



CORPORATE GOVERNANCE

We are an enterprise that is viable thanks to a variety of stakeholders, including shareholders, customers, suppliers, employees and the local communities where we operate. We believe that our important responsibility is not only to improve business performance, but also to ensure the soundness, fairness, and transparency of management. Based upon this recognition, we strive to secure and enhance effective mechanisms for making transparent, fair, rapid, and decisive management decisions, and aim at sustainable growth and the improvement of medium- to long-term corporate value.

Basic Approach

As an enterprise with many stakeholders, the INTAGE Group recognizes its solemn responsibility to not only improve business performance but to ensure the soundness, fairness and transparency of management.

The INTAGE GROUP WAY, our Group vision, serves as the cornerstone of management. As the foundation of that vision, we have established the INTAGE Group Ethical Charter, which affirms to society at large our commitment to doing business in accordance with laws, regulations and common sense.

Further, based on this charter, we have formulated the

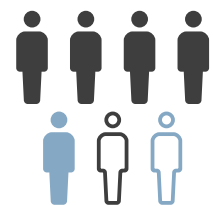
INTAGE Group Employee Code of Conduct, which defines the basic attitude and behaviors expected of the Group's executives, employees, and other staff members in their work every day. Understanding that the behaviors of each individual executive, employee, and other staff member are the basis for people's unfaltering trust in the Group, we strive to ensure that they carry out sound business activities in compliance with this charter. In addition, our internal control system is managed in accordance with our Basic Policy on Internal Control Systems.

Change in Governance

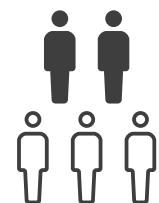
2013	<ul style="list-style-type: none"> Moved to a holding company structure and changed the corporate name to INTAGE Holdings Inc.
2014	<ul style="list-style-type: none"> Adopted the performance-linked, share-based compensation plan
2015	<ul style="list-style-type: none"> Appointed a woman as director (outside director)
2016	<ul style="list-style-type: none"> Changed to a company with an Audit & Supervisory Committee Implemented the first evaluation of effectiveness of the Board of Directors by external persons The share of outside directors in the Board of Directors exceeded 30%
2019	<ul style="list-style-type: none"> Revised the performance-linked, share-based compensation plan Increased the number of female directors to two
2020	<ul style="list-style-type: none"> Increased the number of directors by one
2022	<ul style="list-style-type: none"> Increased the number of outside directors by one Appointed two outside directors with management experience Introduced a restricted stock compensation plan
2023	<ul style="list-style-type: none"> Increased the number of directors by two in connection with becoming a subsidiary of DOCOMO Established the Governance Committee
2024	<ul style="list-style-type: none"> Decreased the number of directors from 13 to 12

Composition of Management (As of October 2024)

Men (Inside / Outside)
 Women (Inside / Outside)



Director



Directors Serving on the Audit & Supervisory Committee

Corporate Governance Structure

The Board of Directors consists of seven directors (excluding directors serving as Audit & Supervisory Committee members; including two outside directors), and five directors serving as Audit & Supervisory Committee members (including three outside directors). The Board identifies job authority and operations responsibility for directors, makes decisions on important matters, and oversees the execution of duties by directors. Based on the Board of Directors Regulations, the Board meets once a month and holds an extraordinary meeting when needed.

As a body that reports, discusses, and decides management policy, diverse measures, and various matters concerning business management, a Group Management Meeting is held once a month and is attended by directors (excluding directors serving as Audit & Supervisory Committee members), full-time directors serving on that committee, and executive officers. In addition, in order to support functions of the Board of Directors, report and discuss various matters, and enhance the efficiency of management, the Executive Committee meets every two weeks, with attendance by directors (excluding directors serving as Audit & Supervisory Committee members), full-time directors serving on that committee, and executive officers.

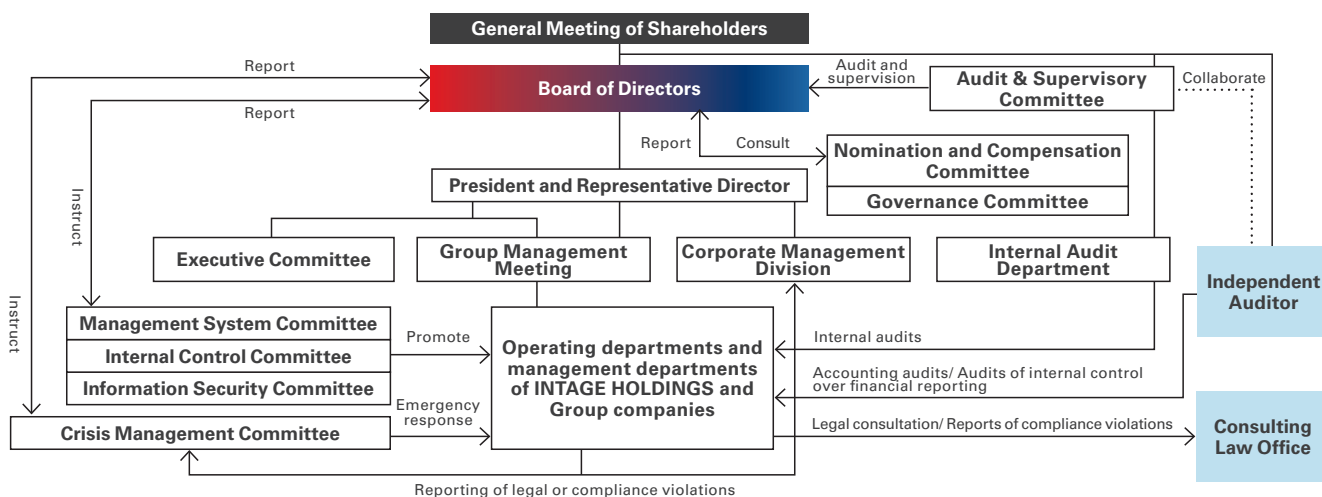
The Company has also established several committees: the Internal Control Committee for promoting internal control initiatives of the Group; the Crisis Management Committee whose goal is to respond to crises involving business operations of the Group; the Management System Committee for the continued improvement of the management systems of the Group; and the Information Security Committee, whose goal is the identification and resolution of information security issues.

The Audit & Supervisory Committee consists of five directors serving as Audit & Supervisory Committee members (including three outside directors). Ordinarily, they meet once a month. The committee strives to enhance its audit and supervisory functions concerning the management. For example, full-time directors serving on the committee attends important meetings, such as meetings of the Internal Control Committee, reports to other directors serving on the Audit & Supervisory Committee at its meeting, and then compiles the opinions of the Audit & Supervisory

Committee. Further, directors serving as Audit & Supervisory Committee members attend, in addition to the Board of Directors meetings, important meetings, such as the Group Management Meeting, Executive Committee, Internal Control Committee, Crisis Management Committee, Management System Committee, and the Information Security Committee, in order to understand the process of making important decisions and the status of execution of operations. They also inspect requests for approval and other important documents regarding the execution of operations and ask employees for explanations on an as-needed basis. They also understand the conditions of Group companies, through collaboration with the Internal Audit Department, regular briefings from it, and close communication with auditors of the INTAGE Group, among other initiatives.

The Internal Audit Department, which is in charge of the Company's internal audits, consists of eight people and audits the Company and Group companies from the perspective of whether the companies are managed appropriately and whether operations are executed fairly, appropriately, and effectively based on both shared management philosophy and policy as well as various rules. With regard to the audit process, the Department checks audit plans, execution of audits, reporting of audit results, and status of improvement, based on the Company's Internal Audit Rules and Execution Standard.

As an initiative for ensuring the effectiveness of internal audits, the Internal Audit Department holds regularly scheduled liaison meetings with the Audit & Supervisory Committee with the aim of improving the effectiveness and efficiency of audits by both of the organizations, in addition to reporting audit results to the Board of Directors, the Audit & Supervisory Committee, and others. At the liaison meetings, they confirm the audit policy and plan formulated at the beginning of the fiscal year. During and at the end of the year, they collaborate closely through activities such as exchanging opinions on internal audit reports as needed. The committee and the Accounting Auditor also exchange opinions regarding audits and exchange information on the status of audits. The committee also works closely with the Internal Control Division, which works to integrate the status of the Accounting Auditor and its control activities.



Evaluation of the Effectiveness of the Board of Directors (Fiscal 2023)

The Board of Directors analyzes and evaluates its effectiveness as a whole, referencing relevant information including the questionnaire self-evaluations completed by each director, and it discloses a summary of the results of its analysis and evaluation. In addition, the chairman of the Board of Directors regularly listens to opinions on the management of the board from outside directors. (Article 22 of the Basic Policy on Corporate Governance)

Outline of the Evaluation in August 2024

Interviews of 13 directors (eight directors who are not members of the Audit & Supervisory Committee and five who are) and the analysis of the results were conducted in August 2024. We have been working with external consultants since 2020, with the goal of having a more objective understanding of the matters that we should improve to further enhance the effectiveness of the Board of Directors. In 2024 again, we prepared the questionnaire, heard opinions, and analyzed the results. We received a report from the external consultant at the Board of Directors meeting in September

and confirmed the evaluation results and measures to be taken.

The questionnaire items for 2024 were prepared from the same perspectives as the previous year, including the composition and operation of the Board of Directors, strategy discussions, risk management, evaluations and compensation, and dialogue with shareholders and other stakeholders. In addition, the status of the initiatives to address from the previous year was also included in the evaluation items.

Evaluation Results

According to the evaluation results, based on a recognition that the composition and operation of the Board of Directors and the Nomination and Compensation Committees continue to be appropriate, it was again confirmed that the Board of Directors discusses the Company's management issues by paying respect to the opinions expressed by independent outside directors. This is evidenced in part by independent outside directors presenting constructive opinions to top management proactively, through sufficient explanations of meeting agenda items being provided to directors. In addition, to protect the interests of the Company's minority shareholders regarding the INTAGE Group's transactions

with Nippon Telegraph and Telephone Corporation, which is the Company's parent company, and its group companies, the Governance Committee, which consists of independent outside directors, was established as an advisory body in charge of monitoring and supervising those transactions. Examining the information available, including the Governance Committee's activities and reports to the Board of Directors, the results of the evaluation indicate that the Board of Directors has maintained its effectiveness in making decisions regarding key management matters and appropriately supervising the execution of business.

Future Initiatives

In the evaluation conducted in the previous year, the following tasks for maximizing the Board of Director's effectiveness to enhance corporate value were identified: i) management strategy taking into account the external environment and other factors, ii) review of the business portfolio, iii) allocation of management resources (human capital, intellectual property, etc.), iv) sustainability, and v) crisis response plans and other matters. Regarding these tasks, the improvement initiatives that followed, including the PDCA cycle, were evaluated highly. However, the continuing need to implement and accelerate

improvement initiatives was reaffirmed.

To further enhance the discussions of the Board of Directors in light of these evaluation results, further improvements and creative measures will be implemented and considered through efforts such as increasing the number of important topics on the discussion agenda of the Board of Directors and continuing to review the way information is provided to directors, including the detailed examination of reported matters to enhance the board's monitoring function.

Nomination and Compensation Committee

Activity Overview

The two committees meet as needed, with meetings lasting approx. 60 minutes per session. Both committees are chaired by outside directors who are members of the Audit & Supervisory Committee. In July 2024, Yoshiya Nishi became the new President and Representative Director of the Company. With a view toward the future selection of director candidates and candidates for the position of President and Representative Director, the Company creates opportunities for the Nomination Committee to meet, conduct interviews, and take other measures where necessary as described at right. The committee also has its members select human resources who would be suitable directors.

Nomination Committee

With independent outside directors playing leading roles in discussions, this committee evaluates and selects director candidates applying external knowledge for the development of internal human resources, including director candidates. The director candidates nominated by the committee are people who are excellent in terms of their personality and insight, capable of appropriately fulfilling the duty of care of a good manager as directors, able to give advice and recommendations to ensure the validity and appropriateness of the decisions made by the Board of Directors based on their professional careers and expertise, and who are believed to be able to help enhance the corporate value of the Company. The committee selects these human resources and reports its decisions to the Board of Directors.

Compensation Committee

In accordance with a resolution at a General Meeting of Shareholders, a director in charge of the matter prepares a draft of payments regarding the specific details of the compensation and other benefits paid to directors (excluding outside directors and directors who are members of the Audit & Supervisory Committee), including the amount, timing, allocation and other specific details of payments. Based on this draft of payments, the Compensation Committee determines base compensation, performance-linked monetary compensation, and performance-linked stock-based compensation as delegated by the Board of Directors. The committee also discusses restricted stock-based compensation and submits reports to the Board of Directors.

Composition and Meetings Held



Expertise (skills) and experience of directors and executive officers

(As of October 2024)

Directors are selected to ensure the composition of the board is diverse, with each Director having knowledge of the INTAGE Group's businesses and experience, achievements, and specialized knowledge, including involvement in the management of other companies, in the following areas. These are regarded as skills needed and required for corporate management, and gender and internationality

are also considered. In addition, at least one director who is an Audit & Supervisory Committee member is to be selected from among people with sufficient knowledge regarding finance and accounting. With this condition fulfilled, the business environment, management strategy, and the balance of members and skills that is believed to be appropriate are considered, among other factors.

Name	Number of years of service as director	Skills/area of expertise									
		Corporate management	Business strategy	Finance and accounting	Personnel and labor affairs Human resource strategy	Global	IT/DX	ESG Diversity	Legal affairs and risk management	R&D Business development	
Director	Yoshiya Nishi	8		●		●		●		●	
	Ayumi Higaki	5		●			●			●	
	Masaru Ohtakeguchi	4		●						●	
	Toru Takeuchi	2			●				●		
	Hideki Ishibashi	9 months		●			●			●	
	Atsuhiko Imai (Outside Director)	2	●		●				●		
	Hiroko Watanabe (Outside Director)	2	●	●			●				
Directors Serving on the Audit & Supervisory Committee	Toshio Odagiri	2		●					●		
	Satoshi Nagai	9 months		●			●				
	Hajime Nakajima (Outside Director)	8		●	●				●		
	Yuzo Miyama (Outside Director)	7		●			●		●		
	Shizuo Kashima (Outside Director)	6		●			●		●		

(Note) The area of specialization (skill) and experience of "Corporate management" covers Outside Directors only.

Governance Committee

The Company established the Governance Committee in December 2023. This committee was established to enhance corporate governance by appropriately discussing and considering the risks of conflicts of interest with Nippon Telegraph and Telephone Corporation, which is the Company's parent company,

and its group companies (hereafter collectively the "NTT Group"), to ensure fairness, transparency, and objectiveness of the Company and its Group companies' (hereafter collectively the "INTAGE Group") transactions with the NTT Group and thereby protect the interest of the INTAGE Group's minority shareholders.

Approach to Independence and Protection of Minority Shareholders

The Company and the NTT Group cooperate by fully and mutually respecting each other's self-initiative and autonomy. At the same time, regarding transactions, etc. with the NTT Group, the Company has formulated the Basic Policy on Transactions with the NTT Group, and guided by this policy, the Governance Committee appropriately deliberates matters and implements other initiatives and the Board of Directors passes resolutions. In addition, partly because the Audit & Supervisory Committee conducts audits to examine whether directors are executing their duties appropriately in accordance with the above Basic Policy or not, the Company understands that both the structure for securing independence from the NTT Group and for protecting minority shareholders will be maintained.

Major Activities

(Time of establishment to October 2024)

The Governance Committee plays a role as an advisory body to the Board of Directors. As stated at left, it discusses and considers matters related to transactions with the NTT Group. Its activities carried out after its establishment in December 2023 include the formulation of the Basic Policy on Transactions with the NTT Group, the examination of the necessity, rationality, and appropriateness of projects related to sales of products or services to the NTT Group, and the validation of transactions that were conducted in FY2023 in accordance with the Basic Policy on Transactions. Further, effective on July 1, 2024, the Company acquired all shares of DOCOMO InsightMarketing, Inc., which was a joint venture with NTT DOCOMO, INC., making it a wholly owned subsidiary. The Governance Committee also examined and reported on the transactions related to this matter in terms of the rationality of their purpose, the appropriateness of procedures for the transactions, and the reasonableness of the terms, for which advice was sought.

Roles and Authorities of the Governance Committee

The Governance Committee serves as an advisory body to the Board of Directors. In response to the Board of Directors' requests for advice, the committee discusses and considers the following and submits reports to the board.

- 1 Formulation and revisions of the Basic Policy on Transactions with the NTT Group (draft)
- 2 Prior approval and after-the-fact validation of important transactions between the NTT Group and the INTAGE Group
- 3 Validation of transactions between the NTT Group and the INTAGE Group (planned to be conducted at least once a year)
- 4 Consideration of the disclosure of information related to matters set forth in the preceding items
- 5 Other matters for which deliberation or consideration has been deemed necessary by the Board of Directors or the committee

Composition of the Committee

(As of October 2024)

The committee consists of three or more members, who are selected from among the independent outside directors. The chairperson is selected from among its members, who are independent outside directors.

◆ Chairman

Atsuhiko Imai
(Independent outside directors)

◆ Members

Hiroko Watanabe
(Independent outside director)
Hajime Nakajima
(Independent outside director)
Yuzo Miyama
(Independent outside director)
Shizuo Kashima
(Independent outside director)

Directors' Compensation (FY2023)

Compensation for directors (excluding outside directors and directors who are members of the Audit & Supervisory Committee) is made up of monetary compensation and stock-based compensation. The percentages of these paid are determined by comprehensively taking into account a director's position and responsibilities, business performance, the degree of target achievement and so on. In addition, the percentage of compensation linked to medium- and long-term business performance and the proportions of monetary compensation to stock-based compensation are set as appropriate to ensure that the system functions as a healthy incentive aimed at sharing value with shareholders and facilitating sustainable growth. The compensation of outside directors who are not members of the Audit & Supervisory Committee comprises only the "base compensation" described in (i)a.

(i) Monetary compensation

The following monetary compensation is paid within the range of compensation based on resolution by the 44th Ordinary General Meeting of Shareholders.

a. Base compensation

Base compensation is determined based on position, roles, responsibilities and other factors.

b. Performance-linked monetary compensation

Performance-linked monetary compensation is calculated by multiplying a base amount, which uses consolidated operating profit for the previous fiscal year as its metric, by a designated coefficient according to position, taking an individual assessment-based amount based on role-specific results, and adding the two figures.

(ii) Stock-based compensation

Stock-based compensation comprises the following.

a. Performance-linked stock-based compensation

This is a type of stock-based compensation that was continued and partially revised by resolution of the 47th Ordinary General Meeting of Shareholders. In accordance with the Stock-based Benefits Regulations, in each fiscal year points are awarded based on a director's position and the degree of achievement of performance targets. In principle at the time of a director's retirement, shares in the Company corresponding to the accumulated number of points (with one point converted to one share of the common stock in the Company), and monetary proceeds from the conversion of common stock in the Company, are paid to the director through a trust.

b. Restricted stock-based compensation

This is a type of stock-based compensation established by resolution of the 50th Ordinary General Meeting of Shareholders. Based on their positions, each fiscal year directors are

granted monetary claims as compensation for the granting of transfer-restricted shares. The directors make in-kind contributions of all of these monetary claims, and in turn receive shares in the Company whose transfer is restricted over a certain period. Note that compensation shall be within the limit set by resolution of the 44th Ordinary General Meeting of Shareholders, and shall not exceed ¥90 million per year.

Regarding specific details concerning the amount, payment timing and allocation, etc., of compensation and other such benefits of directors who are not members of the Audit & Supervisory Committee (excluding outside directors), a director in charge is to prepare a payment draft in accordance with resolution of the General Meeting of Shareholders. Base compensation, performance-linked monetary compensation and performance-linked stock-based compensation are determined, under delegation by the Board of Directors, by a separately established committee pertaining to compensation ("Compensation Committee," hereafter) whose members comprise the President and Representative Director, directors who are members of the Audit & Supervisory Committee and independent outside directors, in which a majority of members are independent outside directors. Restricted stock-based compensation is determined by the Board of Directors following deliberation by the Compensation Committee. The compensation of outside directors who are not members of the Audit & Supervisory Committee comprises only base compensation. Specific details concerning the amount, payment timing and allocation, etc. of this compensation are determined by the Compensation Committee under delegation by the Board of Directors, in accordance with resolution of the General Meeting of Shareholders. The compensation of directors who are members of the Audit & Supervisory Committee comprises only base compensation. Specific details concerning the amount, payment timing and allocation, etc. of this compensation are determined by consultation between the directors who are members of the Audit & Supervisory Committee within the compensation limits established by resolution of the 44th Ordinary General Meeting of Shareholders.

After this policy for the determination of compensation was first approved by the Board of Directors on February 19, 2021, revisions to the policy were later approved by the Board of Directors on August 19, 2022 due to the introduction of restricted stock-based compensation. When determining details such as the individual compensation of directors in the fiscal year under review, since the Compensation Committee made its determinations as a result of multi-faceted considerations including consistency with the policy for determining compensation described above, for its part the Board of Directors judges that the determinations have been made in consistency with said policy.

Category	Total amount of compensation (thousand yen)	Total amount by type of compensation (thousand yen)				Number of eligible directors
		Monetary compensation		Stock-based compensation		
		Basic compensation	Performance-linked monetary compensation	Performance-linked stock-based compensation	Restricted stock-based compensation	
Director (excluding Audit & Supervisory Committee members) (excluding outside directors)	237,620	48,000	129,537	2,441	57,641	7
Director (Audit & Supervisory Committee members) (excluding outside directors)	19,200	19,200	-	-	-	2
Outside directors	36,000	36,000	-	-	-	5