

Last Update: February 22, 2023**Money Forward, Inc.**

Yosuke Tsuji, Representative Director, President and CEO

Contact: Administration Division +81 3 6453 9160 (Company Headquarters)

Securities code: 3994

<https://corp.moneyforward.com/en/>

The corporate governance of Money Forward, Inc. (the “Company”) is described below.

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

1. Basic Views

The Group endeavors to steadily increase shareholder value on a long-term basis, based on the recognition that it is essential for corporate governance to function effectively in order to pursue sustainable enhancement of corporate value in the IT industry, where the operating environment is subject to constant change.

In addition to respecting all stakeholders and raising corporate soundness and transparency, with an aim to achieve a steady increase in shareholder value on a long-term basis, the Company strives to develop an internal structure which allows for prompt and rational decision making as well as streamlined business execution, and to thereby solidify its corporate governance.

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

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

Disclosure Based on the Principles of the Corporate Governance Code Update

Disclosures based on this item are provided in the “Disclosure Based on the Principles of the Corporate Governance Code” section at the end of this document.

2. Capital Structure

Foreign Shareholding Ratio	30% or more
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Status of Major Shareholders Update

Name or Company Name	Number of Shares Owned	Percentage (%)
Yosuke Tsuji	7,136,365	13.27
The Master Trust Bank of Japan, Ltd. (Trust Account)	7,022,000	13.06
SSBTC CLIENT OMNIBUS ACCOUNT	4,134,755	7.69
MSIP CLIENT SECURITIES	3,033,500	5.64

BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE—AC)	3,015,662	5.61
Takashi Ichikawa	2,229,839	4.15
Custody Bank of Japan, Ltd. (Trust Account)	1,671,200	3.11
NORTHERN TRUST CO. (AVFC) RE FIDELITY FUNDS	1,319,429	2.45
The Shizuoka Bank, Ltd.	1,188,240	2.21
MLI FOR CLIENT GENERAL OMN NON COLLATERAL NON TREATY—PB	1,184,600	2.20

Name of Controlling Shareholder, if applicable (excluding Parent Company)	-
Name of Parent Company, if applicable	None.

Supplementary Explanation **Update**

- The Change Report for Large Shareholders made available for public inspection on December 6, 2022, states that Goldman Sachs Japan Co. Ltd. and its joint owner own 2,186,892 shares (4.06%) as of November 30, 2022. However, as the Company cannot confirm the substantive number of shares owned as of November 30, 2022, this information is not included in the above stated Status of Major Shareholders.
- The Change Report for Large Shareholders made available for public inspection on November 7, 2022, states that Sumitomo Mitsui Trust Asset Management Co., Ltd. (Japan) and its joint owner own 2,789,200 shares (5.18%) as of October 31, 2022. However, as the Company cannot confirm the substantive number of shares owned as of November 30, 2022, this information is not included in the above stated Status of Major Shareholders.
- The Change Report for Large Shareholders made available for public inspection on August 22, 2022, states that Capital Research and Management Company and its joint owner own 4,846,261 shares (9.03%) as of August 15, 2022. However, as the Company cannot confirm the substantive number of shares owned as of November 30, 2022, this information is not included in the above stated Status of Major Shareholders.

The Change Report for Large Shareholders made available for public inspection on June 7, 2022, states that FMR LLC owns 2,162,934 shares (5.18%) as of May 31, 2022. However, as the Company cannot confirm the substantive number of shares owned as of November 30, 2022, this information is not included in the above stated Status of Major Shareholders.

3. Corporate Attributes

Listed Stock Exchange and Market Segment Update	Prime Market
Fiscal Year-End	November
Business Sector	Information & Communication
Number of Employees (Consolidated) as of the End	1,000 or more

of the Previous Fiscal Year	
Net Sales (Consolidated) as of the End of the Previous Fiscal Year	¥10 billion or more and less than ¥100 billion
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

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5. Other Special Circumstances which May have Material Impact on Corporate Governance

None.

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

1. Organizational Composition and Operation

Corporate Governance System	Company with Audit and Supervisory Board*
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*Referred to in the Corporate Governance Code reference translation as "Company with *Kansayaku* Board"

Directors

Number of Directors Stipulated in Articles of Incorporation	12
Directors' Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board	President
Number of Directors Update	9
Election of Outside Directors	Elected
Number of Outside Directors Update	5
Number of Independent Directors Update	5

Outside Directors' Relationship with the Company (1) **Update**

Name	Attributes	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Masaaki Tanaka	From another company					△						
Akira Kurabayashi	From another company											

Etsuko Okajima	From another company									△			
Hiroaki Yasutake	From another company									△			
Gen Miyazawa	From another company									○			

*Categories for “Relationship with the Company”.

(Use “○” 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.)

- a. Person who executes business of the Company or a subsidiary
- b. Person who executes business or a non-executive director of a parent company
- c. Person who executes business of a fellow subsidiary
- d. Person/entity for which the Company is a major client or a person who executes business for such person/entity
- e. Major client of the Company or a person who executes business for such client
- f. Consultant, accounting expert, or legal expert who receives large amounts of cash or other assets in addition to director/Audit and Supervisory Board Member compensation from the Company
- g. Major shareholder of the Company (in cases where the shareholder is a corporation, a person who executes business of the corporation)
- h. Person who executes business for a client of the Company (excluding persons categorized as any of d, e, or f above) (applies to self only)
- i. Person who executes business for another company holding cross-directorships/cross-auditorships with the Company (applies to self only)
- j. Person who executes business for an entity receiving contributions from the Company (applies to self only)
- k. Other

Outside Directors’ Relationship with the Company (2) **Update**

Name	Designation as Independent Director	Supplementary Explanation of the Applicable Relationship	Reasons for Appointment
Masaaki Tanaka	○	Masaaki Tanaka has experience of serving as an executive at MUFG Bank, Ltd., a major lender to the Company. However, more than six years have passed since he resigned all positions with the bank, during which time he has also not served at any of that bank’s affiliates. Since retiring from the bank, he has served as Representative Executive Officer and President, etc. of Nippon Paint Holdings Co., Ltd. and has no influence on the bank’s decision making. There are no concerns that he would attempt to induce profits from the bank, etc. In addition, the amount of borrowings from the aforementioned bank constitutes 30% of the Group’s entire bank borrowings (24%, if borrowings of Biz Forward,	Masaaki Tanaka has been engaged in the management of Mitsubishi UFJ Financial Group, Inc. He has abundant experience and broad expertise in the finance field and in international business management, such as serving in top management positions including at large listed financial institutions in the U.S. and at large global companies. In addition, he has an in-depth knowledge of corporate governance, having participated in groups of the Financial Services Agency such as the Council of Experts Concerning the Follow-up of Japan’s Stewardship Code and Japan’s Corporate Governance Code. He provides supervision and valuable advice on the Company’s management from an independent and objective standpoint as an external Director, mainly on issues concerning global strategy,

		<p>Inc, a joint venture between the Company and the bank, are excluded). Borrowing from other major lenders are of a similar level at 28%/30% for Mizuho Bank, Ltd. and 28%/30% for Sumitomo Mitsui Banking Corporation. There are no concerns about there being an influence on the Company's decision-making.</p>	<p>finance, and governance.</p> <p>We expect him to continue providing valuable advice and opinions on the Company's management at the Board of Directors from an objective, broad and high-level perspective. We also expect him to contribute to increasing transparency of the Board of Directors and strengthening its oversight function, and have therefore elected him as an external Director.</p>
Akira Kurabayashi	○	-	<p>Akira Kurabayashi has a wealth of investment experience in new businesses in Japan and overseas. Based on his extensive knowledge of SaaS companies as a top expert of investment in the SaaS area, he provides supervision and valuable advice on the Company's management from an independent and objective standpoint as an external Director, mainly on issues concerning Business domains and M&As and investments. We expect him to continue providing valuable advice and opinions on the Company's management at the Board of Directors from an objective, broad and high-level perspective. We also expect him to contribute to increasing transparency of the Board of Directors and strengthening its oversight function, and have therefore elected him as an external Director.</p> <p>He is currently an external Director of the Company, and at the conclusion of this meeting, his tenure will have been five years. He is therefore well aware of the Company's actual status.</p>
Etsuko Okajima	○	Etsuko Okajima serves as a	Etsuko Okajima has abundant experience,

		<p>representative director and president of ProNova Inc. The Company had a business subcontracting agreement with ProNova for consulting work for its fiscal years ended December 2018, 2019 and 2021. However, as the proceeds thereof were less than 5 million yen for both fiscal years, there are no concerns about there being an influence on the Company's decision-making.</p>	<p>knowledge and broad expertise as a professional in human resources development, organizational management, and other related fields. She provides supervision and valuable advice on the Company's management from an independent and objective standpoint as an external Director, mainly on human resources development and sustainability issues. We expect her to continue providing valuable advice and opinions on the Company's management at the Board of Directors from an objective, broad, and high-level perspective. We also expect her to contribute to increasing transparency of the Board of Directors and strengthening its oversight function and have therefore elected her as an external Director.</p>
Hiroaki Yasutake	○	<p>Hiroaki Yasutake has experience of executing business at Rakuten Group, Inc. Although the Company has a business relationship with the company, such as payment of advertising expenses, the rate of the Company's transaction amounts to the company's consolidated sales revenue for the fiscal year ended December 2021 is insignificant at less than 0.1% of the consolidated revenue of the corporate group that the Rakuten Group, Inc. belongs to, i.e., the Rakuten Group. and can be deemed to be an ordinary transaction. Moreover, as seven years have passed since he resigned from the company, there are no concerns about there being an influence on the Company's</p>	<p>Hiroaki Yasutake has abundant knowledge and experience in technology and IT, having served as head of engineering at Rakuten, Inc. (currently Rakuten Group, Inc.) for many years. He also has co-founded Junify Corporation in the U.S. and has abundant knowledge, experience and broad expertise in international business management. He provides supervision and valuable advice about the Company's management from an independent and objective standpoint as an external Director, mainly in the fields of technology and IT and international business management. We expect him to continue providing valuable advice and opinions on the Company's management at the Board of Directors from an objective, broad, and high-level perspective. We also</p>

		<p>decision-making.</p> <p>In addition, he serves as the CEO of Junify Corporation. Although the Company had entered into an advisory agreement with the company between 2017 and 2018 and delegated advice, etc., on technology, etc., to the company, the Company's transaction amounts were less than 2 million yen for each fiscal year and insignificant, and as it has been more than three years since the end of the contract, there are no concerns about there being an influence on the Company's decision-making.</p>	<p>expect him to contribute to increasing transparency of the Board of Directors and strengthening its oversight function and have therefore elected him as an external Director.</p>
Gen Miyazawa	○	<p>Gen Miyazawa, serves as the EVP and senior managing corporate officer at Yahoo Japan Corporation. Although the Company has a business relationship with the company, such as payment of advertising expenses, the rate of the Company's transaction amounts to the consolidated sales revenue for the fiscal year ended March 2022 of the corporate group that the company belongs to, i.e., Z Holdings Group, is insignificant at less than 0.1% and can be considered an ordinary transaction. For this reason, there are no concerns about there being an influence on the Company's decision-making.</p>	<p>Gen Miyazawa has abundant experience, knowledge, and broad expertise in internet-related markets where the Group is developing its business. He founded an IT company and serves as Corporate Officer and Director of Yahoo Japan Corporation. He provides supervision and valuable advice about the Company's management, mainly on internet-related matters and in the corporate field, from an independent and objective standpoint as an external Director. We expect him to continue providing valuable advice and opinions on the Company's management at the Board of Directors from an objective, broad, and high-level perspective. We also expect him to contribute to increasing transparency of the Board of Directors and strengthening its oversight function and have therefore elected him as a candidate for external Director.</p>

Voluntary Establishment of Committee(s) equivalent to Nomination Committee or Remuneration Committee	Established
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Status of Voluntarily Established Committee(s), Attributes of Members Constituting the Committee and the Committee Chair (Chairperson)

	Committee's Name	All Members	Full-time Members	Inside Directors	Outside Directors	Outside Experts	Other	Chairperson
Voluntarily Established Committee Equivalent to Nomination Committee	Nomination and Compensation Committee	4	0	1	3	0	0	Inside Director
Voluntarily Established Committee Equivalent to Remuneration Committee	Nomination and Compensation Committee	4	0	1	3	0	0	Inside Director

Supplementary Explanation

On June 14, 2019, the Company established the Nomination and Compensation Committee to serve as an advisory panel to the Board of Directors. The Committee's aim is to raise independency, objectivity and accountability of the Board of Directors and thereby reinforce the Group's corporate governance structure through ensuring the transparency and objectivity of evaluations and decision making processes of directors' nominations and compensation.

Audit and Supervisory Board Member*

*Referred to in Corporate Governance Code reference translation as "*kansayaku*"

Establishment of Audit and Supervisory Board	Established
Number of Audit and Supervisory Board Members Stipulated in Articles of Incorporation	5
Number of Audit and Supervisory Board Members Update	4

Cooperation among Audit and Supervisory Board Members, Accounting Auditors and Internal Audit Departments

The Corporate Auditors, accounting auditors and the Internal Audit Office exchange opinions on a regular basis and aim to enhance effectiveness and efficiency of audits through such actions as sharing audit plans, audit results and other matters, and discussing operational improvements.

Appointment of Outside Audit and Supervisory Board Members	Appointed
Number of Outside Audit and Supervisory Board	4

Members Update	
Number of Independent Audit and Supervisory Board Members Update	4

Outside Audit and Supervisory Board Members' Relationship with the Company (1) **Update**

Name	Attributes	Relationship with the Company*												
		a	b	c	d	e	f	g	h	i	j	k	l	m
Yozo Ueda	From another company													
Katsuyuki Tanaka	Lawyer													
Hidetoshi Uriu	From another company										○			
Masami Hatakeyama	From another company										△			

*Categories for "Relationship with the Company".

(Use "○" 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 of the Company or a subsidiary
- A non-executive director or an accounting advisor of the Company or its subsidiaries
- Person who executes business or a non-executive director of a parent company
- An Audit and Supervisory Board Member of a parent company of the Company
- Person who executes business of a fellow subsidiary
- Person/entity for which the Company is a major client or a person who executes business for such person/entity
- Major client of the Company or a person who executes business for such client
- Consultant, accounting expert, or legal expert who receives large amounts of cash or other assets in addition to director/Audit and Supervisory Board Member compensation from the Company
- Major shareholder of the Company (in cases where the shareholder is a corporation, a person who executes business of 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 self only)
- Person who executes business for another company holding cross-directorships/cross-auditorships with the Company (applies to self only)
- Person who executes business for an entity receiving contributions from the Company (applies to self only)
- Other

Outside Audit and Supervisory Board Members' Relationship with the Company (2) **Update**

Name	Designation as Independent Director	Supplementary Explanation of the Applicable Relationship	Reasons for Appointment
Yozo Ueda	○	-	Yozo Ueda has extensive knowledge and experience regarding business management through serving as director and audit & supervisory board member at IT companies, etc., for more than 20 years, and has considerable expertise in legal, financial, and accounting matters. Accordingly, the Company expects to receive his supervision and appropriate auditing of overall

			management based on such knowledge and experience and has therefore appointed him as an External Corporate Auditor.
Katsuyuki Tanaka	○	-	Katsuyuki Tanaka has extensive knowledge and experience based on over 20 years of experience in corporate legal affairs. The Company therefore continues to appoint him as an External Corporate Auditor to receive his supervision and appropriate auditing of overall management.
Hidetoshi Uriu	○	Hidetoshi Uriu serves as the global CSO and director of board at VisasQ Inc., and the Company has a business relationship with the company, including the payment of service fees. However, as the rate of the Company's transaction to the operating income of the company for its fiscal year ended February 2022 was less than 0.1% and insignificant, it can be considered an ordinary transaction, and there are no concerns about there being an influence on the Company's decision-making.	Hidetoshi Uriu was involved in many M&A advisory operations both in Japan and abroad during his time at major U.S. investment bank, Goldman Sachs Japan, Co., Ltd., and has extensive knowledge of finance and accounting of global companies. The Company therefore continues to appoint him as an External Corporate Auditor to receive supervision and adequate auditing of overall management.
Masami Hatakeyama	○	Masami Hatakeyama has experience of executing business at Rakuten Group, Inc. Although the Company has a business relationship with the company, such as payment of advertising expenses, as he resigned from the company more than 10 years ago, there are no concerns about there being an influence on the Company's decision-making.	Masami Hatakeyama has long-standing business experience in the internetfinance field with Rakuten Securities, Inc. and at the SBI Group. He has abundant experience and knowledge in the Fintech field, an area of business being developed by the Group, and broad IT-related expertise. In addition, he has served for a long time as the Director in charge of compliance and risk management at Rakuten Securities, Inc., and has abundant practical knowledge concerning legal compliance and risk management.

			<p>Furthermore, he serves as Executive Director and CEO at SBI Japannext Securities Co., Ltd. and has management experience at internet-finance companies as well as experience in business execution at companies with numerous group companies including Rakuten Group, Inc. and SBI Holdings, Inc. Drawing on his abundant knowledge and experience, he provides supervision of management in general and appropriate audits from an independent and objective standpoint.</p> <p>The Company expects to receive his supervision and appropriate auditing of overall management based on abundant knowledge and experience and from an independent and objective standpoint. The Company has accordingly appointed him as an External Corporate Auditor.</p>
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Matters Concerning Independent Directors and Independent Audit and Supervisory Board Members

Number of Independent Directors and Independent Audit and Supervisory Board Members Update	9
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Other Matters Concerning Independent Directors and Independent Audit and Supervisory Board Members

All external officers who meet the criteria for independent officers are designated as independent officers.

Incentives

Implementation Status of Measures related to Incentives Granted to Directors	Introduction of Stock Options Scheme
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Supplementary Explanation for Applicable Items

The Company has introduced a stock option scheme with an aim to raise motivation and morale for enhancing financial performance and thereby improve equity value in the medium to long term. The Company has also introduced a restricted stock compensation scheme targeting Directors, with an aim to further share the benefits and risks of stock price movement with shareholders, and thereby boost Directors' motivation to contribute to raising stock value and corporate value.

Persons Eligible

Persons Eligible for Stock Options

Internal Directors, External Directors, External Corporate Auditors, employees, Directors of subsidiaries, and others

Supplementary Explanation for Applicable Items

The Company has introduced this scheme with an aim to raise the above recipients' motivation and morale for enhancing the Company's financial performance.

Director Remuneration

Status of Disclosure of Individual Directors' Remuneration

No Disclosure for any Directors

Supplementary Explanation for Applicable Items

The Company does not disclose individual Directors' compensation since there are no Directors who receive a compensation, etc. of 100 million or more.

The breakdown of total compensation is disclosed by officer category such as Directors and Corporate Auditors.

Policy on Determining Remuneration Amounts and the Calculation Methods Thereof

Established

Disclosure of Policy on Determining Remuneration Amounts and the Calculation Methods Thereof

The voluntarily established Nomination and Compensation Committee deliberates on the compensation of Directors within the limit resolved at the General Shareholders' Meeting, and the composition, level, and maximum amount of pool of Directors' compensation are determined by the Board of Directors based on the Committee's proposal. The composition and level of Directors' compensation are set to levels that appropriately compensate for the sufficient execution of the Company's managerial decision-making and supervisory functions, taking into account social and market conditions and comparing with other companies.

Individual Directors' compensations are determined by the voluntarily established Nomination and Compensation Committee, as delegated by resolution of the Board of Directors, based on the composition, level, maximum pool, etc., determined by the Board of Directors, taking into account responsibilities, achievements, etc. expected to be fulfilled by each Director (including abilities and results for the Representative Director and Executive Directors), and based on a Directors' compensation chart according to the title, to secure transparency and objectivity for the evaluation and determination process concerning the compensation, etc.

The Nomination and Compensation Committee comprises of at least three Directors appointed by the resolution of the Board of Directors, with the majority comprised of External Directors.

Support System for Outside Directors and/or Outside Audit and Supervisory Board Members

The Legal Ip Division serves as a liaison to External Directors and External Corporate Auditors, including providing prior notice on the date and time of and matters to be resolved in Board of Directors' Meetings. In addition, an employee (who is also a member of the Internal Audit Office) with adequate knowledge, abilities and experience serves as an assistant to support the

execution of duties by Corporate Auditors.

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

Information on Persons Holding Advisory Positions (*Sodanyaku, Komon*, etc.) after Retiring 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
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Number of Persons Holding Advisory Positions (*Sodanyaku, Komon*, etc.)
After Retiring as Representative Director and President, etc.

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Other Related Matters

All external officers who meet the criteria for independent officers are designated as independent officers.

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

As corporate statutory bodies, the Company has a Board of Directors, a Board of Corporate Auditors, and an accounting auditor. In addition, the Company has enhanced the supervisory function of the Board of Directors by having the External Directors comprise the majority of the Board of Directors and establishing the Nomination and Compensation Committee, for which the External Directors comprise the majority, and the Council of External Officers which comprise solely of external officers (External Directors and External Corporate Auditor). Details of each body, etc., are as follows.

a. Board of Directors

The Company's Board of Directors is comprised of nine Directors (including five External Directors), chaired by Yosuke Tsuji, Representative Director, President, and CEO. The Company's Board of Directors holds regular meetings once every month, as well as extraordinary meetings on an as-needed basis. During Board of Directors' meetings, Directors make important managerial decisions and also supervise the execution of duties by each Director. The term of office for Directors is one year, with an aim to clarify Directors' managerial responsibilities and develop a management structure that can respond promptly to changes in the business environment.

b. Board of Corporate Auditors

The Company's Board of Corporate Auditors is comprised of four members, including one full-time auditor and three part-time auditors, and is chaired by the Corporate Auditor Yozo Ueda. All are External Corporate Auditors and one is an attorney. The Board of Corporate Auditors holds regular meetings once every month and extraordinary meetings on an as-needed basis, wherein Corporate Auditors aim to share information among each other, including planning and progress of audits. The Corporate Auditors attend Board of Directors' meetings and other important meetings, and also appropriately monitor management through auditing procedures including browsing important documents and questioning officers and employees. Additionally, the

Corporate Auditors work closely with the Internal Audit Office and accounting auditors, and thereby strive to enhance effectiveness and efficiency of audits.

c. Accounting Auditors

The Company has concluded an auditing agreement with Deloitte Touche Tohmatsu LLC, and audits are performed in a timely and appropriate manner.

d. Nomination and Compensation Committee

The Company has established the Nomination and Compensation Committee as a voluntary body in order to strengthen the independence, objectivity, and accountability of the Board of Directors functions and to further enhance the Group's corporate governance system by ensuring the transparency and objectivity of the nomination of Directors and the evaluation and decision-making processes related to compensation, etc. for Directors and Group Executive Officers.

The Nomination and Compensation Committee makes reports in response to an inquiry regarding the composition of the Board of Directors, the appointment and dismissal of Directors, the appointment and dismissal of the Representative Director, the composition and level of compensation for Directors, and a draft concerning limits on the total amount of compensation for Directors and Audit & Supervisory Board Member, etc. The Nomination and Compensation Committee also determines the compensation of individual Directors, as delegated by the Board of Directors. The committee for the Fiscal Year ended November 2022 is comprised of the following three members who were selected by resolution of the Board of Directors.

Chair: Yosuke Tsuji, Representative Director and President

Members: Masaaki Tanaka (Independent External Director), Etsuko Okajima (Independent External Director), Ryoko Ueda (Independent External Director)

e. Council of External Officers

The Company has established the Council of External Officers consisting of all External Directors and External Corporate Auditors in order to improve the monitoring of executive departments and to contribute to the Company's sustainable growth and medium- to long-term corporate value enhancement by having External Officers (External Directors and External Corporate Auditors), who play a role in corporate governance, work together and exchange opinions on a regular basis. The meeting of the Council of External Officers is held once every three months as a principle to discuss and exchange opinions on matters including significant managerial issues, corporate governance, and risks regarding management and business performance and action plans for such risks. The content of discussions at the council meeting is shared by its chair Masaaki Tanaka with the Company's Representative Director, President, and CEO, Yosuke Tsuji, and recommendations are made to the executive departments, as necessary.

3. Reasons for Adoption of Current Corporate Governance System Update

The Company adopts a Board of Audit & Supervisory Board Member System because the Company's core business is a platform business, and it believes that a system in which the Board of Directors, led by Directors who are well versed in the Company's business, decides basic management policies and the execution of important operations, and Audit & Supervisory Board Member,

who have strong legal authority, audit the Directors' performance of their duties from an independent standpoint, is effective in ensuring the efficiency and soundness of management.

III. Implementation of Measures for Shareholders and Other Stakeholders

1. Measures to Vitalize the General Shareholder Meetings and Facilitate Exercise of Voting Rights **Update**

	Supplementary Explanation
Early Posting of Notice of the General Shareholders Meeting	<p>The Company endeavors to send early notices for the general meeting of shareholders. For the latest annual general meeting of shareholders held in February 2023, the notice was sent 19 days before the date of the meeting.</p> <p>To provide information early to the shareholders, the notice of the annual general meeting of shareholders held in February 2023 was disclosed on our website eight days before posting (27th of the month in which the general meeting of shareholders was held).</p>
Scheduling of the General Shareholders Meeting During Non-Peak Days	<p>The date of the general meeting of shareholders is set to ensure that the shareholders can exercise their votes subject to sufficient review, such as the annual general meeting of shareholders held in February in response to the fiscal year ending in November.</p>
Electronic Exercise of Voting Rights	<p>The Company offers a method for voting via the Internet at general meeting of shareholders and is developing an environment that enables more accessible exercise of voting rights by shareholders.</p>
Participation in a Platform for the Electronic Exercise of Voting Rights and Other Initiatives to Enhance Environment for Institutional Investors to Exercise Voting Rights	<p>Since the ordinary general meeting of shareholders held in February 2019, the Company has been participating in an electronic voting platform for institutional investors operated by ICJ, Inc.</p>
Provision of Notice (or Summary of Notice) of the General Shareholders Meeting in English	<p>Since the ordinary general meeting of shareholders held in February 2019, the Company has been creating convocation notices (abridged notices and reference materials) in English and posting them on the Tokyo Stock Exchange website, the electronic voting platform for institutional investors, and the Company's website.</p>
Other	<p>The general meeting of shareholders in February 2023 was held without a set venue, in other words a "virtual-only general meeting of shareholders," for shareholders who is not available on the date or who are located far from the Company.</p> <p>In addition, an archive video has been posted on the Company website to enable non-shareholders who are considering investing in the Company, including individual and institutional investors, to watch the general meeting of shareholders without requiring them to log in, etc.</p>

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

	Supplementary Explanation	Explanation by a representative director or a representative executive officer
Formulation and Publication of Disclosure Policies	The Company posts its Disclosure Policy on the IR website within the Company's website, and sets forth "Information Disclosure Standards," "Information Disclosure Methods," "Prevention of Insider Trading," "Quiet Period" and "Developing an Internal Structure." For further details, please refer to the Company's website: https://corp.moneyforward.com/en/aboutus/disclosure/	
Regular Investor Briefings held for Individual Investors	Financial results presentation material, a summary of consolidated financial results, timely disclosure materials, etc., are posted on the Company website simultaneously with the disclosure in principle, and the information is distributed to individual investors. The Company also provides a briefing on business operations and an opportunity for dialogue with individual investors during the general meeting of shareholders.	Not Held
Regular Investor Briefings held for Analysts and Institutional Investors	The Company holds briefings for analysts and institutional investors on the same day that quarterly financial results are announced. The Representative Director explains operating results and management policies. The Company also discloses a transcript of the briefing with an aim to impartially disclose information.	Held
Regular Investor Briefings held for Overseas Investors	Each quarter, the Company discloses financial-results-related information in English and holds telephone and video conferences with overseas investors. The Company also participates in conferences sponsored by securities companies, etc., to promote communication with overseas investors. The Company also holds Investor Day in English once a year to provide an opportunity to help understand our business, with explanation provided directly by the business department representatives in addition to the Representative Director, CFO, and IR personnel.	Held

Online Disclosure of IR Information	The Company posts such information as financial results information and timely disclosure information on the IR website within the Company’s website: https://corp.moneyforward.com/en/news/investorrelations/
Establishment of Department and/or Placement of a Manager in Charge of IR	The Corporate Planning Division is in charge of IR.
Other	-

3. Status of Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanation
Establishment of Internal Rules Stipulating Respect for the Position of Stakeholders	The Company deploys business activities based on the belief that the largest contributing factor to business expansion is earning the trust of various stakeholders including shareholders and customers. The Company responds to changes in the business environment and establishes a management structure that enables prompt decision-making and business execution, while also striving to strengthen its business management structure to ensure managerial efficiency. The Company is committed to thoroughly deploying a compliance structure based on increasingly sound ethical standards, and to advancing its businesses to meet stakeholders’ expectations.
Implementation of Environmental Preservation Activities and CSR Activities, etc.	<p>Since the Company’s founding, the Company has embraced its mission “Money Forward. Move your life forward,” and aspired to eliminate money-related issues and concerns from the world we live in.</p> <p>The Company is committed to realizing a sustainable society under the three priority themes: “User Forward” to eliminate money-related issues and concerns from the world we live in through our services and businesses; “Society Forward” to contribute to creating a better society; and “Talent Forward” to draw out the potential of employees.</p> <p>For details on respective initiatives, please refer to the Company’s website (https://corp.moneyforward.com/en/sustainability/).</p> <p>For details on three priority themes, please refer to the following websites.</p> <p>User Forward: https://corp.moneyforward.com/en/sustainability/userforward/</p> <p>Society Forward: https://corp.moneyforward.com/en/sustainability/societyforward/</p> <p>Talent Forward: https://corp.moneyforward.com/en/sustainability/talentforward/</p>
Formulation of Policies, etc. on Provision of	The Company is committed to actively disclosing information to stakeholders

Information to Stakeholders	through the Company's website and financial results briefings, among other means.
Other	-

IV. Matters Concerning the Internal Control System

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

The Company strives to strengthen its corporate governance structure in order to ensure appropriateness, raise transparency, and maintain compliance of its management. In addition, the Board of Directors has established the “Basic Policy on Developing an Internal Control System.”

1. System to Ensure that Directors and Employees Execute Their Duties in Compliance with Laws and Regulations and the Articles of Incorporation

- The Company shall establish its mission, vision, values, and culture and ensure that its Directors and employees (hereinafter the “Officers and Employees”) are familiar with them.
- The Company shall appoint a Chief Compliance Officer (CCO) to promote compliance activities in the Company and its subsidiaries (hereinafter the “Group”).
- The Company shall establish the Compliance Rules and Compliance Manual, which apply to the Group as a whole, and shall establish and put into practice a code of conduct to ensure that the Officers and Employees of the Group not only comply with laws and regulations and rules but also conduct their corporate activities while maintaining high ethical standards.
- The Company shall conduct periodic training sessions and ensure that the Officers and Employees of the Group participate in such training sessions to ensure that they acquire correct knowledge of compliance and to help them practice compliance in their daily business activities.
- A meeting of the Compliance and Risk Management Committee chaired by the Representative Director shall be held at least once a quarter to receive reports and discuss matters related to the Group's compliance.
- An internal reporting contact point for the Group as a whole shall be established in the Company to receive consultation and reports on organizational or individual violations of relevant laws, regulations, notices, the Articles of Incorporation, internal rules, etc., and general social norms, in an effort to detect and correct such violations at an early stage and to strengthen compliance management in the Group.
- The Company shall never have any connection with anti-social forces or groups that threaten the order and safety of civil society and shall take a firm stance against unreasonable demands in cooperation with lawyers, the police, etc.
- An Internal Audit Department shall be established in the Company to conduct internal audits of the effectiveness of the internal control of the Company's management, efficiency and effectiveness of operations, compliance with laws and regulations, and other matters, and the result of such internal audit shall be reported to the Board of Directors and the Board of Corporate Auditors.

2. System Concerning Retention and Management of Information on the Execution of Duties by Directors

- The Company shall properly retain and manage legal documents such as minutes of the General Meeting of Shareholders,

minutes of the Board of Directors meetings, and financial statements, as well as information (including electromagnetic records) related to the execution of important duties, in accordance with the Document Management Rules and other internal rules.

- The information retained and managed shall be accessible at any time upon requests from Directors or Corporate Auditors.

3. Rules and Other Systems Concerning Management of Risk of Loss

- The Company shall accurately identify risks and take actions to minimize the risk by preparing appropriate countermeasures in advance, depending on the size of the risk, the likelihood of its occurrence, and the degree of impact if it occurs.
- A Compliance and Risk Management Meeting chaired by the Representative Director shall be held once a quarter to receive reports and discuss matters related to the Group's risks.
- With regard to the information security risk, the Chief Information Security Officer (CISO) shall periodically report the status of information security operations to the Representative Director, the Chief Technology Officer (CTO), and others to confirm the effectiveness and adequacy of the information security measures.
- In accordance with the Group Basic Rules for Crisis Management, the Company shall strive to establish and operate a system for responding to crises in preparation for the occurrence of large-scale accidents, disasters, misconduct, etc., and shall take prompt action in accordance with said rules in the event of a crisis to prevent the spread of damage and minimize the amount of damage.

4. System to Ensure Efficient Execution of Duties by Directors

- In addition to the regular monthly meetings of the Board of Directors, extraordinary meetings of the Board of Directors shall be held as necessary to ensure active exchange of opinions and flexible decision-making.
- The Company shall introduce an Executive Officer System to separate the business execution functions from the management decision-making and supervision functions of Directors, thereby accelerating decision-making and clarifying responsibility and authority for business execution.
- The Company shall establish the Regulations of the Board of Directors, Organization Rules, and Rules on Administrative Authority to define the division of duties and authority of the Officers and Employees, and each of them shall execute his or her duties in accordance with these rules.

5. System to Ensure Appropriateness of Operations Within the Corporate Group Comprised by the Company, Parent Company and Subsidiaries

- The Company shall enter into management agreements with each of its subsidiaries (hereinafter the "Group Companies") and request prompt reporting of important matters that affect the Group.
- The Company shall dispatch its Directors and Corporate Auditors to the Group Companies to attend their Board of Directors Meetings and confirm the status of the execution of duties by the Officers and Employees of the Group Companies.
- The Company and the relevant departments of the Group Companies shall cooperate with each other, share information, and support the business operations of the Group Companies.
- Compliance-related rules (the Rules for Responding to Anti-Social Forces, Internal Reporting Rules, Internal Control Rules, etc.) shall apply to the Group as a whole, and efforts shall be made to establish, maintain, and operate compliance systems at the Group Companies based on these rules that are equivalent to those of the Company.
- The Internal Audit Department of the Company shall directly audit the Group Companies or be given the results of audits

conducted by the Group Companies' internal audit department and confirm the validity and effectiveness of such audits, and report the result of such audit to the Board of Directors and the Board of Corporate Auditors.

6. Matters Concerning the Appointment of an Employee/Employees to Assist the Duties of Corporate Auditors

In the event that Corporate Auditors request the appointment of employees to assist them in the administration of the Board of Corporate Auditors or in the performance of other duties, the Company shall, upon consultation with the Corporate Auditors, appoint dedicated or concurrently serving employees to assist the Corporate Auditors (hereinafter the "Corporate Auditor Staff").

7. Matters Concerning Independence of the Employee/Employees Assisting the Duties of Corporate Auditors from the Board of Directors

- Personnel changes and performance evaluations of the Corporate Auditor Staff shall be made after listening to and respecting the opinions of the full-time Corporate Auditors.
- Disciplinary actions of the Corporate Auditor Staff shall be taken with the consent of the Board of Corporate Auditors.

8. Matters Concerning Ensuring Effectiveness of Instructions from Corporate Auditors to the Employee/Employees Assisting Corporate Auditors

- In the event that the Corporate Auditors give instructions to the Corporate Auditor Staff in the performance of their duties, the Corporate Auditor Staff shall follow the instructions of the Corporate Auditors and shall not be subject to the direction and order of the Directors.
- In the event that the Corporate Auditor Staff serve concurrently in other positions, the superior of the department in which the Corporate Auditor Staff serve concurrently and the Directors shall cooperate as requested by the Corporate Auditors to ensure the smooth performance of duties by the Corporate Auditor Staff.

9. System for Directors, Accounting Advisors and Employees to Report to Corporate Auditors, and Other Systems Concerning Reporting to Corporate Auditors

- Directors shall report to the Corporate Auditors on the status of the execution of their duties at important meetings such as the Board of Directors meetings on a regular basis and, if necessary, report at any time and without delay.
- When an officer or employee of the Group is requested by a Corporate Auditor to report on matters concerning the performance of his or her duties, he or she shall do so without delay.
- When an officer or employee of the Group discovers a fact that may cause significant damage to the Company, he or she shall immediately report it to the Corporate Auditors.
- The Company shall establish an internal reporting contact point that enables the Officers and Employees of the Group to report directly to the Corporate Auditors and make it known to the Officers and Employees of the Group.

10. System to Ensure that Individuals Reporting to Corporate Auditors Are Not Treated Unfavorably on the Grounds of Such Reporting

The Company shall stipulate in the Group Internal Reporting Rules, which apply to the Group as a whole, that no retaliatory action shall be taken against a whistleblower who uses the Internal Reporting System to report an incident, and make known the

contents of such rules to the Officers and Employees of the Group.

11. Matters Concerning Policies on Procedures for Advanced Payments of Expenses or for Securities Incurred in Association with the Execution of Duties by Corporate Auditors, and on Handling of Other Expenses or Obligations Incurred in Association with Such Execution of Duties

When a Corporate Auditor requests the payment of expenses for the performance of his or her duties, the Company shall promptly pay such expenses, unless it is proved that the expenses requested are not necessary for the performance of the Corporate Auditor's duties.

12. System to Ensure Effective Auditing by Corporate Auditors

- The Representative Director shall, in principle, exchange opinions with the Corporate Auditors once a year on management policies, significant risks surrounding the Group and issues to be addressed, and the status of development and operation of internal control systems.
- The Corporate Auditors shall regularly hold discussions with the Accounting Auditors and the Internal Audit Department to exchange information for effective auditing.
- The Corporate Auditors shall have prior discussion on the internal audit plan with the Company's internal audit departments. In addition, the Corporate Auditors shall regularly receive reports on the result of internal audits by the Company's internal audit departments or the Group companies' internal audit departments and request investigation, give instructions, etc., as necessary.
- The Corporate Auditors may utilize attorneys, certified public accountants, and other external specialists as necessary.
- Full-time Corporate Auditors shall attend important meetings of the Company, such as the Compliance Meeting, and shall regularly receive reports from the Company's Chief Compliance Officer (CCO) on the status of the development and operation of the Group's compliance system.
- The Internal Audit Department shall report the contents of individual internal audit reports and general internal audit reports to the Board of Corporate Auditors.

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

1) Basic Policy on Eliminating Anti-Social Forces

The Company rejects relationships with anti-social forces, and there is no evidence that the Company is currently involved with any anti-social forces. The "Rules for Responding to Anti-Social Forces" stipulates the prevention of involvement with anti-social forces and of provision of profits in order to deploy fair and sound management and business activities.

In the case where unreasonable demands are made by anti-social forces, the Company as a whole, led by the Representative Director will respond to the situation, and commit to responding resolutely taking legal countermeasures into consideration, while cooperating with external professional parties including lawyers, the relevant police station, the Special Violence Prevention Countermeasure Federation (Tokubouren) and the Tokyo Center for Removal of Criminal Organizations.

(2) Progress of Development in Eliminating Anti-Social Forces

The Legal&Ip Division, which is the division responsible for this area, strives to constantly check the latest information on laws and ordinances for eliminating anti-social forces enacted and promulgated by national or local governments, as well as on

policies, guidelines, and other rules regarding eliminating anti-social forces. The Administration Division also strives to establish a structure for eliminating anti-social forces and make such contents known by officers and employees through attending seminars held by professional parties aiming to eliminate anti-social forces, including the police, the Special Violence Prevention Countermeasure Federation (Tokubouren), and the Tokyo Center for Removal of Criminal Organizations, and through collecting information. Also, the Company appoints a person in charge of preventing unreasonable demands and reports to the relevant police station in order to prevent damages from unreasonable demands, etc. from anti-social forces, learn countermeasures, and collect information, among other purposes.

When commencing transactions with new clients or suppliers, the Company collects information through research using keyword searches on the Internet and newspaper article searches. Also, with regards to existing clients and suppliers, the Company conducts research on those with continuing transactions for whom the Company has not conducted research for over a year, and also conducts research in the case where changes in managers or investors become apparent. In addition, with regards to research on anti-social forces concerning shareholders, officers, etc. and employees, the extent of research is determined individually, and research is conducted regularly using the same method. Furthermore, when entering into an agreement with a client or supplier, agreements include an elimination clause stipulating that transactions and other actions shall be resolved immediately in the case where it is discovered that the counterparty is an anti-social force.

V. Other

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not Adopted
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Supplementary Explanation for Applicable Items

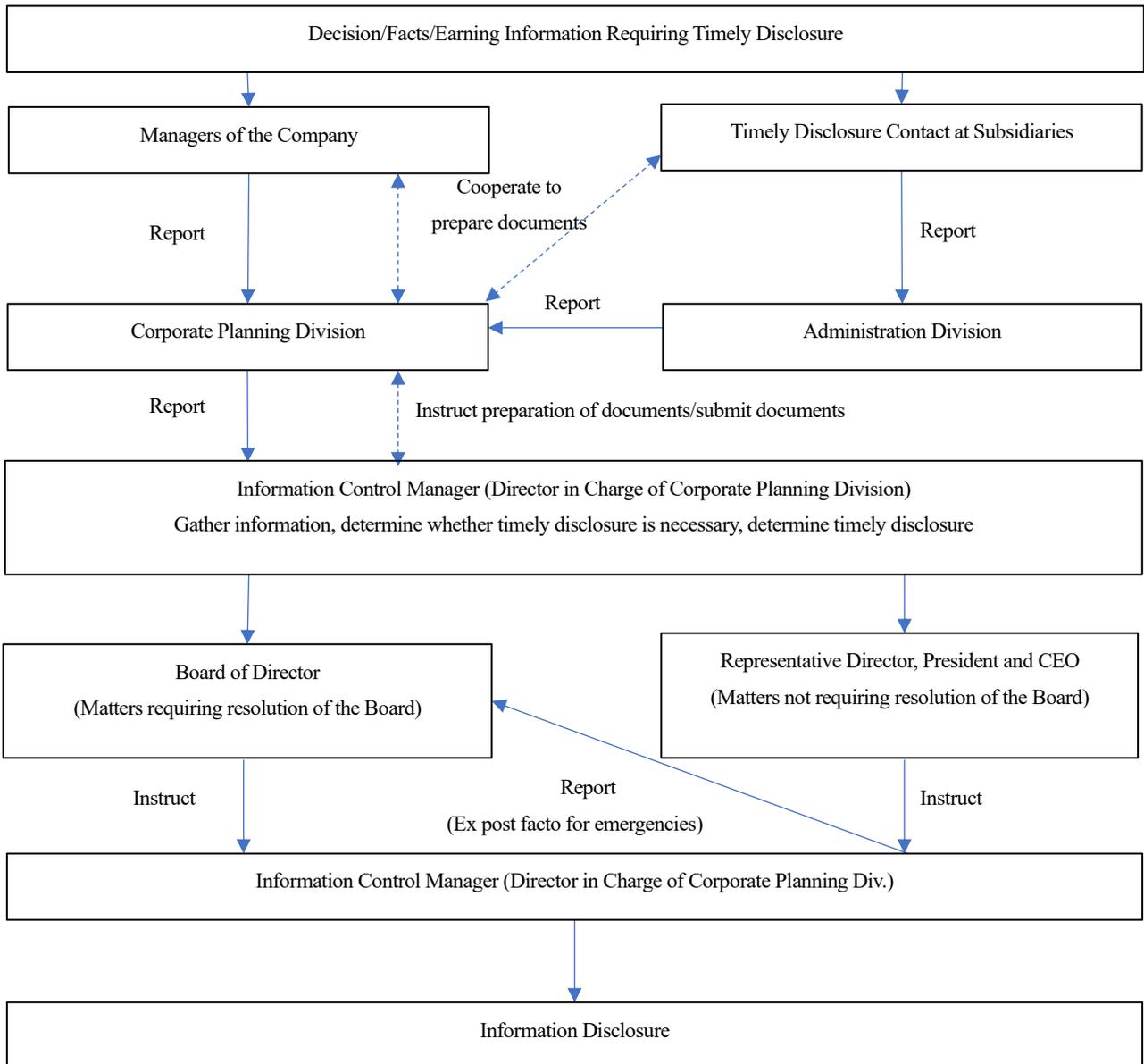
Not applicable

2. Other Matters Concerning the Corporate Governance System

A diagram describing the Company's corporate governance structure and the flow of procedures for timely disclosure is attached for reference.

END

■Flow of Procedures for Timely Disclosure



Disclosure Based on the Principles of the Corporate Governance Code

[Principle 1.4 Cross shareholding]

■Policy on Cross-Shareholding and Details of the Assessment of Appropriateness of Cross-Shareholding

The Company may engage in cross-shareholding for the purpose of maintenance/enhancement of affiliation based on comprehensive consideration including the Company's business strategy and relationship with the issuer. If the result of the examination indicates there is no significance or rationale for the cross-shareholding, the shares will be sold as appropriate based on the share price and market conditions.

Cross-shareholdings will continue only where it is deemed to contribute to increasing shareholder value of the Company through maintenance/enhancement of business affiliation, etc. The Board of Directors will annually assess whether to hold each individual cross-shareholding, specifically examining whether the purpose is appropriate and whether the benefits and risks from holding covers the Company's cost of capital, from the perspective of creation of business opportunities and enhancement of affiliation.

■Standard for Securing Appropriate Exercise of Voting Rights Concerning Cross-Shareholding

The Company will exercise voting rights for each cross-shareholding based on comprehensive consideration that it meets our policy on cross-shareholding and contributes to increasing the shareholder value of the issuer.

[Supplementary Principle 1.5.1]

In case the shares of the Company become subject to a tender offer, we will promptly disclose a position statement of the Board of Directors in accordance with Article 27-10 of the Financial Instruments and Exchange Act to provide information that contributes to the decision making of the shareholders on whether to accept the tender offer.

[Principle 1.7 Related Party]

Competition and conflicting interest transactions require resolution by the Board of Directors under the Regulations of the Board of Directors, and a Director with special interest cannot participate in the resolution.

In addition, related party transactions are subject to prior confirmation on business necessity, transaction rationale, and appropriateness of the terms of transaction, etc., in the application process that includes the relevant Director. For particularly important transactions, the Board of Directors makes decisions subject to sufficient deliberation.

[Supplementary Principle 2.4.1]

The Company believes realization of DEIB (diversity, equity, inclusion, and belonging) is essential for continuous innovation and provision of user focused services:

- The members employed are diverse in terms of experience and perspective in addition to gender,

nationality, and language. (Diversity)

- Each member is given an equal opportunity. (Equity)
- Diversity is accepted as our culture. (Inclusion)
- Each member is accepted and feels they can be who they are. (Belonging)

To achieve this, the Company believes (1) diversity in engineering organizations and (2) correction of the gender gap in the decision-making group are particularly significant themes.

(1) Initiatives for diversification of engineering organizations

The Group lists “User Forward” as one of the ESG materiality and focuses on resolving users’ issues with technology and design. To continuously develop high-quality products to be used by various people, the development organization itself must be diversified.

(See: <https://corp.moneyforward.com/sustainability/userforward/>)

The Group has quickly provided a wide range of services by expanding regional offices, including Fukuoka and Osaka, and establishing development offices in Ho Chi Min City and Hanoi in Vietnam with active recruitment of non-Japanese members (employees whose first language is not Japanese). In addition, English was adopted as the language of communication in engineering organizations, and extensive recruitment of non-Japanese members who do not speak Japanese started in the fiscal year ended November 2022. We aim to further enhance our development structure by constantly recruiting excellent engineers regardless of their backgrounds.

The status of diversity in the engineering organizations is as follows:

- Rate of engineers to designers¹: 37%
- Percentage of non-Japanese members among engineers¹: 38%
- Percentage of engineers with TOEIC score of 700 or above²: 41%
- Percentage of engineers with PROGOS^{*3} score of B1 or above²: 34%

Notes:

1: The rate among full-time employees of consolidated Group companies as of the end of November 2022.

2: The percentage of full-time employee engineers belonging to the Company’s engineering organizations who took the relevant test and met the criteria as of January 2023. The number of employees who took TOEIC and PROGOS was 313 and 302, respectively.

3: English speaking examination provided by PROGOS Inc.

As targets for diversification of the engineering organizations, the following objective criteria were set to achieve 100% English language use among the Company’s engineering organizations by the end of November 2024. However, the target is temporary, and we would like to aim higher.

- Each engineering organization has at least one non-Japanese member or is capable of accepting such an appointment.
- All members of engineering organizations maintain a minimum TOEIC score of 700 (indicator for being able to read and write).
- At least 30% of engineering organization members is at a minimum PROGOS level of B1

(indicator for being able to participate in a meeting).

To achieve the above targets, we organize training according to the level of relevant employees and provide detailed support for learning.

In addition, initiatives including the following will be continuously implemented to enable members with different linguistic and cultural backgrounds to understand each other and realize their potential toward achieving the Company's mission and vision.

- Cross-cultural communication training: Online learning is provided to all full-time employees of the Company and not just the engineers to promote understanding of the diversity of values.
- Support by a specialist team of meeting interpreters and document translators: Company-wide events participated by English speakers, such as weekly morning meetings and interim company meetings, are provided in Japanese and English. Furthermore, support is offered to reduce the burden on individuals not yet comfortable with English and promote active team communication by providing interpreters and various document translations for team meetings.
- Japanese language learning support system "TERAKOYA": To promote interaction with employees outside the engineering organizations and enrich life in Japan, regular one-on-one sessions with volunteer Japanese members (employees whose first language is Japanese) are provided to those who wish to participate.

(2) Initiatives to correct the gender gap in the decision maker group

Female employees comprise 35% of full-time Group employees. However, the percentage of female employees in managerial positions is 19%. Incorporating diverse perspectives is essential for management decision-making, and we believe that increasing the representation of women as the largest minority group is a significant initiative toward reaching such goal.

Our policy is to achieve the following by the fiscal period ending November 2025.

The Company has established seven grades corresponding to the skills and contributions of each individual (for full-time employees of the Company). There is a 0.6 pt gap in average grades between male and female employees⁴ in the same job category. We aim to reduce the gap to 0.2 pt. Note 4: As of the date of submission. The average grade for full-time employees of the Company (including secondees from the Company) by gender. Excluding employees in inclusive employment (disability employment) and in the trial period when grades are not determined.

In addition, a significant difference was observed between male and female employees' responses to the question "Would you be interested in a managerial position or projects with more responsibilities if offered?" in the semi-annual employee survey "MF Group Survey" conducted in August 2022. The average score for male and female employees was 4.2 and 3.8 out of 5.0, respectively, and we aim to improve the average scores to 4.0 or above for both.

To achieve the above target, we must ensure that in each step of the employee's journey, including recruitment, evaluation, development, and transfer, disadvantageous treatment does not occur due to unconscious bias and that the environment does not discourage taking on challenges. As specific measures, initiatives such as the following will be constantly implemented:

- Regular training on unconscious bias
- Recruitment policy that does not consider the backgrounds
- Confirmation that unconscious bias does not exist in the evaluation, transfer, selection of training participants, etc.
- Creation of a culture that supports working through life events, such as the publication of the Parental Leave Guidebook (<https://corp.moneyforward.com/news/info/20220920-mf-press/>), and continued dissemination of information
- Introduction of flextime system, shorter working hour system, and remote working system

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

The Company has not adopted a corporate pension fund system.

[Principle 3.1 Full Disclosure]

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

The Company's mission is "Money Forward. Move your life forward." Under this mission, the Company engages in platform service business with the vision to "become the financial platform for all."

To pursue the mission and achieve the vision, the Company operates business in four domains, i.e., the Business domain which provides corporate services; Home domain which provides personal services, X domain which engages in development of services for financial institutions, and Finance domain which develops new financial solutions.

Since the Company's foundation, the Company has been committed to creating innovative services by engaging with the users to provide solutions for their issues. The Company's social code of conduct promises "User Focus," "Technology Driven," and "Fairness" described below:

●User Focus

Defying all obstacles, we will retain a user-oriented stance at all times, grasping users' substantive issues and delivering solutions that exceed their expectations.

●Technology Driven

We believe technology to be a major driver in changing the world. We will therefore delve deeper into technology and provide society with deriving services, and thus unceasingly drive innovation.

●Fairness

We pledge to be fair and open to all stakeholders including our users, employees, shareholders, and society as a whole.

As stated in the Code of Conduct, Money Forward Group aims to support autonomous decision-making about money and management and contribute to moving the user's life and business forward by eliminating inefficiency in the world with technology and providing superior user experience based on "User Focus."

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

Refer to "I. Basic Policy on Corporate Governance, Capital Structure, Corporate Attributes and Other Basic Information, 1. Basic Policy" above.

(iii) Board policies and procedures in determining the remuneration of the senior management and Directors

Refer to “II. Overview of Business Management Organization and Other Corporate Governance Structures Concerning Managerial Decision-Making, Business Execution, and Supervision, 1. Matters Concerning Organizational Composition and Operations, etc., Director Compensation” below.

(iv) Board policies and procedures in the appointment/dismissal of the senior management and the nomination of Director candidates

- For the appointment of the Representative Director and Executive Directors (“Senior Management”) and nomination of candidates for Directors/Corporate Auditors, the Board of Directors is to appoint/nominate internal and external individuals, from home and abroad, with diverse experience, extensive knowledge, and strong expertise appropriate for Senior Management, Director, or Corporate Auditor who will contribute to the sustainable growth and medium- to long-term improvement of equity value of our Group.
- The Company has established the Nomination and Compensation Committee to serve as an advisory panel to the Board of Directors. The majority of the Nomination and Compensation Committee is comprised of External Directors to ensure fair and transparent evaluation of Directors’ nomination, etc.
- Appointment of Senior Management is made subject to performance evaluation for execution of important duties, etc., that are shared and evaluated at the Board of Directors’ meeting attended by Independent External Directors and Independent Corporate Auditors.

(v) Explanation with respect to the individual appointments/dismissals of Senior Management and nominations of Director candidates by the Board based on (iv) above

Reasons for appointment of Directors are stated on the notice of ordinary general shareholders’ meeting and annual securities report.

- Notice of Ordinary General Meeting of Shareholders:
<https://corp.moneyforward.com/en/news/investorrelations/?category=others>
- Annual Securities Report:
<https://corp.moneyforward.com/en/news/investorrelations/?category=report>

[Supplementary Principle 3.1.3]

- Sustainability

The Company aims to resolve financial issues for all and create society that drives challenge.

As an initiative for sustainability, in February 2021, the Company, to realize the society we are aiming for and to steadily improve shareholder value, “User Forward,” “Society Forward,” and

“Talent Forward” were set as three priority themes. The three priority themes are for stakeholders such as users, society, and employees, more so than to prevent risks that may arise from management, are to aim for an environment where everyone can take on more positive challenges by providing widespread support through the Company’s services and business activities.

“User Forward” provides a service that eliminates money-related issues and concerns that users have with the power of technology and design. In addition, we will promote investing in security to deliver the services safely.

The goal of “Society Forward” is to contribute to DX of society as a whole through co-creation with a wide range of partners, activities to realize better social systems by actively working on society, and to implement eco-friendly management that takes into consideration the impact on the global environment such as climate change.

“Talent Forward” aims to create diverse growth opportunities that will maximize members’ potentials, as well as protect the human rights of members (employees) and, as a given, improve their health and working environment. We aim to create an environment that accepts diverse perspectives regardless of gender, nationality, age, or educational background, etc., as well as management’s commitment to members’ talent development.

To promote these efforts as a company, Toshio Taki, Group Executive Officer and CoPA (Chief of Public Affairs), has been appointed to take charge of sustainability. In addition, the Sustainability Committee was established to deliberate on relevant matters, monitor the implementation status of sustainability-related measures, and report to the Board of Directors.

This Committee is composed of members appointed by the Board of Directors with the Representative Director, President and CEO as Chairperson. In addition to the validity and effectiveness of sustainability measures are ensured by requesting the attendance of persons in charge of relevant business divisions and External Directors as necessary.

This Committee, together with deliberating on matters related to sustainability, monitors the implementation status of sustainability-related measures, and reports to the Board of Directors.

In addition, regarding various measures decided after deliberation by this Committee and the Board of Directors, the members of the secretariat of this Committee will promote company-wide efforts through cooperation and information gathering with persons in charge of sustainability-related corporate and business divisions within the Group.

For details on the Company’s sustainability initiatives, please refer to the Company’s website (<https://corp.moneyforward.com/en/sustainability/>).

■ Investment in human resources

To realize our mission and vision, the Group has focused on the development our business and organization and the growth of our “people.” Therefore, we believe talent recruitment and development are critical for the sustainable operation of our business and organization. This is why “Talent Forward” is one of our ESG materiality, with a particular focus on (1) the creation of diverse growth opportunities that will bring out members’ potential, (2) commitment of the management to talent development, and (3) creation of an environment that accepts diverse perspectives regardless of gender, nationality, age, educational background, etc.

(See: <https://corp.moneyforward.com/sustainability/talentforward/>)

(1) Creation of diverse growth opportunities that will bring out members' potential

Setting appropriate goals is essential for the growth of our members. Twice a year, individual goals are designed to link to the Company's goals. Each member is to pursue their goal without fearing failure. Superiors are to have one-on-one meetings with each member at least once a month to confirm the expectations for and aspirations of the member and to provide feedback for growth. In addition, one-on-one training and target-setting training are held for supervisors to share specific tips and to create a culture where "the role of the superior is to bring out the members' potential and maximize the team's output."

In addition, we believe discontinuous career choices, such as transfers and job category changes, are important for bringing out the members' potential. Each company constantly considers transfers with attention to factors such as the career aspirations captured in the one-on-one meeting, performance, engagement scores gathered from monthly surveys, and organizational strategies. The management and HR department lead the discussion on reviewing Group-wide transfer and appointment. To realize transfers initiated by employees, we encourage employees to tackle different business assignments through the "MF Challenge System," an internal job posting system. As stated above, each member takes on their business assignments in alignment with the Company's goals, and appointments and transfers are made considering their passion and suitability and the Company's strategy. To maintain the constant creation of growth opportunities as the number of employees increases, we will utilize HR data such as evaluations and surveys, enhance the Human Resource Business Partner (HRBP) system, and design training systems that support career development.

(2) Commitment of the management to members' talent development

The Group has a culture where not only HR but all members contribute to recruitment and creation of organizations. Therefore, it is essential for the management to engage with the members and commit to their development. In addition to the contribution to development through OJT in the respective areas, the management is passionately committed to the "Leadership Forward Program," a development program for the next generation of leaders expanding over about six months, from the design of the content to the delivery of the training and feedback to each member. Furthermore, succession plans for current management are prepared regularly, leading to specific actions. The management will continue to be committed to talent development from Group-wide and medium- to long-term perspectives through activities including the above.

(3) Creating an environment that accepts different perspectives regardless of gender, nationality, age, educational background, etc.

See [Supplementary Principle 2.4.1] above.

■ Investment in intellectual property

For continuity and development of the business of the entire Group, the Company defines intellectual property as property, not limited to intellectual property rights, such as patent rights,

trademark rights, design rights, copyrights, but property, including technologies, data, know-how, brands, contents. The Group promotes intellectual property strategy through concerted efforts by the Business Division, Research, Development and Design Division and Intellectual Property Strategy Division. Our aim is to realize our Mission, Vision, and Values.

The Company shares information and cooperates with the Group companies to cooperate in resolving issues, promoting creation and use of effective intellectual properties, and striving to improve the intellectual property activities for the whole Group.

Through such intellectual property related initiatives, the Group will exercise our creativity and strive to provide new values to the stakeholders and resolve social issues.

For details, please refer to the Company's website (<https://corp.moneyforward.com/en/about-us/governance/intellectual-property/>).

- The impact of climate-change-related risks and profit opportunities on the Company's business activities and profit

For disclosure based on TCFD, please refer to the Company's website (https://corp.moneyforward.com/aboutus/governance/risk_management/).

[Supplementary Principle 4.1.1]

The Board of Directors makes important managerial decisions and supervises the execution of duties by each Director in accordance with laws and regulations, articles of incorporation, and internal rules (e.g., Rules on Board of Directors, Rules on Business Authority). Except for discretionary matters set forth in laws and regulations, articles of incorporation, and internal rules, many authorities concerning business execution are delegated to Executive Directors and Executive Officers to ensure quick decision-making on business execution. The scope of delegation is determined according to the size, significance, risks, etc., of each matter.

[Principle 4.8 Effective Use of Independent Directors]

In the current structure of the Company's Board of Directors, five out of nine Directors are Independent External Directors, comprising the majority of Directors.

[Supplementary Principle 4.8.1]

To monitor and supervise the management, the Company has established the Council of External Officers, consisting of all External Directors and External Audit & Supervisory Board Members. Its purpose is to have External Officers (External Directors and External Audit & Supervisory Board Members), who play a role in corporate governance, cooperate and exchange opinions regularly to improve the monitoring of executive departments and to contribute to the Company's sustainable growth and medium- to long-term corporate value enhancement.

The Council of External Officers generally meets once every three months to discuss and exchange opinions on matters including significant managerial issues, corporate governance, and risks regarding management and business performance and action plans for such risks.

After the conclusion of the meeting, the Chairperson of the Council of External Officers will inform

the Representative Director, President, and CEO of the summary of the discussions at the Council meeting and recommendations for executive departments. The Representative Director, President, and CEO will share the recommendations, etc., with the Internal Directors and instruct the relevant departments as necessary to take actions.

[Principle 4.9 Independence Standards and Qualification for Independent Directors]

The Company deems enhancement and improvement of corporate governance as one of the significant managerial issues and has an independence standard for appointment of External Directors. External Directors have been selected accordingly, for the purpose of improving soundness and transparency of management.

Refer to our website (<https://corp.moneyforward.com/en/aboutus/governance/system/>) for the independence criteria for External Directors.

[Supplementary Principle 4.10.1]

In the current structure of the Company's Board of Directors, five out of nine Directors are Independent External Directors, comprising the majority of the Board.

The Company voluntarily established the Nomination and Compensation Committee to serve as an advisory panel to the Board of Directors to raise functional independence, objectivity, and accountability of the Board of Directors and thereby reinforcing the Group's corporate governance structure by ensuring the transparency and objectivity of evaluations and decision-making processes of directors' nominations and compensation.

The Nomination and Compensation Committee responds to consultation on matters including the composition of the Board of Directors; appointment and dismissal of Directors; selection and dismissal of the Representative Director; the composition and level of the Directors' compensation; and the maximum pool of the compensation of the Directors and Audit & Supervisory Board Members. The Committee also determines the individual Directors' compensation as delegated by the Board of Directors, based on the composition, level, maximum amount of pool of funds, etc., determined by the resolution of the Board of Directors.

The Nomination and Compensation Committee has one Internal Director and three Independent External Directors. The External Directors comprise the majority to secure independence and objectivity. The resolution of the Committee requires attendance by the majority of members eligible to participate in the resolution of the agenda and must be adopted by the majority of the members in attendance to avoid a resolution being adopted solely by the Internal Director. In addition, the Representative Director is not involved in the resolution for the compensation of the Representative Director, and the resolution is adopted by members excluding the Representative Director (i.e., the External Directors) to enhance independence and objectivity.

[Supplementary Principle 4.11.1]

To enhance the supervisory function of the Board of Directors, External Directors comprise the majority of the Board (five out of nine Directors are External Directors). In addition, Executive Directors who are well versed in relevant Divisions are appointed to ensure that the Board of

Directors can fulfill its duties as managerial decision-making body, and External Directors play supervisory function by providing appropriate opinions and raising issues from an independent position. With respect to appointment of External Directors, human resources with diverse backgrounds, expertise, and experience are appointed. In addition to appointing five independent External Directors with management experience in other companies, we strive to ensure diversity by appointing one female independent External Director. The appointment is based on the knowledge, experience, ability, and character of the individual, without any conditions or restrictions that are based on gender, nationality, etc., as we strive to achieve diversity and appropriate size.

Please refer to the above [Principle 3.1 Full Disclosure] (iv) for the policies and procedures regarding the appointment of Directors.

The three Corporate Auditors of the Company are all External Auditors who are appointed based on possession of knowledge, experience, and ability required for the role. The Company appoints individuals with experience in corporate management, attorneys, and individuals who have sufficient knowledge on finance and accounting through business experience at financial institutions or through corporate management. We will strive to appoint individuals who possess appropriate abilities and expert knowledge on finance, accounting, and law.

The Company established the skills, etc., that the Board of Directors should have as a whole by the resolution of the Board of Directors and prepared a skills matrix that maps four fields per individual in which the Company expects each Director and Audit & Supervisory Board Member to contribute to the discussion at the Board of Directors meetings, in light of each of their specific knowledge, experience, etc. For the definition of the skills, the reason for selection, and the skills matrix, please refer to our website (<https://corp.moneyforward.com/en/aboutus/governance/system/>).

[Supplementary Principle 4.11.2]

The Company makes annual disclosure on the status of significant concurrent positions outside the Company by each Director and Corporate Auditor on the notice of annual general meeting of shareholders and annual securities report. Each concurrent position is confirmed to ensure sufficient time and effort can be devoted to appropriately fulfil their roles and responsibilities for the Company.

- Notice of Ordinary General Meeting of Shareholders:
<https://corp.moneyforward.com/en/news/investorrelations/?category=others>
- Annual Securities Report:
<https://corp.moneyforward.com/en/news/investorrelations/?category=report>

[Supplementary Principle 4.11.3]

■ Analysis and evaluation process

The Company conduct a survey of all Directors and Audit & Supervisory Board Members asking them 24 questions on the following topics, and all Directors and Audit & Supervisory Board Member s responded to the survey.(i) composition and operation of the Board; (ii) Operation and information provision of the Board; (iii) supervision and confirmation of strategies by the Board;

(iv) risk management; (v) monitoring of corporate ethics and performance; (vi) evaluation and compensation of top management; and (vii) dialogues with institutional investors.

■ Overview of analysis and evaluation results

- As in the previous fiscal year, the average score of all evaluation items was high, indicating that the respondents considered that the Board generally ensured its effectiveness. The discrepancies between the evaluations of Directors and Audit & Supervisory Board Members and between Internal and External Officers were generally small, with no significant bias.
- The item that received a particularly high score was “establishment of a system for dialogue with shareholders (the Board of Directors has confirmed that a system for promoting constructive dialogue with shareholders is established and that opinions captured through the dialogue have been appropriately and effectively communicated and shared).” Respondents appreciated the Company’s engagement in continuous financial results reporting, English language briefing (Investor Day), shareholder relations activities fully launched during the current fiscal year, and the minimum of quarterly IR reporting to the Board of Directors.
- Of the items that received relatively low scores in the previous fiscal year and were included in “future actions” for improvement, training for Officers received relatively low scores again, albeit with improvement from the previous year. Moreover, the scores for the items on appropriate provision of non-financial information improved significantly to join the top five items, owing to initiatives such as disclosures with the Integrated Report and ESG Data and constant information disclosure on our website.
- Issues identified included risk-management-related items such as “establishment of an environment for risk-taking,” “establishment of the risk assessment process,” and “strengthening of internal control with the establishment of risk management framework”; deeper discussion on topics such as sustainability, DX, and HR strategy; further input and discussion on industry, peer, and customer conditions; in addition to the “training of Officers” which received relatively low scores again following the previous fiscal year.

[Supplementary Principle 4.14.2]

The Company basically encourages each Director to acquire necessary knowledge to appropriately fulfil expected roles and

responsibilities at individual discretion. However, the Company provide and arrange training opportunities at the request of individual Directors and Corporate Auditors. Financial support is provided to cover the associated expenses for training and acquisition of knowledge.

The Company communicates expected roles to newly appointed internal and external officers, and provide explanation on our business, finances, organization, risks and known issues to external officers.

[Principle 5.1 Policy for Constructive Dialogue with Shareholders]

The Company strives to make timely and fair information disclosure and has established the following policies to promote constructive dialogue with shareholders and investors.

(i) Responsibility of the Senior Management for realizing constructive dialogue with shareholders
The CFO is responsible for promoting investor relations (IR). In addition, the Representative Director also conducts financial results reporting and engages in dialogue with institutional investors.

(ii) Measures to ensure positive cooperation between internal departments to support dialogue
The Corporate Planning Division supports the operation of financial results reporting and dialogue with shareholders and investors, and has the liaison function with relevant business divisions, as well as back office departments including finance and accounting, legal, and human resources.

(iii) Measures to promote opportunities for dialogue aside from individual meetings
The Company is enhancing information disclosure, including by participating in domestic and international conferences; holding quarterly results presentation for analysts and institutional investors on the day of quarterly results announcement; and posting transcripts of results presentations and summary of Q&A on the Company's website.

(iv) Measures to appropriately and effectively relay shareholder views and concerns learned through dialogue to the Senior Management and Board of Directors
The contents of dialogue with shareholders and investors are recorded and managed by IR related parties, with IR activities and feedback from investors reported to Directors and Senior Management on quarterly basis.

(v) Measures to control insider information when engaging in dialogue
The Company has established rules on handling insider information and provides training and comprehension test on the rules including information management to officers and employees at the timing of joining the Company and once a year. In addition, the Company has set a Quiet Period, during which the Company refrains from responding to or making comments on questions regarding financial results and earnings forecasts for the current period.

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