

The following is an English translation of the Corporate Governance Report of NEC Networks & System Integration Corporation. This document has been translated from the Japanese original for reference purpose only. In the event of any discrepancy between this document and the Japanese original, the original shall prevail.

Corporate Governance Report

CORPORATE GOVERNANCE

NEC Networks & System Integration Corporation

Last Update: June 28, 2024

NEC Networks & System Integration Corporation

Michitaka Ono, President (Representative Director) and COO

Contact: Legal & Compliance Division

Securities code: 1973

<http://www.nesic.co.jp>

The corporate governance of NEC Networks & System Integration Corporation (the “Company”) is described below.

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

1. Basic Views **Updated**

The Company believes that enhancing corporate governance is critical for the Company to realize an affluent society in which vibrant communication and for sustaining increases in corporate value. To this end, the Company strives to enhance a management structure that enables prompt decision-making in response to changes in the business environment, and to ensure the transparency and soundness of management through prompt and appropriate disclosure.

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

The Company fully complies with the principles of the Corporate Governance Code.

Disclosure Based on each Principle of the Corporate Governance Code **Updated**

The followings are details of the items required to be disclosed under the principles of the Corporate Governance Code.

Principle 1.4 Cross-Shareholdings

The Company does not hold shares of other listed companies for the purpose of strategic shareholdings in principle. But the Company exceptionally holds shares of other companies as strategic shareholding if the Company judges that it is necessary for business cooperation with the other company and the business relationship with the investee.

The Board of Directors annually assesses the appropriateness of holding each strategic shareholding by reviewing whether the purpose of holding the shares is appropriate and whether the benefits and risks of holding the shares are commensurate with the Company’s cost of capital. If the assessment reveals that benefits of shareholding are insignificant, the Company considers the sale of the shares to reduce the number of shares strategically held.

When exercising voting rights, the Company comprehensively examines whether exercising the voting rights will contribute to the enhancement of the medium- to long-term corporate value of the investee and our group.

Principle 1.7 Related Party Transactions

The Company stipulates in the Rules of the Board of Directors that approval of the Board of Directors is required when a Director engages in a transaction that may constitute a conflict of interests with the Company and conducts an annual review of such transactions. The Board of Directors monitors such transactions in accordance with laws, regulations and the Rules of the Board of Directors.

In addition, important transactions with NEC Corporation, the parent company, are deliberated on and reviewed by the Special Committee, which is composed solely of Independent Outside Directors, to ensure the transparency and appropriateness of such transactions. Details of the Special Committee and the Company’s approach to ensuring independence from NEC Corporation are described in “I.5. Other Special

Circumstances Which May Have a Material Impact on Corporate Governance” and “II. 2. Matters Concerning Functions of Business Execution, Auditing and Supervision, Nomination, and Remuneration Decisions (Overview of the Current Corporate Governance System)” below.

Principle 2.4 Ensuring Diversity, Including Active Participation of Women

(Supplementary Principle 2.4.1)

<Policy for ensuring diversity>

The Company is strengthening its inclusion and diversity initiatives based on the belief that, in a rapidly changing business environment, enabling employees with diverse personalities to fully demonstrate their abilities will strengthen the foundation for innovation creation and employee vitality—including engagement, which is indispensable for sustainable growth. In April 2020, the Company established the Inclusion & Diversity Promotion Committee as a company-wide organization aimed at providing a corporate culture and career building opportunities that enable employees with various attributes including women, foreign nationals, the elderly, and people with disabilities to fully demonstrate their individuality and creativity.

In addition to attributes, the Company also focuses on ensuring diversity in terms of expertise, experience, sensitivity, and values. The Company is strengthening the capabilities of its workforce by recruiting mid-career hires, and will make company-wide efforts to promote diversity in its human resources by proactively hiring more specialists and managers, and putting their diverse perspectives to use in strengthening our organizational and business capabilities. These efforts are disclosed on our website.

Human Resources Development: <https://www.nesic.co.jp/english/sustainability/social/empowerment.html#anc-Col2>

<Voluntary and measurable goals for ensuring diversity; and status>

(1) Percentage of Director seats held by women

As of March 31, 2024: 22.2%

Target for the fiscal year ending March 31, 2031: 30.0%

(2) Percentage of women in management positions

As of March 31, 2024: 6.96%

Target for the fiscal year ending March 31, 2027: 10.0%

(3) Number of mid-career hires

Fiscal year ended March 31, 2024: 41

(4) Percentage of mid-career hires in managers

As of April 1, 2024: 19.6%

(5) Number of new graduate hires

As of April 1, 2024: 174

(6) Percentage of women in new graduate hires

As of April 1, 2024: 38.7%

Target for April 2025: 35.0%

(7) Number of foreign nationals in new graduate hires

As of April 1, 2024: 4

*Number of non-Japanese employees: 44

The Company evaluates and determines compensation fairly, based on individual abilities and achievements. At present, the Company has not established numerical targets for promotion to management positions based on nationality, age, disability, or other attributes. The Company will strive to create an environment where everyone can take initiative, fairly judging and respecting the aptitude and experience of each individual.

<Policy for human resource development and policy for internal environment development to ensure diversity, and implementation status thereof>

The Company’s human resource development policy is disclosed on our website.

Human Resources Development: <https://www.nesic.co.jp/english/sustainability/social/empowerment.html#anc-Col2>

Initiatives to promote the advancement of female and non-Japanese employees and mid-career hires are as described below.

(1) Female employees

The Company has obtained the *Eruboshi* certification under the Act on Promotion of Women's Participation and Advancement in the Workplace and is promoting female managers who are playing active roles in the workplace as role models for younger workers, thereby striving to raise awareness among female employees.

In April 2020, the Company established the Inclusion & Diversity Promotion Committee with the aim of further promoting diversity management, and is promoting the creation of an environment in which employees can take initiative while making the most of their diversity.

The Company conducted the following programs to promote women's active roles in the workplace in the fiscal year ended March 31, 2024.

- Mentorship programs for junior female employees
- Round-table talks with Directors
- Talk events on women's career advancement
- Seminars to raise women's awareness of career
- Establishment of a target percentage of women to be hired during recruitment

(2) Employees with foreign nationalities

The Company employs 44 non-Japanese employees at present, as it continues to hire people regardless of their nationalities every year. Particularly for new graduate recruitment, the Company is striving to increase the number of foreign national hires by holding information sessions and interviews for foreign students.

Although there are no foreign national managers at present, the Company is actively hiring foreign nationals both as new graduate hires and mid-career hires, and promoting their appointment as managers with a focus on expanding its global operations.

(3) Mid-career hires

The Company's basic policy for hiring human resources is to "secure stable, talented human resources through new graduate recruitment" and "secure immediate human resource assets through mid-career recruitment."

The Company has been hiring a determined number of mid-career hires each year for the purpose of securing a qualified workforce and business expansion, and 41 employees were hired in the fiscal year ended March 31, 2024.

The Company will continue to actively recruit employees in management positions, such as organizational managers, in addition to highly skilled professionals who complement our DX personnel.

Principle 2.6 Roles of Corporate Pension Funds as Asset Owners

To ensure the provision of pension benefits into the future through its corporate pension fund, the Company has set medium- to long-term investment yield targets and formulated a basic portfolio to achieve these targets. The actual asset management is outsourced to trust banks, investment advisory companies, and life insurance companies with the first priority placed on safe and efficient asset management. Investment performance is monitored on a regular basis, including stewardship activities.

Decisions regarding asset management are made based on the deliberations of the Asset Management Committee and through multiple meeting bodies, including the Executive Board and Committee of Representatives.

The directors and delegates responsible for the management of the fund consist of appropriately qualified individuals such as the heads of the human resources and accounting/finance departments of the Company and employee representatives. The Company has established a system that allows for appropriate asset management from the perspective of specialized knowledge and the protection of beneficiaries.

Principle 3.1 Full Disclosure

(1) Company objectives (e.g., business principles), business strategies and business plans

These are disclosed on the following pages on our website.

Corporate Philosophy: <https://www.nesic.co.jp/english/corporate/philosophy.html>

NEC Networks & System Integration Corporation Group Statement:
https://www.nesic.co.jp/english/corporate/group_statement_eng.html

Management Policy: <https://www.nesic.co.jp/english/ir/policies.html>

The Corporate Philosophy (the NEC Way) expresses a set of values shared by the entire NEC Group, while the NEC Networks &

System Integration Corporation Group Statement is a statement of the values and DNA that the Company has developed, as well as the vision and corporate ideal that it aims to achieve with a focus on the future, and it is discussed and articulated within the Company.

(2) Basic views and guidelines on corporate governance based on each of the principles of the Code

Please refer to “I.1. Basic Views,” above.

(3) Board policies and procedures in determining the remuneration of the Executive Officers and Directors

Please refer to “Director Remuneration” in “II.1. Organizational Composition and Operation,” below.

(4) Board policies and procedures in the appointment/dismissal of Executive Officers and the nomination of Directors and Corporate Auditors candidates

<Policy in the nomination of candidates for Directors>

In nominating candidates for Directors, the Company has a basic policy of selecting individuals who have skills and experience to lead management and can contribute to the development of the Company’s businesses, while giving consideration to the following and making comprehensive consideration from the standpoint of placing the right person in the right place.

(Aptitude for Directors)

- A person who has a high level of knowledge about management, objective judgment ability, foresight and insight
- A person who has a high level of dignity and high ethical standards
- A person who has ability, knowledge, experience and track records in his/her special fields
- A person who is unbiased and decisive
- A person who understands the overall business activities of the Company

<Policy in the nomination of candidates for Corporate Auditors>

In nominating candidates for Corporate Auditors, the Company has a basic policy of selecting individuals who have skills and experience to conduct effective audits and can contribute to the development of the Company’s businesses, while giving consideration to the following and making comprehensive consideration from the standpoint of placing the right person in the right place.

(Aptitude for Corporate Auditors)

- A person who has a high level of knowledge about management, objective judgment ability, foresight and insight
- A person who has a high level of dignity and high ethical standards
- A person who has ability, knowledge, experience and track records in his/her special fields
- A person who is unbiased and decisive
- A person who understands the overall business activities of the Company

<Nomination procedures>

The nomination of candidates for Directors and Corporate Auditors is deliberated on by the Nomination and Compensation Committee, which is chaired by an Independent Outside Director and whose majority members are Independent Outside Directors, before being resolved by the Board of Directors and submitted as a proposal to the General Meeting of Shareholders. The consent of the Board of Corporate Auditors is obtained for the nomination of candidates for Corporate Auditors.

<Dismissal policies and procedures>

On dismissing a Director, the Company’s Board of Directors explains the reasons for their dismissal to the Nomination and Compensation Committee, which mainly consists of Independent Outside Directors, in the event that a Director is not adequately carrying out their duties. After receiving suitable advice, the Board of Directors makes a decision and moves to dismiss the Director, which requires approval by the General Meeting of Shareholders.

(5) Explanation with respect to the individual appointments/dismissals and nominations based on (4)

Reasons for election and career background of Directors and Corporate Auditors elected in the fiscal year ended March 31, 2025 are disclosed in the reference documents of the “Notice of the 92nd Ordinary General Meeting of Shareholders” on the Company’s website.

Notice of the 92nd Ordinary General Meeting of Shareholders: https://www.nesic.co.jp/ir/kabu/vt7sk60000001pbk-att/20240527_03.pdf

Principle 3.1 Full Disclosure
(Supplementary Principle 3.1.3)

Our group is promoting sustainability initiatives to achieve its long-term vision of “An inclusive and sustainable society created through communications.”

In December 2021, the Company formulated our Sustainability Policy based on the belief that supporting the sustainable development and growth of society and our customers leads to our own sustainable growth. In the policy, the Company declared that it will work together with our stakeholders to deliver safe, secure, and comfortable lifestyles and to maintain and improve the global environment through our corporate activities and businesses.

In addition, in our medium-term management plan (“Shift up 2024”), the Company is working to create a “Sustainable Symphonic Society” by 2030, centered on sustainability management. These initiatives and their progress are proactively disclosed on the Company’s website, in the Annual Report (Integrated Report), and in other documents.

For details, please refer to “Implementation of Environmental Preservation Activities and CSR Activities, etc.” in “III.3. Status of Measures to Ensure Due Respect for Stakeholders,” below.

Sustainability: <https://www.nesic.co.jp/english/sustainability/index.html>

Annual Report (Integrated Report): <https://www.nesic.co.jp/english/ir/library/anyu.html>

Medium-Term Management Plan: https://www.nesic.co.jp/english/ir/library/kg6ogt0000000106-att/20220510_eng01.pdf

Disclosures Based on TCFD Recommendations (Initiatives for climate change):

<https://www.nesic.co.jp/english/sustainability/environment/teigen.html>

<Investment in human capital>

The Company believes that its human resources are the source of its sustainable growth and the innovation that continues to create value offered by the Company.

In line with the medium-term management plan, the Company will acquire and train the human resources that will be the source of “DX × Beyond 5G (next-generation networks),” which is entering the stage of social implementation, and providing higher social value.

The Company is working to improve employee engagement and inclusion and diversity. It strives to create an environment in which each and every one of its employees can thrive and shine by improving their well-being and making the most of their diverse personalities, qualities, and abilities, in addition to introducing and enhancing various systems and actively recruiting and appointing diverse human resources. These efforts are disclosed on the Company’s website.

Sustainability: <https://www.nesic.co.jp/english/sustainability/index.html>

Annual Report (Integrated Report): <https://www.nesic.co.jp/english/ir/library/anyu.html>

<Investment in intellectual property>

In line with one of the basic strategies specified in the medium-term management plan, “accelerating original value creation,” the Company has formulated an intellectual property strategy to strengthen the foundation for making use of its intellectual property, with the aim of protecting its proprietary technologies and ideas as intellectual property and ensuring the competitive edge of its businesses. The Company also regards intellectual property as an important management resource and will invest in intellectual property to sustainably increase its corporate value.

Principle 4.1 Roles and Responsibilities of the Board (1)
(Supplementary Principle 4.1.1)

The Company has introduced an executive officer system to expedite business execution based on prompt decision-making and separate management supervision from business execution. The Board of Directors makes decisions on important management matters and matters stipulated by laws, regulations, and the Articles of Incorporation in accordance with the Rules of the Board of Directors, while delegating a degree of authority over other matters to the Executive Officers.

Principle 4.9 Independence Standards and Qualification for Independent Directors

Please refer to “Independent Directors” in “II.1. Organizational Composition and Operation,” below.

Principle 4.10 Use of Optional Approach
(Supplementary Principle 4.10.1)

Please refer to “Supplementary Explanations” under “Directors” in “II.1. Organizational Composition and Operation,” below.

Principle 4.11 Preconditions for Effectiveness of the Board of Directors and the Board of Corporate Auditors

(Supplementary Principle 4.11.1)

The Company's Board of Directors is limited to 10 members in order to facilitate prompt decision-making, and the composition of the Board takes into consideration diversity in terms of experience, knowledge, expertise, and gender. In addition, the Company appoints several Independent Outside Directors to ensure transparency and fairness.

Corporate Auditors are elected for their appropriate experience and professional insight, particularly in financial, accounting, and legal matters. Based on the Company's medium- to long-term management strategy and the roles and functions of the Board of Directors as reviewed in the evaluation of the Board's effectiveness, the skills, experience, and expertise specifically expected of the Company's Board members were redefined, and the skills matrix was revised in April 2024.

The composition of the Board of Directors (skills matrix) and the reasons for selecting the skills expected of Directors and Corporate Auditors are shown in the appendix to this document.

Principle 4.11 Preconditions for Effectiveness of the Board of Directors and the Board of Corporate Auditors

(Supplementary Principle 4.11.2)

The concurrent positions held by the Company's Directors and Corporate Auditors at other listed companies are disclosed in the reference documents of the "Notice of the 92nd Ordinary General Meeting of Shareholders," "Notice of the 91st Ordinary General Meeting of Shareholders" and "Notice of the 90th Ordinary General Meeting of Shareholders."

Notice of the 92nd Ordinary General Meeting of Shareholders: https://www.nesic.co.jp/ir/kabu/vt7sk60000001pbk-att/20240527_03.pdf

Notice of the 91st Ordinary General Meeting of Shareholders: https://www.nesic.co.jp/ir/kabu/vt7sk60000001pbk-att/202300601_01.pdf

Notice of the 90th Ordinary General Meeting of Shareholders: https://www.nesic.co.jp/ir/kabu/vt7sk60000001pbk-att/03.20220601_01.pdf

Principle 4.11 Preconditions for Effectiveness of the Board of Directors and the Board of Corporate Auditors

(Supplementary Principle 4.11.3)

To improve the functions of the Board of Directors, since the fiscal year ended March 31, 2016, the Company has evaluated and examined the effectiveness of the Board of Directors. The summary of the results of the effectiveness evaluation and the process of analysis conducted in the fiscal year ended March 31, 2024, is as follows.

<Improvement activities undertaken in the fiscal year ended March 31, 2024>

In the fiscal year ended March 31, 2024, reports were made at the Board of Directors' meeting on the status of company-wide investments, DX infrastructure strategies, and group management risks, which is one of the Company's high-priority risks. The Company held off-site meetings on topics such as overseas business strategies to enhance discussions at the Board of Directors' meeting, while providing information and improving support systems to ensure appropriate supervision of business execution and decision-making (e.g., multiple deliberations on important matters, improved materials for the Company's projects, enhanced pre-meeting briefing for the Board of Directors meetings, early provision of materials, and format improvements). Moreover, the skills expected of Directors and Corporate Auditors were redefined, and the skills matrix was revised.

<Effectiveness evaluation in the fiscal year ended March 31, 2024>

(1) Analysis and evaluation process

The evaluation of the Board of Directors' effectiveness for the fiscal year ended March 31, 2024, consisted of a questionnaire given to all Directors and Corporate Auditors, and individual interviews based on the results of the questionnaire. The questionnaire and individual interviews served to clarify the roles and primary functions of the Company's Board of Directors, and elicited opinions about the issues based on functions that should be emphasized and the status and effectiveness of implementation of improvement measures. Based on the outcome of this process, specific measures for improvement are discussed in pre-meeting briefings and meetings of the Board of Directors.

(2) Summary of evaluation results

The following is an overview of the evaluation of the effectiveness of the Board of Directors for the fiscal year ended March 31, 2024.

- (i) The evaluation found that the Board of Directors has active discussions on decision-making concerning important business execution, company-wide management strategies, and other important matters, and that appropriate supervision of business execution is conducted at the meetings.
- (ii) Although the Board of Directors' discussions focus on "the roles and functions of the Company's Board of Directors," which was formulated in accordance with the evaluation of the effectiveness for the fiscal year ended March 31, 2021, the Company must continue to review its operations in order to strengthen functions from this perspective.
- (iii) The following issues, which were identified in the evaluation of effectiveness in the fiscal year ended March 31, 2023, showed overall improvement due to the implementation of planned countermeasures.
 - Promote discussions and examinations regarding the enhancement of governance in the future (roles and functions of the

Board of Directors, skills required of Directors, etc.).

- To facilitate systematic deliberations, important topics should be specified in the annual agenda for deliberation as issues to be reported on and discussed. In addition, off-site meetings by Directors and others are held to discuss important topics to stimulate the discussions of the Board of Directors.
- Strengthen provision of information and support system for ensuring appropriate supervision of business execution and decision-making (continue to hold multiple discussions on key issues, review methods for providing briefings and materials in advance to board members, review the system for following up on matters raised at the Board of Directors' meetings, improve the training program for all board members, etc.)
- Set group governance as a high-priority risk for the Company to be addressed and report the status of these activities to the Board of Directors

Based on these results, the Company believes that the Board of Directors is operating appropriately and effectively.

(3) Future measures

To continue to improve the effectiveness of the Board of Directors, the following measures will be taken in the fiscal year ending March 31, 2025.

- Continue discussions on the governance system (roles and functions of the Board of Directors, composition of the Board of Directors, organizational design, internal control and internal audit systems, etc.).
- The next medium-term management plan, human resource strategies, sustainability, and other key topics will be included in the annual agenda for deliberation to encourage discussions from a company-wide viewpoint.
- Hold off-site meetings multiple times (about three to four times a year) to further discussions on important topics such as the next medium-term management plan.
- Redefine the positions of the Board of Directors' meetings, pre-meeting briefings and off-site meetings to invigorate the Board of Directors' discussions.
- Restructure the executive training system, create opportunities for dialogue between Outside Directors and officers and employees of the Company, and hold business briefings for newly appointed Outside Directors and Corporate Auditors.

Principle 4.14 Director and Corporate Auditor Training

(Supplementary Principle 4.14.2)

The Company provides opportunities for Directors and Corporate Auditors to obtain information and learn knowledge necessary for management execution and oversight.

Furthermore, Outside Directors and Outside Corporate Auditors are provided with ample opportunities to receive information on the Company's history, business overview, financial status and business strategies, business environment, competitive situation, and internal organization. Opportunities are provided for the exchange of information among outside officers and between outside officers and the President of the Company as well as other Executive Officers.

Going forward, the Company strives to expand opportunities to provide necessary information based on the results of the evaluation of the effectiveness of the Board of Directors.

Principle 5.1 Policy for Constructive Dialogue with Shareholders

The Company has established a Disclosure Policy to explain its management situation and operating policies accurately and promptly to shareholders and other stakeholders, and engages in interviews with shareholders, investors, and other stakeholders, as well as financial results briefings, company briefings, business presentations, and general shareholders' meetings.

With respect to dialogue with key players in capital markets, the Company has established a forum for dialogue between the Company's President and Representative Director and other senior management and our shareholders and investors, and holds regular investor briefings and individual meetings. Led by its IR Group and in collaboration with the division in charge of promoting sustainability, the Company periodically sets up opportunities for engagement with ESG-oriented investors to exchange views.

Opinions and requests obtained through these dialogues are reported to all Directors, including Outside Directors, and used to reinforce the business management, thereby further enhancing corporate value. Based on these efforts and results, the Company conducts subsequent engagements to promote constructive dialogue with participants in capital markets. Investor input and improvement activities are disclosed on our website and in the Annual Report (Integrated Report).

IR Library: <https://www.nesic.co.jp/english/ir/library/2024.html>

Annual Report (Integrated Report): <https://www.nesic.co.jp/english/ir/library/anyu.html>

In addition, related divisions work together to assist these constructive dialogues and implement insider information management by reviewing and sharing the content of disclosures in advance.

For the status of shareholder dialogue, please refer to “III.2. Status of IR-related Activities” below.

Action to Implement Management that is Conscious of Cost of Capital and Stock Price

The Company believes that it is important to organically combine the maximization of financial value and strengthening of non-financial value/ESG in order to sustainably increase corporate and shareholder value. Under our medium-term management plan, "Shift up 2024," the Company intends to enhance corporate and shareholder value by improving ROE and lowering capital costs through accelerating the development cycle of corporate value from non-financial to financial and then strengthening non-financial, and by making the progress visible to stakeholders while engaging them in constructive dialogues.

To maximize financial value, the Company is developing measures focused on return on sales and total asset turnover, and implementing a PDCA cycle in order to increase ROE and continuously produce and maximize returns that exceed capital costs. Although the Company determines the assumed cost of capital to be around 6% based on the capital asset pricing model (CAPM), a conservative level expected by investors is kept in mind when assessing businesses. At present (fiscal year ended March 31, 2024), ROE is 10.4%, which the Company recognizes as being above the cost of capital. In terms of strengthening non-financial value/ESG, we have established management targets for such indicators as the development of high-level human resources, employee engagement score, and reduction of greenhouse gas emissions, and are strengthening our efforts and disclosures.

Details are disclosed in our Annual Report (Integrated Report).

Annual Report (Integrated Report): <https://www.nesic.co.jp/english/ir/library/anyu.html>

2. Capital Structure

Foreign Shareholding Ratio	20% or more but less than 30%
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Status of Major Shareholders **Updated**

Name/Company Name	Number of Shares Owned	Percentage (%)
NEC Corporation	57,320,295	38.48
Custody Bank of Japan, Ltd. (Sumitomo Mitsui Trust Bank, Limited beneficiary trust account, NEC Corporation retirement benefit trust account)	19,200,000	12.89
The Master Trust Bank of Japan, Ltd. (Trust account)	12,853,000	8.63
Custody Bank of Japan, Ltd. (Trust account)	5,829,450	3.91
Sumitomo Realty & Development Co., Ltd.	3,600,000	2.42
GOVERNMENT OF NORWAY (standing proxy: Citibank, N.A., Tokyo Branch)	2,298,655	1.54
NEC Networks & System Integration Corporation Employees' Stock Ownership Plan	1,784,936	1.20
BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC) (standing proxy: MUFG Bank, Ltd.)	1,733,649	1.16
STATE STREET BANK AND TRUST COMPANY 510312 (standing proxy: Settlement & Clearing Services Department of Mizuho Bank, Ltd.)	1,628,726	1.09
JP MORGAN CHASE BANK 385632 (standing proxy: Settlement & Clearing Services Department of Mizuho Bank, Ltd.)	1,268,083	0.85

Controlling Shareholder (except for Parent Company)	None
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Parent Company	NEC Corporation (Listed on TSE) (Code) 6701
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3. Corporate Attributes

Listed Stock Market and Market Section	Tokyo Stock Exchange Prime Market
Fiscal Year-End	March
Type of Business	Information and Telecommunications
Number of Employees (consolidated) as of the End of the Previous Fiscal Year	More than 1,000

Revenues (consolidated) as of the End of the Previous Fiscal Year	JPY 100 billion or more and less than JPY 1 trillion
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	10 or more and fewer than 50

4. Policy on Measures to Protect Minority Shareholders

in Conducting Transactions with Controlling Shareholder **Updated**

Please refer to “(4) Transactions with the parent company” in “I.5. Other Special Circumstances Which May Have Material Impact on Corporate Governance,” below.

5. Other Special Circumstances Which May Have a Material Impact on Corporate Governance **Updated**

(1) Parent company of the Company

NEC Corporation, the parent company of the Company, materially holds 51.40% of the voting rights of the Company as of March 31, 2024. The percentage of voting rights is calculated based on the number of shares that include 19,200,000 shares of the Company which have been contributed to Custody Bank of Japan, Ltd. (Sumitomo Mitsui Trust Bank, Limited beneficiary trust account, NEC Corporation retirement benefit trust account) by NEC Corporation as retirement benefit trust.

(2) The parent company’s Policy on Group Management and the significance of owning the Company as a publicly listed subsidiary

The policy of NEC Corporation is as follows. (The following is an excerpt of Corporate Governance Report of NEC Corporation published on March 22, 2024.) “The Company” in the excerpt refers to NEC Corporation.

(Views and Policy on Group Management)

Based on the NEC Group Management Policy, which forms the basis for group management, the Company strives to maintain a uniform framework for the management of its subsidiaries while working to reinforce intergroup functions in order to optimize overall the management of the NEC Group and maximize the value of the NEC Group.

(Significance of Owning Publicly Listed Subsidiaries and Measures for Ensuring the Effectiveness of the Governance Systems of Those Subsidiaries)

NEC Networks & System Integration Corporation (NESIC), a subsidiary of the NEC Group, is listed on the Tokyo Stock Exchange. Under the precondition that the strategies of the NEC Group are shared with a publicly listed subsidiary, the division of functions between it and the Company is clarified (to eliminate overlapping businesses), and the business foundation of the NEC Group can be strengthened through mutual utilization of management resources, the Company has determined that ensuring autonomy and independence of a publicly listed subsidiary and maintaining their stock market listings will contribute to maximizing the corporate value of the NEC Group.

The significance of owning NESIC is as follows.

NESIC is a core NEC Group company that is primarily involved in ICT system design and construction, as well as providing support services such as operating, monitoring and outsourcing for these systems, with customers in Japan and overseas that include government offices and telecommunications carriers.

NESIC’s relationship with the Company involves providing ICT systems for customers that utilize the Company’s information and communication technology assets. Moreover, the Company’s business regarding the business segment of Network Services Business, work in cooperation with NESIC’s support services. However, for NESIC to expand its business—through investing management resources in developing new solutions and finding new customers—and to increase synergies with the Company, the Company believes it is desirable that NESIC has independent decision-making and financing measures. The Company believes that there is sufficient rationale for maintaining NESIC as a publicly listed subsidiary after a comprehensive review of factors that include the potential of a public listing to help maintain or increase employee motivation and to secure excellent human resources.

The Company will continuously review the policy of holding shares in publicly listed subsidiaries from the perspective of maximizing the corporate value of the NEC Group, etc. and the Company will keep holding the shares of NESIC as long as it meets the above preconditions.

(3) The Company’s policy on ensuring independence

The Company recognizes that sharing business strategies and clarifying the division of functions (eliminating overlapping businesses) with

NEC Corporation contributes to sharing management resources and generating synergies with NEC Corporation. The Company also recognizes that expanding its businesses by leveraging its independent decision-making and independent financing measures as a listed company, while maintaining close ties with NEC Corporation, will enhance the corporate value of the NEC Group and serve the interests of its shareholders as a whole, including minority shareholders. In addition, the Company believes that being a publicly listed company will contribute to maintaining and boosting employee motivation and recruiting excellent human resources.

In order to ensure effective governance as a listed subsidiary, the Company pays due consideration to minority shareholders and ensures independence by taking the following measures.

- (i) Nominations of candidates for Directors are determined by the Board of Directors and submitted as a proposal to the General Meeting of Shareholders. Candidates for Directors are decided on by the Board of Directors after deliberation by the Nomination and Compensation Committee, which is chaired by an Independent Outside Director and whose majority members are Independent Outside Directors.
- (ii) The Company appoints three Outside Directors and two Outside Corporate Auditors who are independent of the parent company to ensure management transparency. The Board of Directors makes decisions based solely on the Company's own management judgment, thereby ensuring independence from the parent company.
- (iii) In the event of a conflict of interest between NEC Corporation and its minority shareholders, the Board of Directors approves and supervises the conflict of interest in accordance with laws, regulations and the Rules of the Board of Directors. In addition, the Company has established the Special Committee, which is composed solely of Independent Outside Directors, to deliberate and review important transactions between the Company and NEC Corporation including its subsidiaries, with a view to ensuring transparency and appropriateness of such transactions.

(4) Transactions with the parent company

NEC Corporation is a main supplier of information and communication equipment used in the ICT systems that the Company provides directly to its customers. The Company conducts transactions with NEC Corporation for the construction of ICT systems, provision of information and telecommunications equipment and software, maintenance, and construction work. In transactions with NEC Corporation, the Company determines the terms and conditions of a transaction on a project-by-project basis by reference to prevailing market prices and through negotiations so as not to harm the interests of the Company. The transaction terms and conditions are the same as those of other business partners.

<Special Committee>

Composed of three Independent Outside Directors, the Special Committee deliberates on the status of significant transactions with NEC Corporation, the conclusion of contracts on M&As (business transfer, divestiture, mergers) between the Company and NEC Corporation including its subsidiaries, and other important matters that may pose a conflict of interest risk with minority shareholders of the Company and NEC Corporation.

In addition to the above, certain transactions with NEC Corporation are subject to our internal procedures for examining the reasonableness of the terms and conditions of the transactions, and the Special Committee confirms the results of the examination.

(Members of the Special Committee) As of June 28, 2024

Chairperson: Mamoru Yoshida (Independent Outside Director)

Members: Michiko Ashizawa (Independent Outside Director) and Mikiko Morimoto (Independent Outside Director)

(5) Personnel relationship with the parent company

Two of the Company's nine Directors are Executive Officers of NEC Corporation, and the Company believes that they are capable of contributing to the enhancement of our group's corporate value by leveraging their knowledge and experiences at NEC Corporation. The nomination of candidates for Directors is deliberated on by the Nomination and Compensation Committee, which is chaired by an Independent Outside Director and whose majority members are Independent Outside Directors, before being resolved by the Board of Directors and submitted as a proposal to the General Meeting of Shareholders.

The Company promotes human resource exchange with NEC Corporation and its subsidiaries for the purpose of strengthening collaboration in sales and technology as well as accumulating and improving information and know-how. The Company believes that the exchange of employees contributes to strengthening its overall business capabilities.

For details, please refer to "Matters Relating to the Controlling Shareholder, etc.," posted on the Timely Disclosure network (TDnet) of the

Tokyo Stock Exchange and on our website.

(6) Contracts with the parent company with respect to group management

There are no group management agreements with NEC Corporation.

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

1. Organizational Composition and Operation

Organization Format	Company with the Board of Corporate Auditors
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Directors

Maximum Number of Directors Stipulated in Articles of Incorporation	10
Directors' Term of Office Stipulated in Articles of Incorporation	One year
Chairperson of the Board Updated	Chairman of the Board and Representative Director (Excluding individual holding concurrent position as president)
Number of Directors	Nine
Election of Outside Directors	Elected
Number of Outside Directors	Three
Number of Outside Directors Designated as Independent Directors	Three

Outside Directors' Relationship with the Company (1)

Name	Attribute	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Michiko Ashizawa	Academic								○			
Mamoru Yoshida	From another company								△			
Mikiko Morimoto	From another company											

* Categories for "Relationship with the Company".

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

- Person who executes business for the Company or its subsidiary
- Person who executes business for or a non-executive director of the Company's parent company
- Person who executes business for a fellow subsidiary
- Person/entity for which the Company is a major client or a person who executes business for said person/entity
- Major client of the Company or a person who executes business for said client
- Consultant, accounting expert, or legal expert who receives large amounts of cash or other assets from the Company in addition to remuneration as a director/Audit and Supervisory Board Member
- Major shareholder of the Company (in cases where the shareholder is a corporation, a person who executes business for the corporation)
- Person who executes business for a client of the Company (excluding persons categorized as any of d, e, or f above) (applies to director him/herself only)
- Person who executes business for another company that holds cross-directorships/cross-auditorships with the Company (applies to director him/herself only)
- Person who executes business for an entity receiving donations from the Company (applies to director him/herself only)

k. Other

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

Name	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons for Appointment
Michiko Ashizawa	○	<p>Ms. Michiko Ashizawa is Associate Professor of the Graduate School of Business Administration, Keio University, and was Associate Professor of Yokohama City University until August 2023. Although the Company has a business relationship with the respective universities, where she holds/held concurrent positions, the amount of such business transactions is less than 0.2% of the respective sales (total revenue) of the Company or any of the parties. The Company therefore believes that there is no risk of affecting her independence as an Outside Director.</p> <p>Note: In calculating the above percentage, the total revenue of Yokohama City University as published in the FY2022 financial results is used.</p>	<p>Ms. Michiko Ashizawa has an abundance of experience, including business experience as a certified public accountant at an audit firm and engaging in revitalization projects of major companies at Industrial Revitalization Corporation of Japan. She also possesses expertise in all aspects of business administration, mainly researching M&A for corporate restructuring and serving as an associate professor at a graduate school. The Company believes she will play an appropriate role in matters such as giving advice and providing supervision related to managing the Company, particularly from the perspectives of global strategy and growth strategy by drawing on her knowledge and experience, and therefore the Company has appointed her as an Outside Director.</p> <p>Since she has no special interests with the Company and is unlikely to have a conflict of interest with the general shareholders, the Company determines that she satisfies the independence standards.</p>
Mamoru Yoshida	○	<p>Mr. Mamoru Yoshida was an executing person of Panasonic Corporation (currently Panasonic Holdings Corporation) until June 2016. Although the Company has a business relationship with that company, the amount of such business transactions is less than 0.1% of the sales of the Company and that company. The Company therefore believes that there is no risk of affecting his independence as an Outside Director.</p>	<p>Mr. Mamoru Yoshida has led various businesses, including overseas business, and served as technology officer and corporate auditor at a major electrical appliance manufacturer. In addition to excellent management skills and strategy building ability, he possesses extensive insight and experience particularly in technology management and corporate governance. The Company believes he will play an appropriate role in matters such as giving advice and providing supervision related to managing the Company, particularly from the perspectives of corporate strategy and governance by drawing on his knowledge and experience, and therefore the Company has appointed him as an Outside Director.</p> <p>Since he has no special interests with the Company and is unlikely to have a conflict of interest with the general shareholders, the Company determines that he satisfies the independence standards.</p>
Mikiko Morimoto	○		<p>Ms. Mikiko Morimoto, after gaining experience at private companies such as private thinktanks</p>

			<p>in macroeconomic research and analysis, management of investment fund, and consulting in areas such as corporate and organizational sustainability promotion and ESG response, established a consulting company that provides comprehensive support for sustainability management, at which she serves as CEO. The Company believes she will play an appropriate role in matters such as giving advice and providing supervision related to managing the Company, particularly from the perspective of sustainability by drawing on her knowledge and experience, and therefore the Company has appointed her as an Outside Director. Since she has no special interests with the Company and is unlikely to have a conflict of interest with the general shareholders, the Company determines that she satisfies the independence standards.</p>
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Voluntary Establishment of Committee equivalent to Nomination Committee or Remuneration Committee	Established
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Status of Voluntarily Established Committee, Attributes of Members Constituting the Committee and the Committee

Chairperson Updated

	Name of Committee	Number of all members	Number of full-time members	Number of Inside Directors	Number of Outside Directors	Number of outside experts	Number of members in other capacities	Chairperson
Voluntarily Established Committee Equivalent to Nomination Committee	Nomination and Compensation Committee	Five	Zero	Two	Three	Zero	Zero	Outside Director
Voluntarily Established Committee Equivalent to Remuneration Committee	Nomination and Compensation Committee	Five	Zero	Two	Three	Zero	Zero	Outside Director

Supplementary Explanations Updated

The Company has established the Nomination and Compensation Committee as a body to deliberate on the nomination and remuneration of Directors and others from the viewpoint of ensuring transparency, validity and objectivity.

The independence of the Committee is ensured by appointing an Independent Outside Director as its chairperson and by having a majority of the Committee members consists of Independent Outside Directors. There are currently five committee members as follows.

(Members of the Nomination and Compensation Committee) As of June 28, 2024

Chairperson: Michiko Ashizawa (Independent Outside Director)

Members: Mamoru Yoshida (Independent Outside Director), Mikiko Morimoto (Independent Outside Director),

Yushi Ushijima (Chairman of the Board and Representative Director) and Michitaka Ono (President and Representative Director)

The Committee thoroughly discusses the appropriateness of the procedure for nominating candidates for Directors and Corporate Auditors, policies and procedures for determining Director remuneration, and succession plans for Directors and Executive Officers. It provides the Board of Directors with its opinions as necessary. The Board of Directors utilizes the input of the Committee in making decisions related to nominations and compensation.

Corporate Auditors

Establishment of the Board of Corporate Auditors	Established
Maximum Number of Corporate Auditors Stipulated in Articles of Incorporation	Five
Number of Corporate Auditors	Four

Cooperation among Corporate Auditors, Accounting Auditors and Internal Audit Division **Updated**

The Company has established the Corporate Auditing Division as an internal audit division, independent of business execution divisions. The Corporate Auditing Division reports to the Board of Corporate Auditors at least twice a year on the results of audits conducted in accordance with the annual audit plan, and exchanges opinions with Corporate Auditors as necessary to ensure mutual cooperation.

Corporate Auditors conduct statutory audits in cooperation with the Corporate Auditing Division and Accounting Auditors and exchange opinions on a regular basis and whenever necessary to promote mutual coordination.

Appointment of Outside Corporate Auditors	Elected
Number of Outside Corporate Auditors	Two
Number of Outside Corporate Auditors Designated as Independent Corporate Auditors	Two

Corporate Auditors' Relationship with the Company (1)

Name	Attribute	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Akiko Isohata	Lawyer											
Koji Inagaki	Certified Public Accountant											

* Categories for "Relationship with the Company".

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

- Person who executes business for the Company or its subsidiary
- A non-executive director or an accounting advisor of the Company or its subsidiaries
- Person who executes business for or a non-executive director of the Company's parent company
- An Audit and Supervisory Board Member of a parent company of the Company
- Person who executes business for a fellow subsidiary
- Person/entity for which the Company is a major client or a person who executes business for said person/entity
- Major client of the Company or a person who executes business for said client
- Consultant, accounting expert, or legal expert who receives large amounts of cash or other assets from the Company in addition to remuneration as a director/Audit and Supervisory Board Member
- Major shareholder of the Company (in cases where the shareholder is a corporation, a person who executes business for the corporation)
- Person who executes business for a client of the Company (excluding persons categorized as any of f, g, or h above) (applies to the auditor)

him/herself only)

k. Person who executes business for another company that holds cross-directorships/cross-auditorships with the Company (applies to the director/auditor him/herself only)

l. Person who executes business for an entity receiving donations from the Company (applies to the person him/herself only)

m. Other

Corporate Auditors' Relationship with the Company (2)

Name	Designation as Independent Corporate Auditor	Supplementary Explanation of the Relationship	Reasons for Appointment
Akiko Isohata	○		<p>Ms. Akiko Isohata has specialized knowledge of the Companies Act and corporate governance, and the like, and has a wealth of experience as a lawyer in the field of general corporate legal affairs. The Company believes she will audit the legitimacy of its business operations from a fair and objective standpoint, by making use of her knowledge and experience, and has appointed her for these reasons.</p> <p>Since she has no special interests with the Company and is unlikely to have a conflict of interest with the general shareholders, the Company determines that she satisfies the independence standards.</p>
Koji Inagaki	○		<p>Mr. Koji Inagaki has been engaged in audit work for many years at an audit firm as a certified public accountant, has deep knowledge of finance and accounting, and in addition, has gained a wealth of experience in management, including overseas operations and the promotion of innovation by using digital technology, as Deputy CEO of the audit firm. The Company believes he will be capable of auditing the legitimacy of its business operations from a fair and objective standpoint, by making use of his knowledge and experience, and has appointed him for these reasons.</p> <p>Since he has no special interests with the Company and is unlikely to have a conflict of interest with the general shareholders, the Company determines that he satisfies the independence standards.</p>

Matters Concerning Independent Directors and Independent Corporate Auditors

Number of Independent Directors and Independent Corporate Auditors Updated	Five
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Other Matters Concerning Independent Directors and Independent Corporate Auditors

The Company has designated all Outside Directors and Outside Corporate Auditors that qualify as Independent Outside Directors and Independent Outside Corporate Auditors based on the Company's independence standards.

<Standards for Judgment of the Independence of Outside Directors/Corporate Auditors>

The Company has established the following standards for ensuring the independence of candidates for Independent Outside Director and candidates for Independent Outside Corporate Auditor.

Independent Outside Directors and Independent Outside Corporate Auditors must meet these standards even after taking office.

- (1) A person who is not a Director, Corporate Auditor, Executive Officer or other employee of the Company or its subsidiaries within the past ten years
- (2) A person who is not a Director, Corporate Auditor, Executive Officer or other employee of NEC Corporation or its subsidiaries within the past ten years
- (3) A person who has not been engaged in major transactions with the Company or who has not been an executing person of such a company which makes major transactions* with the Company within the past three years
 * “Major transactions” means transactions in which the transaction amount with the Company exceeds 2% of the annual consolidated sales or total revenue of either the Company or the person with which the transaction is conducted.
- (4) A person who is not a consultant, accounting expert, or legal expert who has received a large amount of money, etc. from the Company in addition to compensation for officers or who has not belonged to the organization such as a corporation, union, etc. which has received a large amount of money, etc. * from the Company in addition to compensation for officers within the past three years
 * “Large amount of money, etc.” means transactions where the amount paid by the Company exceeds 10 million yen in a year. However, if the person receiving such money, etc., is an organization, “large amount of money, etc.” means transactions that exceed 10 million yen per year or 2% of the annual consolidated sales or total revenue of that organization, whichever is higher.
- (5) A person who is not a shareholder (or business executing person of the corporation in the case where the shareholder is a corporation) who holds 10% or more of the total voting rights of the Company within the past three years
- (6) A person who is not from a company, where outside officers of the Company serve mutually as officers
- (7) A person who has not received a large donation from the Company or who is not from the organization to which the Company made the large donation* within the past three years
 * “Large donation” means a donation in which the amount of our donation exceeds 10 million yen in a year or 2% of the annual consolidated sales or total revenue of either the Company or the recipient of the donation, whichever is higher.
- (8) A person who is not a relative within the second degree of the person listed in (1) to (7) above
- (9) In addition, there is no doubt regarding the person about independence as an outside officer of our group

Incentives

Implementation Status of Measures related to Incentives Granted to Directors	Introduction of Performance-linked Remuneration and Others
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Supplementary Explanation Updated

Please refer to “Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods” under “Director Remuneration” in “II.1. Organizational Composition and Operation.” below.

Persons Eligible for Stock Options	
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Supplementary Explanation

Director Remuneration

Status of Disclosure of Individual Director’s Remuneration	Not Disclosed
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Supplementary Explanation

Policy on Determining Remuneration Amounts and	Established
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Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods Updated

The Company's Board of Directors made a resolution on a policy for determining details of remuneration for individual Directors at its meeting held on February 22, 2021. This policy was partially amended by the Board of Directors at its meeting held on June 23, 2023.

The Nomination and Compensation Committee, chaired by an Independent Outside Director and whose majority members are Independent Outside Directors, deliberates and decides on individual Director remuneration in accordance with this policy. The details of individual Director remuneration for the current fiscal year were determined in accordance with this policy and with respect to the opinions of the Nomination and Compensation Committee, and are deemed by the Board of Directors to be in accordance with this policy.

The policy is described as follows.

<Basic policy on Director remuneration>

The Company's remuneration systems reflect work responsibilities and results. Remuneration for Directors is set at an appropriate level and linked with the business performance, etc., in order to maintain competitiveness in the industry and function as an incentive to improve the business performance.

The remuneration, etc., for the Company's Directors (excluding non-executive Directors) consists of a fixed monthly remuneration, a bonus linked to each Director's contribution to the business under their supervision based on the financial indicators and non-financial indicators of the previous fiscal year, and stock compensation determined in accordance with their rank as an incentive to continuously improve the Company's corporate value from the same perspective as that of the Company's shareholders.

Remuneration, etc., for non-executive Directors is paid as a fixed monthly remuneration, not linked to the Company's business performance, due to their role in supervising the execution of business operations.

<Policy for determining fixed compensation (monthly compensation)>

Fixed compensation is paid each month as a salary in amounts based on basic remuneration commensurate with rank, duties, and responsibilities, plus consideration for the individual performance of each Director.

<Policy for determining performance-linked compensation (bonuses)>

Bonuses are paid at a certain time every year in amounts decided for each individual based on their rank and contribution to the business under the supervision of the Director, in consideration of performance in financial indicators (year-on-year growth in net sales and year-on-year growth in operating income) and non-financial indicators (greenhouse gas emissions, engagement score and percentage of female managers). The items and targets for non-financial indicators shall be set on an annual basis and determined based on the results of deliberations by the Nomination and Compensation Committee.

<Policy for determining non-monetary compensation (stock compensation)>

At a determined time each year, Directors receive restricted-transfer stock remuneration based on their rank with the objective of providing incentive for constantly improving the Company's corporate value and aligning the values of Directors with those of shareholders.

<Policy of deciding compensation composition>

The policy for the allocation ratio of monthly compensation, bonuses, and stock compensation shall be 55%:35%:10%.

<Matters on delegation of remuneration decisions>

Monthly remuneration and bonuses are deliberated on by the Nomination and Compensation Committee, and based on the results of the deliberation, the Representative Director authorized by the Board of Directors shall determine the amount of remuneration within the limit of the total remuneration determined by a resolution of the General Meeting of Shareholders. Stock compensation is granted according to Director's rank, and the Board of Directors shall make a resolution on the number of shares to be allocated to each Director.

<Other information>

The retirement benefit plan for Directors and Corporate Auditors was abolished at the conclusion of the 75th Ordinary General Meeting of

Shareholders held on June 27, 2007.

Supporting System for Outside Directors and Outside Corporate Auditors **Updated**

The Company has established a support system for Directors and Corporate Auditors to assist them in obtaining the necessary information in a timely manner. In particular, the Board of Directors secretariat (Legal & Compliance Division) for Outside Directors and the Corporate Auditors' Office for Outside Corporate Auditors serve as liaisons and coordinators to ensure that the necessary information is provided in a timely manner.

Status of Persons who have Retired as Representative Director and President, etc.

Name	Job Title/Position	Responsibilities	Terms and Conditions of Employment (Full/Part-time, with/without Remuneration, etc.)	Date when former role as president/ CEO ended	Term
-	-	-	-	-	-

Number of Persons Holding Advisory Positions (Sodanyaku, Komon, etc.) After Retiring as Representative Director and President, etc.	Zero
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Other Related Matters

There are no retired presidents holding advisory positions.

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

<Board of Directors>

As the principal decision-making authority within the Company, the Board of Directors makes decisions on important matters based on the procedural rules of the Board of Directors, and it is also positioned as a body for deepening discussions about the broader direction of the corporate strategy, including the medium-term management plan.

The Board of Directors is composed of nine Directors (six male and three female Directors), including three Outside Directors. The names of the Directors (with an indication showing if the Director is an Outside Director) are as described in “(5) Explanation with respect to the individual appointments/dismissals and nominations based on (4)s” of “I.1. Principle 3.1 Full Disclosure,” above. The Board of Directors is chaired by Mr. Yushi Ushijima, Chairman of the Board and Representative Director.

The Company strives to ensure that the number of Directors on the Board of Directors is appropriate, and has introduced an Executive Officer System to delegate significant authority to Executive Officers for prompt decision-making. The term of Directors is set at one year to clarify the management responsibilities of Directors and strengthen the management structure.

The Company has established the following two committees as advisory bodies to the Board of Directors.

(1) Nomination and Compensation Committee

The Nomination and Compensation Committee has been established to deliberate on and examine the nomination and remuneration of Directors and others from the viewpoint of ensuring transparency, validity and objectivity. The Nomination and Compensation Committee consists of five Directors, and whose majority members are Independent Outside Directors. The Nomination and Compensation Committee consists of Michiko Ashizawa, Mamoru Yoshida, and Mikiko Morimoto, who are Independent Outside Directors; and Yushi Ushijima, who is the Chairman of the Board and Representative Director; and Michitaka Ono, who is the President and Representative Director, and is chaired by Michiko Ashizawa.

(2) Special Committee

The Special Committee has been established to deliberate on and review material transactions or actions that pose a conflict of interest

between the controlling shareholder and minority shareholders to ensure independence from the controlling shareholder and to protect the common interests of shareholders. The Special Committee consists of Michiko Ashizawa, Mamoru Yoshida and Mikiko Morimoto, all of whom are Independent Outside Directors, and is chaired by Mamoru Yoshida.

<Executive Committee>

The Executive Committee has been established to discuss important matters related to corporate management and business execution. Particularly important matters are thoroughly deliberated on by the Executive Committee before being submitted to the Board of Directors, thereby enabling thorough deliberation and ensuring appropriate decision-making.

The Executive Committee consists of 12 members, including Executive Officers at senior vice president level and higher and Full-time Corporate Auditors, and is presided over by the President.

<Business Execution Committee>

The Business Execution Committee has been established to report on the status of business execution, such as monitoring progress with respect to meeting budgets adopted by the Board of Directors, with the aim of sharing management information and promoting execution efficiency.

The Business Execution Committee consists of 45 members, including Executive Officers at senior vice president level and higher, relevant Executive Officers and Corporate Auditors, and is supervised by the President.

<Management Quality Improvement Committee>

The Management Quality Improvement Committee has been established as a body to investigate the root causes of misconduct and to consider measures to prevent the reoccurrence of misconduct, as well as to deliberate on activity policies regarding risk management and policies for selecting and responding to priority risks. Important matters, which have been deliberated at the Management Quality Improvement Committee, are reported to the Executive Committee and the Board of Directors. The Management Quality Improvement Committee consists of nine Executive Officers at senior vice president level and higher, and is chaired by the President.

<Board of Corporate Auditors>

The Board of Corporate Auditors is composed of four Corporate Auditors, including two Outside Corporate Auditors. The names of the Corporate Auditors (with an indication showing if the Corporate Auditor is an Outside Corporate Auditor) are as described in “(5) Explanation with respect to the individual appointments/dismissals and nominations based on (4)” of “I.1. Principle 3.1 Full Disclosure,” above.

The Board of Corporate Auditors decides auditing policies and reports on the audits performed by individual auditors. Corporate Auditors participate in meetings of the Board of Directors and other important meetings, review important documents related to final decisions, and listen to reports on business execution by Directors, Executive Officers, and employees. In this way, Corporate Auditors adequately audit the Directors as they perform their duties. The Company has established the Corporate Auditors’ Office and allocated two dedicated personnel to assist Corporate Auditors in performing their duties.

<Corporate Auditing Division>

The Company has established the Corporate Auditing Division as an internal audit division, independent of business execution divisions. With 14 staff members engaged in internal audits, the Corporate Auditing Division audits whether business operations are conducted legally and appropriately in compliance with relevant laws, regulations, and internal rules.

The Corporate Auditing Division reports the results of audits conducted as per the annual audit plan directly to the President and Representative Director four times a year, to the Board of Directors twice a year, to the Full-time Corporate Auditors four times a year, and to the Board of Corporate Auditors twice a year. During such reporting, the Division exchanges opinions as necessary to promote mutual cooperation. The Corporate Auditing Division reports the audit results to the Senior Vice President in charge of the audited organization, the Senior Vice Presidents in charge of the divisions supervising our group’s internal control functions (such as Accounting, Legal & Compliance, and Human Resources), and Executive Officers, depending on the details of the audit results conducted in accordance with the annual audit plan, and exchanges opinions as necessary. Through this process, the Company strives to ensure the effectiveness of its internal control system.

<Accounting Auditor>

The Company has entered into an audit contract with KPMG AZSA LLC as its accounting auditor, and its accounting audit system is as follows.

(1) Name of the certified public accountant who executed the services and the number of years of audit related services for the

Company's financial documents in a case where the certified public accountant has performed audit related services consecutively.

Designated limited liability partner, Engagement partner: Naoki Matsumoto, for one year

Designated limited liability partner, Engagement partner: Tomoaki Murakami, for four years

(2) Composition of assistants engaging in audit services

Certified Public Accountants: 11

Others: 17

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

The Company adopts the system described above and in “Appendix: Corporate Governance System of the Company” since the advice of Outside Directors for decision-making in important business execution and objective audits by Independent Corporate Auditors are effective for sound management of the Company.

III. Implementation of Measures for Shareholders and Other Stakeholders

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

	Supplementary Explanations
Early Notification of General Shareholder Meeting	In order to allow shareholders sufficient time to consider the exercise of their voting rights, the Company takes measures to provide information electronically on the Company's website, etc., approximately four weeks prior to the General Meeting of Shareholders, and sends out the notice approximately three weeks prior to the General Meeting of Shareholders.
Scheduling General Shareholder Meeting Avoiding the Peak Day	In order to allow as many shareholders as possible to attend the General Meeting of Shareholders, the Company avoids holding the meeting on peak days.
Allowing Electronic Exercise of Voting Rights	The Company provides for voting via the Internet.
Participation in Electronic Voting Platform	The Company participates in an electronic voting platform operated by ICJ Co., Ltd., for institutional investors.
Providing the Convocation Notice in English	The Company prepares an English translation of the Convocation Notice and posts it on the Tokyo Stock Exchange's Timely Disclosure network (TDnet) and on our website.
Others	To enable shareholders who are unable to attend the meeting to view the meeting in person, the Company began live streaming the General Shareholder Meeting via the Internet (in a hybrid participation-type virtual shareholders' meeting format) in the fiscal year ended March 31, 2022, thus enabling shareholders who are unable to attend the meeting to view the meeting online. In addition, in order to promote dialogue with its shareholders, the Company began, in the fiscal year ended March 31, 2024, accepting questions from shareholders via the Internet prior to the General Meeting of Shareholders and answering them on the day of the General Meeting of Shareholders.

2. Status of IR-related Activities **Updated**

	Supplementary Explanations	Presentation by Representative Directors
Preparation and Publication of Disclosure Policy	The Company publishes its “Disclosure Policy” on its website. Disclosure Policy (For Japanese only):	

	https://www.nesic.co.jp/ir/info/policy.html	
Regular Investor Briefings for Individual Investors	<p>The Company explains its business activities, future strategies and initiatives by holding briefings for individual investors at the head offices and branches of securities firms as well as through web seminars.</p> <p>The presentation materials are also posted on its website for disclosure to individual investors who are unable to attend the briefing.</p>	Yes
Regular Investor Briefings for Securities Analysts and Institutional Investors	<p>The Company holds briefings on its quarterly financial result for securities analysts and institutional investors.</p> <p>Financial results briefings are held as follows.</p> <p>(1) To be held in: April to May for full-year; July to August for the 1Q; October to November for the 2Q; and January to February for the 3Q</p> <p>(2) Presented by: President and Representative Director or Senior Vice President, Member of the Board and Chief Financial Officer (CFO)</p> <p>(3) Audience: Securities analysts, institutional investors and media</p> <p>(4) Contents: Outline of the operating results, forecast, strategies</p> <p>In addition to the above, the Company explains its medium-term management plan and progress at financial results briefings to promote understanding of its medium-term management plan and business strategies. The Company also offers business field-specific briefings presented by business managers, and responds to requests for interviews and inspection tours.</p>	Yes
Regular Investor Briefings for Overseas Investors	<p>The Company participates in seminars for overseas investors hosted by securities firms to provide presentations and individual meetings concerning its business trends and strategies.</p>	No
Posting of IR Materials on Website	<p>IR materials are provided on our website in the “IR Information” section.</p> <p>The following is a summary of the IR materials posted on the website.</p> <p>(1) URL https://www.nesic.co.jp/english/ir/index.html</p> <p>(2) Materials posted</p> <p>*Materials in Japanese are omitted</p> <p>The following materials are available in English on the website.</p> <ul style="list-style-type: none"> • Consolidated Financial Statements • Financial briefing materials (Presentation, audio data, Q&A) • Annual Report (Integrated Report) • Materials related to General Meeting of Shareholders (Notice of convocation, notice of resolutions) • Business presentation materials • Others (main news releases, key financial data) 	
Establishment of Section and/or Staffs in Charge of IR	<p>The Company has established a section and appointed staffs in charge of investor relations.</p> <ul style="list-style-type: none"> • Section in charge of IR: IR Group, Financial Planning & Analysis Division 	

3. Status of Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanations
Stipulation of Internal Rules for Respecting the Position of Stakeholders	<p>The NEC Networks & System Integration Corporation Group Code of Conduct defines the matters that each and every executive officer and employee of our group should keep in mind in the course of business activities and also stipulates the basic matters to earn the trust of stakeholders. By having them comply with and practice the Code, our group strives to manage its business in consideration of its stakeholders.</p>
Implementation of Environmental Preservation, CSR Activities, etc.	<p>Aiming to create "an inclusive and sustainable society created through communications," our group is committed to working together with its stakeholders to maintain and improve safety, security, and comfort in lifestyles and the global environment through our corporate activities and businesses in accordance with the Sustainability Policy.</p> <p>The Sustainability Management Committee chaired by the President and Representative Director has been established as an organization responsible for promoting sustainability management. The Committee, with Independent Outside Director as an observer, reviews strategies and exchanges views on sustainability and ESG strategies, including climate change measures, as well as risks and opportunities that have a significant impact on business, as important matters related to management strategy. The Committee also reports to the Board of Directors on a regular basis, and reflects the opinions and advice of the Board of Directors in its initiatives.</p> <p>These are posted on our website and introduced in the Annual Report (Integrated Report).</p> <p>In addition, the Company strives to reduce its environmental impact and the effects of climate change in all of its business activities. In December 2021, the Company announced its endorsement of the TCFD recommendations and published on its website the results of its analysis of the impact of climate change-related risks and opportunities on its business activities and revenues.</p> <p>Sustainability: https://www.nesic.co.jp/english/sustainability/index.html</p> <p>Annual Report (Integrated Report): https://www.nesic.co.jp/english/ir/library/anyu.html</p> <p>Disclosures Based on TCFD Recommendations (Initiatives for climate change): https://www.nesic.co.jp/english/sustainability/environment/teigen.html</p>
Formulation of Policies on Information Provision to Stakeholders	<p>The Company recognizes that it is an extremely important responsibility to disclose material information concerning the Company and its affiliated companies in an accurate, fair, and timely manner, and is committed to timely disclosure in accordance with the applicable laws, regulations and the listing rules of the Tokyo Stock Exchange.</p> <p>Information subject to timely disclosure is disclosed on the Timely Disclosure network (TDnet) provided by the Tokyo Stock Exchange. When necessary, the Company also makes announcements to the press through the Tokyo Stock Exchange's press club, which is called Kabuto Club. Information disclosed on TDnet is posted on our website promptly to make it widely available to the public.</p> <p>In addition, the Company strives to proactively provide stakeholders with information that is not subject to timely disclosure, if such information is related to the Company's business operations and deemed important or useful for promoting stakeholder understanding of the Company, by voluntarily disseminating such information through press releases and our website.</p>
Other	

IV. Matters Concerning the Internal Control System

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

<Basic views on internal control system and status of system development>

The Company has established the following basic policy regarding the development of internal control systems as stipulated in Article 362, Paragraph 4, Item 6 of the Companies Act.

In addition to constantly evaluating the status of the development and operation of the internal control system based on this basic policy and taking necessary improvement measures, the Company also constantly reviews this basic policy in response to changes in the business environment and other factors. The Company ensures the appropriateness of its operations by conducting its business in accordance with this basic policy, laws, regulations, and internal rules.

- (1) A system which ensures that the performance of duties by Directors and employees complies with the laws, regulations and the Company's Articles of Incorporation
 - (i) Directors and Executive Officers shall adhere to the NEC Networks & System Integration Corporation Group Code of Conduct (the "Code of Conduct"), which was formulated to establish corporate ethics standards at the Company and its subsidiaries and to ensure compliance with laws, regulations, the Articles of Incorporation, and internal rules. They shall promote the Code of Conduct by instilling the importance of complying with the Code of Conduct.
 - (ii) The Legal & Compliance Division shall conduct activities to ensure that all employees are familiar with the Code of Conduct, while the Corporate Auditing Division shall conduct audits of compliance with laws, regulations, the Articles of Incorporation, and internal rules at the Company and its subsidiaries.
 - (iii) The Legal & Compliance Division shall promote the use of the Hotline for Internal Reporting and Consultation (Corporate Ethics Hotline), which is a consultation service for violations or suspected violations of laws, regulations and the Code of Conduct, and endeavor to detect such facts at an early stage.
 - (iv) In the event that a Director discovers a serious violation of laws, regulations, or internal rules, that Director shall immediately report the fact to the Corporate Auditors and the Board of Directors, and corrective measures shall be taken.
 - (v) The Management Quality Improvement Committee shall investigate the causes of misconduct in the NEC Networks & System Integration Group, and formulate and implement specific measures to prevent the recurrence of such misconduct.
 - (vi) The Company shall never associate with anti-social forces or groups that threaten the order and safety of civil society, and shall take a firm stand against any unreasonable demands.

- (2) A system to retain and manage information concerning the performance of duties by Directors

Directors and employees shall properly prepare, retain, and manage various documents, etc., related to the performance of their duties in accordance with laws, regulations, and internal rules such as those concerning document management. In addition, information shall be retained and managed appropriately in accordance with internal rules such as on information security, trade secret control, and personal information protection and management.

- (3) Rules and other systems for managing the risk for loss
 - (i) The risk for loss (hereinafter referred to as "Risk") shall be effectively and comprehensively managed in accordance with the Basic Rules for Risk Management. The Company shall receive advice from outside experts such as attorneys, certified public accountants, etc., depending on the nature of the Risk, and shall manage it appropriately.
 - (ii) The Management Quality Improvement Committee shall discuss important matters related to Risk management and promote activities to implement specific Risk management measures across the Company and its subsidiaries.
 - (iii) The Executive Committee shall fully deliberate on policies for dealing with critical management Risks and other important matters from the viewpoint of Risk management, and submit particularly important matters for discussion at the Board of Directors' meeting.
 - (iv) The Corporate Auditing Division shall conduct audits on the Risk management systems of the Company and its subsidiaries and the implementation status of Risk management.

- (4) A system that ensures efficiency in the performance of duties by Directors
 - (i) The Board of Directors shall meet once a month on a regular basis and whenever necessary on an ad hoc basis to facilitate flexible decision-making.
 - (ii) The performance of duties by Directors and Executive Officers is reported to the Board of Directors as appropriate.
 - (iii) The Board of Directors shall make timely decisions regarding business operations by delegating significant authority to Executive Officers.

Executive officers shall execute their duties in a flexible and efficient manner based on the business responsibilities determined by the Board of Directors.
 - (iv) Management functions of the Company are strengthened by the Executive Committee and the Business Execution Committee. The

former consists mainly of Executive Officers at the senior vice president level and higher as well as Corporate Auditors, and it deliberates on important matters related to the management and business execution of the Company. The latter monitors the business execution status and reports on important matters.

- (v) The authority of Executive Officers and other employees shall be exercised appropriately and efficiently in accordance with the internal rules, such as the authority to execute duties.

(5) System that ensures the appropriateness of business operations in the corporate group

- (i) The Company shall collaborate with its parent company, NEC Corporation (“NEC”), as necessary, regarding the establishment of corporate ethics, systems to ensure compliance with laws, regulations, the Articles of Incorporation, and internal rules, and other systems to ensure the appropriateness of business operations.
- (ii) a. The Company shall provide guidance and support to its subsidiaries regarding the establishment of corporate ethics based on the Code of Conduct, systems to ensure compliance with laws, regulations, the Articles of Incorporation, and internal rules, and other systems to ensure the appropriateness of business operations.
b. The Company shall establish a department in charge of subsidiary management to promote and manage activities to ensure the appropriateness of business operations at subsidiaries in cooperation with each corporate staff department.
- (iii) The Company shall dispatch Directors or Corporate Auditors to a subsidiary and designate a department that will oversee the overall management and business operations of the subsidiary and receive reports on the status of business execution by the subsidiary. In accordance with the rules on affiliate company management, the Company shall deliberate on the important business operation matters of subsidiaries in the Executive Committee and submit them to the Board of Directors, and shall cooperate with NEC as necessary. The management department shall identify Risks that may impede upon the efficient execution of operations of the subsidiary, and shall provide guidance and support to ensure that the subsidiary is able to perform its duties appropriately.
- (iv) Directors of the Company and its subsidiaries shall prepare financial statements, etc., in accordance with laws, regulations and internal rules, and shall cooperate with Accounting Auditors in the performance of their audit. In addition, the Company shall evaluate, maintain, and improve internal control over financial reporting in accordance with laws and regulations.
- (v) The Corporate Auditing Division shall perform an audit of subsidiaries on the appropriateness of their operations.
- (vi) Corporate Auditors shall ensure the appropriateness of operations of the Company and its subsidiaries through business operation audits.

(6) Matters concerning employees who are assigned to assist in the duties of Corporate Auditors and the independence of such employees from Directors

The Company has established the Corporate Auditor’s Office and assigns staff members to assist the Corporate Auditors in performing their duties.

Corporate Auditors may express their opinions on the personnel changes, etc., of such staff members.

(7) System for Directors and employees to report to Corporate Auditors and other systems for reporting to Corporate Auditors

- (i) Directors and employees of the Company and its subsidiaries, as well as Corporate Auditors of subsidiaries, shall report from time to time on the status of performance of their duties and other matters upon request of the Company’s Corporate Auditors.
- (ii) The Corporate Auditing Division, etc., shall report regularly to the Corporate Auditors depending on the nature of their duties.
- (iii) The Legal & Compliance Division shall periodically report to the Corporate Auditors on the status of operation of the Hotline for Internal Reporting and Consultation (Corporate Ethics Hotline).
- (iv) The Company shall not treat any Director or employee of the Company or its subsidiaries, or any Corporate Auditor of a subsidiary, disadvantageously on account of their report to the Corporate Auditors.
- (v) Important documents for approval shall be made available for inspection by the Corporate Auditors.

(8) Systems to ensure effective audits by Corporate Auditors

- (i) Corporate Auditors attend the meetings of the Board of Directors and other important meetings as deemed necessary.
- (ii) At Board of Corporate Auditors meetings, Corporate Auditors exchange information on and discuss the status of implementation of audits and other matters. Corporate Auditors shall cooperate with Accounting Auditors in the execution of their audit duties, periodically receive reports on accounting audits and exchange opinions, and collaborate with the Corporate Auditing Division (the Company’s internal audit department) to ensure effective audit operations.
- (iii) The Company will pay reasonable expenses when requested by Corporate Auditors for the performance of their duties.

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

<Basic views on measures for eliminating anti-social forces and the status of development>

(1) Basic views on measures for eliminating anti-social forces

In the Basic Policy on the Internal Control System, the Company has stipulated that it forbids any and all relationships with anti-social forces and groups which threaten the order and safety of the civil society and will take a firm stand against any unreasonable demands.

(2) Status of development of the Company's system for eliminating anti-social forces

- (i) The NEC Networks & System Integration Corporation Group Code of Conduct stipulates that all executive officers and employees of our group companies shall take decisive action against anti-social forces and groups that threaten the order and safety of civil society, and shall sever all relationships with such forces and groups and shall not engage in any conduct that promotes the activities of anti-social forces and groups.
- (ii) By establishing a department for dealing with anti-social forces, the Company has a system to centrally collect and manage information related to anti-social forces.
- (iii) The Company closely cooperates with third-party experts, such as local police, attorneys, and other organizations in eliminating anti-social forces.

V. Other

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not Adopted
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Supplementary Explanation

2. Other Matters Concerning the Corporate Governance System **Updated**

<Summary of timely disclosure structure>

The Company's internal structure regarding timely disclosure of information is as follows.

In order to promote the vitalization of a highly transparent securities market and to achieve a sound market economy, the Company recognizes that it is an extremely important responsibility to accurately, fairly, and timely disclose important information which may influence investment decisions concerning the Company and its affiliates, and strives for the timely disclosure of corporate information in accordance with applicable laws and regulations (including fair disclosure rules under the Financial Instruments and Exchange Act) and the listing regulations of the Tokyo Stock Exchange.

In addition, the Company's internal rules, Regulations for the Prevention of Insider Trading, set forth action guidelines for the management of inside information, trading of share certificates, etc., and the disclosure of material facts, and ensure compliance with the Financial Instruments and Exchange Act, other relevant laws, regulations and rules. The Company will further improve our internal systems to ensure accurate, fair, and timely disclosure of information.

(1) Internal structure for timely disclosure of corporate information

- (i) Information related to financial results, forecasts, etc.

Information related to financial results and forecasts is compiled based on financial statements prepared by the Finance & Accounting Division, with disclosure proposals compiled in consultation with relevant departments. The draft information for disclosure will be submitted by the Senior Vice President in charge of accounting and finance to the President and Representative Director for approval by the Board of Directors.

The IR Group of the Financial Planning & Analysis Division will immediately disclose the information upon approval by the Board of Directors.

- (ii) Information subject to timely disclosure other than (i) above

With respect to other timely disclosure information, the Senior Vice President in charge of the Financial Planning & Analysis Division and the Legal & Compliance Division will consider the appropriateness of disclosure, the content and method of disclosure in consultation with the Executive Officers in charge of managing material information and related divisions (including group companies). Those Executive Officers report to the President and Representative Director, request the President's approval or obtain approval from the Board of Directors in accordance with internal rules.

The Financial Planning & Analysis Division's IR Group will immediately disclose the information upon approval stated above.

*1. In principle, timely disclosure is made in accordance with the internal procedures described above. However, approval procedures may be simplified for minor corrections and matters that require particularly prompt disclosure upon occurrence of an incident.

Even in such cases, information is disclosed only after approval by the President and Representative Director is obtained, in principle. In addition, information subject to discussion by the Board of Directors is disclosed after the Board's approval.

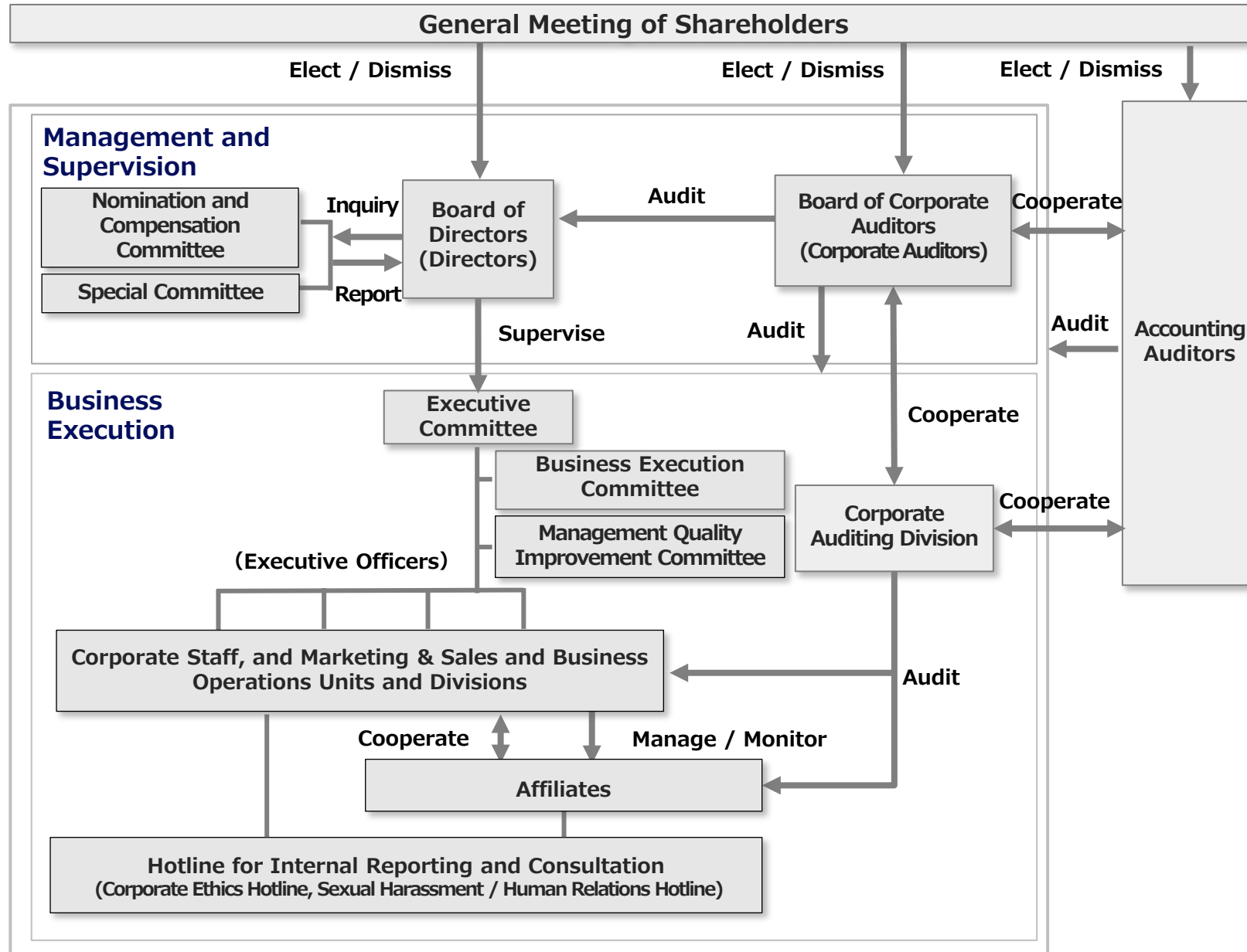
*2. Disclosure is made by registering the information on Timely Disclosure network (TDnet), and if necessary, by posting materials at the press club (Kabuto Club) or press conference. Information so disclosed is also made available on our website.

(2) Check functions concerning timely disclosure of corporate information

The Company has established the Corporate Auditing Division as an organ under the direct control of the President, and it is independent of other departments. The Division is responsible for internal auditing of the Company's overall business activities.

The Corporate Auditing Division also periodically audits the timely disclosure of corporate information to ensure that it is conducted legally and appropriately in compliance with the relevant laws, regulations, and internal rules.

Appendix: Corporate Governance System of the Company



Appendix: Directors and Corporate Auditor Skills Matrix

Name	Independence	Particular area that the Company expects for Directors and Corporate Auditors							
		Corporate management	Technology	Sales and marketing	Global	Finance, accounting and Investment	Environment and carbon neutrality	HRM (Human Resource Management)	Corporate governance
Yushi Ushijima		●							●
Michitaka Ono		●	●	●			●		
Osamu Kikuchi			●	●	●				
Junji Ashida						●		●	●
Hiroto Sugahara			●			●			
Noriko Ito				●	●				
Michiko Ashizawa	◎				●	●			
Mamoru Yoshida	◎	●							●
Mikiko Morimoto	◎						●	●	
Yohei Otani									●
Hiroshi Itami						●			●
Akiko Isohata	◎								●
Koji Inagaki	◎					●			●

Note : These are the skills, experience, and expertise particularly expected of each Director or Corporate Auditor, and do not represent all the skills, experience, and expertise possessed by each Director and Corporate Auditor.

Reasons for selecting the following skill areas as skills expected of Directors and Corporate Auditors

Skill areas	Reasons for selecting
Corporate management	Expertise and experience in management reform are critical to formulating and implementing medium- to long-term management strategies to achieve the Company's vision of Sustainable Symphonic Society by 2030 with a view to responding to changes in the business environment and strengthening the management foundation of the Company, thereby achieving the Company's sustainable growth.
Technology	Expertise and experience in the Company's business areas are essential to advance existing businesses, drive their digital transformation, and strengthen the Company's innovation capabilities for creating new value through promoting "DX × Beyond 5G (next generation networks)".
Sales and marketing	Expertise and experience in marketing, branding and sales strategies are crucial to strengthening relationships with customers as well as creating and enhancing customer value through self-implementation-based consulting services.
Global	Expertise and experience in overseas operations, global trends of markets and the latest technologies are essential to expand our business and create new solutions.
Finance, accounting and Investment	Expertise and experience in finance, accounting and investment are critical to developing a financial strategy that allows the Company to build a solid financial base, growth investment for maximizing corporate value and strengthen shareholder returns.
Environment and carbon neutrality	Expertise in the environmental issues, including carbon neutrality, is necessary for the Company to make all its businesses more climate-resilient and to contribute to society.
HRM (Human Resource Management)	Expertise and experience in human resource strategies are required in order to offer greater growth opportunities to employees, enhance their engagement, and to create a culture where they can take initiative, while promoting inclusion and diversity as well as acquiring and developing talents.
Corporate governance	Expert knowledge on latest corporate governance practices or experience or practical insight in implementing corporate governance reform is required in order to strengthen the Company's corporate governance and ensure sustainable enhancement of its corporate value.