen understanding of the Company's business, the President (Representative Director), the Chief Financial Officer, and the personnel responsible for the businesses in question attend large meetings to give presentations on and to discuss management, finance, business strategies, and related matters.	Yes
d. Holding regular briefing sessions for overseas investors	An archive of videos of quarterly briefings on operating results, with English subtitles, is posted to the Company website. Simultaneous English interpretations are provided in large meetings. In addition, presentation materials from briefings on operating results, large meetings, and other events are posted to the website, accompanied, where needed, by transcripts in both Japanese and English. The President (Representative Director) or the Chief Financial Officer, the executive officer in charge of IR & SR, and the IR & SR personnel of the Company participate in conferences organized by securities companies to give presentations, engage in question and answer sessions, and attend meetings for overseas investors online or in person. The President (Representative Director) or the Chief Financial Officer, the executive officer in charge of IR & SR, and the IR & SR personnel hold individual meetings with overseas	Yes

	Supplementary Explanation	Explanation by Representative(s)
	investors online or in person. Group meetings on specific themes are also organized by the personnel responsible for the businesses in question.	
e. Posting of IR materials on website	The Company publishes IR materials including brief reports on the settlement of accounts (*Kessan Tanshin*), materials distributed at briefing sessions on the settlement of accounts, press releases, annual securities reports, semiannual reports, financial data, notifications to the Tokyo Stock Exchange, market data, integrated reports, business reports, public announcements of settlement of accounts and convocation notice for General Meeting of Shareholders to the Company website. https://www.segasammy.co.jp/en/ir/ The Company creates a website page for individual investors and is striving to enhance the IR website, such as by providing easy-to-understand explanations of business overview and business performance for those who are learning about the Company for the first time. The Company distributes IR-related press releases and information on major new products and other topics by email, the LINE social media app, and by other means.	-
f. Establishment of division (personnel) in charge of IR	Division in charge: Investor Relations (IR) & Shareholder Relations (SR) Department, Corporate Planning Division Officer in charge: Executive officer controlling Corporate Planning Division	-

3. Measures to Ensure Respect for Stakeholders

	Supplementary Explanation
a. Stipulation of respecting respective positions of stakeholders in accordance with internal regulations	The Company and the Group divide stakeholders into the following five (5) categories: “customers,” “clients,” “shareholders and investors,” “employees,” and “society,” and have established the Sega Sammy Group Code of Conduct, a document clarifying our approach for each category. Additionally, they have established the Sega Sammy Group Management Policy as guidelines for business operations. Based on these guidelines, internal regulations stipulate that all those carrying out their duties are to understand and comply with the Group Mission/Purpose and the Sega Sammy Group Code of Conduct.
b. Implementation of environmental activities, CSR activities, etc.	The Sega Sammy Group Code of Conduct and Sega Sammy Group Management Policy disclose policies for these activities. The Company publishes information on specific activities in the Integrated Report. (https://www.segasammy.co.jp/en/ir/library/printing_annual/)
c. Formulation of policies, etc. on providing information to stakeholders	Provision of information to stakeholders is governed by the SEGA SAMMY Group Code of Conduct and SEGA SAMMY Group Management Policy, both of which are posted on the Company website. [Sega Sammy Group Code of Conduct] (https://www.segasammy.co.jp/en/corp/conduct/) [SEGA SAMMY Group Management Policy] (https://www.segasammy.co.jp/en/corp/conduct/policy/)

IV. Matters Related to the Internal Control System

1. Basic Principles Regarding Internal Control System and the Progress of System Development

The Company has established the following basic policies for the development and improvement of its internal control systems in accordance with the provisions of the Companies Act:

(1) A system to ensure that the execution of duties by the directors of the relevant stock company conforms to laws and regulations and the Articles of Incorporation

To ensure that all corporate activities are undertaken thoroughly based on compliance with laws and regulations, the Company has established the Group Code of Conduct, and SEGA SAMMY Group Management Policies, and guidelines (collectively "Group Principles and Rules" hereinafter). Based the group mission, these basic policies address the social responsibilities to be fulfilled by a company as a member of society and serve as cornerstones for establishing various aspects of the compliance system. The President and Representative Director seeks to continually instill the intent and spirit thereof among officers and employees.

To ensure that the business operations of the Company proceed in a sound and appropriate manner and to further strengthen corporate governance, the Board of Directors shall strive to establish an effective internal control system to assure legal compliance, in accordance with the SEGA SAMMY Group Management Policies established to manage the entire Group in a unified and consistent manner and with guidelines that set forth standards for the management and operation of the entire Group.

In addition to audits and periodic verification of the efficacy and functions of the internal controls system by the Audit and Supervisory Committee, the internal audit section under the direct jurisdiction of the Audit and Supervisory Committee strives to achieve early detection and correction of any issues, based on assessments of the efficacy of business audits by each section, internal controls related to financial reporting, and other matters.

To prevent the involvement of anti-social forces in the relevant company's management, the Group Code of Conduct specifies the elimination of such involvement. In addition, as part of overall Group efforts, the Company incorporates an "elimination of anti-social forces provision" into all agreements and performs reviews to determine whether business partners fall under the definition of anti-social forces. The Company has established a system to ensure systematic and appropriate response to any contact with anti-social forces in cooperation with outside organizations, including law enforcement and attorneys.

(2) A system for retaining and managing information on the execution of duties by directors of the relevant stock company

The President and Representative Director appoints a director to oversee the management departments. This director records information pertaining to the execution of duties in documents or on electromagnetic media, in accordance with internal regulations, and appropriately retains and manages the same in an easily searched format for ready review by directors.

To ensure the appropriate management of corporate secrets and other such information, the Company has established policies regarding information management and IT security and guidelines regarding IT security. The Company strives to disseminate the same to ensure the thorough promulgation of such guidelines throughout the Company and thorough compliance.

(3) Rules and other systems regarding management of risk of losses by the relevant stock company

With regard to risks posed by the Company's business operations, in cooperation with the Risk Governance Division, the Group Risk and Compliance Subcommittee established within the Group Management Committee seeks to identify important management risks; discuss the formulation of policies related to Group risk and compliance; and assess and advise on risk analysis by individual related sections. These measures are intended to clarify the risk management structure. Additionally, an internal audit section under the direct jurisdiction of the Audit and Supervisory Committee audits the state of risk management by each section and periodically reports on the results thereof to management decision-making bodies and management organizations involved in execution and oversight.

To grasp and appropriately manage both internal and external important risks including cases requiring emergency measures, the Company has established SEGA SAMMY Group Management Policies, policies for risk management, and rules for crisis management. In the event of the emergence of any conditions anticipated to materially affect the Group, crisis management organizations of the

Company and the Group companies work jointly to discuss the measures to be taken, then proceed to take prompt and appropriate action.

(4) A system to ensure that directors of the relevant stock company efficiently execute their duties

To enhance deliberations on the Board of Directors while strengthening its oversight functions, the Company adopted a corporate structure with Audit and Supervisory Committee established so that the Board of Directors entrusts to executive directors appropriate matters related to important business execution decisions. The Board of Directors regulations and other rules and regulations enable appropriate and efficient business execution based on specified job authority and decision making processes.

(5) A system to ensure that the execution of duties by employees of the relevant stock company fully comply with laws and regulations and the Articles of Incorporation

The Company shall strive to promote Groupwide compliance measures for appropriate employee conduct in accordance with laws and regulations, Articles of Incorporation, and other internal regulations and social norms. These standards for conduct are based on the Group Principles and Codes.

The Company has established a whistleblowing system whereby any employee is free to report violations of laws and regulations, the Articles of Incorporation, or internal rules or social norms, as well as a system that allows the person overseeing such whistleblowing system to notify the Board of Directors and the Audit and Supervisory Committee without delay.

Confidential information concerning any whistleblower is protected. No whistleblowers will experience disadvantageous treatment due to their whistleblowing actions. As part of the system to ensure appropriate response while maintaining transparency, the Company has established business reporting channels, as well as an internal whistleblowing contact point, from which outside attorneys and others receive information.

(6) The following systems, among others, ensure the appropriateness of business operations in the relevant stock company and the corporate group, which consists of its parent company and subsidiaries:

(i) A system regarding the reporting of matters pertaining to the execution of duties by directors, executive officers, officers executing operations, or persons assigned to execute duties as stipulated in Article 598, paragraph 1 of the Companies Act (collectively, “Directors, Etc.” in the following paragraphs (iii) and (iv)) of subsidiaries of the relevant stock company to the relevant stock company

The Company has established a system requiring any officers or employees of the Company concurrently serving as directors or audit and supervisory board members of any Group companies to inform and share Group company information with the Company.

At the same time, the Company has established a system whereby communication, reporting, and sharing of important matters, information sharing regarding whistleblowing matters, and reporting and information sharing of accounting irregularities and errors proceed between the Company and the Group companies based on a vertical relationship specified in the related companies’ management regulations; provided, however, that confidential information regarding any whistleblowers shall be protected and no whistleblower shall experience disadvantageous treatment due to their whistleblowing actions.

In addition, the Company has established the Group Risk and Compliance Promotion Committee, Group Audit Liaison Committee, and other organizations to oversee controls related to various issues or major risks inherent to the Group. The internal auditing section under the direct jurisdiction of the Audit and Supervisory Committee also performs audits that reflect the interests of the entire Group and ensure the most effective appropriate information sharing and business execution possible within the Group.

(ii) A system regarding management of risk of loss to be incurred by subsidiaries of the relevant stock company

With regard to the key items and measures common to the Group as determined by the Company, the Company shall compel Group companies to address the same and undertake risk management specific to each subsidiary considering the size, characteristics, type of business, etc., of each company.

(iii) A system to ensure that the duties of Directors, Etc., of subsidiaries of the relevant stock company shall be efficiently conducted

As with the Company, each Group company establishes a system to ensure that the duties and decision-making are efficiently and appropriately discharged, pursuant to the regulations of the Board of Directors and other rules, duly accounting for the size, characteristics, type of business, and other aspects of the relevant company. For this purpose, each Group company deploys an audit and supervisory board member system whereby executive officers implement business execution.

(iv) A system to ensure that the execution of duties by Directors, Etc., and employees of subsidiaries of the relevant stock company fully comply with laws, regulations, and the provisions of the Articles of Incorporation

As practiced at the Company, the Company shall compel the Board of Directors of each Group company to establish a compliance system to ensure compliance with the Group Principles and Codes, based on the importance of compliance with the laws, regulations and the basic policies to ensure the fulfillment of social responsibilities by a company as a member of society.

(7) If the Audit and Supervisory Committee Members of a company with an Audit and Supervisory Committee requests the assignment of employees to assist in their duties, matters related to such employees; matters related to the independence of such employees from the directors (excluding Audit and Supervisory Committee Members) of the company with an Audit and Supervisory Committee; and matters related to ensuring the efficacy of instructions to such employees by the Audit and Supervisory Committee of such company with an Audit and Supervisory Committee

An Audit and Supervisory Committee Office shall be established under the direct jurisdiction of the Audit and Supervisory Committee. Employees belonging to the Audit and Supervisory Committee Office shall assist in the duties of Audit and Supervisory Committee under the instruction of the Audit and Supervisory Committee.

In principle, employees assisting in the duties of the Audit and Supervisory Committee shall be assigned exclusively to such duties and shall not be subject to instructions from or supervision by other directors; provided, however, that under unavoidable circumstances, an employee may concurrently serve as an employee on the executive side. Independence is crucial when such employee also concurrently serves as an employee on the execution side. Appointment, dismissal, personnel transfer, personnel evaluation, disciplinary action, revision of salary, etc., regarding the relevant employee requires the prior approval of the Audit and Supervisory Committee.

(8) The following systems, among others, related to reporting to Audit and Supervisory Committee Members of a company with an Audit and Supervisory Committee

(i) A system whereby reports are made to Audit and Supervisory Committee Members of the relevant company with an Audit and Supervisory Committee by other directors, accounting advisors, and employees of a relevant company with an Audit and Supervisory Committee

If any Directors excluding Audit & Supervisory Committee Members or employees of the Company become aware of any material violations of laws and regulations or the provisions of the Articles of Incorporation regarding the execution of duties or become aware of any facts of misconduct or any facts that may result in significant damage to the Company, such Directors or employees must inform the Audit and Supervisory Committee thereof without delay. The same shall apply to any determination that may have material effects on the business or organization and to the results of internal audits.

(ii) A system whereby reports are made to Audit and Supervisory Committee Members of the relevant company with an Audit and Supervisory Committee by the directors, accounting advisors, audit and supervisory board members, executive officers, employees executing business operations, persons assigned to perform the duties as stipulated in Article 598, paragraph 1 of the Companies Act, persons equivalent to any of the foregoing, employees of the subsidiaries of the relevant company with an Audit and Supervisory Committee, or any persons who receive reports from the foregoing

If any directors, audit and supervisory board members, executive officers, employees of Group companies, or any persons who receive reports from the foregoing become aware of material violations of laws and regulations or the provisions of the Articles of Incorporation regarding the execution of duties or become aware of any facts of misconduct or any facts that may lead to significant damage to the company, they must inform the Audit and Supervisory Committee of the Company without delay. The same shall apply to any determination with the potential to have material effects on the business or organization and to the results of internal audits.

Audit and Supervisory Committee Members of the Company shall strive to establish a system based on a focus on Group management whereby audit and supervisory board members of the Group companies shall serve as persons receiving the reporting from the business operation execution side or an intermediary.

(9) A system to ensure that those who submit the reports set forth in the preceding item shall not be disadvantageously treated due to such reports

Persons making the reports set forth in the preceding item shall not receive disadvantageous treatment for any reasons connected to submitting such reports. Any such disadvantageous treatment shall be subject to disciplinary action.

(10) Procedures regarding advance payment or reimbursement of expenses incurred pertaining to the execution of duties by Audit and Supervisory Committee Members of a company with an Audit and Supervisory Committee; other matters related to policies regarding the handling of expenses and liabilities incurred in the execution of their duties

Upon the receipt of a request from the Audit and Supervisory Committee Members or Standing Audit and Supervisory Committee Members, in accordance with internal regulations, the Company shall bear all expenses incurred in relation to the execution of duties by Audit and Supervisory Committee Members. Expenses, etc., incurred by outside advisors set forth in item (11) shall be included therein.

(11) A system to ensure that audits by Audit and Supervisory Committee Members of a company with an Audit and Supervisory Committee are conducted effectively

The Representative Director shall hold periodic meetings with the Audit and Supervisory Committee Members, and aim to facilitate communication and exchange of opinions regarding the Company's management, separate from reporting on business operations.

The Board of Directors ensures that the Audit and Supervisory Committee Members attend important meetings for business operations to ensure the appropriateness of business.

The Audit and Supervisory Committee shall utilize outside advisors, including attorneys, certified public accountants and others, independently and as necessary, and shall secure opportunities to receive advice regarding the duties of the Audit and Supervisory Committee Members.

The independence and efficiency of audits undertaken by the Audit and Supervisory Committee shall be ensured through the command and control of the internal audit section under the direct oversight of the Audit and Supervisory Committee. The advance consent of the Audit and Supervisory Committee is required for any appointment, dismissal, transfer, evaluation, disciplinary measure, wage revisions, or other such matters involving or affecting the employees of this section.

2. Basic Views on Eliminating Anti-Social Forces and Developing a System for Dealing Therewith

To prevent the involvement of anti-social forces in the relevant company's management, the Group Code of Conduct specifies the elimination of such involvement. In addition, as part of overall Group efforts, the Company and its Group companies incorporate an "elimination of anti-social forces provision" into all agreements and perform reviews to determine whether business partners fall under the definition of anti-social forces. The Group has established a system to ensure systematic and appropriate response to any contact with anti-social forces in cooperation with outside organizations, including law enforcement and attorneys.

V. Other

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not adopted

Supplementary Explanation on Applicable Items

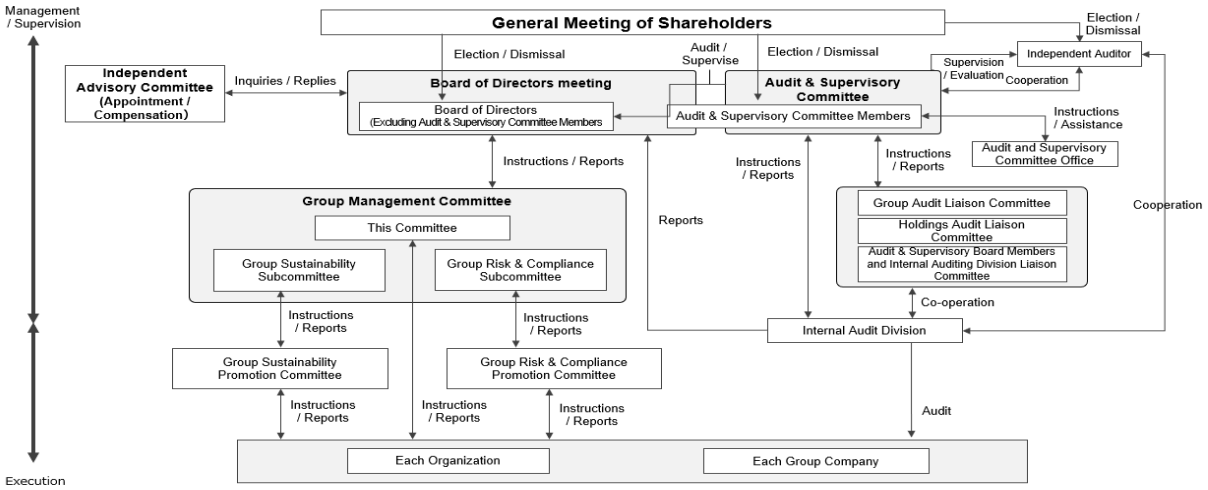
The Company considers that striving for efficiency, soundness, and transparency for its corporate management, as well as its acts of satisfying the expectations of stakeholders, will maximize its corporate value and raise the total stock market value, thereby resulting in constituting the best possible anti-takeover measure.

2. Other Matters Regarding Corporate Governance System, etc.

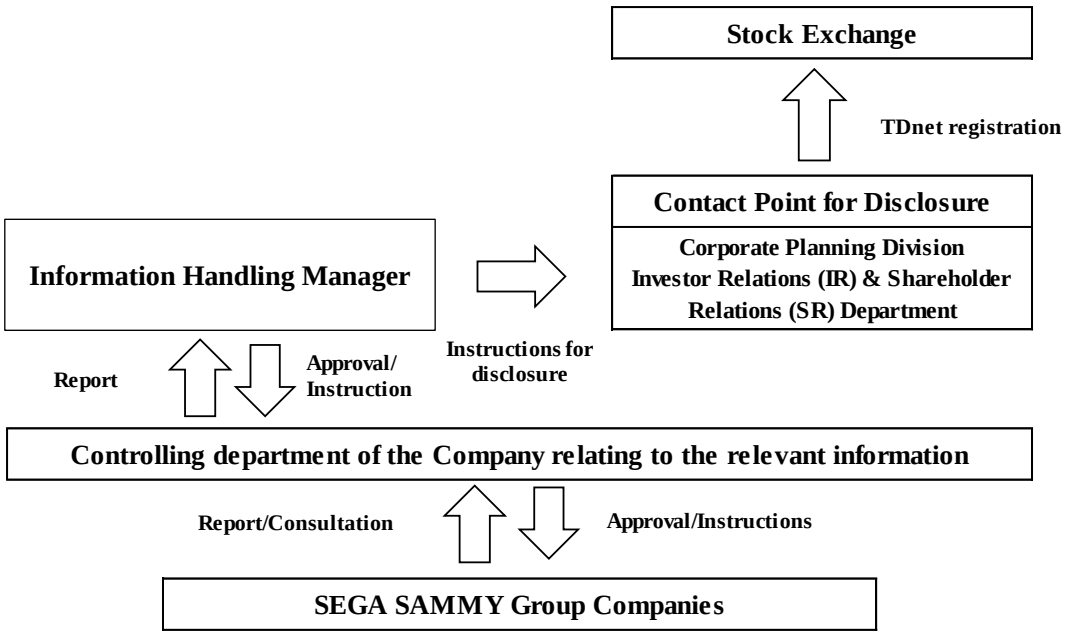
To improve corporate governance in the Company and the Group as a whole, the Company has established a Group Risk and Compliance Promotion Committee, and deliberates and confirms any problems occurring in constructing internal control for the management of the Group and the progress thereof, and thus strive to maintain and improve the level of corporate governance.

In addition, the Group established a scheme for evaluating and reporting of the internal control system as required under the Internal Control Report System Relating to Financial Reporting (the Japanese Version of the “SOX Act”), as stipulated in the Financial Instruments and Exchange Act. The Group also addressed inadequacies discovered in the course of these evaluations.

The Company will continue to strive to assure continuing trust/reliability in our financial reporting and to maintain and develop our internal control system, taking into consideration issues such as improving efficiency and securing soundness.


Management / Supervision
General Meeting of Shareholders
Election / Dismissal
Election / Dismissal
Audit / Supervise
Election / Dismissal
Independent Auditor
Supervision / Evaluation
Cooperation
Independent Advisory Committee (Appointment / Compensation)
Inquiries / Replies
Board of Directors meeting
Board of Directors (Excluding Audit & Supervisory Committee Members)
Audit & Supervisory Committee
Audit & Supervisory Committee Members
Instructions / Assistance
Audit and Supervisory Committee Office
Instructions / Reports
Instructions / Reports
Instructions / Reports
Group Management Committee
This Committee
Group Sustainability Subcommittee
Group Risk & Compliance Subcommittee
Reports
Group Audit Liaison Committee
Holdings Audit Liaison Committee
Audit & Supervisory Board Members and Internal Auditing Division Liaison Committee
Cooperation
Co-operation
Internal Audit Division
Instructions / Reports
Instructions / Reports
Group Sustainability Promotion Committee
Group Risk & Compliance Promotion Committee
Instructions / Reports
Instructions / Reports
Instructions / Reports
Audit
Each Organization
Each Group Company
Execution

Overview of Timely Disclosure System



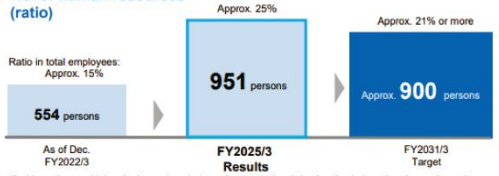
Initiatives for Sustainability (Investment in Human Resources)

■ 4 key indicators for human resources

[Target Company]
1), 2), 3) : SEGA SAMMY HOLDINGS, SEGA (Japan), Sammy
4): Major Group Companies in Japan

1) Development of culturally diverse human resources*

● No. of human resources (ratio)



*Certified based on multiple criteria, such as being a foreign national, having lived abroad and experienced multiculturalism, and having certain skills of multiple languages such as English and Chinese. Human resources who are exposed to diverse cultures and can apply that experience to their work

2) Active career opportunities for women

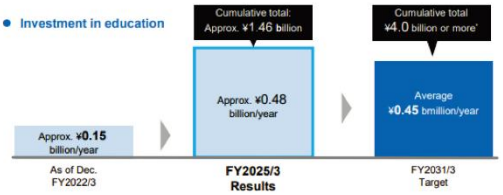
● Number of female managers (raito)



*Ratio of female managers, including professionals, within whole managers

3) Development of core human resources

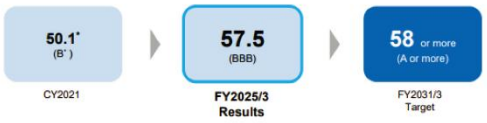
● Investment in education



*Cumulative investment from FY2023/3 to FY2031/3

4) Improvement of the work environment

● Engagement score



*Source: Link and Motivation Inc, engagement score based on motivation cloud
*Engagement Rating

Skill Matrix

Name	Position	External	Independence	Gender	Expertise and experience						
					Corporate management	Entertainment business creation	Finance and accounting	Risk management and compliance	ICT/DX	GLOBAL	Sustainability
Hajime Satomi	Chairman, Representative Director			Male	●	●					
Haruki Satomi	President and Group CEO, Representative Director			Male	●	●				●	●
Koichi Fukazawa	Senior Executive Vice President and Group CFO, Director of the Board			Male	●	●	●		●		
Shuji Utsumi	Director of the Board			Male	●	●				●	
Ayumu Hoshino	Director of the Board			Male	●	●					
Kohei Katsukawa	Director of the Board	○	○	Male	●		●	●			
Melanie Brock	Director of the Board	○	○	Female	●					●	●
Fujiyo Ishiguro	Director of the Board	○	○	Female	●				●	●	●
Ankur Sahu	Director of the Board	○	○	Male	●		●			●	
Hiroshi Ishikura	Director of the Board, Audit and Supervisory Committee Member			Male			●	●			●
Kazutaka Okubo	Director of the Board, Audit and Supervisory Committee Member	○	○	Male	●		●	●			●
Naoko Murasaki	Director of the Board, Audit and Supervisory Committee Member	○	○	Female	●			●		●	●
Makiko Ushijima	Director of the Board, Audit and Supervisory Committee Member	○	○	Female				●		●	●

(Note) The above table indicates up to four fields in which expertise and experience are particularly expected for each individual. The table is not an exhaustive list of all the insight and experience that each individual possesses.