

Dialogue with Outside Directors



Ken Takayama
Outside Director/Independent Officer
(Audit & Supervisory Committee Member)

Ryota Miura
Outside Director/Independent Officer
(Audit & Supervisory Committee Member)

I expect that under the new management structure the new Medium-Term Management Plan will be promoted while utilizing “Foresight.”

Takaharu Yai was appointed as the new President on April 1, 2024, and the Company started its new Medium-Term Management Plan, “Creating Customer Value in the New Era,” whose first year is FY2024. For the Company, it is a major transition period, and we invited our two Outside Directors, who are also members of the Personnel Committee, to engage in a dialogue. In the dialogue they discuss the roles of an Outside Director, diversity on the Board of Directors, and the process of changing presidents. They also talk about their expectations for the new management structure, issues at the Company from the medium to long term, and the Company’s potential for growth.

Important Roles of Outside Directors

Takayama I have served as an Outside Director of the Company since 2015. When I was first appointed as Corporate Auditor even before then the Company still wasn’t listed. At the time, I warmly supported former President Yuri as the Company dealt with getting its businesses on a growth trajectory and increasing earnings, but the Company became a listed company and then switched to the Prime market. While engaging in governance reforms, I have seen awareness of my role gradually change. For example, there is more awareness of social responsibilities and the interests of various

stakeholders. And, as business expands and items on the agenda become more difficult to decide on, it is easy to fall into debate on these subjects, so I always try to return to fundamentals, why are we doing this, and speak not just on investment risk but on the risk of not doing something. I try to view things from a different angle and viewpoint.

Miura Like Mr. Takayama, I have been an Outside Director since 2015. The Board of Directors has members specialized in finance, law, and technology and some have conducted

business overseas. Each member has a different background and plays a role that utilizes that background. What I am most aware of is whether the company is aware or not when its conventional wisdom is not the conventional wisdom in the wider world. I think I play an important role in pointing this sort of thing out from an outside perspective. Also, when taking on risk, whether or not the frame is solid and whether or not the brakes work well are important. This is precisely why frontline employees are able to put a foot on the accelerator with confidence, so I always have this point in mind as my role.

Takayama I feel the same. We have to take a step back and make clear-headed decisions. In the Company’s case in particular, it is at the stage of aggressively expanding its business, so when an appealing investment target presents itself the atmosphere is inevitably filled with adrenaline. But what is crucial is whether or not that level of energy can be maintained even after the investment. In general, I hear many



cases of companies losing interest after an acquisition is made and the subsequent PMI not going well. We constantly emphasize this tendency so that it doesn’t occur. I understand that the Company has not made a major mistake so far, but one cannot deny the view that if a more demanding perspective had been taken, even bigger results could have been obtained.

Lively Board of Directors Generates Diversity

Takayama In a word, this Board of Directors is a very serious one. Of course there are presentations on business progress, but there are also robust debates on management issues, and the things that we Outside Directors want to debate are also presented as themes. I do have a request. Inevitably Board of

Directors meetings center on a give-and-take between outside and inside, so I want to know the discussions that take place internally on the process for putting something forth before board. There are though meetings to discuss medium- to long-term issues several times a year and these meetings try to fill the information gap between us and the internal officers. How to promote a generational changing of the guard is also an issue going forward and it includes us Outside Directors.

Miura Just has been said a moment ago, the makeup of the board is very diverse, including gender, and there is lively debate from various perspectives. How the agenda is set has changed significantly as well. Before, individual matters were primary, but recently, what can be left up to people are left up to them, and, rather, we’ve come to debate things, like the direction of business strategy, from a broad perspective. I think the distance between the Board of Directors and the management team has an effect. In this phase when business





going through stable growth, I think we can leave things up to people that can be left up to them and take time to debate themes like medium- to long-term business planning and business strategy. Going forward, how much distance will there be between the Board and management team under the new Yai regime? After another round of tuning, I hope the distance lessens.

the decision would be made, then we narrowed down the candidate list and looked into the candidates’ respective performance, leadership type, areas of proficiency and areas in need of improvement. Finally, based on the current situation of the Company and changes in the management environment surrounding the Company, we debated the qualities that should be emphasized in choosing the next President and decided on President Yai.



Process of Selecting a Successor

Takayama The Personnel Committee, made up of former President Yuri, me and Mr. Miura (an advisory body to the Board of Directors with four members as of June 2024), held discussions on changing presidents for several years. Actually, former President Yuri came to us to consult on considering a successor, and from there concrete preparations were made. Former President Yuri had a presence that was close to that of a founder-president, so he did not remain as Chairman; he completely removed himself. This way of doing things may

leave a somewhat radical impression, but because of this, we who remain feel we must robustly support President Yai, or I feel that we have a commitment to the successor of former President Yuri. That may be one way succession can be handled.

Miura Of course, we had not decided on President Yai from the beginning. Looking back on the process leading to the decision, we started with confirming the procedures by which

Takayama The candidates all had stellar records of achievement. The deciding factor was the results President Yai produced in the Company’s original value creation areas, including the results of the division he was in charge of. All of us were in agreement about his commitment to numbers and his capacity to create a team that produces good results. He also exhibited his presence on the Board of Directors. He would actively exert influence on other divisions, not just the one he was in charge of, and speak on issues affecting the entire Company.

Miura Yes, that’s true. “Foresight” is a word that occurs the Medium-Term Management Plan that began recently. Truly President Yai exercised discernment in predicting the future and growing the Information Infrastructure Business. Going forward, I expect he will lead the Group as a whole with good foresight in a rapidly changing environment.

Medium- to Long-term Issues and Growth Potential

Takayama The Company’s business is rooted in identifying issues and providing solutions. Digitalization has progressed and various social issues can now be solved, but, at the same time, new social issues have arisen with digitalization. For example, in the fields of medicine and education, two focuses of the Company, digitalization has the potential to bring about major progress, but cybersecurity threats are increasing. At any rate, it is clear that this environment is acting as tailwind for the Company. So, it could be said that how to expand the business domain and how to contribute to society with limited management resources—people, goods, and money—is a major issue. Accordingly, the Company must effectively utilize limited resources and must bolster those resources. However, by steadily taking one step at a time, the possibilities both in Japan and overseas are substantial, so I feel that it will be important to continue to have a broad vision and long-term perspective.

Miura I have high expectations for the Company’s sizable potential. In particular, under the new Yai regime, I will focus on the progress of the new Medium-Term Management Plan. As the Company maintains momentum from steady growth, I thought that its intention to engage in non-continuous growth delivered a strong message. Accordingly, I think there will be an increase in investment deals compared to the past, so firmly following the post-investment process will be all the more necessary. They will not necessarily all be successes, but it will be important to carry out firm management, make failures clear, and then consider how to utilize such failures the next time.

Pickup

Process For Selecting a Successor

TechMatrix has made a change in its president for the first time since the appointment of former President Yuri in 2004. Former President Yuri was similar to a founder-president in light of his achievements in developing TechMatrix and supporting the Company over the long term. For this reason, in selecting a successor, we preceded cautiously, holding detailed dialogues and discussions with Outside Directors.

4-5 years ago

January 2024

April 2024

- Selecting a successor proceeded organizationally in a planned manner, and through the Personnel Committee, it was carried out via a transparent process
- Not only was the Personnel Committee’s process impartial, but the candidates were assessed as good choices for the Company

Personnel Committee makeup at the time: Takashi Yuri, Ken Takayama, and Ryota Miura

PROCESS

- (1) Create list with multiple candidates
- (2) Consider the candidates while emphasizing various factors, including commitment to results and ability to form and encourage teams
- (3) Provide further support and preparatory resources for people selected as final candidates

- Decision by the Board of Directors to appoint new President, President Yai
- Plan and execute appropriate announcement internally and externally

- Appoint Takaharu Yai as the new President

The Company’s process for selecting a successor did not simply involve choosing qualified candidates but rather looked at the future of the Company from a long-term perspective. Through this process, we aimed to secure leadership that would faithfully achieve sustainable growth and realize the Company’s future vision.



Management Members’ Skills Matrix Judgment criteria (3 years or more)

Names	Gender	Corporate management	Finance/Accounting	Legal/Risk management	Sales/Marketing	Industry knowledge/Technology	Internationalism	Human resources development/Diversity
		Management experience or experience as a full-time director	Finance/accounting knowledge and experience	Legal, risk management, internal control, and audit experience	Sales or marketing experience	Experience working in the Company's business markets or related markets	Experience in transactions with foreign countries or experience as an officer in an overseas company	Experience in human resources development and training or promoting diversity
Takaharu Yai	Male	●			●	●	●	
Yoshihisa Yoda	Male	●			●	●	●	
Takeshi Suzuki	Male	●			●	●	●	
Takeya Shiga	Male				●	●	●	
Hiroaki Yasutake	Male	●			●	●	●	●
Michi Kaifu	Female	●			●	●	●	●
Ari Horie	Female	●			●	●	●	●
Hideyuki Sasaki	Male	●	●	●	●		●	
Ken Takayama	Male	●	●	●		●	●	
Ryota Miura	Male	●		●				
Akio Sugihara	Male	●			●	●	●	●

1 Takaharu Yai

President, Chief Executive Officer
Current position since April 2024
● 13/13 (Number of Board of Directors meetings attended)

Significant concurrent positions
Director, CROSS HEAD
Director, OCH Co., Ltd.

2 Yoshihisa Yoda

Director, Senior Executive Operating Officer
Head of Medical System Business Unit
Current position since June 2022
● 12/13

Significant concurrent positions
Chief Executive Officer, PSP Corporation
CEO and Executive member, Ichigo LLC

3 Takeshi Suzuki

Director, Senior Operating Officer
Head of Application Services Business Unit and Manager of CRM Solutions Division
Current position since June 2022
● 13/13

Significant concurrent positions
Director, CASAREAL, Inc.
Director, WISESIGHT (THAILAND) Co., Ltd.
Director, Choco Card Enterprise Co., Ltd.
Director, TechMatrix Asia Co., Ltd.

4 Takeya Shiga

Director, Senior Operating Officer
Head of Information Infrastructure Business Unit, Manager of Network Security Division, and Head of Network Security Sales Division
Current position since June 2024
● —/—

5 Hiroaki Yasutake

Outside Director/Independent Officer
Current position since June 2013
● 13/13

Significant concurrent positions
Representative employee, Cardinal LLC
CEO, Junify Corporation
External Director, Money Forward, Inc.
Outside Director, Novarca Inc.

6 Michi Kaifu

Outside Director/Independent Officer
Current position since June 2020
● 13/13

Significant concurrent positions
Chief Executive Officer, Started ENOTECH Consulting, LLC.
Visiting Professor, Seikei University

7 Ari Horie

Outside Director/Independent Officer
Current position since June 2020
● 12/13

Significant concurrent positions
Founder and Chief Executive Officer, Women's Startup Lab, Inc.
Director, Japan Innovation Network
Representative Director, Women's Startup Lab Impact Foundation Japan

8 Hideyuki Sasaki

Outside Director/Independent Officer
(Audit & Supervisory Committee Member)
Current position since June 2017
● 13/13

9 Ken Takayama

Outside Director/Independent Officer
(Audit & Supervisory Committee Member)
Current position since June 2015
● 10/13

Significant concurrent positions
Executive Director and Secretary General, All Japan Judo Federation
Outside Director, RENOVA, Inc.

10 Ryota Miura

Outside Director/Independent Officer
(Audit & Supervisory Committee Member)
Current position since June 2015
● 10/13

Significant concurrent positions
Partner, Miura & Partners
Outside Auditor, Tokyo Electron Ltd.
Outside Director, Eisai Co., Ltd.

11 Akio Sugihara

Outside Director/Independent Officer
(Audit & Supervisory Committee Member)
Current position since June 2015
● 13/13

Significant concurrent position
President and Representative Director, Gurunavi, Inc.

For more information ▶
NOTICE OF THE 40th ANNUAL GENERAL MEETING OF SHAREHOLDERS



Evolving governance

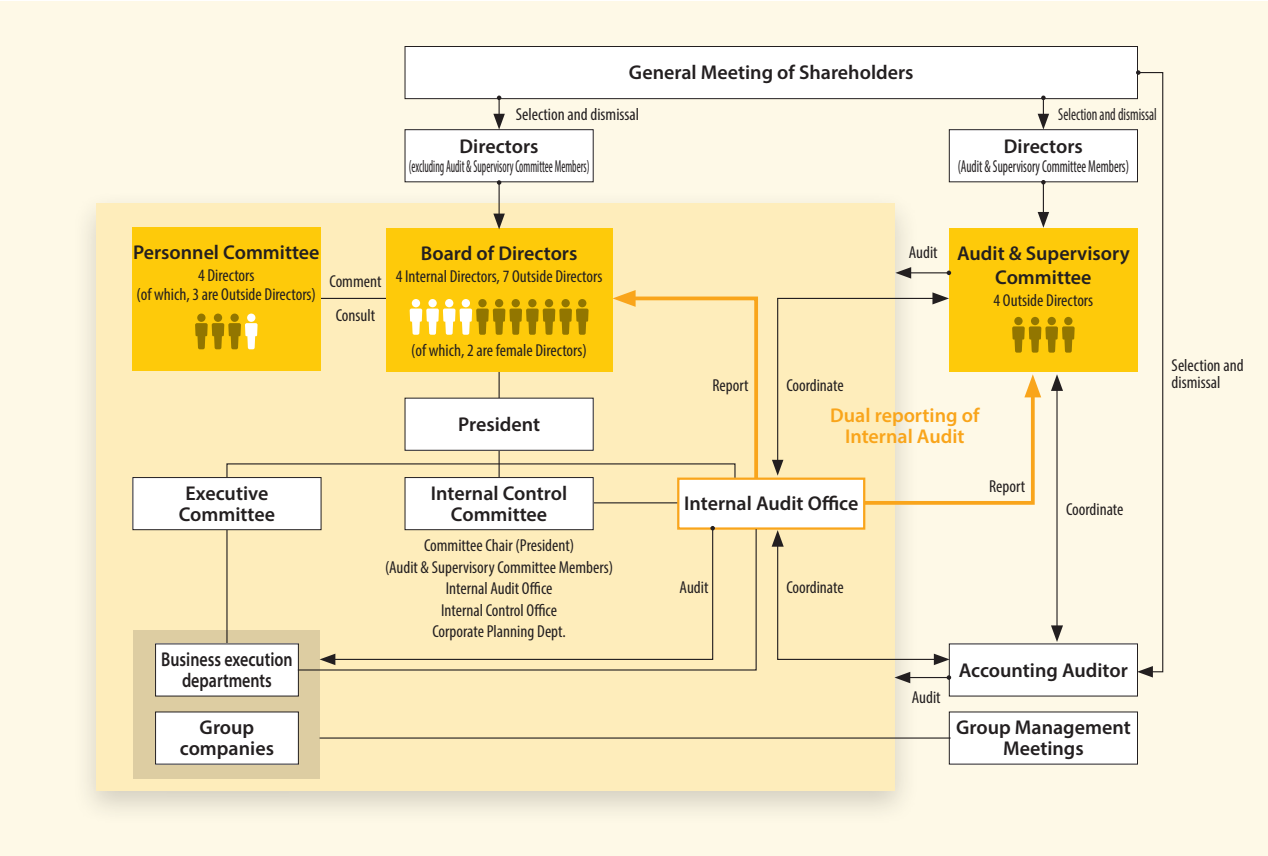




Please also refer to the corporate governance section on our corporate website.

Establishment of a management structure that emphasizes transparency and efficiency

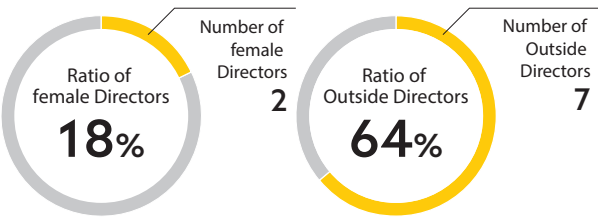
■ Corporate Governance System (As of June 30, 2024)



■ Board of Directors

Outside Directors have been invited to join the Board of Directors in order to strengthen its supervisory functions. It consists of 11 members, including 7 Outside Directors. The Board of Directors holds regular meetings once a month and extraordinary meetings as necessary.

Number of Board of Directors meetings	13
Main deliberations at the Board of Directors	<ul style="list-style-type: none">• Issues related to Medium- to Long-Term Management Strategy• Issues related to M&As and business alliance• Issues related to new business• Issues related to overseas expansion• Issues related to audit and internal control• Issues related to sustainability, etc.



■ Audit & Supervisory Committee (meets 13 times a year)

The Audit & Supervisory Committee comprises one Full-time Audit & Supervisory Committee Member and three Part-time Audit & Supervisory Committee Members. (All four members are Outside Directors.) Regular Audit & Supervisory Committee meetings are held once a month and extraordinary Audit & Supervisory Committee meetings are held as necessary.

Activities	Specific details
Audit & Supervisory Committee	Meetings held 13 times a year (issues related to the execution of duties by Directors, audit of conflicts of interest, and other items)
Three types of audits	Conducted quarterly by Audit & Supervisory Committee Members, Accounting Auditor, and Internal Audit Office
Communication with the Accounting Auditor	Exchange opinions extensively on the audit plans, details of audit, KAMs, audit results, and other matters
Liaison Meeting for Corporate Auditors	Reporting and information exchange on the status of internal controls by Corporate Auditors of the Group's subsidiaries (held quarterly) Interviews with Presidents of subsidiaries in advance on a quarterly basis (Corporate Auditors and TechMatrix Audit & Supervisory Committee Members)
On-site audits and interviews	Physical inventory taking, joint audit with internal audit, and interviews with all officers and employees
Exchange opinions with the President	Invite the President to the Audit & Supervisory Committee and exchange opinions based on the audit results and others

■ Personnel Committee (meets 4 times a year)

The Personnel Committee has been established as an advisory body to the Board of Directors in order to enhance corporate governance by bolstering the fairness, transparency and objectivity of processes related to nomination and remuneration, etc. for Directors. The Personnel Committee comprises Directors selected by a resolution of the Board of Directors, with Outside Directors selected to form a majority of the members. In addition, the Committee Chair is elected by a mutual vote of the Committee Members.

Agenda	Specific details
Selection and dismissal of candidates for Directors	Formulate a proposal for the candidates for Directors, and based on the proposal, report to the Board of Directors as a proposal to be brought before the General Meeting of Shareholders
Remuneration for Officers	Verify the Officers' remuneration level, and verify and deliberate the amount of remuneration for each individual Director according to the standard amount and the rate of target achievement determined in advance by the Board of Directors. Report to the President, who is entrusted with the specific details of Officers' remuneration, for approval by the Board of Directors
Succession planning	Examine skills and quality requirements for successor (CEO) Select candidates (both external and internal) and consider necessary training plans

Members
Akio Sugihara (Chair) Ken Takayama Ryota Miura Takaharu Yai

■ Executive Committee (meets 13 times a year)

The Executive Committee has been established as a forum for discussing issues related to business execution. It comprises Full-time Directors (including Directors who are Full-time Audit & Supervisory Committee Members), Executive Officers, business department managers and certain other personnel. In addition, the Executive Committee evaluates key agenda issues that should be brought before the Board of Directors and reports to the Board of Directors and the President and CEO. The Executive Committee meets once a month on a regular basis and convenes extraordinary meetings as necessary.

■ Internal Control Committee (meets 24 times a year)

The Internal Control Committee, chaired by the President, is held twice a month on a regular basis. The Company has established a basic policy on the development of its internal control system based on a resolution by the Board of Directors meeting. We are promoting proper operation in line with this basic policy.

■ Internal Audit Office

The Internal Audit Office has been established as an organization under the direct control of the President, and systematically conducts internal control audits (Companies Act and Financial Instruments and Exchange Act), Information Security Management System (ISMS) internal audits, and theme audits as needed, for all departments. In addition, it directly reports to the Board of Directors and the Audit & Supervisory Committee at least once a year as dual reporting.

■ Internal Control Office

The Internal Control Office has been established within the Corporate Headquarters. It conducts activities to promote internal control, including the establishment of internal rules on-site and the promotion of appropriate use of various IT systems on-site.

■ Group Management Meetings (meets 4 times a year)

The Group Management Meetings have been established by the Company to share management-related information, discuss related issues, and strengthen collaboration across the Company and its subsidiaries. The meetings comprise Group Executive Officers (Full- time Directors, Executive Officers, Presidents of subsidiaries) and the Director who is a Full-time Audit & Supervisory Committee Member. The Group Management Meetings conduct regular quarterly meetings.

■ Activities of other committees

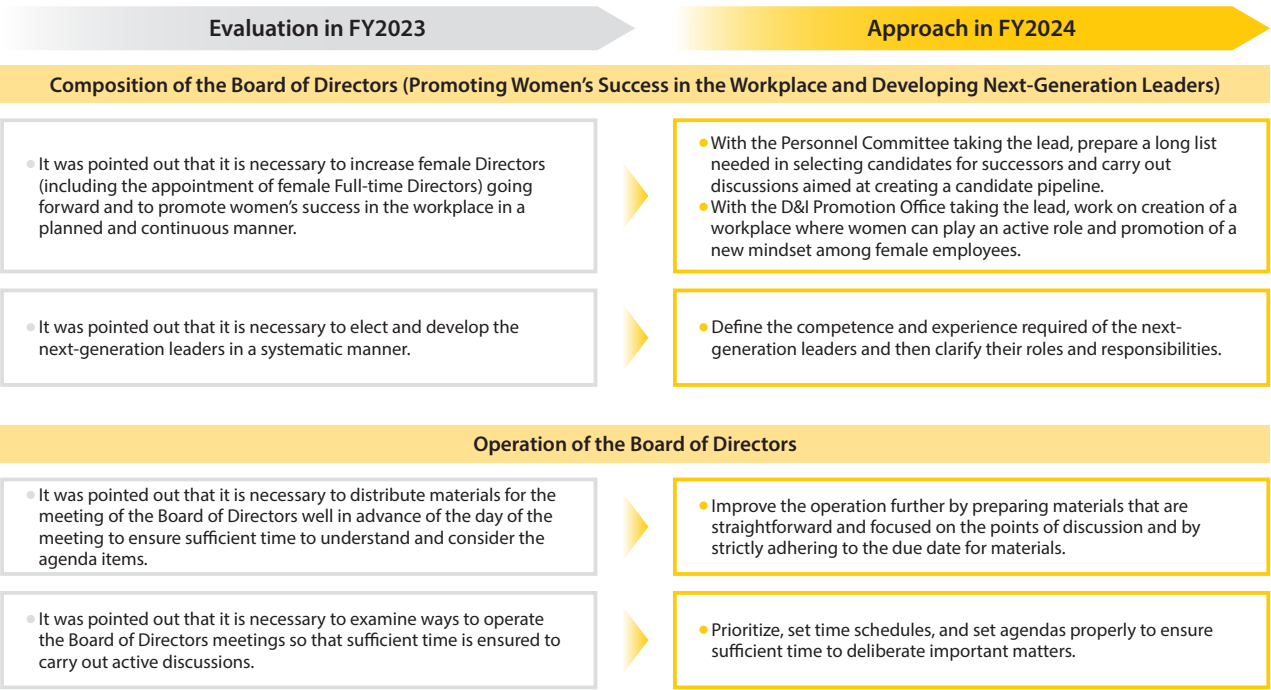
Name	Number of meetings held	Roles
Sustainability Committee ▶ P.48	4 times a year	The Sustainability Committee manages the progress of the response to sustainability issues such as environment, social, and governance. The Committee works closely with the Corporate Planning Dept. to supervise measures and related planning at each division, headquarters, department, branch, and sales office.
Information Security Committee ▶ P.40	4 times a year	To carry out information security management more effectively, the Committee maintains and improves the information security management system by responding to audits by the certification bodies, reporting to and sharing information with the Internal Audit Office and other relevant internal departments, and serving as the secretariat for regular liaison meetings with Group companies.
Compliance Committee ▶ P.59	Twice a year	The Compliance Committee will specifically clarify as much as possible any matters that may pose a risk of violating laws, regulations, and corporate ethics during the course of corporate activities. The Committee will conduct education and awareness-raising activities for Officers and employees, as well as strive to rigorously ensure compliance with laws, regulations and corporate ethics, and make improvements as needed. It also holds extraordinary meetings as necessary.

■ Evaluation of the Effectiveness of the Board of Directors

To ensure the effectiveness of the Board of Directors and improve how it functions, each year the Company conducts a questionnaire survey and evaluates the effectiveness of the Board of Directors as a whole. Effectiveness evaluation shown below was carried out under advice and confirmation of external attorneys.

Target Directors	All of the Directors that held office during FY2023 (11 Directors)
Evaluation process	<ul style="list-style-type: none">Step 1: Develop questions to askStep 2: Conduct the survey to the target DirectorsStep 3: Report the results of the effectiveness evaluation to the Board of Directors for reviewStep 4: Discuss possible initiatives for matters identified for improvement
Main questionnaire items	<ul style="list-style-type: none">Issues related to the composition of the Board of DirectorsIssues related to the execution of duties by DirectorsIssues related to the effectiveness of the Board of Directors as a wholeIssues related to support for Directors, etc.Issues related to the operation of the Board of DirectorsIssues related to the Advisory CommitteeIssues related to other key themes

Please also refer to the corporate governance section on our corporate website.
https://www.techmatrix.co.jp/en/ir/esg/esg_06.html



Remuneration for Officers

■ Overview of Remuneration System for Officers (Directors and Audit & Supervisory Committee Members)

The Company's basic policy is to adopt a remuneration structure linked to shareholder interests so that the remuneration of each Director provides adequate incentive for them to achieve sustained increases in corporate value. The basic policy also calls for setting the remuneration of each individual Director at an appropriate level based on each Director's individual job responsibilities when determining such remuneration. Specifically, the remuneration of Executive Directors comprises base remuneration as fixed remuneration, as well as performance-linked monetary remuneration, post- delivery type performance-linked share remuneration and stock option remuneration as performance-linked remuneration. Outside Directors, who assume a supervisory role, are paid only base remuneration in light of their duties.

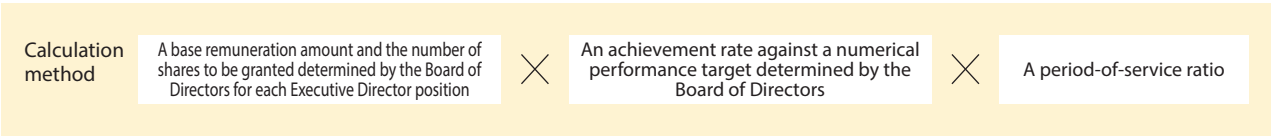
① Base remuneration

Base remuneration is provided as monthly fixed remuneration. It is determined by taking into account a comprehensive range of factors in accordance with position, job responsibilities, and years of service, while considering other companies' remuneration levels, the Company's business results, the level of employee wages, and remuneration from subsidiaries and other entities where important positions are concurrently held.

② Performance-linked remuneration

Performance-linked Monetary Remuneration and Postdelivery Type Performance-Linked Share Remuneration

Under this remuneration plan, the Company's Board of Directors establishes numerical targets in advance for a certain period it defines, and remuneration varies with the achievement rate against those numerical targets, among other criteria. A three-year restricted transfer period is established for performance-linked share remuneration



* The Board of Directors will determine the specifics of the remuneration, including details and the time period during which remuneration is provided.

■ Stock Compensation

The Company has introduced stock option remuneration to create a remuneration structure that is aligned with shareholder interests to ensure that the structure functions adequately as incentive for efforts to achieve sustained improvement in corporate value and shares the benefits and the risks of movements in the Company's stock price with shareholders.

* The Board of Directors will determine the specifics of the remuneration, including details and the time period during which remuneration is provided. However, these specifics are determined based on reports from the Personnel Committee.

Officer category	Base remuneration	Performance-linked monetary remuneration	Non-monetary remuneration	
			Performance-linked share remuneration	Stock Compensation
Director (excluding Audit & Supervisory Committee Members)	○	○	○	○
Outside Director	○	—	—	—

■ Allocation Ratio by Type and Determination Procedure for Officers' Remuneration and Related Items

The allocation ratio of Executive Directors' remuneration by type is determined based on remuneration standards that reflect as benchmarks the remuneration standards of companies with a comparable business size to the Company as well as companies affiliated with relevant industries and business formats. The amount of performance-linked remuneration and stock options (remuneration for which the value of remuneration received is linked to performance, stock price and other factors) is estimated to be between 30% and 40% of base remuneration. However, this principle shall not apply in circumstances where, for example, the Company's base remuneration is not paid because an Officer receives remuneration for holding an important concurrent position at a subsidiary or other such entity. The total amount of remuneration is determined based on reports received from

the Personnel Committee (made up of a majority of Outside Directors who are Independent Officers), which is a voluntary nomination and remuneration committee, with such remuneration set to correspond to each Director's responsibilities.

In addition, the President and CEO is entrusted with the specific details of individual remuneration for Directors based on a resolution by the Board of Directors. The scope of authority of the President and CEO covers the amount of base remuneration of each Director and the number of stock options allotted to each individual Director. The performancelinked remuneration of each individual Director is paid in accordance with a standard amount and target achievement rate established in advance by the Board of Directors.

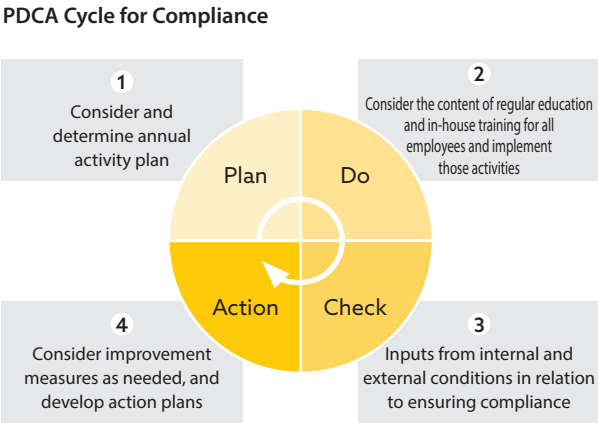
Initiatives for Compliance

In accordance with the principles set forth in the Corporate Ethics Guidelines, TechMatrix defines compliance as the observance of laws, regulations, rules and various policies as well as maintaining high ethics as it conducts corporate business activities.

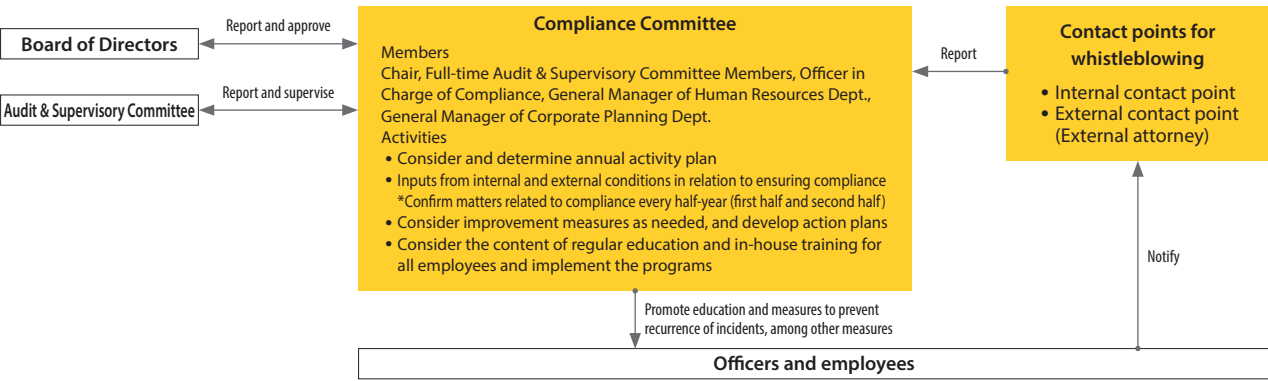
Compliance System

The Compliance Committee consists of the Chair, Full-time Audit & Supervisory Committee Members, the Officer in Charge of Compliance, the General Manager of the Human Resources Dept., and the General Manager of the Corporate Planning Dept. The President, who is the general supervisor of the compliance system, has been appointed as the Chair of the Compliance Committee.

The Committee will specifically clarify as much as possible any matters that may pose a risk of violating laws, regulations, and corporate ethics during the course of corporate activities. It will conduct education and awareness-raising activities for officers and employees, as well as strive to rigorously ensure compliance with laws, regulations and corporate ethics, and make improvements as needed. In addition to regular meetings held twice a year, the Committee will hold extraordinary meetings as necessary.



Compliance System



Whistleblowing System

At TechMatrix, in cases where a problem has occurred, is occurring, or may occur from a compliance perspective, the problem is normally reported through worksite communication channels. However, taking into consideration cases where it may not be easy to report through the worksite communication channel for some reason, we have established a whistleblowing system that allows person who became aware of an issue to report directly to the contact points (internally or to external attorney).

communicates this to officers and employees, inside and outside of Japan. Specifically, officers and employees are, in principle, prohibited from engaging in any act that constitutes or is suspected of constituting bribery, as well as giving gifts to or entertaining civil servants.

Furthermore, the Compliance Committee implements internal education on a regular basis to prevent violation. It also develops whistleblowing system for violation to facilitate early detection of and corrective actions against corruption, bribery, and other deviation from compliance. In addition, the Committee monitors activities periodically to strengthen the monitoring system against corruption and bribery in the Group.

Prohibition of Bribery

The Group stipulates prohibition of bribery and other corrupt practices in the Compliance Standards of Conduct and fully

Compliance Training

We believe that compliance at companies is implemented effectively when their officers and employees have a firm grasp of the significance of compliance, and act in line with it not only in corporate business activities but also in their daily lives in society. Based on this belief, we provide a variety of compliance training options.

Employees who were not affiliated with the Company at the time various training programs were offered due to the timing of when they joined the Company will receive training as needed when they join the Company. In addition to other measures, training materials are distributed to these employees.

Compliance Training details	Eligible staff	Ratio of Participation
Insider training	All officers and employees	100%
Harassment prevention	All officers and employees	100%
Diversity/Human rights	All officers and employees	100%
ISMS (information security management)	All officers and employees	100%
Environmental management education	New employees	100%



Initiatives to Respect for Human Rights

Based on our management philosophy, TechMatrix Group has established the Basic Human Rights Policy to fulfill our responsibility to respect human rights as a company, and has declared that we will strive to manage our business in harmony with the international community. This Policy was

discussed and resolved by the Board of Directors, in the belief that the attitude of top management is important.

Basic Human Rights Policy



Guidelines for Business Partners

The TechMatrix Group promotes respect for human rights throughout the entire value chain and strives to conduct responsible procurement activities. The companies with which the Group does business ("Business Partners") are required to comply with these Guidelines. These Guidelines have been formulated based on the UN Guiding Principles on Business and Human Rights, the International Bill of Human Rights, the

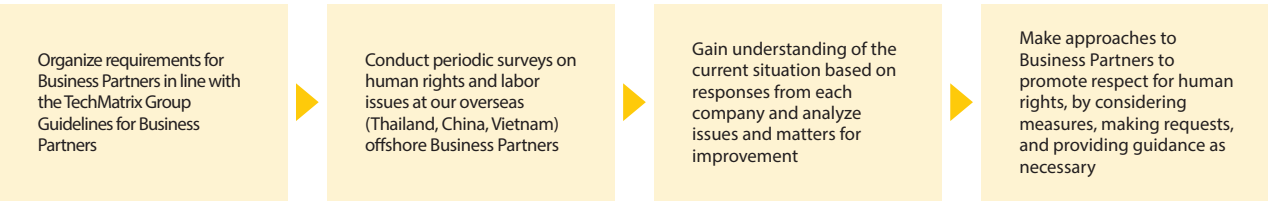
ILO Core Labour Standards and other international standards, as well as the TechMatrix Group Basic Policy on Human Rights.

TechMatrix Group Guidelines for Business Partners (Human Rights and Labor)
https://www.techmatrix.co.jp/en/ir/upload_file/m008-m008_03/techmatrix_group_guidelines_for_business_partners.pdf

Human Rights Due Diligence

In line with the guidelines set forth by the TechMatrix Group for its Business Partners, we conduct periodic surveys on human rights and labor issues at our overseas (Thailand, China, Vietnam) offshore Business Partners after organizing requirements for Business Partners.

Process for Conducting the Human Rights Due Diligence



Research Themes

- Prohibition of forced labor, prohibition of child labor and protection of young workers, appropriate working hours, appropriate wages and benefits, and prohibition of inhumane treatment
- Respect for diversity and prohibition of discrimination and harassment, respect for freedom of association and the right to collective bargaining, ensuring occupational health and safety, dissemination of information to employees, and establishment of systems

In addition, we also examine country risk in the countries surveyed.