

INFOCOM CORPORATION

Jun Kuroda, President

Contact: Corporate Communications Office 03-6866-3160

Securities code: 4348

<https://www.infocom.co.jp/>

The corporate governance of INFOCOM CORPORATION (the “Company”) is described below.

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

1. Basic Views (Updated)

The Corporate Philosophy of the Infocom Group (the “Group”) is “The Infocom Group contributes to social innovations through technology advancements.”

Based on this philosophy, the Company works to strengthen corporate governance to realize sustainable improvement of corporate value, earn the trust of various stakeholders, including shareholders, and fulfill its corporate responsibility.

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

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

Disclosure Based on the Principles of the Corporate Governance Code (Updated)

Principle 1.4 Cross-Shareholdings

The Company sometimes acquires shares and the like for the purpose of creating business opportunities and building and expanding business relationships and collaborations, but its policy is to sell said shares when it deems that holding them lacks rationality.

Rationality is verified by the Investment Committee, which convenes regularly. The committee determines the overall rationality by ascertaining the management details of the investee for each issue, and confirming the economic rationale of the investment in consideration of the Company’s capital costs (i.e., quantitative) and the significance of holding the shares in consideration of the outlook for achieving the purpose of the investment in the future (i.e., qualitative).

Whether or not to have cross-shareholdings is determined annually by the Board of Directors based on the economic rationale (quantitative) and significance of holding the shares (qualitative).

In addition, when exercising voting rights, from the perspective of improving the medium- to long-term corporate value of the Company and the shareholder value of investee companies, we confirm concerns about damage to shareholder value and the impact on transactions with the Company for each proposal. We will make a comprehensive judgment and exercise it.

Principle 1.7 Related Party Transactions

The Company stipulates in internal rules that transactions with related parties require a resolution by the Board of Directors. The Company discloses key related party transactions in shareholders meeting materials and securities reports. In addition, the Company researches whether there are related party transactions by the Group’s officers each fiscal year.

Supplementary Principle 2.4.1 Ensuring Diversity, Including Active Participation of Women

The Group’s human resource development policy, including ensuring the diversity of human resources, and internal development policy are as follows.

The Company views people as its greatest asset. It works to be a company that respects diversity where every employee can demonstrate their individuality and capabilities, to ensure that each employee can become a

professional. Currently 6.8% of those in managerial positions are women, and 43.8% of new graduates hired are women. In addition, three officers are women.

Mid-career hires and new graduates are evaluated and treated equally and promoted to core positions. Currently, 55% of those in managerial positions are mid-career hires. In regard to promoting foreign nationals to managerial positions, the Company is at the stage of expanding its operations outside of Japan and aims to recruit local people to head and manage local offices.

In addition, the Company has a talent development policy to ensure diversity. In accordance with the policy, it provides encouragement and support so that every employee maintains high expertise, and carries out and drives forward the following measures with the aim of becoming a company that functions as an assembly of diverse capabilities.

- Growth support based on EDISON (the Company's capability development program) to ensure the enhancement of employees' capabilities
- "Mission-group" specific (level-specific) training and basic skills training programs to ensure people gain the skills the Company seeks
- Training courses to provide specialized skills that can be leveraged in business (data analysis, cloud, UX, and design thinking), capability development support courses to develop people who create businesses, and open workshops where people can learn specialized knowledge and themes independently (learning square, community of practice) to cultivate professionals
- Global talent development and career design programs
- Career development support courses for female employees and diversity management training for managers to promote the active participation of women

Furthermore, the Company has a policy to develop an internal environment to ensure diversity. In accordance with the policy, it carries out and drives forward the following measures to create an environment and culture and programs where diverse talent can choose work styles that suit their individual personalities and changes in life stages.

- Expansion of programs to create a corporate culture that enables diverse work styles
- Programs to support work-life balance such as maternity, childcare, nursing care, and sick/injury leave, reduced work hours, and teleworking, Kurumin certification, and establishment of a relaxation room
- Implementation of a re-employment system that provides compensation in accordance with performance for employees who have reached retirement age
- Work style transformation
 - Transition to work styles that enable employees to work anytime and anywhere, reduction of long working hours, and promotion of teleworking
 - Assembly of and actions by a task force to deliberate on measures to promote the active participation of women.

In the Group, we are taking concrete measures along with data management of indicators related to policies related to human resource development, including ensuring diversity of human resources, and policies related to improving the internal environment. However, since not all companies belonging to the consolidated group have done so, it is difficult to describe the consolidated group as a whole. For this reason, the targets and results described below include figures for major companies and some subsidiaries in the consolidated group.

- Women's Share in Managerial Posts : [Target] Around 15% in FY2030 → 6.8% in FY2023
- Women's Share in new graduates hired : [Target] Around 40-50% → 43.8% in FY2023

Principle 2.6 Roles of Corporate Pension Funds as Asset Owners

The Company's corporate pension scheme is a defined contribution pension scheme operated by employees who are enrolled in the scheme. Therefore, continuing the current defined contribution pension scheme will not impact company assets. For the current scheme, the Company makes every effort to provide comprehensive education on managing pension funds and other tools that will help the stable formation of employee assets and actively offer relevant information.

Principle 3.1 Full Disclosure

(i) The Group's Corporate Philosophy, Management Policy, and Management Plan are disclosed on its official corporate website (<https://www.infocom.co.jp/en/index.html>) and in shareholders meeting materials, securities reports, etc.

(ii) The Corporate Philosophy of the Infocom Group (the "Group") is "The Infocom Group contributes to social

innovations through technology advancements.” Based on this philosophy, the Company works to strengthen corporate governance to realize sustainable growth of corporate value, earn the trust of a wide range of stakeholders including shareholders, and fulfill its corporate responsibility.

(iii) The policies and procedures for the Board of Directors to determine the remuneration of senior management and directors are described in II 1. of this report. " Disclosure of Policy on Determining Amounts of Remuneration and the Calculation Methods " in " Director Remuneration”.

(iv) The Company’s policies and procedures for the appointment of senior management and nomination of candidates for Directors and Auditors are as follows. Candidates for Director are decided by the Board of Directors from people who have the capabilities, experience, character, and other qualities that will enable them to contribute to the growth and advancement of the Group. Candidates for Auditors are decided by the Board of Directors with the consent of the Board of Statutory Auditors from those who have the capabilities, experience, character, and other qualities that will enable them to audit and supervise the duties and executive function of Directors and contribute to the sound management of the Group.

In addition, candidates for Independent Outside Directors and Auditors are decided by the Board of Directors from those who show promise in fulfilling the role of management supervisor due to their outstanding insight, on the condition they have no particular personal or capital relationship with the Company or other conflict of interest in accordance with the requirements for independence established by the Tokyo Stock Exchange.

The process of appointment and dismissal of senior management is as follows: Matters related to the appointment and dismissal of the President and CEO is decided by the Board of Directors after deliberation by the Nomination Advisory Council; candidates for other senior management are selected by the Board of Directors based on experience, knowledge, capabilities, character, and other factors, and appointed upon due deliberation by the Board of Directors after consultation with the CEO. The dismissal of senior management is decided by the Board of Directors after deliberation and review.

(v) The Company discloses the reasons for candidates’ nominations as Director and Auditor in shareholders meeting materials.

The reasons for appointing individual director candidates and auditor candidates at this year's general meeting of shareholders are as follows:

It is described in the “Shareholders Meeting Materials”.

<https://www.infocom.co.jp/en/ir/ir-news/ir2024053001/main/0/link/NOTICE%20OF%20THE%2042nd%20ANNUAL%20GENERAL%20MEETING%20OF%20SHAREHOLDERS.pdf>

Supplementary Principle 3.1.3 Full Disclosure

Basic Sustainability Policy : In line with its Corporate Philosophy to “The Infocom Group contributes to social innovations through technology advancements,” the Infocom Group will contribute to the development of a sustainable society by working earnestly to solve environmental and social problems through business activities that provide high-quality innovative services society needs and practice highly transparent and sound corporate management.

Under this policy, the Sustainability Committee, chaired by the CSRO, monitors initiatives related to material sustainability issues (materiality) and reports to the Board of Directors.

Twice a year, the Board of Directors oversees risks and opportunities related to overall sustainability of the Group through reports from the Sustainability Committee. Please refer to our website for details on our initiatives regarding key sustainability issues (materiality) in FY 2023.

- Sustainability : <https://www.infocom.co.jp/en/sustainability.html>
- Medium-Term Management Plan : <https://www.infocom.co.jp/en/ir/management/strategy.html>

(1) Initiatives related to human resources

The Group's human capital initiatives are described in II. It is described in "Supplementary Principle 2.4.1 Ensuring Diversity, Including Active Participation of Women" in "Disclosure Based on the Principles of the Corporate Governance Code".

(2) Addressing Climate Change and TCFD

The Group's initiatives for climate change, etc. are described in III 3. It is described in " Implementation of Environmental Preservation Activities and CSR Activities, etc." in " Status of Measures to Ensure Due Respect for Stakeholders".

Supplementary Principle 4.1.1 Roles and Responsibilities of the Board

The Company clearly specifies authority related to approval and the like in decision-making and decision-making organizations such as the Board of Directors, CEO, and general managers of business divisions in accordance with the Board of Directors Rules and Job Authority Rules.

Principle 4.9 Independence Standards and Qualification for Independent Directors

In addition to complying with the requirements for Outside Directors stipulated in the Companies Act, the Company uses the requirements for independent directors/auditors established by the Tokyo Stock Exchange for their independence standards, which includes having no risk of conflict of interest with general shareholders. The Board of Directors selects candidates for Independent Outside Director after deliberating on and reviewing the suitable people in accordance with said standards.

Supplementary Principle 4.10.1 Use of Optional Approach

The Board of Directors of the Company consists of nine Directors, five of which are Independent Outside Directors.

The following optional approaches have been adopted in the Board of Directors to strengthen the independence, objectivity, and accountability of Board of Directors' functions related to matters such as the nomination and remuneration of Directors and other senior management.

- Nomination Advisory Council: Consisting of six members of which five are Independent Outside Directors and one is an Inside Director, the council deliberates on matters related to the appointment and dismissal of the President and CEO with objectivity, timeliness, and transparency.
- Compensation Advisory Council: Consisting of six members of which five are Independent Outside Directors and one is an Inside Director, the council deliberates on performance evaluations of the President and CEO with transparency, fairness, and objectivity.

Supplementary Principle 4.11.1: Preconditions for Board and Board of Statutory Auditors Effectiveness

The composition of the Company's Board of Directors considers the balance between knowledge, experience, and skills of the Board of Directors as a whole that is needed to achieve sustainable growth and enhance corporate value. In addition, the Company selects Outside Directors considering experience, insight, and expertise to ensure diversity. Currently, there are a total of nine Directors, of which three are Full Time Inside Directors and six are Part Time Directors which include five Independent Outside Directors.

The Company has established a skill matrix that specifies the skills and other attributes of Directors and Auditors, which can be found in the back of this report.

Supplementary Principle 4.11.2: Preconditions for Board and Board of Statutory Auditors Effectiveness

The Company utilizes a system in which the concurrent positions of Directors and Auditors, including Outside Directors and Auditors, are within a reasonable scope, that enables them to properly fulfill their respective roles and responsibilities. In the event that a Director or Auditor is to concurrently serve as an officer of another company, the Company shall verify the reasonableness after notifying the company in advance. The concurrent positions of Directors and Auditors are disclosed annually in shareholders meeting materials and in securities reports.

Supplementary Principle 4.11.3: Preconditions for Board and Board of Statutory Auditors Effectiveness

The Company analyzes and evaluates the effectiveness of the Board of Directors as a whole in order to ensure its effectiveness and strengthen its functions.

Specifically, after obtaining responses from all Directors and Audit & Supervisory Board Members to questions mainly on the "Composition of the Board of Directors," "Deliberation of the Board of Directors," "Operational Status of the Board of Directors," "Support System for the Board of Directors," and "Dialogue with Shareholders," an analysis is conducted by a third-party specialist organization. The Board of Directors verifies the results of these analyses and confirms that the effectiveness of the Board of Directors as a whole has been generally ensured, discusses how to address the issues identified, and is working on measures to further improve effectiveness.

[Summary of the Results of the Evaluation of the Effectiveness of the Board of Directors] (FY2023)

This year, the Board of Directors confirmed the progress of efforts to improve the important issues identified based on the results of the evaluation of the effectiveness of the Board of Directors in the previous year, and discussed efforts to improve effectiveness.

The issue of "integrating sustainability into management and strategy with awareness of sustainability," which was discussed in the Board of Directors' deliberations, was improved by determining monitoring indicators for materiality and by the Sustainability Committee reporting to the Board of Directors on the status of efforts to resolve materiality.

With regard to "strategy oversight (human resources)," this was improved by the CHO reporting to the Board of Directors on the status of efforts to strengthen human resources.

"Information exchange and shared understanding by independent outside directors," an issue in the operation of the Board of Directors, was improved by holding four information exchange meetings for independent outside directors and independent outside auditor.

As a result of this analysis and evaluation, we have confirmed that progress has been made in efforts to address important issues and believe that the effectiveness of the Board of Directors has been ensured. However, we will continue to work on improving the above priority issues in order to further strengthen its functions.

Supplementary Principle 4.14.2 Director and Auditor Training

The Company's policy is to provide opportunities and monetary support for training needed by each individual Director and Auditor as necessary, taking into consideration factors such as expected roles and responsibilities and required qualifications and knowledge.

Principle 5.1 Policy for Constructive Dialogue with Shareholders

The Company works to promote constructive dialogue with shareholders to achieve sustainable growth for the company and improve corporate value over the mid- to long-term. The Company holds financial results briefings every April and Q2 financial results briefings every October for analysts and institutional investors, where the President or officer in charge of IR, or other executive explains the details of financial results, performance outlook, and other matters such as corporate strategies and the progress of businesses. In May 2023, the President held a briefing session to explain the details of the Medium-Term Management Plan (FY2023-2025). In addition, after each briefing session, a video recording of the session is posted on our website. <https://www.infocom.co.jp/en/ir.html>

In addition, the Company holds small meetings, etc. with analysts and institutional investors when the need arises. The Company strives to provide information to shareholders through means such as issuing shareholder newsletters and booklets explaining shareholder benefits, in addition to holding Q&A sessions at the Annual General Meeting of Shareholders.

Supplementary Principle 5.2.1 Establishing and Disclosing Business Strategies and Business Plans

The Company's business strategy and plan are posted on the Company's website in the form of the Medium-Term Management Plan (FY2023-2025). <https://www.infocom.co.jp/en/ir/management/strategy.html>

In addition, the Company works to pursue growth and improve profitability by classifying and evaluating the businesses of the entire Group into four categories — "strategic businesses," "growth businesses," "foundational businesses," and "withdrawal businesses" — based on the Business Portfolio Policy which states, "We will optimize the allocation of managerial resources by managing our portfolio based on assessing businesses on two axes: growth and profitability."

- Strategic businesses: Businesses to be strategically developed into the next growth business — E-comic (overseas retail), hospital services (Asia), and long-term care and health services
- Growth businesses: Businesses for the purpose of continuing and optimizing growth — E-comic (domestic retail), crisis management service, ERP
- Foundational businesses: Businesses to maintain and improve revenue — Building systems for hospitals, drug manufacturing, and large enterprises
- Withdrawal businesses: Business from which the Company is considering withdrawing

Action to implement management that is conscious of cost of capital and stock price (Disclosed in English)

Our company has formulated a three-year medium-term management plan based on our management policy, and indicates the basic policy for promoting the plan. We then set targets for sales, EBITDA, and ROE for consolidated results, taking into account the cost of capital and the allocation of management resources. Furthermore, on the premise of securing a stable financial base, our policy is to prioritize growth investments in key businesses and provide appropriate shareholder returns.

Please refer to our website for the medium-term management plan (FY2023-2025) and recent business results.

- Medium-Term Management Plan : <https://www.infocom.co.jp/en/ir/management/strategy.html>
- Financial results for FY 2023 : <https://www.infocom.co.jp/en/ir/earnings.html>

2. Capital Structure

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

Status of Major Shareholders (Updated)

Name or Company Name	Number of Shares Owned	Percentage (%)
Teijin Limited	31,760,000	57.87
The Master Trust Bank of Japan, Ltd. (Trust Account)	3,288,800	5.99
GOLDMAN SACHS INTERNATIONAL	1,085,439	1.98
Infocom Group Employee Shareholding Association	1,053,437	1.92
Custody Bank of Japan, Ltd. (Trust Account)	907,000	1.65
MSIP CLIENT SECURITIES	826,014	1.50
BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC)	810,161	1.48
BNP PARIBAS LONDON BRANCH FOR PRIME BROKERAGE SEGREGATION ACC FOR THIRD PARTY	720,050	1.31
NOMURA PB NOMINEES LIMITED OMNIBUS-MARGIN (CASHPB)	715,000	1.30
JAPAN POST INSURANCE Co.,Ltd.	510,000	0.93

Controlling Shareholder (except for Parent Company)	—
Parent Company	Teijin Limited (Listed Stock Exchange: Tokyo) (Code) 3401

Supplementary Explanation (Updated)

1. This indicates the current status as of March 31, 2024.
2. The percentage of the number of shares owned out of the total number of issued shares has been rounded off to two decimal places.
3. In addition to the above, the Company holds 2,714,682 treasury shares.
4. Percentages have been calculated using the total number of issued shares excluding treasury shares.
5. The statement of large-volume holdings for public inspection on December 28, 2021 states that Oasis Management Company Ltd. owns the following shares as of December 27, 2021.

The Company cannot confirm the actual number of shares owned as of March 31, 2024, so it is not included in the above status of major shareholders.

The contents of statement of large-volume holdings are as follows.

Company Name	Number of Shares Held (K shares)	Stock Certificate Holding Ratio (%)
Oasis Management Company Ltd.	3,255	5.65

3. Corporate Attributes

Listed Stock Exchange and Market Segment	Tokyo Stock Exchange, Prime
Fiscal Year-End	March
Industry	Information & Communication
Number of Employees (Consolidated) as of the End of the Previous Fiscal Year	More than 1,000
Net Sales (Consolidated) as of the End of the Previous Fiscal Year	From \10 billion to less than \100 billion
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	From 10 to less than 50

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

The Company conducts transactions with the parent company and other Teijin Group companies such as carrying out contract system development work. Pricing and other terms of the transactions are decided upon deliberation by the Board of Directors, after the Special Committee, which is composed of Independent Outside Directors and was established for purposes such as contributing to protecting the interests of minority shareholders and ensuring fairness and impartiality for shareholders, has deliberated on and reviewed the terms taking into account factors such as market prices and reported the results to the Board of Directors.

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

Teijin Limited is the parent company, holding 57.87% (directly held) of the Company's voting rights. The Group is positioned as a corporate group that operates IT businesses within the Teijin Group, and provides services to the Teijin Group such as development and operation of information and communications systems. In terms of personnel, one Representative Director and Senior Managing Executive Officers of Teijin Limited serves concurrently as a Director of the Company, and one Full Time Auditor of the Teijin Limited serves concurrently as an Auditor of the Company.

Although the Company has the above business and personnel relationships, there are no restrictions on the Group's business activities because its businesses are not similar to the businesses of the other business groups in the Teijin Group.

In addition, the Company ensures independence because it makes independent management decisions based on a governance system that includes six Independent Outside Directors/Auditors.

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

1. Organizational Composition and Operation

Organizational form	Company with Board of Statutory Auditors
---------------------	--

*Referred to as “Board of Auditors” by the Company.

Directors

Number of Directors Stipulated in Articles of Incorporation	11
Directors’ Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board	Chairman
Number of Directors (Updated)	9
Election of Outside Directors	Elected
Number of Outside Directors (Updated)	5
Number of Independent Directors (Updated)	5

Outside Directors’ Relationship with the Company (1) (Updated)

Name	Attributes	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Kazuhiko Tsuda	Academic											
Kazuhiko Fujita	From another company											
Sachiko Awai	From another company											
Akihisa Fujita	From another company											
Kenji Otaka	From another company											

*Categories for “Relationship with the Company”.

(Indicated by “○” when the Director presently falls or has recently fallen under the category; “△” when the Director fell under the category in the past; “●” when a close relative of the Director presently falls or has recently fallen under the category; and “▲” when a close relative of the Director fell under the category in the past.)

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

Outside Directors' Relationship with the Company (2) (Updated)

Name	Designation as Independent Director	Supplementary Explanation of the Applicable Relationship	Reasons for Appointment
Kazuhiko Tsuda	○	—	<p>Mr. Kazuhiko Tsuda has experience engaging in management of a university start-up and as a specialist in natural language understanding and information retrieval in the field of management system science. He has been proactively providing advice to enhance the transparency and fairness of management of the Company as Outside Director of the Company. Therefore, the Company has determined that by requesting his continued appropriate guidance and oversight on decision-making by the Board of Directors, he will be able to contribute to strengthening the Company's corporate governance system. Furthermore, he is currently and has always been independent from the Company's senior management and does not currently nor has he ever had a risk of potential conflict of interest with general shareholders.</p>
Kazuhiko Fujita	○	—	<p>Mr. Kazuhiko Fujita has knowledge and experience in corporate management as Director in a health-related company, in addition to broad experience in overseas business. He has been proactively providing advice to improve the transparency and fairness of management of the Company as Outside Director of the Company. Therefore, the Company has determined that by requesting his continued appropriate guidance and oversight on decision-making by the Board of Directors, he will be able to contribute to strengthening the Company's corporate governance system. Furthermore, he is currently and has always been independent from the Company's senior management and does not currently nor has he ever had a risk of potential conflict of interest with general shareholders.</p>
Sachiko Awai	○	—	<p>Ms. Sachiko Awai also has knowledge and experience in corporate management as the head of a company, in addition to broad experience in overseas businesses and businesses targeting general consumers. She has been proactively providing advice to improve the transparency and fairness of management of the Company as Outside Director of the Company. Therefore, the Company has determined that by requesting her continued appropriate guidance and oversight on decision-making by the Board of Directors, she will be able to contribute to strengthening the Company's corporate governance system. Furthermore, she is currently and has always been independent from the Company's senior management and does not currently nor has she ever had a risk of potential conflict of interest with general shareholders.</p>

Akihisa Fujita	○	—	Mr. Akihisa Fujita also has knowledge and experience in corporate management as head of a listed company and other companies, in addition to broad experience in information services and internet-related business. He has been proactively providing advice to improve the transparency and fairness of management of the Company as Outside Director of the Company. Therefore, the Company has determined that by requesting his continued appropriate guidance and oversight on decision-making by the Board of Directors, he will be able to contribute to strengthening the Company's corporate governance system. Furthermore, he is currently and has always been independent from the Company's senior management and does not currently nor has he ever had a risk of potential conflict of interest with general shareholders.
Kenji Otaka	○	—	Mr. Kenji Otaka has experience in business planning and marketing at global companies, as well as knowledge and experience as a manager and expert at companies involved in the medical business. Therefore, the Company has determined that by requesting his continued appropriate guidance and oversight on decision-making by the Board of Directors, he will be able to contribute to strengthening the Company's corporate governance system. Furthermore, he is currently and has always been independent from the Company's senior management and does not currently nor has he ever had a risk of potential conflict of interest with general shareholders.

Voluntary Establishment of Committee(s) equivalent to Nomination Committee or Remuneration Committee

Established

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

	Committee's Name	All Members	Full-time Members	Inside Directors	Outside Directors	Outside Experts	Other	Chairperson
Voluntarily Established Committee Equivalent to Nomination Committee	Nomination Advisory Council	6	0	1	5	0	0	Outside Director
Voluntarily Established Committee Equivalent to Remuneration Committee	Compensation Advisory Council	6	0	1	5	0	0	Outside Director

Supplementary Explanation (Updated)

• Nomination Advisory Council

The Company has established the Nomination Advisory Council under the Board of Directors to deliberate on matters related to the appointment and dismissal of the President and CEO with objectivity, timeliness, and transparency.

The council consists of six members: Independent Outside Directors Kazuhiko Tsuda, Kazuhiko Fujita, Sachiko Awai, Akihisa Fujita, Kenji Otaka and Chairman Norihiro Takehara. Independent Outside Director Kazuhiko Tsuda serves as the Chairperson.

In FY 2023, we held two meetings in November and January in which all employees attended at the same time, and confirmed the characteristics expected of the representative director and president and successor candidates. In addition, the CEO personnel changes from April 1, 2024 were also discussed.

• Compensation Advisory Council

The Company has established the Compensation Advisory Council under the Board of Directors to deliberate on the evaluation of the performance of the President and CEO with transparency, fairness, and objectivity.

The council consists of six members: Independent Outside Directors Kazuhiko Tsuda, Kazuhiko Fujita, Sachiko Awai, Akihisa Fujita, Kenji Otaka and Chairman Norihiro Takehara. Independent Outside Director Kazuhiko Fujita serves as the Chairperson.

In FY 2023, the meeting was held twice in May and June, with all members attending during the same period, to discuss CEO performance evaluation and goal setting.

Auditors

Establishment of the Board of Statutory Auditors	Established
Number of Audit and Supervisory Board Members Stipulated in Articles of Incorporation	5
Number of Audit and Supervisory Board Members	4

Cooperation among Audit and Supervisory Board Members, Accounting Auditors and Internal Audit Departments

Auditors exchange opinions with the Accounting Auditor when preparing audit plans and quarterly review reports. The internal audit department conducts audits of the Company's business departments, staff departments, and consolidated subsidiaries in cooperation with Auditors. Auditors, the Accounting Auditor, and the internal audit department cooperate and have opportunities to share audit plans and hold regular meetings for reporting audit results and other matters.

Election of Outside Auditors	Elected
Number of Outside Auditors	2
Number of Independent Auditors	1

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

Name	Attributes	Relationship with the Company*												
		a	b	c	d	e	f	g	h	i	j	k	l	m
Kazumasa Nakata	From another company			△		△		△			△			
Kiyo Morikawa	Attorney													

*Categories for "Relationship with the Company".

(Indicated by "○" when the Director presently falls or has recently fallen under the category; "△" when the Director fell under the category in the past; "●" when a close relative of the Director presently falls or has recently fallen under the

category; and “▲” when a close relative of the Director fell under the category in the past.)

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

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

Name	Designation as Independent Auditor	Supplementary Explanation of the Applicable Relationship	Reasons for Appointment
Kazumasa Nakata		From Teijin Limited, the parent company of the Company (resigned in June 2019 before becoming Auditor of the Company)	Mr. Kazumasa Nakata has utilized his considerable knowledge of finance and accounting not only in the management supervisory audit but also in business audit, based on his knowledge gained through frontline business operations, and is fully able to contribute to the sound management of the Company Group. He has devoted his efforts to enhance audits performed by Auditors and to improve corporate governance as Outside Full Time Auditor. Therefore, the Company has determined that he will be able to leverage such experience to conduct appropriate audits of the Group's management and execution of business. He is not currently in a position that would create a conflict of interest with general shareholders nor has he been in one in the past.
Kiyo Morikawa	○	—	Ms. Kiyo Morikawa has a high level of expertise and extensive experience as a lawyer, and has experience as an outside corporate auditor and outside director (audit and supervisory committee member) of other companies. As an outside corporate auditor, she has been working to enhance the company's audits and improve corporate governance. Furthermore, she is currently and has always been independent from the Company's senior management and does not currently nor has he ever had a risk of potential conflict of interest with general shareholders.

Matters Concerning Independent Directors and Independent Audit and Supervisory Board Members

Number of Independent Directors and Independent Audit and Supervisory Board Members (Updated)

6

Other Matters Concerning Independent Directors and Independent Audit and Supervisory Board Members

[Status of Independent Directors and Auditors]

The Company's Independent Directors and Auditors consist of five Outside Directors and one Outside Auditor. All Outside Directors and Auditors that meet the requirements for Independent Director or Independent Auditor are designated as Independent Director or Independent Auditor. There are no special interests between the Company and Outside Directors and Auditors.

[Roles Outside Directors and Auditors fulfill in corporate governance]

Outside Directors fulfill the role and function of overseeing decisions on important matters in corporate management and the execution of business by providing comments in Board of Directors meetings from an objective perspective based on their outstanding insight, experience in corporate management, etc. Outside Auditors fulfill the role and function of auditing and supervising the performance of duties by and executive function of Directors based on their outstanding insight in finance, accounting, law, general affairs, and other fields.

[Details of standards and policies regarding independence for appointing Outside Directors and Auditors]

Although the Company has not established any particular standards or policies regarding independence from the Company for appointing Outside Directors and Auditors, it does refer to the standards established by the Tokyo Stock Exchange, Inc. when appointing Outside Directors and Auditors.

[Cooperation in oversight and audits by Outside Directors or Outside Auditors with internal audits, audits by Auditors, and accounting audits, and their relationship with the internal control department]

Outside Directors fulfill the function and role of overseeing the performance of duties by Directors, by receiving reports on internal audits, audits by Auditors, and accounting audits, and expressing their opinion as needed at Board of Directors meetings. Outside Auditors receive reports through the Board of Statutory Auditors and express their opinions as needed in regard to internal audits by the Internal Auditing Office and audits by Auditors and the Accounting Auditor, and cooperate with each function. Outside Directors and Auditors receive reports on risk management from the internal control department and provide guidance and suggestions at their discretion at Board of Directors meetings. Furthermore, when necessary they work to ensure the proper execution of business through means such as exchanging opinions with the chief officer in charge of the internal control department.

Incentives

Incentive Policies for Directors

Performance-based remuneration/ other

Supplementary Explanation for Applicable Items

The Company has introduced a performance-linked remuneration scheme that is dependent on the level of achievement of the Group's consolidated performance targets.

In addition, the Company has introduced a restricted stock-based remuneration scheme for Directors and Executive Officers to further boost motivation to achieve Medium-Term Management Plan targets and share the benefits and risks of stock price fluctuations with stakeholders.

Persons Eligible for Stock Options

—

Supplementary Explanation for Applicable Items

Director Remuneration

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

Supplementary Explanation for Applicable Items

There is no disclosure for any Directors because no Director has a total amount of remuneration, etc. that exceeds 100 million yen.

Policy on Determining Remuneration Amounts and the Calculation Methods	Established
--	-------------

Disclosure of Policy on Determining Amounts of Remuneration and the Calculation Methods (Updated)

Policy on Determining Amounts of Remuneration, etc. for Officers and the Calculation Methods

The composition of remuneration for the Company's officers is set to enable them to fulfill their duties in order to improve the business performance of the Group over the mid- to long-term, increase corporate value, and contribute to society. Furthermore, the policy for determining the amount of officers' remuneration, etc. and calculation method thereof is decided by the Board of Directors. The amount of remuneration, etc. for officers of the Company in the fiscal year under review was decided in accordance with the remuneration system stipulated by the Company and approved by the Board of Directors on June 24, 2024.

Composition of Remuneration and Calculation Method

Director Remuneration:

Remuneration for individual Directors (excluding Outside Directors) consists of basic remuneration paid as fixed remuneration, performance-linked remuneration, and restricted stock-based remuneration. The maximum total amount of remuneration for basic remuneration and performance-linked remuneration is 3 million yen (the number of Directors specified in the Articles of Incorporation is eleven or less, and was nine including five Outside Directors as of the day this report was submitted). The maximum total amount of remuneration for restricted stock-based remuneration is 1.5 million yen (the number of Directors specified in the Articles of Incorporation is eleven or less, and was nine including five Outside Directors as of the day this report was submitted).

Basic remuneration is set in accordance with job rank in the internal rules regarding remuneration for Directors. Performance-linked remuneration is calculated based on the ROE (Return On Equity) and EBITDA (Earnings Before Interest, Taxes, and Amortization) of the previous fiscal year, to which the level of improvement and achievement of consolidated operating income and the evaluation of the status of business execution by individual Directors is added. The calculation method is specified in the internal rules regarding remuneration for Directors. Evaluation of the Director that serves as CEO is approved by the Board of Directors after consulting the Compensation Advisory Council. The calculation method is specified in the internal rules regarding remuneration for Directors.

Implementation of restricted stock-based remuneration was approved at the 38th Annual General Meeting of Shareholders held on June 16, 2020 to further boost motivation to achieve Medium-Term Management Plan targets and share the benefits and risks of stock price fluctuations with stakeholders.

ROE and EBITDA of the previous fiscal year used to calculate performance-linked remuneration are indicators for setting the performance targets of the Medium-Term Management Plan (FY2023-2025), and therefore have been selected as indicators for calculating Directors' remuneration. The ROE target for FY2023 was 14.3% and the result was 14.1%. The EBITDA target for FY2023 was 11.0 billion yen and the result was 11.09 billion yen.

Remuneration for Outside Directors consists only of basic remuneration in view of their role.

Because the amount of individual remuneration for each Director was calculated after carrying out these procedures, the Board of Directors has determined that it is in line with the policy for determining remuneration amounts.

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

Support for Outside Directors is mainly provided by the Business Management Office, and support for Outside Auditors is mainly handled by the Internal Auditing Office.

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

Corporate Governance System

(1) Board of Directors

The Board of Directors of the Company consists of the following nine Directors (five of which are Outside Directors): Chairman Norihiro Takehara who serves as the Chairperson, President and CEO Jun Kuroda, Directors Mototaka Kuboi, and Naohiko Moriyama, and Outside Directors Kazuhiko Tsuda, Kazuhiko Fujita, Sachiko Awai, Akihisa Fujita, and Kenji Otaka. The Board of Directors holds regular monthly Board of Directors meetings, and extraordinary Board of Directors meetings as needed. The Board of Directors adopts resolutions on matters stipulated by laws, regulations, and the Articles of Incorporation and on other important matters in accordance with the Board of Directors Rules, and oversee the executive function. In addition, all Auditors attend Board of Directors meetings, enabling them to monitor the execution of business by Directors. In FY2023, the Board of Directors met 17 times with the attendance of all members of the Board of Directors during the same period, and discussed important management strategy matters such as the enhancement of the corporate governance system.

(2) Board of Statutory Auditors

The Company has adopted an Audit and Supervisory Board system, to which it refers to as the “Board of Statutory Auditors.” The Board of Statutory Auditors consists of the following four members (two of which are Outside Auditors): Full Time Outside Auditor Kazumasa Nakata who serves as the Chairperson, Full Time Auditor Makoto Sakurai, Auditor Tomoko Torii, and Outside Auditor Kiyo Morikawa. The Board of Statutory Auditors holds regular monthly Board of Statutory Auditors meetings, and extraordinary Board of Statutory Auditors meetings as needed. Full Time Auditors attend Board of Directors and other important meetings, enabling them to monitor the status of business execution by Directors and express opinions as needed, etc. In addition, Auditors strive to enhance the audit function through cooperation, via means such as exchanging opinions and information with the Internal Auditing Office and Accounting Auditor. In FY2023, 14 meetings of the Audit & Supervisory Board were held with the attendance of all members during the same period.

(3) Internal Auditing Office

The Internal Auditing Office consists of a total of seven members: Internal Auditing Office General Manager Shigeki Sawada and six other members. The office conducts audits in line with audit plans on matters such as the status of compliance and operation regarding the business activities of each organization and Group company in accordance with the Internal Audit Rules, and reports the results to the President and CEO. In addition, the office reports and exchanges opinions on internal audit results and the status of corrective measures with Auditors.

(4) Special Committee

The Company has established a Special Committee under the Board of Directors composed of Independent Outside Directors to contribute to strengthening corporate governance, ensure transparency in corporate management, protect the interests of minority shareholders, and ensure fairness and impartiality for shareholders. The committee consists of five members: Independent Outside Directors Kazuhiko Tsuda, Kazuhiko Fujita, Sachiko Awai, Akihisa Fujita and Kenji Otaka. Independent Outside Director Kazuhiko Tsuda serves as the Chairperson.

In FY2023, the meeting was held in April with the attendance of all members from the same period, and mainly discussed related-party transactions with the parent company group.

(5) Nomination Advisory Council

The Company has established the Nomination Advisory Council under the Board of Directors to deliberate on matters related to the appointment and dismissal of the President and CEO with objectivity, timeliness, and transparency. The council consists of six members: Independent Outside Directors Kazuhiko Tsuda, Kazuhiko Fujita, Sachiko Awai, Akihisa Fujita, Kenji Otaka and Chairman Norihiro Takehara. Independent Outside Director Kazuhiko Tsuda serves as the Chairperson.

In FY 2023, we held two meetings in November and January in which all employees attended at the same time, and confirmed the characteristics expected of the representative director and president and successor candidates. In addition, the CEO personnel changes from April 1, 2024 were also discussed.

(6) Compensation Advisory Council

The Company has established the Compensation Advisory Council under the Board of Directors to deliberate on the evaluation of the performance of the President and CEO with objectivity, timeliness, and transparency.

The council consists of six members: Independent Outside Directors Kazuhiko Tsuda, Kazuhiko Fujita, Sachiko Awai, Akihisa Fujita, Kenji Otaka and Chairman Norihiro Takehara. Independent Outside Director Kazuhiko Fujita serves as the Chairperson.

In FY 2023, the meeting was held twice in May and June, with all members attending during the same period, to discuss CEO performance evaluation and goal setting.

Executive Function

(1) Chief Officers

The Company has established chief officers, the matters and scope of which are delegated by the CEO, to strengthen company-wide measures and cross-functional efforts to address issues.

(2) Executive Officers

The Company has established Executive Officers to separate the corporate management decision-making and supervisory function with the executive function, and for other purposes such as accelerating the execution of business and forming a flexible organizational structure. Executive Officers execute business operations as the head of their respective area in accordance with decided matters such as policies decided by the Board of Directors.

Status of Auditing

(1) Status of audits by Auditors

The Company's Board of Statutory Auditors consists of four people. There are two Outside Auditors, one of which is an Independent Outside Auditor. The Board of Statutory Auditors monitors corporate management and audits the execution of business by Directors, which includes attending Board of Directors meetings, auditing business operations, attending other important meetings, and conducting audits of Directors and Executive Officers.

Full Time Outside Auditor Kazumasa Nakata leverages his considerable knowledge in finance and accounting, to conduct audits of business operations based on his knowledge of not only supervising and auditing corporate management, but also the front lines of businesses.

Full Time Auditor Makoto Sakurai leverages his considerable knowledge of the IT field accumulated from his many years of operational experience in IT services and his experience leading corporate management as the head of a Group company to conduct audits of business operations based on his knowledge of not only supervising and auditing corporate management, but also the front lines of businesses.

Auditor Tomoko Torii has extensive experience and wide-ranging knowledge, including experience in business development and marketing for pharmaceutical companies, as well as having served as general manager of operations related to branding and stakeholder communication at a listed company.

Independent Outside Auditor Kiyoko Morikawa utilizes her high level of expertise and extensive experience as a lawyer as well as her experience as an Outside Auditor and Outside Director (audit and supervisory committee member) of other companies to conduct management supervision and audits.

In FY2023 the Board of Statutory Auditors held 14 meetings. The attendance of each Auditor is as follows.

Kazumasa Nakata: 14/14 meetings

Makoto Sakurai: 14/14 meetings

Akio Nakaishi: 14/14 meetings

Kiyoko Morikawa: 14/14 meetings

Note: Mr. Akio Nakaishi retired due to the expiration of his term of office at the conclusion of the 42nd Annual General Meeting of Shareholders held on June 24, 2024. Ms. Tomoko Torii was elected at the 42nd Annual General Meeting of Shareholders held on June 24, 2024, and therefore did not attend the Audit & Supervisory Board meeting for the current fiscal year.

Matters for deliberation by the Board of Statutory Auditors consist mainly of the corporate governance of the Group, reviewing audit policies and plans, verifying the development and operation of internal control systems, verifying the reasonableness of audits by the Accounting Auditor and the appropriateness of audit remuneration, and exchanging opinions on the selection of Key Audit Matters (KAM).

(2) Status of internal audits

The internal audit system consists of the Internal Auditing Office, an organization under the direct control of the President which is composed of a total of seven members, consisting of the Internal Auditing Office Manager and six other members. The office conducts audits across the Group based on the policy to “minimize potential risks in order to contribute to continuously strengthening the business foundation that underpins the growth of the Group.”

The Internal Audit Office promotes internal controls such as compliance, information security management, and personal information protection, in accordance with the internal audit regulations, based on the audit plan approved by the Board of Directors after the prior approval of the President and Representative Director. After discussing and agreeing on an improvement plan with the audited department based on the audit results, we submit an audit report to the president, directors and auditors. Regarding audited departments, we follow up on the implementation status of improvements to ensure the effectiveness of internal audits. In addition, the status of internal audits is reported to the Board of Directors as a regular quarterly report.

In terms of cooperation between internal audits, audits by Auditors, and accounting audits, an environment has been put in place enabling information on the status of internal audits to be shared with Auditors. In addition, the Board of Auditors receives explanations of accounting audit plans, internal control audit plans, and quarterly review plans from the Accounting Auditor, as well as explanations of issues in accounting and internal controls and other matters through accounting audit reports, internal control audit reports, quarterly review reports, and other reports. Auditors explain to and exchange information with the Accounting Auditor in regard to audit policies, audit plans, etc.

(3) Status of accounting audits

1) Name of Accounting Auditor: KPMG AZSA LLC

2) Continuous Period of Auditing: 14 years

Details of Liability Limitation Agreement

The following is an overview of the limited liability agreements that the Company has concluded with all directors (excluding those who are executive directors, etc.) and all auditors based on the Articles of Incorporation.

If directors (excluding those who are executive directors, etc.) and auditors are liable to the Company for damages due to negligence of their duties after the conclusion of this agreement, the minimum liability amount stipulated in Article 425, Paragraph 1, of the Companies Act. Limitation of liability is permitted only when directors (excluding those who are executive directors, etc.) and auditors act in good faith and without gross negligence in the execution of their duties that caused their liability.

3. Reasons for Adoption of Current Corporate Governance System

The Company has adopted the format of a Company with Audit and Supervisory Board.

The Board of Directors appoints multiple Independent Outside Directors to enhance the appropriateness and reasonableness of decision-making, and strives to achieve the sustainable growth corporate value by overseeing the execution of business from a diverse perspective.

The Board of Statutory Auditors and Auditors strive to ensure the soundness of the company and sustainable growth of corporate value through efforts such as auditing the performance of duties by Directors from an independent perspective.

In this way, the Company believes that the current system is ideal for the Company because it functions to ensure and enhance the effectiveness of corporate governance.

III. Implementation of Measures for Shareholders and Other Stakeholders

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

	Supplementary Explanation
Early Posting of Notice of the General Shareholders Meeting	The Notice of the 42nd Annual General Meeting of Shareholders held in June 24, 2024 was sent out on May 31, 24 days ago. In addition, on May 30, we posted it on our website, the website of the Tokyo Stock Exchange, and others.
Scheduling of the General Shareholders Meeting During Non-Peak Days	The 42nd Annual General Meeting of Shareholders was held on June 24, 2024. In the future, we plan to set dates that avoid peak days so that more shareholders can participate.
Electronic Exercise of Voting Rights	Since the 24th Annual General Meeting of Shareholders held on June 20, 2006, the Company has been using an online voting rights exercise site provided by the shareholder registry manager. Shareholders meeting materials are posted on this website and the Company's website to encourage the exercise of voting rights.
Participation in platform for the electronic exercise of voting rights and other efforts to improve the environment for exercising the voting rights of institutional investors	The Company has been utilizing the platform for the electronic exercise of voting rights provided by ICJ, Inc. since the 40th Annual General Meeting of Shareholders, which was held on June 14, 2022.
Provision of Notice (or Summary of Notice) of the General Shareholders Meeting in English	The Company creates English versions of general meeting of shareholders notices and posts them on the websites of the Tokyo Stock Exchange and the Company.
Other	<ul style="list-style-type: none"> Shareholders meeting materials, including notice of the general meeting of shareholders and notices of resolutions are posted on the Company's website After the close of the general meeting of shareholders, a video of the explanation by the chairperson is released on the Company's website

2. Status of IR-related Activities (Updated)

	Supplementary Explanation	Explanation by a representative director or a representative executive officer
Formulation and Publication of Disclosure Policies	The Company has established a Disclosure Policy and published it on its website. https://www.infocom.co.jp/en/ir/management/disclosure.html	
Regular Investor Briefings held for Analysts and Institutional Investors	The Company holds financial results briefings on the day it releases 2nd quarter and annual financial statements or the following day. In FY2023, the Company held financial results briefings in April and October, and a medium-term management plan (2023-2025) briefing session in May. In addition, small meetings are held as appropriate. This year, the Company held a briefing session regarding the financial results for FY 2023 in April.	Held
Online Disclosure of IR Information	The Company posts quarterly financial statements (in Japanese and English) and documents requiring timely disclosure, etc. on its website. In addition, the Company releases videos detailing the Medium-Term Management Plan as well as videos of financial results briefings and general meetings of shareholders.	
Establishment of Department and/or Placement of a Manager in Charge of IR	Officer in charge of IR: Managing Executive Officer and CFO Department in charge of IR: Corporate Communications Office	

3. Status of Measures to Ensure Due Respect for Stakeholders (Updated)

	Supplementary Explanation
Establishment of Internal Rules Stipulating Respect for the Position of Stakeholders	<p>In order to realize sustainable growth of corporate value of the Group, the Company has established a management policy and measures in accordance with its Corporate Philosophy and drives various initiatives with the understanding that it is essential to establish corporate governance, which includes enhancing transparency and its role as a member of society to strengthen its relationship of trust with the public.</p> <p>Group Corporate Philosophy The Infocom Group contributes to social innovations through technology advancements.</p> <p>Group Management Policy (1) Reach for higher corporate value through sustainable profit growth. (2) Conduct business as an example to others of compliance. (3) Respond quickly to changes in markets and advancements in technology. (4) Provide fulfilling work and foster employee talents. (5) Contribute to a better society through co-creation and ICT.</p>
Implementation of Environmental Preservation Activities and CSR Activities, etc.	<p>Basic Sustainability Policy In line with its Corporate Philosophy to “The Infocom Group contribute to social innovations through technology advancements,” the Infocom Group will contribute to the development of a sustainable society by working earnestly to solve environmental and social problems through business activities that provide high-quality innovative services society needs and practice highly transparent and sound corporate management.</p> <p>The Company has formulated a Basic Sustainability Policy and views the sustainable growth of corporate value for stakeholders to be the essence of CSR activities. In accordance with the policy, the Company works to strengthen its relationship of trust with the public, conduct business activities based on a high sense of ethics, and establish highly transparent corporate governance.</p> <p>(1) Addressing Climate Change and TCFD Due to the business characteristics of the Group, we are less dependent on natural capital, so we believe that promoting business and having customers use the Group's products and services will contribute to the reduction of environmental burdens such as paper resources and energy costs.</p> <p>1) The Company established an environmental policy in accordance with the environmental management system based on the ISO14001 standard, and we are promoting initiatives to reduce environmental impact with CSRO as the chief environmental officer. The details of the initiatives are reported to the Board of Directors as CSRO business execution reports.</p> <p>Environmental Management The Company built and operates an environmental management system in accordance with ISO 14001 to work to conserve the environment and mitigate environmental impacts.</p> <p>Environmental Policy 1. Improving the Environment through Business 2. Reducing Environmental Impact 3. Increasing Sustainability 4. Complying with Environmental Laws 5. Raising Environmental Awareness</p>

2) Strategy

Regarding the impact of climate change-related risks and profit opportunities on our business activities and earnings, we recognize that the risks related to climate change that directly affect our business activities and financial planning are low. However, in accordance with the environmental policy mentioned above, we are working to reduce environmental impact and preserve the environment through our business activities.

3) Risk management

The General Affairs Office, which has jurisdiction over sustainability activities including climate change, gives instructions to identify risks and opportunities related to relevant internal departments and Group companies, identifies risks, and reports to the Sustainability Committee.

The Sustainability Committee evaluates the potential size and scope of climate-related risks for the identified risks related to climate change, considers countermeasures according to the degree of importance, and conducts risk reduction activities.

4) Metrics and targets

[Efforts to reduce environmental impact]

The Company are continuously working to reduce the environmental impact in accordance with the environmental management system based on the ISO14001 standard.

In 2021, we relocated our headquarters under the concept of ABW (Activity Based Working). As a result, the improvement of the workplace has progressed, and the effect of reducing electric power consumption and CO2 emissions has appeared. The CO2 emissions calculated by multiplying by the emission factor are as follows. The goal of the initiative is to reduce usage and emissions compared to the previous year.

- Electric power consumption(KWH)

FY2020	FY2021	FY2022	FY2023
1,928,875	1,654,631	1,118,135	923,312

- CO2 emissions(Kg)

FY2020	FY2021	FY2022	FY2023
858,349	733,001	486,389	400,717

Additionally, as part of our work style reform, we are working on a paperless system, including digitizing internal procedures and promoting electronic contracts, so that back-office operations can be carried out without having to come to the office. Changes in the amount of paper used are as follows. The goal of the initiative is to reduce usage compared to the previous year.

- Paper used(Sheet)

FY2020	FY2021	FY2022	FY2023
813,889	641,725	533,464	590,827

Environmental Conservation through Business Activities

The Company engages in efforts to enhance the efficiency of customers' administrative operations and facilitate the improvement of the environment through business by providing services that do not use paper such as e-comics, medical systems, and electronic documents.

For more information on sustainability:

<https://www.infocom.co.jp/en/sustainability.html>

IV. Matters Concerning the Internal Control System

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

(1) System to ensure that the performance of duties by Directors and other officers of the Company and its subsidiaries comply with laws, regulations, and the Articles of Incorporation

1) The Company stipulates to practice “management guided by compliance” in its Management Policy and to “act with strong ethical standards and accountability, keeping the trust our stakeholders place in us” in its Values. Accordingly, officers and employees of the Company and its subsidiaries shall comply with laws and regulations and act in good faith based on a sense of ethics and values expected of them as members of a company and of society. Furthermore, the Company has established a Code of Conduct for day-to-day business operations, and shall strive to ensure they are effective.

2) The Company shall establish Officers Rules for with respect to the performance of duties by Directors, and practice fair and appropriate corporate management by complying with social norms, ethics, laws, and regulations as well as conducting audits in accordance with the Audit Standards for Auditors established by the Board of Statutory Auditors.

3) The Company shall appoint a Chief Social Responsibility Officer (CSRO) as the officer in charge of compliance, and strive to build a compliance system and identify problems across the Infocom Group.

(2) System to ensure that the performance of duties by employees of the Company and its subsidiaries comply with laws, regulations, and the Articles of Incorporation

1) The Company shall continuously facilitate education and awareness-raising on compliance in accordance with the Management Policy, Values, Code of Conduct, and the like of the Infocom Group to ensure that the performance of duties by officers and employees of the Company and its subsidiaries are in compliance with laws, regulations, and the Articles of Incorporation. In addition, officers and employees of the Company and its subsidiaries shall practice compliance in their respective positions.

2) In order to ensure a means of direct reporting in the event that an officer or employee of the Company or its subsidiaries is found to have committed a serious legal violation or an important fact in relation to compliance has been discovered, the Company shall establish an internal whistleblowing desk and external compliance/harassment help desk that is operated by an external attorney. The Company will protect the anonymity of whistleblowers in accordance with their wishes and will not treat them disadvantageously.

3) The status of whistleblowing based on the internal whistleblowing system of the Infocom Group shall be reported to the Company’s President and Auditors, and the Board of Directors and Sustainability Committee as appropriate. In addition, the Company shall properly disclose the details, response, and results of serious whistleblowing cases to the officers and employees of the Company and its subsidiaries, and ensure all officers and employees of the Company and its subsidiaries are informed.

4) The Company shall clearly specify the division of duties between organizations and the responsibilities and authorities of positions in the Rules for Division of Duties, Job Authority Rules, and Individual Authority Standards, and ensure checks and balances between organizations and prevent authority from being centralized in specific individuals by recording opinions in accordance with roles in internal requests for proposal approval (*ringisho*), etc.

(3) System regarding storage and management of information related to the performance of duties by Directors

1) Documents and forms related to the performance of duties by Directors shall be created, stored, managed, and disposed of in accordance with laws, regulations, and internal rules. In addition, they shall be stored and managed in a way that is easily searchable as necessary, and be viewable at any time while they are stored.

2) The President of the Company shall be responsible for monitoring and overseeing the storage and management of information in 1) above.

(4) Rules and other systems regarding the management of risk of damages to the Company and its subsidiaries

1) The Company’s Board of Directors shall address all risks that threaten the enhancement of corporate value and sustainable development of corporate activities.

2) The Company shall establish Group Risk Management Rules which it will follow under an integrated management policy, and establish a Sustainability Committee as a body to manage risks in accordance with these rules, which shall be chaired by the CSRO. The committee shall comprehensively and efficiently identify, assess, and manage risks related to the execution of business by the Infocom Group.

3) The Company shall build a system to carry out integrated crisis management in the Infocom Group in accordance with rules, manuals, and the like to minimize impacts in emergency circumstances caused by a

serious incident or accident by avoiding confusion, keeping damages to a minimum, etc. In addition, the Company shall formulate a Business Continuity Plan (BCP) to minimize damages due to business interruption in the event of a major disaster or other emergency situation, and work to develop a system to ensure business continuity.

4) The Company shall put in place Quality Control Rules to ensure, maintain, and improve the quality of the products and services the Company offers, and establish a Chief Quality Officer and a Quality Management Promotion Office to assist said officer. In addition, the quality management system provided by the office shall serve to comprehensively manage the state of business activities and defects and complaints, and make necessary improvements and strive to prevent recurrence based on the results of assessments.

(5) System to ensure the duties of Directors and other officers of the Company and its subsidiaries are performed efficiently

1) The Company shall put in place rules for the Group and Group companies necessary to ensure the efficiency of the Infocom Group's business operations. These rules shall be reevaluated when laws or regulations are revised or abolished or it is deemed necessary to improve the efficiency of the performance of duties.

2) The Company shall hold regular Board of Directors meetings once per month, and extraordinary Board of Directors meetings to ensure decisions can be made at the appropriate timing when necessary in terms of the execution of business. In addition, investments shall be deliberated on by the Investment Committee, which is composed of Directors and other officers.

3) The authority and procedures of each position in regard to the execution of business based on decisions by the Company's Board of Directors shall be stipulated in detail in the Job Authority Rules and the Rules for Division of Duties. These rules shall be reevaluated when laws or regulations are revised or abolished or it is deemed necessary to improve the efficiency of the performance of duties.

4) The Company shall separate the corporate management decision-making and supervisory function with the executive function, and implement an executive officer system to carry out efficient and fast corporate management. In addition, the Company shall appoint Independent Outside Directors to enhance the appropriateness and reasonableness of decision-making by the Board of Directors.

(6) System to ensure the appropriateness of business operations of the Company, its parent company, and its subsidiaries

1) The Infocom Group shall put in place a system to ensure fairness and transparency in transactions with its parent company. In addition, the Company shall execute all business operations as a listed company based on independent management decisions.

2) The Infocom Group stipulates to practice "management guided by compliance" in its Management Policy and to "act with strong ethical standards and accountability, keeping the trust our stakeholders place in us" in its Values, and it shall comply with laws and regulations and put in place a system based on a sense of ethics and values expected of it as a corporate citizen and member of society.

3) The basic stance of the Infocom Group is to have no involvement with antisocial forces that would disturb social order or sound business activities and to take a firm group-wide stance against such antisocial forces in close cooperation with external specialized organizations such as police, and the Infocom Group shall put in place a system based on said stance.

4) The Company shall establish a Sustainability Committee composed of key Group companies, and put in place a compliance and risk management system based on an integrated group policy in accordance with the Group Risk Management Rules.

5) The Company shall build a system to hold discussions in advance based on the Group Company Management Rules and other rules when an important management decision needs to be made in a subsidiary. In addition, the Company shall build a system for regularly reporting on business operations when an important operational matter arises.

6) The Company's Internal Auditing Office shall carry out and oversee internal audits in the Infocom Group, and ensure the effectiveness and appropriateness of internal controls in all of the Group's business operations.

7) The Company's Auditors shall build a precise system in close cooperation with the Accounting Auditor and Internal Auditing Office to ensure individual Auditors or the Board of Statutory Auditors can effectively and appropriately monitor and audit the entire Group.

(7) Matters concerning employees assisting duties of Auditors, matters concerning the independence of said employees from Directors, and matters concerning the effectiveness of instructions issued to said employees

1) The Internal Auditing Office staff, which is independent from other executive lines, shall assist audits

conducted by Auditors in accordance with the requests of the Board of Auditors.

2) The Internal Auditing Office staff will not take directions or orders from Directors when assisting the operations of Auditors.

3) In order to ensure the independence and effectiveness of the Internal Auditing Office staff that assists audits conducted by Auditors, the Company shall seek the opinions of the Board of Statutory Auditors in regard to performance evaluations and job transfers of the staff.

(8) System for Directors and other officers and employees of the Company and its subsidiaries to report to Auditors, and other systems related to reporting to Auditors

1) Auditors can attend a company's important meetings to ascertain important decision-making processes and the status of the execution of business.

2) Officers and employees of the Company and its subsidiaries shall report without delay to Auditors when they discover any of the following matters specified below:

(a) Matters that would or could potentially greatly erode the credibility of the company

(b) Matters that would or could potentially have a significant negative impact on the company's performance

(c) Serious matters that are in violation of the Values or compliance

(d) Other matters that apply to items (a) to (c) above

3) Officers and employees of the Company and its subsidiaries shall report on businesses in accordance with the requests of Auditors and cooperate with research on the status of the business operations and assets of the Infocom Group.

(9) System for ensuring that those who report to the Auditor are not treated unfavorably for making said report

1) The Infocom Group prohibits treating officers and employees who report to Auditors disadvantageously for the reason of submitting said report.

(10) Policy on procedures for processing expenses or debts and prepaying or reimbursing expenses incurred in the performance of duties by Auditors

1) Expenses and debts required in the performance of duties by Auditors shall be borne by the Company. If there is a request for prepayment, etc. of expenses in accordance with the Companies Act, the Company shall comply with said request.

(11) Other systems to ensure that audits by Auditors are conducted effectively

1) Auditors shall exchange opinions with Directors, key employees, and auditing firms when necessary.

2) In order for audits by Auditors to be conducted effectively, all information on the execution of the company's business operations shall remain viewable at any time.

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

(1) Basic views

The Company's basic view is to comply with the laws, regulations, and social norms of the countries and regions where it conducts business activities, and have no involvement with individuals or groups that would disturb the social order or sound business activities.

(2) Status of development

1) Criteria for response

The Group Corporate Code of Conduct includes items to defend against antisocial forces and states that the Group will take a firm stance against antisocial forces such as demands from specific shareholders or racketeering by interceding in civil disputes and threatening the use of violence, and not tolerate meeting said demands or threats.

2) Rules for response

The Company works to eliminate antisocial forces through measures such as establishing rules for responding to antisocial forces to prevent the Company's officers and employees from being involved with or providing benefits to antisocial forces and regularly researching companies and individuals involved with the Company.

3) Department in charge of response

The General Affairs Office has been established as the department in charge of response.

4) Instilling information in employees

Every year training is provided to all employees during Corporate Ethics Month to instill the Company's basic view in all Group officers and employees. In addition, when entering into contracts with external parties and transaction agreements for business activities, the Company confirms in writing that the counterparty is not a member of antisocial forces.

V. Other

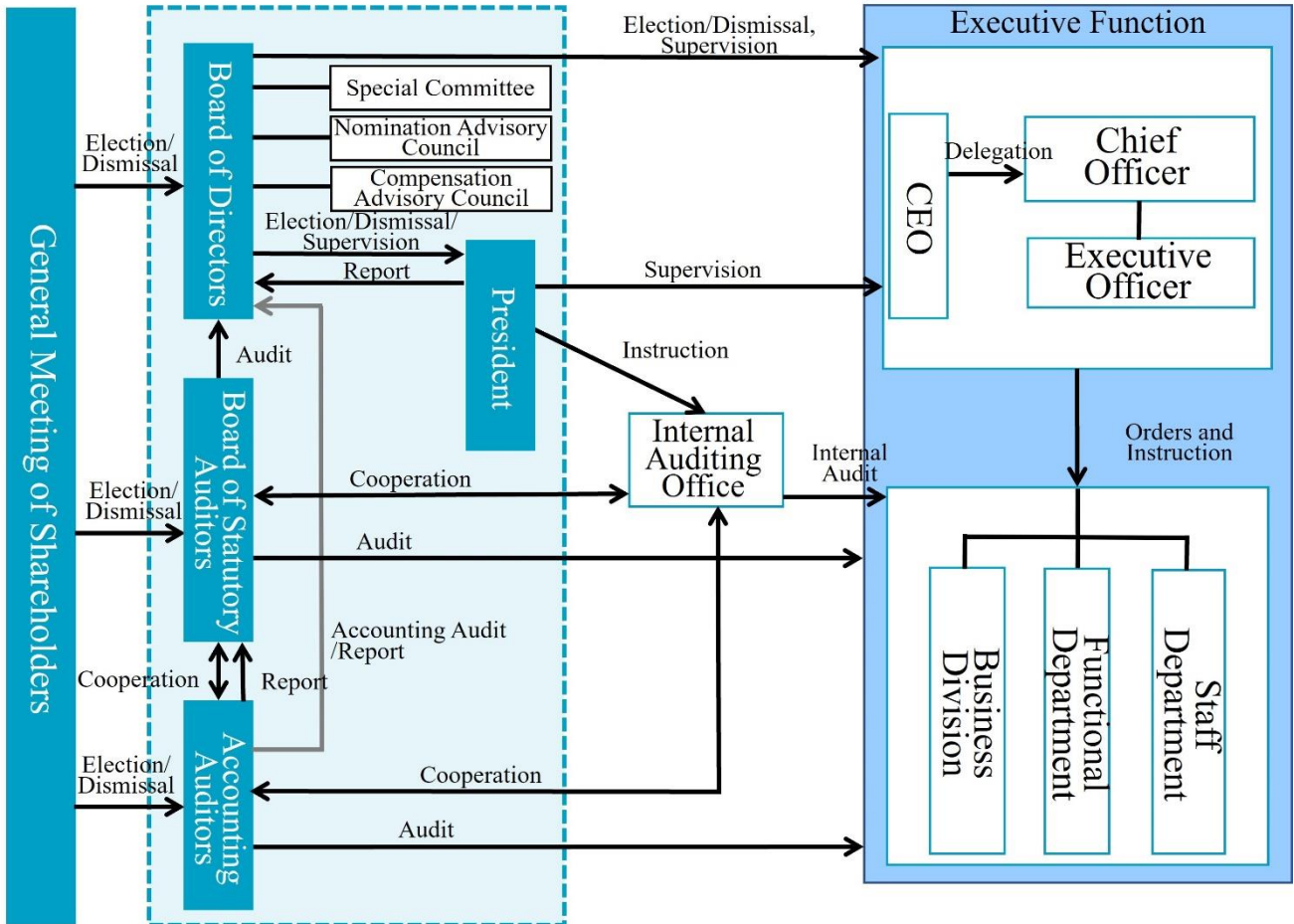
1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures Not Adopted

Supplementary Explanation for Applicable Items

2. Other Matters Concerning the Corporate Governance System (Updated)

(Attachments: Organizational Structure, Skill Matrix, and System for Timely Disclosure)



- Board of Directors: 9 Directors (4 Inside, 5 Independent Outside)
- Board of Statutory Auditors: 4 Auditors (2 Inside, 1 Outside, 1 Independent Outside)
- Special Committee: 5 Members (5 Independent Outside Directors)
- Nomination Advisory Council: 6 Members (1 Inside Director, 5 Independent Outside Directors)
- Compensation Advisory Council: 6 Members (1 Inside Director, 5 Independent Outside Directors)

Skill Matrix

Name	Position	Attributes	Corporate management	Sustainability	Compliance / Risk management	Finance / accounting	HR development	Business development	Global experience	Technological R&D	Field of specialization
Norihiro Takehara	Chairman		○		○		○	○	○		Net business, IT services
Jun Kuroda	President		○	○	○			○			Net business, IT services
Mototaka Kuboi	Director			○	○			○	○		IT services, Healthcare
Naohiko Moriyama	Director		○					○			Healthcare
Kazuhiko Tsuda	Director	Outside Independent					○	○		○	IT services
Kazuhiko Fujita	Director	Outside Independent	○		○	○			○		Healthcare
Sachiko Awai	Director	Outside Independent	○					○	○		Net business
Akihisa Fujita	Director	Outside Independent	○	○				○			Net business
Kenji Otaka	Director	Outside Independent	○					○	○		Healthcare
Kazumasa Nakata	Full Time Auditor	Outside			○	○				○	Healthcare
Makoto Sakurai	Full Time Auditor						○			○	IT services
Tomoko Torii	Auditor			○				○			
Kiyo Morikawa	Auditor	Outside Independent		○	○						

System for Timely Disclosure

