

Corporate Governance Report

March 30, 2026

MEDLEY, INC.

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The corporate governance of MEDLEY, INC. is described below.

I. Basic Views on Corporate Governance, Capital Structure, Corporate Attributes, and Other Basic Information **[Updated]**

1. Basic Views

With its mission of “Creating the future of medical healthcare,” MEDLEY, INC. (the “Company” or “We”) and its subsidiaries (collectively, the “Group”) develop and provide various Internet services in the medical healthcare field.

The Group recognizes that strengthening and enhancing corporate governance is essential to improve our corporate value over the medium- to long-term. In order to improve the fairness and transparency of management decision-making as the basis of corporate governance, the Group considers it indispensable to strive to enhance the supervisory function of the Board of Directors and strengthen the system for prompt and appropriate information disclosure, while ensuring the maintenance and improvement of efficiency in business execution. The Group is working to build an internal system for this purpose.

As part of these efforts, the Group is continuing to review its organizational structure in line with business expansion, clarify the responsibilities of every part of its organization, and monitor efficiency in execution of business. In the future, while developing sincere corporate activities that harmonize corporate profits with social responsibility, we will strive to enhance corporate governance with the aim of realizing management that contributes to the profits of shareholders and all the other stakeholders and improving our corporate value.

[Reasons for Non-compliance with the Principles of the Corporate Governance Code] **[Updated]**

[Supplementary Principle 2-4-1: Voluntary and quantifiable targets to ensure diversity]

The Group has created list of core principles called “Our Essentials” in order to achieve our mission of “Creating the future of medical healthcare” and we use these as decision making criteria in a variety of situations including when making hiring decisions, and when evaluating job performance. It is the policy of the Group to hire and appoint to management positions personnel who embody Our Essentials regardless of attributes such as gender, nationality, or disability, and we also proactively promote mid-career hires to management positions. In addition, as described in the section below, “Supplementary Principle 2-4-1: Ensuring diversity in appointment of core personnel, etc.,” we are developing our internal environment to promote diversity.

The foregoing sets out our approach to ensuring diversity in the appointment of core personnel, including the promotion of women, foreign nationals, and mid-career hires to management positions. We have not

established numerical targets by attribute at this time. However, in light of the Cabinet Office's initiative to strengthen the recruitment, development, and promotion of women in the workplace, we disclose the gender ratios, etc. among management, managers, and all employees on our website. We recognize that setting targets for gender and other attributes is an issue for the Group, and we will consider this going forward.

- Our Essentials: <https://www.medley.jp/en/team/culture.html>
- Data on our organization and employees: <https://www.medley.jp/en/sustainability/esg.html>

[Supplementary Principle 3-1-3: Disclosure based on the framework established by the TCFD or its equivalent]

Since the Group's activities include the development and provision of various Internet services in the field of medical healthcare, and we do not currently expect climate change issues to have a material impact on our business, we do not conduct any disclosures based on the TCFD (Task Force on Climate-related Financial Disclosures) or equivalent frameworks. However, the Group considers addressing climate change issues to be an important initiative for ensuring stable economic development and securing the foundations of human life, and is taking steps to do so, including implementing far-reaching energy conservation measures and document digitization.

[Disclosure based on the principles of the Corporate Governance Code] **[Updated]**

[Principle 1.4: Strategic Shareholdings]

The Group has no strategic shareholdings.

If, in the future, it is considered that the creation and strengthening of long-term stable relationships with other companies will contribute to the medium- to long-term growth of the Group's corporate value, and that the holding of strategic shareholdings is necessary and appropriate, such strategic shareholdings will be considered, and their appropriateness will be determined in advance by the Board of Directors.

[Principle 1.7: Related Party Transactions]

In the event that the Group conducts related party transactions, careful consideration is given to whether said transactions harm the soundness of the Group's management, whether said transactions are valid, and whether terms and conditions of said transactions are appropriate relative to other outside transactions. These transactions are then carried out after making reasonable judgements in accordance with the provisions of Related Party Transaction Regulations and Delegation Rules on Administrative Authorities. Details regarding related party transactions are disclosed appropriately in the Annual Securities Report and other documents in accordance with the provisions of applicable laws and regulations.

[Supplementary Principle 2-4-1: Ensuring diversity in appointment of core personnel, etc.]

The Group respects all types of diversity and considers understanding individual values and identities to be important for improving its corporate value.

For this reason, the Company strives to accept diverse personnel and workstyles, recognize individual values independent of attributes or constraints on labor, build human relationships based on trust, and provide an environment where information can be obtained. Specifically, the Group is making the following efforts.

- Promotion of hiring and retention of diverse personnel
 - Establishment of childcare-related systems that enable all employees, regardless of gender, to play an active role in the workplace, such as childcare leave, shortened working hours for childcare, child caregiving leave, and exemptions from overtime
 - Establishment of systems enabling employees to continue work while caring for family members, such as caregiving leave and exemptions from overtime
 - Support based on individual circumstances so that people with disabilities can perform work comfortably. In March 2025, the Group established MEDLEY WITH, Inc. as a special subsidiary aimed at promoting the employment of persons with disabilities. We provide reasonable accommodation for various types of disabilities and strive to create a working environment where everyone can thrive.
 - Strengthening of hiring of personnel with diverse nationalities
- Promotion of activities of diverse personnel

- Creation of an organizational culture enabling individuals to make use of their strengths regardless of life stages or backgrounds, and development and promotion of employees in/to management positions
- Establishment of training and development content that anyone can view and learn from

Against the background of these efforts, as of the end of December 2025, the percentage of employees of the Company who are women was 59.7%, the percentage of employees in management positions who are women was 36.4%, the percentage of employees who take childcare leave was 98.8% (men: 95.8%, women: 100.0%), and the percentage of employees who return from childcare leave was 98.4%. Please see our website for details.

- Data on our organization and employees: <https://www.medley.jp/en/sustainability/esg.html>

[Principle 2.6: Roles of Corporate Pension Funds as Asset Owners]

The Company does not have a defined benefit pension plan such as a corporate pension fund, so this principle does not apply. The Company has introduced a corporate defined contribution pension plan to help employees build post-retirement assets and established a system that allows employees to make their own decisions about how to manage their pension. As part of ongoing education for the corporate defined contribution pension plan, the Company displays the performance of investment products on a dedicated website provided by the management organization.

[Principle 3.1: Full Disclosure]

(i) Management policies, management strategies and management plan

Based on its mission of “Creating the future of medical healthcare,” the Group develops and provides various Internet services in the medical healthcare field.

The Group’s management policy is to maximize long-term free cash flow. We position net sales, the primary source of this cash flow, as a key management indicator and are dedicated to addressing various management challenges accordingly. The Group believes it is in a growth phase focused on scaling both net sales and gross profit. To this end, in February 2024, the Group announced new medium-term target for the fiscal year ending December 2029; JPY 100 billion in net sales and JPY 20 billion in EBITDA. We aim to achieve these targets ahead of schedule by making aggressive investments.

Our basic policy is to analyze net sales using the formula: Number of customer facilities × Average Revenue Per User (ARPU; average sales per the Group’s customer facility). We therefore strive to continuously improve both of these numbers. Specifically, in addition to making continuous efforts to acquire new customers, we aggressively invest in increasing the frequency of service usage by the Group’s customers and strengthening our product lineup.

(ii) Basic views and guidelines on corporate governance based on the principles of the Corporate Governance Code

Basic views and guidelines on corporate governance are included in the section of this report titled “I. 1. Basic Views.”

(iii) Policies and procedures in determining the compensation for the senior management and Directors by the Board of Directors

Compensation for Directors is discussed below in “Policy on Determining Compensation Amounts and Calculation Methods” under the section of this report titled “Director Compensation.”

(iv) Policies and procedures in election and dismissal of senior management and nomination of candidates for Directors and Audit & Supervisory Board Members by the Board of Directors

Depending on the Group’s corporate phase and business environment, candidates able to increase the corporate value of the Group by following proper corporate governance are appointed and nominated with consideration given to work history regardless of whether they are from inside or outside the Company and regardless of attributes such as gender or nationality. For Directors and Vice Presidents, decisions are made by the Board of Directors after the Nominating and Compensation Advisory Committee, of which Independent External Directors comprise a majority, deliberates and provides advice on nominations.

With respect to the qualities and requirements necessary for becoming our CEO, appointment procedures, and dismissal standards and procedures, while it is not an urgent issue given the age, etc. of the CEO, we have long believed these to be important issues to be addressed and therefore the following policies have been adopted, after discussion at the Nominating and Compensation Advisory Committee for the fiscal year

ended December 2023. Going forward, the Group will establish specific requirements and formulate succession plans for key positions, such as the CEO and Senior Vice Presidents, in line with our business phase.

CEO appointment procedure

The procedure for appointing a new CEO is as follows; If the person eligible for the succession plan has the qualities and requirements necessary for a CEO that are to be defined in the future, or if a candidate with these qualities and requirements is brought in from outside the Company, the Nominating and Compensation Advisory Committee will deliberate on whether the candidate is suitable as the new CEO, and if the candidate is deemed suitable, it will make a report to the Board of Directors, which will make a resolution to appoint the candidate.

Standards and procedures for CEO dismissal

The basic approach regarding CEO dismissal is that, rather than setting specific requirements for dismissal, the Nominating and Compensation Advisory Committee will discuss the pros and cons of replacing the current CEO when selecting a suitable candidate to succeed the CEO, and if the candidate is deemed more suitable for the position of CEO, the current CEO will be replaced. In addition, if due to a deterioration of health or other reasons the current CEO lacks the suitability and qualities for the position of CEO, we will consider dismissal from time to time as necessary.

In either case, when dismissing the CEO, the Nominating and Compensation Advisory Committee will deliberate on the dismissal, and if dismissal is deemed appropriate, a report will be made to the Board of Directors, and the Board of Directors will pass a resolution for dismissal.

- (v) Explanations with respect to the individual appointments and nominations based on the above (iv) by the Board of Directors when selecting and dismissing senior management and nominating candidates for Directors and Audit & Supervisory Board Members

When submitting proposals for the election of each executive, the Group provides details regarding the individual reasons for all Director and Audit & Supervisory Board Member candidates in the Notice of Convocation of the General Meeting of Shareholders (Reference Documents). In addition, the roles expected of External Directors are also disclosed in the Annual Securities Report and in supplementary documents attached to the Notice of Convocation of the General Meeting of Shareholders. Regarding the appointment and dismissal of senior management, the Group also explains biographies and expected roles, etc. at Board of Directors meetings.

[Supplementary Principle 3-1-3: Sustainability initiatives]

A wide range of stakeholders have interests in the field of medical healthcare, in which the Group operates its business. We believe we can create a shared, sustainable, and bright future for patients and consumers, for the businesses and professionals who serve them, and for society as a whole by developing business in accordance with our mission of “Creating the future of medical healthcare” from a long-term perspective.

We also prioritize four key issues to be addressed (materiality) in order to meet the expectations and demands of a wide range of stakeholders, and by addressing these issues, we seek to combine continuing contributions to society with improvements to our corporate value.

- Promotion of digital transformation in the medical healthcare field
- Ensuring information security and protecting privacy
- Promotion of diversity and inclusion
- Strengthening of our governance systems

In identifying these key issues and disclosing non-financial information, the Group has referred to international indicators such as those established by the SASB (Sustainability Accounting Standards Board), GRI (Global Reporting Initiative) Standards, and SDGs (United Nations Sustainable Development Goals), and based on feedback from stakeholders, we have identified social issues that are highly relevant to the Group’s business activities and corporate culture.

Regarding investment in intellectual property (IP), we formulate and execute an integrated long-term IP strategy tailored to all growth phases of the Group’s business that covers patents, designs, and copyrights. Specifically, we have established an IP activity plan that establishes the direction and objectives of IP activities for each stage of our businesses and a roadmap for implementing the plan. We conduct IP activities including building operational infrastructure, infringement investigations, internal awareness-raising, and support for emerging IP, etc. based on the plan and the roadmap.

The Group's sustainability initiatives and investments in human capital are appropriately disclosed to shareholders and investors on the Company's website. Please see the section titled "Reasons for Non-compliance with the Principles of the Corporate Governance Code" for the Group's other response to this Supplementary Principle.

- Sustainability initiatives: <https://www.medley.jp/en/sustainability/>

[Supplementary Principle 4.1.1: The scope of authority delegated to the management]

In addition to relevant laws, regulations and the Articles of Incorporation, the Group delegates to the Board of Directors all matters stipulated in "Regulations for the Board of Directors." We have established the Vice President system to achieve the highest standards of management and fulfill our responsibilities to customers, employees, society, and shareholders by dividing the roles between the Board of Directors, which supervises management, and Vice Presidents, who are responsible for executing management, and promote streamlined and efficient business management by delegating authority for the execution of business to executive departments. Specifically, we have established a system in which the Group's business condition is reported to and discussed with the Management Committee, which comprises all of our Vice Presidents, in a timely manner, and we have established the Corporate Management Committee as a governing body to decide on company-wide important matters related to the execution of the Group's business and discuss matters referred to it by the CEO. Based on this type of management structure, the "Delegation Rules on Administrative Authority" and the "Table of Administrative Authority" clearly stipulate the scope of authority delegated to the decision-making bodies and persons such as the Board of Directors, the Corporate Management Committee, the President and CEO, Senior Vice Presidents, and heads of business units or heads of divisions, etc.

In the future, when considering changes in the scope of delegation to the management due to changes in organizational structure, etc., the Board of Directors and the Corporate Management Committee will discuss, decide upon, and disclose a summary of said changes.

[Principle 4.9: Independence standards and qualifications for External Independent Directors]

The Group has established independence standards for External Independent Directors as included in the section of this report titled "II. 1. External Directors' Relationship with the Company."

[Supplementary Principle 4-10-1: Authority and roles, etc. of the Nominating Committee and Compensation Committee]

Four out of seven Directors comprising our current Board of Directors are Independent External Directors, which comprise a majority of the Board of Directors.

The Company has established a voluntary Nominating and Compensation Advisory Committee. The Committee deliberates on and provides advice and recommendations to the Board of Directors with respect to (i) the composition and structure of the Board of Directors (including the skills matrix); (ii) the qualifications, requirements, and succession plan for key positions such as the CEO and Senior Vice Presidents; (iii) the appointment and dismissal of Directors and Vice Presidents; (iv) policies concerning decisions on individual compensation, etc. and individual compensation amounts; and (v) other significant corporate governance issues and the establishment of necessary basic policies, rules, and procedures, etc.

The Nominating and Compensation Advisory Committee maintains its independence by ensuring that a majority of its members are Independent External Directors. In addition, decisions require the presence of a majority of committee members eligible to participate in the vote, with decisions made by a majority vote of those present, ensuring independence in the decision-making process.

[Supplementary Principle 4-11-1: Views on the diversity of the Board of Directors]

Depending on the Group's corporate phase and business environment, candidates who are able to increase the corporate value of the Group by following proper corporate governance are appointed and nominated with consideration given to work history regardless of whether they are from inside or outside the Group and regardless of attributes such as their gender or nationality. When selecting Director candidates, the Nominating and Compensation Advisory Committee, of which Independent External Directors comprise a majority, deliberates and provides advice on the composition of the Board of Directors and the appointment and dismissal of Directors taking into account factors including diversity and the balance of skills, etc.

The composition of the current Board of Directors appointed at the 17th Annual General Meeting of Shareholders is seven Directors, four of whom are Independent External Directors, one of whom is a woman. The Independent External Directors were appointed taking into consideration the knowledge,

experience, and abilities of the Board of Directors as a whole, and going forward they will provide appropriate supervision and advice on the Company's management issues from a variety of perspectives.

A skills matrix, which lists the skills expected of each Director along with their knowledge, experience, and abilities, etc., is provided in "V. Other, 2. Other Matters Concerning Corporate Governance System."

We will continue to consider the appropriate size and composition of the Board of Directors based on diversity relative to the scale of the Group's business and the prevailing business environment.

[Supplementary Principle 4-11-2: Holding of concurrent positions by Directors and Audit & Supervisory Board Members]

When nominating Director and Audit & Supervisory Board Member candidates, the Group confirms in advance whether they can fully fulfill the roles expected of them in the Group, taking into consideration the holding of any potentially concurrent positions. The Group reports the status of material concurrent positions of its Directors and Audit & Supervisory Board Members every year in its Annual Securities Report and in supplementary documents attached to the Notice of Convocation of the General Meeting of Shareholders. Regarding currently serving Directors and Audit & Supervisory Board Members, the Group confirms that, in consideration of their concurrent position status, persons holding these positions have adequate time and ability to properly fulfill the relevant roles and responsibilities. When a Director or Audit & Supervisory Board Member takes on a significant new concurrent position, we verify any impact on their ability to perform their duties at the Company—requiring a resolution of the Board of Directors for executive Directors, and a report to the Board of Directors for non-executive Directors and Audit & Supervisory Board Members.

[Supplementary Principle 4.11.3: Summary of analysis and evaluation of the effectiveness of the Board of Directors]

The Company evaluates the effectiveness of its Board of Directors based on the Corporate Governance Code.

Most recent method of evaluation

In December 2025, the Company conducted a survey of all seven of its Directors and all three of its Audit & Supervisory Board Members including questions regarding the composition, status of meeting management, agenda setting, utilization status of external officers, and whether the Company's Board of Directors is effective as a deliberative body, with a focus on freely written answers. The responses were collected by the administrative office of the Company and the results of the survey were reported to the Board of Directors. Based on the results of the questionnaire, discussions were held on the ideal and current state of the Board of Directors, and deliberations were also held on the issues to be addressed in the future.

Survey questions

Main questions on the effectiveness evaluation survey were as follows:

- Questions regarding composition of the Board of Directors
- Questions regarding operation of the Board of Directors
- Questions regarding the content of discussions at Board of Directors meetings
- Questions regarding utilization of external officers
- Questions regarding the Vice President System
- Questions regarding the Nominating and Compensation Advisory Committee (Succession planning for CEO, Senior Vice Presidents, etc.)
- Questions regarding self-evaluation and mutual evaluation on expected roles of Directors
- Questions regarding dialogue with shareholders and investors
- Others

Summary of evaluation results and issues for future action

As a result of discussions based on the results of the effectiveness evaluation survey, the Board of Directors of the Company determined that the Board of Directors is, in general, appropriately effective. Specifically, with regard to "composition of the Board of Directors," "utilization of external officers," and "dialogue with shareholders and investors," the survey found that the Board of Directors was generally appropriate.

Regarding the "content of discussions at Board of Directors meetings", while we have made progress in discussing medium- to long-term management policies and strategies, we will continue to further enhance and deepen these discussions.

Regarding the “Vice President system”, there were concerns about how authority is delegated to Vice Presidents, and it was pointed out that onboarding and follow-up support need to be strengthened. Additionally, it was noted that “the Nominating and Compensation Advisory Committee” needs to make further progress in its deliberations on succession planning for the CEO, Senior Vice President, etc., while several areas for improvement were also identified regarding the “operation of the Board of Directors”. Based on these results, we will continue working to improve these processes.

We will continue to take action to further improve the effectiveness of the Board of Directors based on the results of the aforementioned evaluation of the effectiveness of the Board of Directors and the various opinions expressed by individual directors.

[Supplementary Principle 4.14.2: Training policy for Directors and Audit & Supervisory Board Members]

To enable External Directors to fully perform their functions, opportunities are provided by the Group to each External Director according to their situation so that they can acquire necessary knowledge about the Group’s management environment, business activities, financial information, organizational structure, and issues faced, etc.

In addition, to enable Directors and Audit & Supervisory Board Members to fulfill their roles and responsibilities, they are encouraged to participate in external seminars and study groups at the Company’s expense and the Company provides opportunities to acquire necessary knowledge continuously.

In addition to the above, for newly appointed Directors and Audit & Supervisory Board Members, an onboarding process is conducted wherein they are provided with explanations and necessary information regarding their expected roles and the business and management environment through individual meetings with the management, and this will be an ongoing process in the future as well.

[Principle 5.1: Policy on constructive dialogue with shareholders]

In order to sustainably increase its corporate value over the medium- to long-term, the Company strives to provide highly transparent disclosure to shareholders and investors and create a long-term relationship based on constructive dialog.

The Company’s CFO and the Finance Division, IR & Treasury Office are charged with handling IR activities based on the aforementioned philosophy and the Company’s Disclosure Policy. In cooperation with related departments, the Company is working to strengthen its information disclosure system for shareholders and investors. Continuous disclosure of information on the Company in a fair and appropriate manner to all our stakeholders is conducted based on this policy.

Disclosure Policy: <https://www.medley.jp/en/ir/disclosure-policy/>

[Measures to achieve management that is conscious of capital cost and share price]

Content	Disclosure of initiatives (updates)
English Disclosure	Yes
Update Date [Updated]	March 30, 2026

Notes to the relevant items **[Updated]**

The Group believes that maximizing the value we provide to customers, that is, maximizing the Group’s net sales, will lead to maximizing long-term free cash flow and ultimately improving our corporate value. We position net sales as a key management indicator and are dedicated to addressing various management challenges accordingly. The Group also place importance on EBITDA, which is a profit indicator that is similar to long-term free cash flow. In the process of maximizing long-term free cash flow, we announced new medium-term targets for the fiscal year ending December 2029; JPY 100 billion in net sales and JPY 20 billion in EBITDA, in February 2024. While our basic approach during the term to achieving our new medium-term targets is to increase income and profits, we will strive to achieve these targets ahead of schedule by responding to changes in the business environment and prioritizing attractive investment opportunities.

In terms of shareholder returns, we believe that the Group is currently still in a growth phase, and that allocating capital to proactive investments aimed at sustainable growth will provide the greatest return for shareholders. Our approach to growth investment is disclosed in the Presentation Material for FY2025 Financial Results.

https://ssl4.eir-parts.net/doc/4480/ir_material_for_fiscal_ym/198512/00.pdf

The Group has introduced the Restricted Stock Compensation Plan for officers and employees and implements measures to promote the sharing of interests with our shareholders while providing incentives for the sustainable improvement of the Company's medium- to long-term corporate value.

In addition, as part of our flexible response to share price changes and the business climate and our response to capital policy and policy on returning profits to shareholders, our policy is to acquire treasury stock as appropriate.

2. Capital Structure

Foreign Shareholding Ratio	30% or higher
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[Status of Major Shareholders] **[Updated]**

Name or name	Number of shares held	(%)
Kohei Takiguchi	6,002,200	19.42
Goichiro Toyoda	2,795,800	9.05
The Master Trust Bank of Japan, Ltd. (trust account)	2,094,000	6.78
NORTHERN TRUST CO.(AVFC) RE IEDU UCITS CLIENTS NON LENDING 15 PCT TREATY ACCOUNT	1,935,796	6.26
Custody Bank of Japan, Ltd. (trust account)	1,341,700	4.34
GOLDMAN, SACHS & CO. REG	1,111,438	3.60
UBS AG LONDON A/C IPB SEGREGATED CLIENT ACCOUNT	945,320	3.06
STATE STREET BANK AND TRUST COMPANY 505001	841,400	2.72
BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC)	789,947	2.56
GOLDMAN SACHS INTERNATIONAL	699,319	2.26

Controlling Shareholder (except for Parent Company)	—
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Parent Company	N/A
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Supplementary Explanation **[Updated]**

1. The status of major shareholders reflects the position as of December 31, 2025.
2. The Company holds 1,838,986 treasury shares. The shareholding ratio is calculated excluding treasury shares.
3. In the statement of large-volume holdings (amended statement) filed on May 10, 2023, it is stated that Mizuho Securities Co., Ltd. and two co-owners thereof own 2,093,200 shares (total shareholding ratio of 6.39%) as of April 28, 2023. However, as the Company cannot confirm the actual number of shares held by this company as of December 31, 2025, it is not included in the above major shareholders.
4. In the statement of large-volume holdings (amendment statement) filed on October 8, 2024, it is stated that Polar Capital LLP owns 2,558,452 shares (total shareholding ratio of 7.81%) as of October 1, 2024. However, as the Company cannot confirm the actual number of shares held by this company as of December 31, 2025, it is not included in the above major shareholders.
5. In the statement of large-volume holdings (amended statement) filed on March 19, 2025, it is stated that J.P. Morgan Securities plc and one co-owner thereof own 1,372,841 shares (total shareholding ratio of 4.19%) as of March 14, 2025. However, as the Company cannot confirm the actual number of shares held by this company as of December 31, 2025, it is not included in the above major shareholders.
6. In the statement of large-volume holdings (amendment statement) filed on August 19, 2025, it is stated that OLP Capital Management Limited owns 1,267,500 shares (total shareholding ratio of 3.87%) as of August 12, 2025. However, as the Company cannot confirm the actual number of shares held by this company as of December 31, 2025, it is not included in the above major shareholders.
7. In the statement of large-volume holdings (amended statement) filed on September 5, 2025, it is stated that UBS AG (Bank) and three co-owners thereof own 727,970 shares (total shareholding ratio of 2.22%) as of August 29, 2025. However, as the Company cannot confirm the actual number of shares held by this company as of December 31, 2025, it is not included in the above major shareholders.
8. In the statement of large-volume holdings (amendment statement) filed on November 27, 2025, it is stated that North Peak Capital Management LLC owns 2,072,614 shares (total shareholding ratio of 6.33%) as of November 21, 2025. However, as the Company cannot confirm the actual number of shares held by this company as of December 31, 2025, it is not included in the above major shareholders.
9. Although Mr. Goichiro Toyoda was a “major shareholder” (a shareholder who holds 10% or more of the total voting rights) of the Company as of December 31, 2024, he no longer falls under this category as of December 31, 2025.

3. Corporate Attributes

Listed Stock Market and Market Section	Tokyo Stock Exchange, Prime
Fiscal Year-End	Ending on December 31 st
Type of Business	Information & Communications
Number of Employees (consolidated) as of the End of the Previous Fiscal Year	Over 1,000 employees
Sales (consolidated) as of the End of the Previous Fiscal Year	Not less than JPY 10 billion and less than JPY 100 billion

Rina Sakuraba	From other companies												
Yasukane Matsumoto	From other companies												

*Categories for relationship with the Company

*Each item marked with “○” if currently/recently applicable, “△” if applicable in the past

*Each item marked with “●” if currently/recently applicable to a close relative, “▲” if applicable to a close relative in the past

- a. Executive of the Company or its subsidiaries
- b. Non-executive Director or executive of a parent company of the Company
- c. Executive of a brother company of the Company
- d. A party whose major client or supplier is the Company or an executive thereof
- e. Major client or supplier of the Company or an executive thereof
- f. Consultant, expert in accounting, or expert in law who receives a large amount of monetary consideration or other property from the Company besides compensation as a Director / Audit & Supervisory Board Member
- g. Major shareholder of the Company (or an executive of said major shareholder if the shareholder is a legal entity)
- h. Executive of a client or supplier company of the Company (which does not correspond to any of d, e, or f) (the Director himself/herself only)
- i. Executive of a company with whom External Directors/Audit & Supervisory Board Members are mutually appointed (the Director himself/herself only)
- j. Executive of a company or organization that receives a donation from the Company (the Director himself/herself only)
- k. Others

External Directors' Relationship with the Company (2) **[Updated]**

Name	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons of Appointment
Hidetoshi Uriu	○	Not applicable	The Company expects Mr. Uriu to leverage his wealth of experience and insight in finance, M&A, global expansion, etc., obtained through his work as an executive in a listed company and as an investment banker, for providing valuable consultation on corporate management and global expansion of the Group, and therefore has re-appointed him as External Director. As he does not fall under the items listed in the “Guidelines Concerning Listing Controls, etc.” and meets the standards for independence established by the Company, we have determined that he has no risk of a conflict of interest with ordinary shareholders, and have submitted the notification to the Tokyo Stock Exchange that he has been appointed as Independent Director.
Shinji Kimura	○	Not applicable	The Company expects Mr. Kimura to leverage his wealth of experience and insight in IT enterprise management, as well as domestic and international investments and business, for providing valuable consultation on corporate management and global expansion of the Group, and therefore has re-appointed him as External Director. As he does not fall under the items listed in the “Guidelines Concerning Listing Controls, etc.” and meets the standards for independence

			<p>established by the Company, we have determined that he has no risk of a conflict of interest with ordinary shareholders, and have submitted the notification to the Tokyo Stock Exchange that he has been appointed as Independent Director.</p>
Rina Sakuraba	○	Not applicable	<p>As External Director of the Company since 2023, Ms. Sakuraba has leveraged her experience and insight in human resources cultivated within both domestic and global companies, to assist the Company's decision-making, providing consultation especially in the areas of building the global organizational structure and strengthening the HR structure of the Group. She has also served as a chairperson of the Company's voluntary Nominating and Compensation Advisory Committee, which focuses on the Company officer's compensation and appointment. The Company expects further strengthening of the Group's management structure going forward through her contributions, and therefore has re-appointed her as External Director.</p> <p>As she does not fall under the items listed in the "Guidelines Concerning Listing Controls, etc." and meets the standards for independence established by the Company, we have determined that she has no risk of a conflict of interest with ordinary shareholders, and have submitted the notification to the Tokyo Stock Exchange that she has been reappointed as Independent Director.</p>
Yasukane Matsumoto	○	Not applicable	<p>The Company expects Mr. Matsumoto to leverage his wealth of experience and insight obtained through founding and managing of a listed company and developing new business models, as well as his expertise derived from serving as CEO of a startup company designed with business planning aimed at global expansion from its foundation, for providing valuable consultation on organizational and business development predicated upon the globalization of the Company, and therefore has re-appointed him as External Director.</p> <p>As he does not fall under the items listed in the "Guidelines Concerning Listing Controls, etc." and meets the standards for independence established by the Company, we have determined that he has no risk of a conflict of interest with ordinary shareholders, and have submitted the notification to the Tokyo Stock Exchange that he has been appointed as Independent Director.</p>

Voluntary Establishment of Committee(s)

Voluntary Establishment of Committee(s) Corresponding to Nomination Committee or Compensation Committee	Yes
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Voluntary advisory committee establishment status, composition, and attributes of chairperson

Voluntary committee corresponding to Nomination Committee

Name of committee			Nominating and Compensation Advisory Committee			
All committee members (No. of persons)	Full-time members (No. of persons)	Internal Directors (No. of persons)	External Directors (No. of persons)	Internal experts (No. of persons)	Others (No. of persons)	Chairperson (Chair)
5	0	1	4	0	0	Internal Director

Voluntary committee corresponding to Compensation Committee

Name of committee			Nominating and Compensation Advisory Committee			
All committee members (No. of persons)	Full-time members (No. of persons)	Internal Directors (No. of persons)	External Directors (No. of persons)	Internal experts (No. of persons)	Others (No. of persons)	Chairperson (Chair)
5	0	1	4	0	0	Internal Director

Supplementary Explanation **[Updated]**

The Company stipulates that prior to the Board of Directors meeting at which the nomination and compensation of Directors is to be decided, the Nominating and Compensation Advisory Committee shall be consulted regarding the nominees and amount of individual compensation of Directors as described in the outline below.

(Outline of the Nominating and Compensation Advisory Committee)

1. The Committee shall consist of the CEO, Independent External Directors, and Directors appointed by a resolution of the Board of Directors in accordance with the Rules of the Nominating and Compensation Advisory Committee.
2. The Committee shall consist of at least three members, a majority of whom shall be Independent External Directors.
3. The Chairperson of the Committee shall be appointed by a resolution of the Board of Directors from among the Directors.
4. The Committee shall deliberate and provide advice and recommendations to the Board of Directors with respect to composition and policies of the Board of Directors and the establishment of policies concerning appointment and dismissal of Directors and Vice Presidents, decisions on the content of individual compensation, etc. of Directors and Vice Presidents, the content of individual compensation amounts, etc., as well as other necessary basic policies, rules and procedures, etc.

[Audit & Supervisory Board Member]

Establishment of Audit & Supervisory Board	Established
Maximum Number of Audit & Supervisory Board Members Stipulated under the Articles of Incorporation	4
Number of Audit & Supervisory Board Members	3

Cooperation among Audit & Supervisory Board Members, Accounting Auditors and Internal Audit Departments
[Updated]

The audit system of the Company is based on three basic audits: audits by Audit & Supervisory Board Members, Internal audits, and accounting audits by Accounting Auditors. We cooperate with each other for the purpose of improving the effectiveness of each audit and the overall quality. Specifically, the Audit & Supervisory Board receives reports on the status of internal audits from the Internal Audit Office, and exchanges opinions with the Accounting Auditor on the status of implementation of accounting audits, thereby we strive to improve the effectiveness and efficiency of audits. In addition, the Audit & Supervisory Board, Accounting Auditors and Internal Auditors hold regular quarterly meetings to improve audit effectiveness and efficiency.

Appointment of External Audit & Supervisory Board Member(s)	Appointed
Number of External Audit & Supervisory Board Members	2
Number of Independent Audit & Supervisory Board Members	2

External Audit & Supervisory Board Member's Relationship with the Company (1)

Name	Attribute	Relationship with the Company												
		a	b	c	d	e	f	G	h	i	j	k	l	m
Masahide Kamachi	Certified Public Accountant													
Ryoko Nagata	From other companies													

*Categories for relationship with the Company

*Each item marked with "○" if currently/recently applicable, "△" if applicable in the past

*Each item marked with "●" if currently/recently applicable to a close relative, "▲" if applicable to a close relative in the past

- Executive of the Company or its subsidiaries
- Non-executive director or Accounting advisor of the Company or its subsidiaries
- Executive or non-executive of a parent company of the Company
- Audit & Supervisory Board Member of the parent company of the Company
- Executive of a brother company of the Company
- A party whose major client or supplier is the Company or an executive thereof
- Major client or supplier of the Company or an executive thereof
- Consultant, expert in accounting, or expert in law who receives a large amount of monetary consideration or other property from the Company besides compensation as a Director / Audit & Supervisory Board Member
- Major shareholder of the Company (or an executive of said major shareholder if the shareholder is a legal entity)

- j. Executive of a client or supplier company of the Company (which does not correspond to any of f, g, or h) (the Audit & Supervisory Board Member himself/herself only)
- k. Executive of a company with whom External Directors/Audit & Supervisory Board Members are mutually appointed (the Audit & Supervisory Board Member himself/herself only)
- l. Executive of a company or organization that receives a donation from the Company (the Audit & Supervisory Board Member himself/herself only)
- m. Others

External Audit & Supervisory Board Member's Relationship with the Company (2)

Name	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons of Appointment
Masahide Kamachi	○	Not applicable	<p>Since becoming External Audit & Supervisory Board Member of the Company in 2017, Mr. Kamachi has provided auditing, advice, and recommendations from an independent standpoint and with a high degree of expertise in business management. The Company appoints Mr. Kamachi as External Audit & Supervisory Board Member having determined that he will adequately demonstrate managerial oversight capabilities through his rich experience and expert knowledge as a certified public accountant and certified public tax accountant going forward.</p> <p>As he does not fall under the items listed in the "Guidelines Concerning Listing Controls, etc." and meets the standards for independence established by the Company, we have determined that he has no risk of a conflict of interest with ordinary shareholders, and have submitted the notification to the Tokyo Stock Exchange that he has been appointed as Independent Director.</p>
Ryoko Nagata	○	Not applicable	<p>Since becoming External Audit & Supervisory Board Member of the Company in 2023, Ms. Nagata has utilized her wealth of auditing experience at listed companies to provide auditing, advice, and recommendations from an independent standpoint and with a high degree of expertise in business management. The Company appoints Ms. Nagata as External Audit & Supervisory Board Member having determined that she can strengthen the audit functions of the Company by auditing the management of the Company using her wealth of knowledge and deep insight into corporate management and auditing.</p> <p>As she does not fall under the items listed in the "Guidelines Concerning Listing Controls, etc." and meets the standards for independence established by the Company,</p>

			we have determined that she has no risk of a conflict of interest with ordinary shareholders, and have submitted the notification to the Tokyo Stock Exchange that she has been appointed as Independent Director.
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[Independent Directors and Audit & Supervisory Board Members]

Number of Independent Directors and Audit & Supervisory Board Members	6
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[Other Matters Relating to Independent Directors and Audit & Supervisory Board Members] **[Updated]**

The Company designates all External Directors and External Audit & Supervisory Board Members who meet the requirements for Independent Directors and Audit & Supervisory Board Members as Independent Directors and Audit & Supervisory Board Members.
The following criteria for determining independence shall be used to determine whether a Director or Audit & Supervisory Board Member is independent, provided that the matters indicated in the Tokyo Stock Exchange “Guidelines Concerning Listing Controls, etc.” do not apply.

[Criteria for determining independence of External Directors]

The Company has established the following criteria for determining the independence of External Directors. The Company deems that an External Director has independence when it is confirmed that none of the items below apply to the External Director and it is deemed that there is no conflict of interest between ordinary shareholders and the External Director.

(Herein, “Operating Officer” is defined as Executive Directors, Executive Officers (“*Shikkou-yaku*”) or other officers who execute the business operation of a corporation, and employees, etc.)

1. Operating Officers of the Company

Operating Officers of the Company or its subsidiaries (hereinafter the “Group”)

2. Major trading partners

(1) Major trading partners of the Group or Operating Officers thereof

- “Major trading partners of the Group” are herein defined as persons whose payments to the Group accounted for sales in excess of 2% of the Group’s annual consolidated net sales in the most recently ended fiscal year.

(2) Partners or Operating Officers thereof for whom the Group is a major trading partner

- “Persons for whom the Group is a major trading partner” are herein defined as persons for whom payments from the Group account for an excess of 2% of said persons’ annual consolidated net sales in the most recently ended fiscal year. For persons not reporting consolidated results, annual non-consolidated net sales shall be used as the basis instead of annual consolidated net sales.

(3) Major lenders to the Group or Operating Officers thereof

- “Major lenders to the Group” are defined herein as persons extending loans to the Group in excess of 2% of the Group’s consolidated total assets as of the end of the most recently ended fiscal year.

3. External providers of specialized services

Consultant, expert in accounting such as certified public accountant and certified tax accountant, and experts in law such as lawyer who receives a large amount of monetary consideration or other property from the Group excluding compensation as a Director / Audit & Supervisory Board Member (in cases wherein an organization such as a corporation or partnership receives said assets, persons belonging to the relevant organization)

- “Large amount of monetary consideration or other property” is herein defined as follows. In cases wherein the provider of specialized services is an individual, when the total value of property received from the

Group excluding compensation as a Director / Audit & Supervisory Board Member exceeds JPY 10 million in the most recently ended fiscal year. In cases wherein the provider of specialized services is an organization such as a corporation or partnership, when the total value of property received from the Group surpasses the greater of 2% of said organization's annual consolidated net sales in the most recently ended fiscal year or JPY 10 million.

4. Holders of voting rights

- (1) Direct or indirect holders, or Operating Officers thereof, of 10% or more of the voting rights of the Company
- (2) Organizations, or Operating Officers thereof, of which the Company is a direct or indirect holder of 10% or more of the voting rights

5. Donation or grant recipients

Persons or organizations such as corporations or partnerships, or Operating Officers thereof, that receive large donations or grants from the Group.

- "Large donations or grants" are herein defined as donations or grants valued at JPY 10 million or more within the period of one year.

6. Persons with corresponding histories

- (1) Persons who have been applicable to 1. above within the past ten years
- (2) Persons who have been applicable 2. or 5. above within the past three years
- (3) Spouses or relatives in second degree of an Important Person applicable to 1. or 5. above
- "Important Person" is herein defined as Executive Directors, Executive Officers ("Shikkou-yaku"), Vice Presidents ("Shikkou-yakuin"), and other employees who execute the important business operations such as division managers.

[Incentives]

Incentive Policies for Directors	Stock Option Plans, etc.
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Supplementary Explanation **[Updated]**

Our Group has introduced the Restricted Stock Compensation Plan and the Stock Option Plan. For details on the Restricted Stock Compensation Plan, please refer to "Disclosure of Policy on Determining Compensation Amounts and Calculation Methods" below. The Group previously implemented Stock Option Plans, with the aim of increasing motivation and morale for the improvement of business performance, by aligning the Group's medium- to long-term growth and improvement in corporate value with the remuneration received by Stock Option holders. However, since the Company's listing in December 2019, no new Stock Options have been granted.

Recipients of Stock Options	Internal Directors / Audit & Supervisory Board Members / employees
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Supplementary Explanation **[Updated]**

The Company previously granted Stock Options to the above-mentioned grantees but has not made any new grants since the Company was listed in December 2019.

[Director Compensation]

Disclosure of Individual Directors' Compensation	No disclosure of individual Director's compensation
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Supplementary Explanation

There is no individual disclosure of compensation because there is no person with a total of over JPY 100 million in compensation. Compensation for Directors and Audit & Supervisory Board Members is disclosed in the total amount for each of the categories in the Annual Securities Report.

Policy on Determining Compensation Amounts and Calculation Methods [Updated]	As below
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[Disclosure of Policy on Determining Compensation Amounts and Calculation Methods]

[Policy on Determination of Details of Compensation, etc. for Directors and Audit & Supervisory Board Members]

a. Director compensation

(a) Policy and method for determining compensation

The Board of Directors of the Company has authority to render decisions regarding the basic plan for Director compensation, etc. At the Company's Board of Directors meeting held on February 28, 2022, the following "Basic Plan for Director Compensation" was adopted.

(i) The basic plan regarding compensation of the Company's Directors is that the compensation of individual Directors shall be determined at an appropriate level based on the responsibilities of each position under a compensation system that provides appropriate incentives to increase the Company's corporate value over the medium- to long-term and align the interests of Directors of the Company with those of the Company's shareholders.

(ii) The policy for determining the compensation of Internal (Executive) Directors is as follows.

1. Basic policy

The compensation system provides appropriate incentives to further the Company's mission of "Creating the future of medical healthcare" and increasing its corporate value over the medium- to long-term.

2. Balance

In order to avoid a system that encourages the taking on of excessive risk, the Company endeavors to strike an appropriate balance between base salary and performance-based compensation. However, in order to place emphasis on achievement of growth, compared with other companies in the same field, a higher ratio of performance-based compensation to base salary has been adopted.

3. Total compensation

In order to secure excellent human resources, the compensation system provides top-level compensation in comparison with companies of similar scale (in terms of sales, market capitalization, number of employees, etc.) in the same field.

4. Base salary

Base salary is determined based on the market value of each Director and with reference to benchmark comparisons with statistical data.

5. Performance-based compensation

Regarding performance-based compensation, in order to emphasize incentives to increase its corporate value over the medium-to-long term, the Company has not introduced annual performance-based bonuses linked to performance in a single fiscal year, but has instead adopted share-price-based compensation (stock-based compensation), in which the interests of shareholders and management are aligned.

(iii) The policy for determining the compensation of External Directors is as follows.

1. Compensation for each External Director is based on their role in supervising the execution of business by Directors.
2. In order to ensure independence, only fixed cash compensation is paid, with an amount not linked to the Company's performance. The amount paid is commensurate with expected governance roles and risks.

Prior to the meeting of the Board of Directors at which Directors' compensation is decided, the Nominating and Compensation Advisory Committee is consulted regarding the amount of compensation for individual Directors. The authority and other matters of the Nominating and Compensation Advisory Committee are as described above in "Supplementary Principle 4-10-1: Authority and roles, etc. of the Nominating Committee and Compensation Committee."

(b) Structure of composition and determination process of compensation

At the 6th Annual General Meeting of Shareholders held on March 30, 2015, it was resolved that the aggregate amount of monetary compensation payable to Directors shall be no more than JPY 200 million per year (excluding the portion of employees' salaries for Directors who concurrently serve as employees). As of the time of this resolution, the number of Directors subject to the resolution was four (4).

At the 12th Annual General Meeting of Shareholders held on March 26, 2021, it was resolved that the Company introduce a Restricted Stock Compensation Plan for its Directors (excluding External Directors) in order to provide incentives to continuously increase the Company's corporate value over the medium- to long-term and further promote the sharing of interests with shareholders. Subsequently, at the 17th Annual General Meeting of Shareholders held on March 27, 2026, it was resolved that the stock compensation under such plan at no more than JPY 200 million per year and no more than 60,000 shares per year, as a separate framework from the aforementioned monetary compensation limit. As of the time of this resolution, the number of Directors subject to the Restricted Stock Compensation Plan was three (3).

With respect to the determination of the amount of compensation for each Director in the most recent fiscal year, the matter has been delegated to the CEO, pursuant to a resolution of the Board of Directors following consultation with the Nominating and Compensation Advisory Committee, and the amount of compensation for each Director is determined by taking into consideration such factors as the business environment, position, contribution to the Company, and business performance. The reason for delegating these decisions is to take into account the individual circumstances of each Director with respect to the management environment, position, contribution to the Company, and business performance.

At the Board of Directors meeting held on February 28, 2022, the Board of Directors resolved that the ratio of base compensation to stock compensation for individual Internal (Executive) Directors and the total amount of compensation for External Directors shall be determined by the Board of Directors based on consultation with the Compensation Advisory Committee (currently: the Nominating and Compensation Advisory Committee). Kohei Takiguchi, President and CEO determines the compensation, etc. of each Director within the authority delegated by the Board of Directors in accordance with the policy established by the Nominating and Compensation Advisory Committee.

The compensation of Directors for the most recent fiscal year was also determined by the CEO within the scope of the delegation by the Board of Directors following consultation with the Nominating and Compensation Advisory Committee, in accordance with the above policy for determining compensation, and the Board of Directors has confirmed that such compensation accords with that policy.

b. Compensation of Audit & Supervisory Board Members

At the 16th Annual General Meeting of Shareholders held on March 25, 2025, annual compensation for the Company's Audit & Supervisory Board Members was approved to be not more than JPY 80 million. As of the time of this resolution, the number of Audit & Supervisory Board Members subject to the resolution was three (3), which remains unchanged from the current number. The amount of compensation for each Audit & Supervisory Board Member is determined through discussions among the Audit & Supervisory Board Members.

We provide support for the External Directors / Audit & Supervisory Board Members through the Secretariat of the Board of Directors, Legal & Compliance Division. As for the agenda in the Board of Directors meetings, the Secretariat of the Board of Directors, Legal & Compliance Division provides explanatory materials in advance to the Board of Directors meetings, and ensures that the External Directors / Audit & Supervisory Board Members have sufficient time to consider the matters in the agenda as appropriate, and in case needed, provides individual supplementary explanations. In addition, necessary or important information is communicated by e-mail or telephone, etc. as needed.

2. Matters on Functions of Business Execution, Auditing, Oversight, Nomination and Compensation Decisions (Overview of Current Corporate Governance System) **[Updated]**

○ Overview of Corporate Governance System

The Company has established its corporate governance system as a “Company with Audit & Supervisory Board.” In this system, the Company aims to achieve thorough corporate governance that serves to increase its long-term corporate value by advancing the separation of supervisory and executive functions, having a Board of Directors composed of Directors with thorough knowledge of business and Independent External Directors who bring an objective point of view be responsible to supervising management and determining basic policies, and promoting the delegation of business execution authority to executive departments centered on Senior Vice Presidents. In addition, Audit & Supervisory Board Members, who are independent of Directors, attend the Board of Directors meetings and report the content of those meetings to the Audit & Supervisory Board to ensure that the auditing function is performed in a timely and appropriate manner. The Company thereby aims to establish a corporate governance system that conducts appropriate management decision-making and business execution and ensures fairness and transparency in management decision-making and that is effectively systematically checked and monitored. The following organizations are involved in the Company’s management decision-making, enforcement and supervision.

a. Directors and Board of Directors

The Company is a company with a Board of Directors, and the Board of Directors consists of seven Directors (including four Independent External Directors) and the President and CEO serves as the chairperson. In principle, the Board of Directors meets once a month at a regular Board of Directors meeting and flexibly holds extraordinary Board of Directors meetings as necessary and makes decisions on basic management policies and important matters and supervises the status of the execution of business.

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

The Company is a company with an Audit & Supervisory Board. The Audit & Supervisory Board consists of three members, including one full-time Audit & Supervisory Board Members and two part-time Audit & Supervisory Board Members (both of them are Independent External Audit & Supervisory Board Members), and the full-time Audit & Supervisory Board Members, Shohei Omote serves as the chairperson. In principle, the Audit & Supervisory Board meeting is held once a month, Audit & Supervisory Board meetings are held on an ad hoc basis as needed, and reports on the status of audit implementation by each Audit & Supervisory Board Member and discussions among Audit & Supervisory Board Members, etc. are conducted. Audit & Supervisory Board Members attend meetings of the Board of Directors and other important meetings in order to audit the execution of duties by Directors, conduct interviews with each Director and important employees, and conduct business audits on each department to audit the execution of duties by Directors. Each Audit & Supervisory Board Members conducts audits in accordance with the audit policy and audit plan established by the Audit & Supervisory Board.

All Audit & Supervisory Board Members attend meetings of the Board of Directors, express their opinions as necessary, exchange opinions with the President and CEO on a regular basis, and receive reports on the results of accounting audits (reviews) from the Accounting Auditor and reports on the implementation of internal audits from the Internal Audit Office.

Full-time Audit & Supervisory Board Members conduct audits by attending important meetings other than Board of Directors meetings, inspecting important documents, interviewing Directors and employees as necessary, and receiving reports from each department.

c. Vice Presidents and Management Committee

The Company has established the Vice President System to achieve the highest standards of management and fulfill our responsibilities to customers, employees, society, and shareholders by dividing the roles between the Board of Directors, which supervises management, and Vice Presidents, who are responsible for executing management, in order to promote streamlined and efficient business management by delegating authority for the execution of business to executive departments. Specifically, we have established a system in which the Group's business status can be reported to and discussed with the Management Committee, comprising all of our Vice Presidents, in a timely manner, and we have put in place the Corporate Management Committee as a governing body to decide on company-wide important matters related to the execution of the Group's business and discuss matters referred to it by the CEO.

d. Nominating and Compensation Advisory Committee

The Company has established a voluntary Nominating and Compensation Advisory Committee, the majority of whose members are Independent External Directors, with the aim of strengthening the independence, objectivity, and accountability of the Board of Directors' functions regarding personnel matters and compensation, etc. of Directors and Vice Presidents. The committee deliberates on matters related to the composition and structure of the Board of Directors, policies regarding the appointment and dismissal of Directors and Vice Presidents, the details of individual compensation, etc., and other necessary basic policies, rules, and procedures. Therefore, the nomination and compensation decisions for Directors and Vice Presidents are made by the Board of Directors after consultation with the Nominating and Compensation Advisory Committee.

e. Other voluntary committees

The Company has established voluntary committees throughout the Company at the judgment of the Board of Directors, the Corporate Management Committee and the Management Committee to address high priority management action points in order to improve both the speed and quality of decision making. In principle, an Vice President serves as the chair of each committee, and establishment and operation are implemented in accordance with the Rules of Voluntary Committee. Each committee chair provides the Management Committee with minutes and progress status reports, ensuring decision making transparency.

f. Internal Audit

The Company establishes the Internal Audit Office (currently 7 members as of the filing date) with the mission of evaluating the effectiveness of internal control and the appropriateness of the actual business situation. It covers all departments and subsidiaries based on the annual internal audit plan as an organization under the direct control of the President and CEO, independent of each department. Internal Audit Office reports audit results to the President and CEO and the Audit & Supervisory Board.

The President and CEO receives audit results, notifies audited departments of audit results and improvements, and submits improvement status reports. The Internal Audit Office cooperates with the Audit & Supervisory Board and the Accounting Auditor from time to time regarding the status of internal audits.

g. Accounting Auditor

The Company has concluded an auditing agreement with *EY Shinnihon Yugen Sekinin Kansa Hojin* and receives an appropriate timely accounting audit from an independent standpoint. There are no special interests between the Company and the managing partners of the auditing corporation engaged in the audit of the Company.

The certified public accountants who executed our accounting audits for the fiscal year ended December 31, 2025 are Motoaki Ikeuchi, Kohei Koyama and Naoki Tokita of *EY Shinnihon Yugen Sekinin Kansa Hojin*. In addition, there are eight certified public accountants and fifteen other persons assisting with the accounting audit of the Company for the fiscal year ended December 31, 2025.

As of March 2025, the managing partner of the audit corporation has been participating in audits of the Company for no more than seven years.

o Risk Management System Status

The Group has established "Rules of Risk Management" for the purpose of improving the risk management system, and it is intended to prevent risks related to internal and external risk management and minimize company losses. To this end, we have established the Risk Management Committee, which is composed of personnel selected from among the Company's Internal Directors and Vice Presidents by the President and

CEO. This committee strives to understand risks, examine countermeasures, implement countermeasures, and monitor them. In addition, we established “Compliance Regulations” for the purpose of establishing a legal compliance system, and to ensure compliance and education regarding relevant laws and regulations, social norms and internal rules to officers and employees, and also established a whistleblowing system to detect illegal activities in the company at an early stage. In accordance with “Rules on Whistleblowing,” full-time Audit & Supervisory Board Members, outside attorneys, and the department in charge of compliance will cooperate to handle reports in a timely and appropriate manner. In addition, by conducting audits by Audit & Supervisory Board Members and internal audits, we strive to discover risks and, as necessary, have a system in place to receive advice on risk management from specialists such as lawyers, accountants, tax accountants, and social insurance laborers.

○Limitation of Liability Agreement

Based on Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement with Directors (excluding Executive Directors) and Audit & Supervisory Board Members to limit liability for damages under Article 423, Paragraph 1 of the Companies Act. The limit of liability for damages based on this agreement is the minimum amount stipulated by laws and regulations. The limitation of liability is permitted only when the respective Directors and Audit & Supervisory Board Members are in good faith and have no material negligence regarding the performance of the duties that caused the responsibility.

3. Reasons for Adoption of Current Corporate Governance System **[Updated]**

Based on its basic policy on corporate governance, the Group adopts the current corporate governance system to ensure that the Board of Directors makes decisions on basic management policies and important matters while promoting the delegation of business execution authority to Vice Presidents in order to separate the supervisory functions from the business execution function, thereby increasing the efficiency and speed of business execution. The Company has also adopted the above corporate governance system to ensure the soundness and transparency of corporate management by establishing sufficient checks and balances by the Internal Audit Office and the Audit & Supervisory Board. In addition, four out of seven Directors appointed by the Company are External Directors and two of the three Audit & Supervisory Board Members appointed by the Company are External Audit & Supervisory Board Members, and has strengthened its management monitoring functions by utilizing their experience and knowledge, etc., and making use of their function of monitoring the execution of duties by Directors from an independent and fair perspective. The Company also ensures fairness and transparency in the procedures for nomination and compensation, etc. of Directors and Vice Presidents by establishing a voluntary Nominating and Compensation Advisory Committee, the principal members of which are Independent External Directors.

III. Implementation of Measures for Shareholders and Other Stakeholders

1. Measures to Vitalize the General Meeting of Shareholders and to Facilitate Exercise of Voting Rights **[Updated]**

	Supplementary Explanation
Scheduling General Meetings of Shareholders Avoiding the Peak Day	To allow more shareholders to participate in the event, we take care to avoid days when other companies' events are concentrated. We also strive to ensure that the meeting is physically accessible and easy to attend in order to have as constructive a dialogue with our shareholders as possible.
Allowing Electronic Exercise of Voting Rights	We have prepared an environment in which shareholders can exercise their voting rights by accepting the exercise of voting rights via the Internet, including personal computers and smartphones, etc.

Participation in Electronic Voting Platform	We have participated in the voting platform for institutional investors operated by ICJ, Inc.
Providing Convocation Notice (or Summary of Convocation Notice) in English	We have prepared a notice of convocation (Partial Notice of Convocation and Reference Documents) in English and post it on the Tokyo Stock Exchange website, the voting platform for institutional investors, and the Company's website (https://www.medley.jp/en/ir/).

2. IR Activities

	Supplementary Explanations	Explanation by Representative
Preparation and Publication of Disclosure Policy	We have posted our disclosure policy on our website (https://www.medley.jp/en/ir/disclosure-policy/), which describes "Information Disclosure Standards," "Information Disclosure Methods," "Prevention of Insider Trading," "Quiet Period," and "Maintenance of Internal System."	
Regular Investor Briefings for Analysts and Institutional Investors	We hold briefings for analysts and institutional investors, in which the President and CEO and other Directors participate, on the same day as the announcement of quarterly results to explain the Group's results and management policies.	Yes
Regular Investor Briefings for Overseas Investors	We hold briefing meetings for overseas investors from time to time, via teleconference or in-person meetings, and we also plan to participate in investor conferences a few times a year.	Yes
Posting IR Materials on Website	The Company's IR materials has been posted on its website (https://www.medley.jp/en/ir/) .	
Establishment of a Department (person in charge) related to IR	The Director and CFO and the Finance Division, IR & Treasury Office are responsible for IR.	

3. Measures to Ensure Due Respect for Stakeholders **[Updated]**

	Supplementary Explanations
Stipulation of Internal Rules for Respecting the Position of Stakeholders	<p>The Group believes that it is important to earn the trust of various stakeholders, including shareholders, investors, and customers, and is making efforts to provide timely, appropriate, and fair information to its stakeholders by establishing a timely disclosure manual and preparing to comply with the Fair Disclosure Rules.</p> <p>In addition, for the purpose of ensuring thorough compliance within the Group and building a system for fulfilling social responsibility based on sound ethical standards, we have established the Compliance Regulations, which stipulate the following items.</p> <ul style="list-style-type: none"> - Compliance with laws, regulations and social norms We will understand and comply with laws and regulations and social norms. - Provision of appropriate information We will provide appropriate information in compliance with laws and regulations related to advertisements and information provision so that our users can properly understand the content and nature of services. - Disclosure of management information We will appropriately disclose information on financial details, business activities, etc. to shareholders and investors in accordance with the laws and regulations. - Prevention of insider trading The Company shall establish a system to prevent transactions of shares, etc. using undisclosed important information of the Company, its affiliated companies, or business partners.
Implementation of Environmental Conservation Activities, CSR Activities, etc.	<p>In line with the Group's mission of "Creating the future of medical healthcare," in our everyday operations and in the projects we undertake, we face social issues in the field of healthcare head on to create a more prosperous and sustainable society. Specifically, the Group is making the following efforts.</p> <ul style="list-style-type: none"> - The Company has established the GUPPY Scholarship, a non-repayable grant scholarship program for students enrolled in dental hygienist training schools, with disbursements commencing on July 31, 2025. - Through Jobley, our U.S.-based dental and healthcare job platform, the Company provides free recruitment support services to U.S. non-profit organizations that deliver dental services to low-income populations and medically underserved areas. - The Company provides systems and operational support for model projects involving online medical consultations and online medication guidance conducted by local governments and other entities, aiming to improve healthcare infrastructure and address access challenges in remote and underserved areas. - Sustainability initiatives: https://www.medley.jp/sustainability/
Development of Policies on Information Provision to Stakeholders	<p>The Group's basic policy is to make efforts to disclose appropriate corporate information in a timely manner in order to ensure management transparency. In disclosing information, we will actively and using a disciplined approach disclose information that is required to be disclosed under the Financial Instruments and Exchange Act and other laws and regulations, as well as information in accordance with the timely disclosure rules established by the Tokyo Stock Exchange, and information.</p>

IV. Matters Related to the Internal Control System

1. Basic Views on Internal Control System and the Progress of System Development **[Updated]**

The Group has formulated the basic policy for the internal control system described below and clearly defines the authority and division of duties according to various internal rules in order to execute business appropriately and efficiently, and appropriate internal control functions.

- a. System to ensure that the execution of duties by Directors and employees of the Group complies with laws and regulations and the Articles of Incorporation
 - A. The Company and its subsidiaries (hereinafter referred to as the "Group") position the practice of compliance as a key management issue, and in order to comply with laws and regulations, the Articles of Incorporation, and social norms, etc. necessary for corporate activities and working to establish a compliance system, we have established "Compliance Regulations." We will conduct activities to inform and educate the Directors and employees of the Group on compliance and establish a department to oversee the development and operation of the compliance system.
 - B. The Group will establish a whistleblowing system based on "Whistleblowing Rules" to prevent fraudulent conduct and early detection, and to prevent disadvantageous treatment of whistleblowers.
 - C. Audits by Audit & Supervisory Board Members will be conducted to confirm that the execution of duties by Directors of the Group is being carried out properly without violating laws and regulations, the Articles of Incorporation, and other internal regulations. When an Audit & Supervisory Board Member discovers facts that are or are likely to lack legality in the business of the Group, he / she points out the facts and advises the Company's Board of Directors to revise the wrongdoings and request an injunction of the said actions.
 - D. The Internal Audit Department audits legal compliance, property management, and other situations in each department of the Group based on the "Internal Audit Regulations," and reports and makes recommendations for improvement in accordance with these regulations.
 - E. Based on the "Compliance Regulations," the Code of Conduct shall be to eliminate any unfair demand without being involved in any anti-social forces, and this shall be communicated to Directors and employees of the Group by the Group.
 - F. For violations of laws and regulations, the Articles of Incorporation and other internal regulations by Directors and employees of the Group, appropriate actions including disciplinary action will be taken in accordance with the "Compliance Regulations" and various employment rules.
- b. System for storing and managing information related to the execution of duties by Directors of the Group
 - A. The Group records information concerning the execution of duties by Directors of the Group in a document or electromagnetic medium in based on the "Document Management Regulations," and stores such information accordingly. Directors and members of the Audit & Supervisory Board of the Group can view them as necessary.
 - B. The Group has appointed a person responsible for information management and a person in charge of information management to appropriately manage undisclosed material facts, etc. related to the execution of duties by Directors, and to prevent insider trading, and in order to prevent information from leaking outside the Group, it will take necessary measures such as storing undisclosed material facts in isolation.
 - C. Based on the "Basic Regulations on Information Security," the Group has formed an Information Security Committee to deliberate and decide on measures necessary to strengthen the Group's information security. In addition, we will strive to reduce information security risks by developing internal regulations

on the management and operation of information assets in compliance with laws, regulations, and norms, etc. related to information security, and ensuring that all officers and employees are fully aware of the regulations necessary for ensuring compliance.

c. Regulations and other systems for managing risk of loss

- A. The Group sets forth "Rules of Risk Management" for the purpose of establishing and building a risk management system for the Group's management activities, and set up a risk management committee composed of officers based on this. The central focus of the Risk Management Committee is to comprehensively identify the risks associated with management activities in each division of the Group. The Risk Management Committee will then report any risks that have been identified to the Board of Directors and decide on management policies and measures for identified risks. Each division of the Group will implement the necessary measures through an appropriate decision-making process based on the risk management policy and management measures that have been decided upon, and the internal audit department will conduct internal audits periodically or as necessary. Furthermore, the department in charge of risk management will conduct periodic company-wide education activities, promoting risk management and necessary information sharing across the organization.
- B. The Group will share information and conduct regular discussions with each department across the organization to strive for early detection and prevention of risks. In the event of an unforeseen situation, an emergency response system will be established with the Risk Management Committee chairperson as the person in charge of overall risk management based on the "Rules of Risk Management," and appropriate and prompt responses will be made to the situation, including appropriate information transmission inside and outside the Company.

d. System to ensure that the execution of duties by Directors of the Group is carried out efficiently

- A. The Board of Directors of the Group makes decisions on statutory matters, decisions on important management matters, and supervision of business execution. In addition to holding a regular board meeting once a month, an extraordinary board meeting is held as necessary to ensure quick and accurate decision-making.
- B. The Group has established the Vice President System to achieve the highest standards of management and fulfill our responsibilities to customers, employees, society, and shareholders by dividing the roles between the Board of Directors, which supervises management, and Vice Presidents, who are responsible for executing management, in order to promote streamlined and efficient business management by delegating authority for the execution of business to executive departments. Specifically, we have established a system in which the Group's business status can be reported to and discussed with the Management Committee, which comprises all of the Company's Vice Presidents, in a timely manner and we have put in place the Corporate Management Committee as a governing body to decide on company-wide important matters related to the execution of the Group's business and discuss matters referred to it by the CEO.
- C. In each department of the Group, various authorities and duties are transferred and divided according to the "Rules for Delegation of Authority" and "Rules for Divisional Duties," and responsibilities are clarified to ensure speed and efficiency.
- D. The Group shall verify the rationality of procedures and assignment of duties necessary for the execution of duties by the Directors of the Group, and to grasp the excess and deficiency of the number of employees necessary for the execution of duties and to improve the situation by internal audit, and understand and verify the system for further improvement.

e. Other systems to ensure the appropriateness of business in the Group

A. The management divisions manage subsidiaries based on the "Affiliated Company Management Regulations."

B. The Company receives relevant documents from the management division in charge at its subsidiaries with respect to important matters related to the overall management of the subsidiary and based on the "Rules for Delegation of Authority" also receives reports on important matters and discusses or approves them.

f. Matters regarding employees who support the Audit & Supervisory Board Member when requested, and matters regarding how such employees can be independent from the Directors

If Audit & Supervisory Board Member requires having employee(s) of the Company to assist in their duties one or more employees who assists the duties of the Audit & Supervisory Board Member will be assigned as necessary after consultation with such Members. In addition, with regard to the duties of employees who assist the duties of Audit & Supervisory Board Members, they will not receive orders from Directors or other superiors. The personnel changes and treatment will be determined by discussion between the Directors and the Audit & Supervisory Board Members, and independence from the Directors will be ensured.

g. System for reporting to the Audit & Supervisory Board Members by Directors and employees of the Group

A. Audit & Supervisory Board Members attend important meetings such as the Board of Directors of the Company, the Corporate Management Committee and the Management Committee in order to grasp important decision-making processes and the status of business execution, and can browse various documents and request explanations from the Directors and employees of the Group as necessary.

B. Directors and employees of the Group report to Audit & Supervisory Board Members matters that have a significant impact on operations or performance, the status of implementation of internal audits, the status of reports by the whistleblowing system, and their contents, in addition to legal matters. We will establish a system and cooperate so that information can be collected and exchanged properly by Audit & Supervisory Board Members.

h. System to ensure that the person who made the report on the previous item is not subject to unfavorable treatment because of the whistleblowing report

The Group prohibits its Directors and employees from treating the whistleblower(s) unfavorably because of the whistleblowing report he/she has made, and thoroughly educate the Directors and employees to that effect.

i. Prepayment or reimbursement of expenses arising from the execution of duties by Audit & Supervisory Board Members, and other matters relating to policies relating to the processing of expenses or obligations arising from the execution of such duties

When Audit & Supervisory Board Members requested prepayment or reimbursement of expenses arising from their execution of duties, the expenses or obligations will be processed promptly unless it is reasonably deemed not necessary for the execution of the duties of Audit & Supervisory Board Members.

j. Other systems for ensuring that audits by Audit & Supervisory Board Members are conducted effectively

Audit & Supervisory Board Members can cooperate with the internal audit department to exchange information and attend internal audits as necessary. In addition, Audit & Supervisory Board Members can meet regularly

with the Accounting Auditor to exchange information and request reports from the Accounting Auditor as necessary.

k. System to ensure reliability of financial reporting

To ensure the reliability of the Group's financial reporting, we implement and maintain internal control over financial reporting and continuously and appropriately evaluate and report on the effectiveness of our internal controls.

2. Basic Views on Excluding Anti-social Forces and the Progress of System Development

The Group is committed to severing all contact and relationships with anti-social forces, including business and support relationships, and resolutely rejects any unreasonable demands. To this end, we have established the "Regulations on the Exclusion of Anti-social Forces" and ensure thorough internal awareness. In the event of interference with management activities, assault, or slander, the Legal & Compliance Division centrally manages the response, ensuring a resolute and unified organizational stance. For new transactions, the Company performs screening against anti-social forces using databases such as Nikkei Telecon, in accordance with the internal rules and manuals, and incorporates anti-social force exclusion clauses into its contracts.

V. Other

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not Adopted
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Supplementary Explanation

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2. Other Matters Concerning Corporate Governance System **[Updated]**

[Skills Matrix]

Name	Position	Tenure	Global Global-level insight on each of the items listed on the right.	Corporate Management Governance/Integration/Architect	Organization, HR CoE/TA/L&D/HRBP/Diversity	Finance IR/Treasury/M&A/Tax	Business Marketing/Sales/Operation/ Business Finance	Product Technology/Design	Legal Compliance/Risk/ Health Care Regulations/Policy
Kohei Takiguchi	Representative Director and President (CEO)	17		●	●	●	●		●
Ryo Kawahara	Director (CFO)	10		●		●			
Shin Takeuchi	Director	1		●	●		●	●	
Hidetoshi Uriu	Director (Independent External Director)	1	●	●		●			
Shinji Kimura	Director (Independent External Director)	1	●	●		●	●	●	
Rina Sakuraba	Director (Independent External Director)	3	●		●				
Yasukane Matsumoto	Director (Independent External Director)	1	●	●		●	●	●	
Shohei Omote	Auditor (Full-time)	11		●					●
Masahide Kamachi	Auditor (External, Part-time)	9				●			
Ryoko Nagata	Auditor (External, Part-time)	3	●		●				●

* “CoE” is an abbreviation of the Center of Excellence, “TA” is an abbreviation of Talent Acquisition, “L&D” is an abbreviation of Learning & Development, and “HRBP” is an abbreviation of Human Resource Business Partner.

[Chart of Corporate Governance System]



