

Overview of the System and Operational Status for Ensuring Proper Business Activities

LY Corporation (hereinafter the “Company”) has resolved at the Board of Directors meeting on the systems for ensuring proper business activities as stipulated in the Companies Act and the Regulations for Enforcement of the Companies Act, and strives for its proper implementation.

Basic Policy for Internal Control	Overview of Operational Status
1. Systems to ensure that the execution of duties by directors and employees of the Company comply with applicable laws, regulations, and the Articles of Incorporation	
<p>①The Company shall establish the LY Corporation Group Code of Conduct for the LY Corporation Group (comprising LY Corporation and its consolidated subsidiaries and affiliates; the “Group”) in order to enforce thorough legal compliance as a basis of its corporate activities, and shall convey its content to all the directors and employees of the Company.</p> <p>②The corporate officer in charge of legal affairs and governance shall supervise the compliance division so that corrective actions may be taken promptly should compliance issues be discovered. The compliance division shall work to establish a company-wide compliance system, to identify compliance issues within the company, and to provide periodic reports on the status of the compliance system to the assembly supervising the compliance system of the Group and to the board of directors.</p>	<p>①The LY Corporation Group Code of Conduct (hereinafter referred to as the “Code of Conduct”) is disseminated through the intranet that is accessible to all officers and employees, and is kept available for viewing at all times. Furthermore, the Company provides educational materials and disseminates the content of the Code of Conduct to compliance officers and representatives of subsidiaries in which the Company has direct investments.</p> <p>②The compliance division, overseen by the corporate officer in charge of legal affairs and governance, establishes a company-wide compliance system and identifies compliance issues within the Company and the Group, striving to implement prompt corrective measures when issues are discovered. Furthermore, the compliance division reports on the status of the Company and Group’s compliance system to the Compliance Committee and the board of directors once every six months.</p>

Basic Policy for Internal Control	Overview of Operational Status
<p>③The compliance division shall establish internal regulations on whistleblowing, and shall endeavor to develop a reporting system by means of providing a mechanism through which to receive anonymous reports. Upon the receipt of such reports, the compliance division shall investigate the details of said report, provide instructions to rectify the situation, and discuss and decide preventive measures with the responsible divisions where non-compliance has been identified. The preventive measures so decided shall be enacted on a company-wide level. In addition, the division in charge of compliance shall report important issues such as the violations of applicable laws and regulations or the Articles of Incorporation by directors to the full-time Audit and Supervisory Committee member and directors (excluding those directors who are involved in the reported case). The status of the operation of this whistleblowing system shall be periodically reported to the assembly supervising the compliance system of the Group and to the board of directors.</p> <p>④The compliance division shall conduct educational activities and training for</p>	<p>③The Company's internal whistleblowing system, in accordance with internal regulations, establishes multiple reporting channels that allow for anonymous reporting by officers, employees, and business partners, thereby creating an environment conducive to reporting. Matters reported through the system are investigated by the compliance division, and if compliance violations are confirmed, necessary measures are taken such as providing instructions to rectify the situation or imposing disciplinary actions based on the decisions of the Committee of Reward and Punishment. Efforts are also made to implement company-wide measures to prevent recurrence. Furthermore, in anticipation of cases in which serious issues such as legal violations by directors arise, a system has been established to report such issues to the full-time Audit and Supervisory Committee member and directors (excluding those involved in the reported case). The operational status of the internal whistleblowing system is reported monthly to the President and Representative Director and the Full-time Audit and Supervisory Committee Member, as well as biannually to the Compliance Committee and the board of directors.</p> <p>④Compliance training was conducted for all officers and employees in February 2025 as</p>

Basic Policy for Internal Control	Overview of Operational Status
<p>directors and all employees, and shall endeavor to promote awareness of the compliance system.</p>	<p>well as for new employees on an ongoing basis. Furthermore, as part of the Company's educational and awareness initiatives to promote the compliance system, information such as internal rules on the internal whistleblowing system, anti-bribery, and exclusion of anti-social forces are made constantly available on the intranet for all officers and employees to access.</p>

Basic Policy for Internal Control	Overview of Operational Status
<p>⑤ The head of the personnel division or the head of the compliance division shall report compliance violations by employees to the Committee of Reward and Punishment, and the Committee shall deliberate on the punishments. Violations of applicable laws, regulations or the Articles of Incorporation on the part of directors shall be reported by the head of the compliance division to the Audit and Supervisory Committee and the board of directors.</p> <p>⑥ The Company is resolutely opposed to anti-social forces that pose a menace to the order and safety of civil society, and the entire organization shall respond to such forces and endeavor to prevent any dealings with them.</p>	<p>⑤ A system is in place where the secretariat of the Committee of Reward and Punishment, composed of the personnel division and the compliance division, reports on employee compliance violations to the Committee of Reward and Punishment that conducts deliberations on disciplinary actions. Furthermore, in the event of an internal whistleblowing report regarding a director's violation of laws, regulations, or the Articles of Incorporation, a system is in place for the head of the compliance division to report to the full-time Audit and Supervisory Committee member and directors (excluding those involved in the reported case).</p> <p>⑥ The Company develops and operates a system that is based on the established Regulations on the Elimination of Antisocial Forces in an effort to prevent transactions with anti-social forces. Furthermore, educational materials on preventing transactions with anti-social forces are posted on the intranet, creating an environment where all officers and employees can access this information at any time.</p>

2. Systems for the storage and management of information related to the execution of the duties of the Company's directors

<p>① In accordance with laws and regulations, or internal regulations, etc., the Company shall establish retention periods and storage locations for electromagnetic records or</p>	<p>① Documents related to important corporate decisions as well as records and documents related to business operations are stored once their retention periods are prescribed</p>
---	--

documents related to important corporate decisions, including minutes of shareholder meetings and meetings of the board of directors, and approval documents, as well as electromagnetic records or documents related to the execution of business, such as accounting books, financial statements, and expense sheets. The Company shall store such electromagnetic records or documents in accordance with laws and regulations, or internal regulations, etc., and shall adopt a system such that the directors may have access to them at any time.	in the internal regulations, etc. The documents are stored in a manner that allows directors to access them at any time.
---	--

Basic Policy for Internal Control	Overview of Operational Status
<p>3. Regulations concerning the risk management of losses by the Company and other systems</p> <div> <div> <p>① In order to anticipate and prevent potential risks surrounding the Company's business, and to avoid or mitigate losses should such risks materialize, the Company shall stipulate matters related to risk management in a systematic manner as part of its internal regulations. In addition, the Company shall establish an organization that will comprehensively and professionally examine, deliberate, and decide on matters related to risk management, and important decisions made by this organization shall be reported at meetings attended by directors and other members as necessary.</p> </div> <div> <p>② The Company shall establish a crisis management and business continuity management system to ensure a prompt response and to minimize the impact of crisis situations, and shall promulgate regulations that define the system and response process.</p> </div> <div> <p>③ To ensure a prompt and appropriate response when an incident occurs, the Company shall establish a series of response processes,</p> </div> </div>	
	<div> <div> <p>① Necessary matters related to identifying, managing, and addressing risks associated with the Company's business have been systematically defined in the regulations concerning risk management. Furthermore, a system has been established where divisions responsible for risk management are designated for each risk category, enabling company-wide risks to be understood from the professional perspective of each division. Additionally, the Risk Management Committee, which generally convenes twice a year, determines the Group's top risks and monitors the responses to them. The status of these top risks and their monitoring is reported to the board of directors.</p> </div> <div> <p>② The Company has established BCP (Business Continuity Plan) Rules that include the following in preparation for crisis situations:</p> <ul style="list-style-type: none"> • Organizational structure and definition of roles during emergencies • Development and maintenance of a contingency plan (procedures for restoring critical operations in the event of a crisis) • Implementation of education and training related to the contingency plan </div> <div> <p>③ To prevent incidents from recurring and to avoid losses and erosion of trust, the Company has established the Rules on Incident</p> </div> </div>

including preliminary measures, response at the time of the incident, and post-incident response, and shall formulate rules and regulations for such processes.

Management. These rules ensure the proper implementation of reporting, emergency measures, and recurrence prevention for incidents that have occurred as well as an incident response flow to clarify the operational process.

Basic Policy for Internal Control	Overview of Operational Status
<p>④ In order to ensure the effectiveness of information security management, the Company shall appoint a chief information security officer and shall establish a supervisory organization for information security.</p> <p>⑤ The Company shall establish internal regulations on the basic criteria for handling information assets, and shall disseminate and conduct training on the details of such regulations.</p> <p>⑥ The Company shall establish an organization that comprehensively handles information</p>	<p>④ The Company has appointed a Chief Information Security Officer (CISO) to oversee information security management. In addition, the Company has established a supervisory organization for information security to support the development and operation of the Company and Group's information security environment. It has also established an organization to comprehensively address information security incidents.</p> <p>⑤ The Company has established the Regulations on Information Asset Management, which outline the basic criteria for handling information assets. Additionally, a team has been formed within the information security supervisory organization to promote education on information security management. By developing and enhancing employee education programs, the Company ensures thorough awareness of these regulations. In fiscal year 2024, due to numerous regulatory changes from the intra-Group reorganization effective October 1, 2023, the frequency of company-wide security education has been increased from five to eleven sessions annually. Furthermore, the Company conducts security self-checks four times a year, provides quarterly training for those handling pre-release financial information, and offers security training for new employees on an ongoing basis.</p> <p>⑥ The Company has established an organization within the supervisory organization for</p>

security incidents and shall manage and handle information on information security incidents in an integral manner.

information security to promote CSIRT functions, thereby managing and handling information on information security incidents in an integral manner.

Basic Policy for Internal Control	Overview of Operational Status
<p>4. Systems to ensure the efficient execution of the duties of the Company's directors</p>	
<p>①The Company shall adopt a corporate officer system to allow for the flexible and efficient execution of business.</p> <p>②The Company shall establish internal regulations to clarify the scope of jobs, authorities and responsibilities necessary for the execution of duties.</p> <p>③The Company shall support the efficient execution of business by the directors by means of organizing assemblies to discuss and deliberate on important matters related to management, and through other means.</p> <p>④The Company shall establish and disseminate company-wide goals to be shared among directors and employees.</p>	<p>①The Company has adopted a corporate officer system and established internal regulations that clearly define the scope of duties, authority, and responsibilities necessary for business operations, actively delegating authority to corporate officers.</p> <p>②The Company has established internal regulations that clearly define the scope of duties, authority, and responsibilities necessary for business operations in accordance with the Basic Policy for Internal Control.</p> <p>③To enable appropriate and swift decision-making on important management matters, the Company has established regular Top Management Committee meetings comprising directors, corporate officers, and other officers responsible for business operations. In fiscal year 2024, discussions were held on topics such as strategies and business policies in key business segments, responses to significant incidents, and other matters of managerial importance.</p> <p>④For directors, the Company clarifies company-wide goals for the fiscal year and ties their remuneration to the degree of achievement of these goals, incentivizing risk-taking and leadership. For corporate officers and other employees, a system has been implemented to set organizational and individual goals aligned with the company-</p>

⑤The Company shall conduct internal audits on the efficiency and effectiveness of the execution of business duties, and continuously conduct improvement activities.

wide objectives, and their performance is evaluated against these goals.

⑤The division in charge of internal audits conducts risk assessments related to the Company's business and formulates audit plans based on the results. In the audit plan, the appropriateness of the importance and priority of each risk measure is regularly reviewed in accordance with the business environment and trends of Company developments. After conducting an audit, the results are promptly reported to management, audited departments, and related divisions, and improvements for any identified issues are requested. Subsequently, the progress of these improvements is continuously monitored.

Basic Policy for Internal Control	Overview of Operational Status
5. Systems to ensure appropriate business operations of the corporate group comprising the Company, its parent companies, and its subsidiaries	
<p>① System to ensure independence from parent companies, etc.</p> <p>(i) The completion of transactions with the parent company, etc., shall be determined after confirming the necessity and the fairness of the terms and conditions of such transactions. When deciding on their completion, the Company shall obtain prior confirmation from an independent outside director, except in cases where the impact on the Company is negligible.</p>	<p>① The Company has established internal regulations that clearly prohibit transactions with parent companies, etc. if these transactions evidently offer unfairly advantageous or disadvantageous conditions compared to those with third parties or similar transactions. Additionally, transactions aimed at transferring profits, losses, or risks are also prohibited.</p> <p>For transactions with related parties such as SoftBank Group Corp., SoftBank Corp., A Holdings Corporation, NAVER Corporation, and their subsidiaries (hereinafter referred to as "Related Party Transactions"), those exceeding a certain monetary threshold are subject to prior deliberation by the Governance Committee, which consists of independent outside directors. The committee examines these transactions from the perspectives of fairness, economic rationality, and legal compliance. In fiscal year 2024, the committee convened 21 times, deliberating on Related Party Transactions exceeding certain monetary thresholds and exchanging opinions with related parties and outside directors of listed subsidiaries. These efforts ensure the propriety of the Company's transactions and business operations. Furthermore, the division responsible for governance conducts a review</p>

	<p>of Related Party Transactions that do not require deliberation by the Governance Committee. For transactions meeting specific criteria, the independent outside director serving as a Full-time Audit and Supervisory Committee Member is authorized by the Governance Committee to conduct a prior review from similar perspectives.</p>
--	--

Basic Policy for Internal Control	Overview of Operational Status
<p>② System for reporting items related to the execution of business duties by the directors, etc., of subsidiaries to the Company</p> <p>i) The Company shall establish an appropriate reporting system according to the function and importance, etc. of each subsidiary, and shall request that subsidiaries (excluding certain subsidiaries such as listed companies) acquire prior approval from the Company or report to the Company on important matters related to the subsidiaries.</p> <p>ii) In its internal regulations concerning affiliate company management, the Company shall clarify which subsidiaries are required to undertake the abovementioned actions as well as the specific details of such actions, and in order to enhance the effectiveness of such actions, the Company shall conclude an Agreement Regarding Corporate Management with each subsidiary subject to such requirement (or have a subsidiary with equity in such subsidiary conclude such an agreement), and require each applicable subsidiary to undertake such actions.</p> <p>③ Regulations concerning risk management of losses by subsidiaries and other such systems</p> <p>i) The Company shall establish internal regulations related to internal audits, and the division in charge of internal audit shall conduct audits of the Company as well as the entirety of operations of</p>	<p>② With the exception of some listed companies, etc., the Company has concluded an Agreement Regarding Corporate Management with subsidiaries in which it has direct investments. In accordance with the function and importance, etc. of each subsidiary, the agreement requires prior approval from the Company or reporting to the Company on important matters related to the subsidiaries.</p> <p>For subsidiaries in which the Company holds indirect investments, the Company requests its directly invested subsidiaries to conclude the same Agreement Regarding Corporate Management with those indirectly held subsidiaries. This agreement mandates the sub-subsidiaries to obtain prior approval from the Company or to report to the Company on certain important matters.</p> <p>The above mechanisms and specific actions of subsidiaries are clearly defined in the Regulations for the Management of Affiliated Companies.</p> <p>③ i) The division in charge of internal audits has established internal audit regulations stipulating the implementation of internal audits on the overall operations of subsidiaries. Based on these regulations, the division continuously supports and manages the</p>

the subsidiaries. The effectiveness of said audits shall be ensured through stipulations in the Agreement Regarding Corporate Management provided in the previous item, to the effect that the subsidiaries shall, in principle, accept the Company's audits and cooperate as necessary with the audits.

- ii) The division responsible for each subsidiary shall be clarified in the internal regulations concerning affiliate company management and other regulations. Said internal regulations shall stipulate that said division shall provide instruction, assistance and advice on the recognition, evaluation, analysis and response to the risk factors of the relevant subsidiary and shall further stipulate that the division in charge of group management of the Company shall provide cross-sectional support for these measures.

maintenance of effective control in consolidated subsidiaries, either directly or through subsidiaries in which the Company has direct investments. Furthermore, the Agreement Regarding Corporate Management with subsidiaries stipulates that if the Company deems it necessary, the subsidiaries must accept audits related to operations, accounting, and systems, and provide the necessary cooperation for these audits.

- ii) In the Regulations for the Management of Affiliated Companies, etc., the Company has clearly defined the division responsible for each subsidiary. These divisions are tasked with providing assistance, etc. on the recognition, evaluation, analysis, and response to risks associated with the subsidiaries. The regulations also stipulate that the Company's divisions responsible for investment management and corporate governance, which are in charge of Group management, shall provide assistance for these initiatives as necessary.

Basic Policy for Internal Control	Overview of Operational Status
<p>iii)The Agreement Regarding Corporate Management shall stipulate that each subsidiary shall report incidents to the Company's division in charge of risk management in the event that any incident or other event that may affect the management of the Group should occur in or in relation to said subsidiary. Also, in the event that a risk materializes, resulting in the occurrence of an accident or other incident, the involved subsidiary or the Company's division in charge of risk management that has received reports to such effect from said subsidiary shall promptly share such information with the relevant divisions within the Company.</p> <p>④ Systems to ensure the efficient execution of duties by the directors, etc., of the subsidiaries</p> <p>i) The Company shall establish a system to enable each subsidiary to maintain appropriate business operations autonomously while working in close cooperation with the subsidiaries.</p> <p>ii) The Company's division responsible for subsidiaries shall provide instruction, assistance and advice regarding the formulation of management policies and mid- to long-term management plans of each subsidiary.</p> <p>iii)The Company shall introduce various</p>	<p>iii)The Agreement Regarding Corporate Management stipulates that any critical incidents affecting Group management must be reported to the division in charge of risk management. Furthermore, the division in charge of risk management has developed the LY Corporation Group Critical Incident Reporting Guidelines to implement incident reporting. These guidelines require the creation of a system where critical incidents occurring in subsidiaries are promptly reported to the Company and the information is shared with the relevant divisions.</p> <p>④ While regularly exchanging information with the subsidiaries, the Company's divisions responsible for subsidiaries provide the necessary instructions, assistance, and advice regarding the formulation of management policies and mid- to long-term management plans of each subsidiary. The Company has also implemented various systems that can be used commonly across the Group, including accounting management systems. Furthermore, during the fiscal year and at its end, the Company's financial division confirms the status of financing and asset management with subsidiaries, including transactions with financial institutions, and</p>

<p>systems that may be used in common throughout the Group, depending on the size and nature of the business of the subsidiary.</p> <p>iv) The Company's division supervising finance shall instruct, assist and advise the subsidiaries on the procurement and management of their funds.</p>	<p>provides assistance, including loans, as necessary. These measures ensure autonomous and proper business operations at each subsidiary, as well as the efficient execution of duties by the directors, etc. of the subsidiaries.</p>
--	---

Basic Policy for Internal Control	Overview of Operational Status
<p>⑤ Systems to ensure that the execution of duties by directors, etc., and employees of subsidiaries complies with applicable laws, regulations, and the Articles of Incorporation</p> <p>i) The Company shall disseminate the Group's Code of Conduct in order to foster a uniform commitment to legal compliance among all directors and employees.</p> <p>ii) The Company shall establish the Regulations for Appropriate Business Transactions and Practices by the Company, its Parent Company, Subsidiaries, and Affiliates in order to ensure compliance with laws and regulations and the appropriacy and efficiency of operations related to transactions between the affiliated companies and operations at each affiliated company.</p> <p>iii) To promote the Group's compliance system, the compliance division shall establish meetings to be attended by the compliance officers of the subsidiaries in order to ensure opportunities for exchanges of information, views, etc. among employees in charge of compliance.</p> <p>iv) The Company's divisions in charge shall instruct each Group company to establish an internal control environment that aligns with the Company's internal control system.</p>	<p>⑤ The Company prohibits transactions with subsidiaries that evidently offer unfairly advantageous or disadvantageous conditions compared to those with third parties or similar transactions, as well as transactions aimed at transferring profits, losses, or risks. These prohibitions are clearly stipulated in the Company's internal regulations to ensure compliance with laws and regulations and to maintain proper business operations in dealings with subsidiaries.</p> <p>Furthermore, an annual Group compliance conference is held where compliance officers and representatives from subsidiaries gather to exchange information. The conference held in July 2024 brought together 62 participants from 33 companies. During the conference, the participants shared information about the status and initiatives of the Group's compliance system, introduced compliance efforts within subsidiaries, and engaged in an exchange of ideas.</p> <p>Additionally, the Company's person in charge of Group compliance conducts individual interviews with the compliance officers and representatives of subsidiaries to understand each company's status, thereby promoting collaboration to strengthen the Group's overall compliance system.</p> <p>The Company has also established a system that allows direct reporting to its</p>

<p>v) The Company shall implement a system that also enables the directors, etc. and employees of the subsidiaries to directly report compliance violations or the possibility of such violations through the Company's whistleblowing system.</p>	<p>whistleblowing hotline in the event of compliance violations occurring at subsidiaries.</p>
--	--

6. Employees who assist the duties of the Audit and Supervisory Committee

<p>① In order to assist with the duties of the Audit and Supervisory Committee, the Company shall appoint employees who do not concurrently fulfill duties related to the execution of the business of the Company and the Group.</p>	<p>①② The Company has established an Audit and Supervisory Committee Office to support audit duties and assigned five employees who do not concurrently hold positions involved in the business operations of the Company or Group companies.</p>
---	---

Basic Policy for Internal Control	Overview of Operational Status
<p>②The Audit and Supervisory Committee members or the Audit and Supervisory Committee shall be able to independently hire, etc. employees to support the duties of the Audit and Supervisory Committee members at the discretion of the Audit and Supervisory Committee.</p>	

7. Independence of the employees mentioned in the previous paragraph from other directors (excluding directors who serve on the Audit and Supervisory Committee)

<p>①The instructions, orders, and evaluation of the employees mentioned in the previous paragraph shall be performed by the members of the Audit and Supervisory Committee, and all personnel changes and disciplinary measures affecting said employees shall be carried out with the consent of the Audit and Supervisory Committee.</p>	<p>①The instructions, orders, and evaluation of employees who support the duties of the Audit and Supervisory Committee are conducted with the consent of the Audit and Supervisory Committee members, with due consideration to their independence from directors (excluding directors who are Audit and Supervisory Committee members). Furthermore, personnel changes and disciplinary measures for said employees require the consent of the Audit and Supervisory Committee.</p>
--	---

8. Ensuring the effectiveness of instructions given by the Audit and Supervisory Committee to the employees described in Paragraph 6

<p>①The Company shall establish a clear system for those employees who shall exclusively assist with the duties of the Audit and Supervisory Committee by establishing internal regulations, and shall ensure the effectiveness of instructions provided by the Audit and Supervisory Committee to said employees.</p>	<p>①The Company has established Regulations for Securing an Audit System for the Audit and Supervisory Committee Members, thereby ensuring the effectiveness of audits conducted and instructions given to the Audit and Supervisory Committee Office by the Audit and Supervisory Committee.</p>
--	---

9. System for reporting to the Audit and Supervisory Committee

<p>①The directors (excluding directors who serve</p>	<p>①The directors (excluding those who serve on</p>
--	---

<p>on the Audit and Supervisory Committee) and employees of the Company, the directors, auditors, etc. and employees of subsidiaries, or any individuals who have received reports from those in the positions listed above, shall report the items listed below to the Audit and Supervisory Committee or the Audit and Supervisory Committee members:</p> <ul style="list-style-type: none"> i) Important matters related to the Group, ii) The status of the establishment and operation of the internal control system, iii) Matters that may considerably affect or damage the Group, iv) Violations of applicable laws and regulations, or the Articles of Incorporation, and other important compliance-related matters, v) The status of internal audits of the Group, vi) The status of deliberations on important cases, vii) The status and results of deliberations considering investments and loans (including cancellations), 	<p>the Audit and Supervisory Committee) and employees of the Company, as well as directors, auditors, and employees of subsidiaries, report to the Audit and Supervisory Committee or its members on important matters related to the Group, status on matters such as the internal control system, security, Enterprise Risk Management (ERM) activities, compliance, and internal audit, as well as other matters requested by the Audit and Supervisory Committee. Other matters that are important from an audit perspective are also reported without delay. (However, facts that may cause significant damage to the company and other urgent issues are reported immediately.)</p>
---	---

Basic Policy for Internal Control	Overview of Operational Status
<p>viii) Important matters related to risk management affecting the Group,</p> <p>ix) The operation of the compliance system of the Group and the status of whistleblowing, etc., and</p> <p>x) Other matters on which the Audit and Supervisory Committee deems necessary to receive reports for purposes related to the execution of its duties.</p> <p>② The Chief Financial Officer and the person in charge of the legal division shall hold periodic meetings with the Audit and Supervisory Committee members and shall report on important business-related matters.</p>	<p>② The Chief Financial Officer and the person in charge of the legal division hold regular meetings with the Full-time Audit and Supervisory Committee Member to share information, reporting on significant operational matters.</p>

10. Systems to ensure that those who have used the whistleblowing system do not receive disadvantageous treatment as a result of reporting

<p>① The Company shall prescribe in its internal regulations that those who have made reports using the whistleblowing system shall not receive disadvantageous treatment as a result of said reporting and shall disseminate this provision in order to ensure the effectiveness of the whistleblowing system and its utilization.</p>	<p>① The Regulations on Whistleblowing explicitly prohibit any disadvantageous treatment resulting from whistleblowing or cooperating with an investigation into a whistleblowing case. They also clearly outline the procedures for reporting such disadvantageous treatment if it occurs and specify the implementation of disciplinary measures in these cases. Furthermore, the Company verifies whether there has been any disadvantageous treatment towards the whistleblower and investigation cooperators even after the investigation is completed.</p>
---	--

11. Policy regarding the advance payment or repayment of expenses incurred in the course of the execution of the duties of Audit and Supervisory Committee members (and only in

the course of said duties), and the processing of other expenses and debts incurred in the course of the execution of said duties

<p>①Where the Audit and Supervisory Committee members make requests to the Company concerning the prepayment, etc. of expenses with respect to the execution of their duties in accordance with Article 399-2, Paragraph 4 of the Companies Act, the Company shall, upon confirmation with the division in charge, promptly process such expenses or debts, except in cases where it has proven that the expense or debt relating to said request is not necessary for the execution of the duties of said Audit and Supervisory Committee members (and only said duties).</p>	<p>①②Based on requests from the Audit and Supervisory Committee, the Company makes payments for expenses that are necessary for audit activities. Furthermore, the Audit and Supervisory Committee engages an external attorney as a consultant, at the Company's expense, to provide legal advice and guidance on the execution of their duties.</p>
--	---

Basic Policy for Internal Control	Overview of Operational Status
<p>②Where the Audit and Supervisory Committee requests an independent outside specialist (lawyer, certified public accountant, etc.) to serve as an adviser of the Audit and Supervisory Committee, the Company shall bear all relevant expenses, except in cases where it has proven that such an adviser is not necessary for the execution of the duties of the members of the Audit and Supervisory Committee (and only said duties).</p>	

12. Other systems to ensure effective audits by the Audit and Supervisory Committee

<p>①The Audit and Supervisory Committee, or an Audit and Supervisory Committee member, shall be able to request and receive reports from the directors (excluding directors who serve on the Audit and Supervisory Committee) and employees of the Company, as well as directors, auditors, etc. and employees of subsidiaries, where they deem necessary.</p> <p>②The members of the Audit and Supervisory Committee shall be able to attend important management meetings and participate in the consideration of important management policies of the Company, and shall be able to attend any internal meetings upon the request of any Audit and Supervisory Committee member.</p> <p>③The full-time Audit and Supervisory Committee member shall be a member of an organization that comprehensively and expertly examines, deliberates, and decides on matters related to risk management, and a</p>	<p>①②③The Company ensures that members of the Audit and Supervisory Committee can attend Top Management Committee meetings, where important decisions for the Company are made, as well as any other meetings they wish to join. Furthermore, the Full-time Audit and Supervisory Committee Member attends meetings held at the Risk Management Committee and Compliance Committee, receiving direct reports from the responsible divisions.</p> <p>The Audit and Supervisory Committee also collaborates in conducting audits by receiving reports on audit plans and the implementation status of auditing from accounting auditors, as well as audit results from the division in charge of internal audits.</p> <p>In addition, the Audit and Supervisory Committee ensures the effectiveness of audits within the Group by holding regular</p>
---	---

participant in the assembly that supervises
the compliance system of the Group.

meetings with CEOs and auditors of
important subsidiaries, thereby
maintaining continuous collaboration.