

Corporate Governance Report

The following is an unofficial English translation of the Japanese original text of the Corporate Governance Report of DeNA Co., Ltd., which has been submitted to the Tokyo Stock Exchange. DeNA Co., Ltd. provides this translation for reference and convenience purposes only and without any warranty as to its accuracy or otherwise. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail.

Last Update: June 24, 2019

DeNA Co., Ltd.

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Securities Code: 2432

<https://dena.com/intl/>

The following is an overview of corporate governance at **DeNA Co., Ltd.** (the “Company” or “DeNA”).

I. Basic Approach to Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information

1. Basic Approach

Through its products and services, the DeNA Group is committed to bringing delight and enjoyment to people all over the world, thereby making a positive impact on their lives globally. This commitment is embodied in the Company’s mission, “Delight and Impact the World”, and in the Company’s vision, to “as an eternal venture, bring delight to the world using the internet and AI”. The DeNA Group defines eternal venture as continuously challenging ourselves to provide new value, with social responsibility as a key priority. When pursuing all manner of initiatives, the DeNA Group will keep its mission and vision in mind.

The DeNA Group will embody its mission and vision through appropriate dialogue and cooperation with a variety of stakeholders including customers, partners, employees, shareholders, and regional society. The DeNA Group will continue to establish and enhance effective corporate governance and aim to continuously maximize its corporate value.

[Reasons for Not Implementing Certain Principles of Corporate Governance Code]

(Principle 5.2)

• Establishing and Disclosing Business Strategy and Business Plan

The Company’s primary focus is to continue to increase its corporate value through business growth. The following two factors are important indicators for the Company in ensuring that it is fulfilling the expectations of its shareholders through continued increase in profits:

- (i) year-over-year growth rate of sales revenue and operating profit; and
- (ii) EPS (earnings per share) and year-over-year growth rate of EPS.

At present, the Company’s business is focused on mobile games and a range of other internet services. As the market conditions and business environment for these services change extremely rapidly, forecasting market changes in the medium-to-long term is difficult. The Company therefore does not set specific target dates or numerical targets for the above indicators, but instead provides updates on material business matters and developments at its annual shareholders’ meetings and in its quarterly financial announcement. In addition, with respect to matters that affect growth in the Company’s corporate value over the medium term, it provides details and disclosure in various IR materials as necessary. For more details, please refer to the IR

[Disclosure Based on Principles of Corporate Governance Code] [Updated]

(Principle 1.4)

• Shareholdings for Policy Purposes

The Company's internal rules require Board of Directors approval or report to the Board in the event the Company acquires shares or other equity interests in another company in excess of a specified amount or voting percentage. In addition, when the Company considers investing in the share or other equity interests of another company for policy purposes (to build, strengthen or maintain business relations), it considers the factors below. If such shareholdings are not determined to be meaningful, the Company will not invest.

- business synergy with such other company (the "investment target") and whether the investment will lead to an increase in the Company's corporate value over the medium term;
- whether the investment would adversely affect the financial health of the Company; and
- whether the amount of the investment and its shareholding percentage exceed a level that is reasonably necessary.

In the case of any such investment, the Board of Directors, with consideration for the factors above, reviews the appropriateness of the investment objective and the benefits & risks versus the capital costs, among other measures, for such investment at least annually. If said review finds that the investment is not justified, the Company considers reducing it. The Board of Directors has confirmed the appropriateness of each investment individually after such review.

With respect to exercising voting rights arising from such investment, the Company's internal rules require approval of the corporate department and comprehensive review (in light of the above factors) of the business and financial condition of the investment target from the standpoint of increasing the Company's corporate value over the medium term.

(Principle 1.7)

• Related Party Transactions

Pursuant to applicable law and the Company's internal rules, the Company requires approval of its Board of Directors in the case of transactions involving conflict of interest of any director. Transactions with major shareholders must be reported to the Board.

Transactions with related parties require review by the corporate department on the appropriateness of each transaction (including from a legal and tax standpoint) and depending on the amount and nature of such transactions, approval from the appropriate authorized persons. Related party transactions that are material require approval of the Board of Directors. The corporate department reviews the status of each related party transaction at least annually and provides a report to the Company's corporate auditors and external auditor.

(Principle 2.6)

• Roles of Corporate Pension Funds as Asset Owners

The corporate pension fund of which the Company is a member has built a structure where the office duties, asset management duties, financial validation & record management duties, and other major pension duties are entrusted to different actors. These different actors act to check each other, and in this way, operational management is conducted appropriately on the basis of fiduciary responsibility and specialist insight, and in so doing has formed stable assets for employees. The persons in charge of handling corporate pension fund matters in the Company attend seminars and pursue other ways to increase their specialist knowledge.

(Principle 3.1)

• Full Disclosure

(1) Corporate Mission, Corporate Strategy and Management Plan

The DeNA Group's mission is to "Delight and Impact the World", and the Group's vision is to "as an eternal venture, bring delight to the world using the internet and AI".

At present, the Company's business is focused on mobile games and a range of other internet services. As the markets conditions and business environment for these services change extremely rapidly, DeNA is required flexibly to adapt itself to such changes. The Company provides updates on material business

matters and developments at its annual shareholders' meetings, quarterly financial announcement and other relevant occasions. In addition, with respect to matters that affect growth in the Company's corporate value over the medium term, it provides details and disclosure in various IR materials as necessary. For more details, please refer to the IR Library section of the Company's website for investor relations (<https://dena.com/intl/investors/>).

(2) Basic Approach and Guidelines on Corporate Governance

• Basic Approach

Please see Paragraph I-1 (Basic Approach) above.

• Basic Guidelines

Based on its basic approach to corporate governance described above, the Company has implemented the following measures:

- in order to promote fairness in management, the Company's Board of Directors takes into account a range of views provided by multiple independent outside directors;
- in order to facilitate timely decision-making by each business unit, the Company has proactively delegated appropriate decision-making authority to executive officers and heads of business units;
- in order to promote transparency, the Company proactively provides appropriate disclosure of information;
- the Company follows the Group Code of Conduct and fulfills its responsibilities to stakeholders; and
- the Company is committed to its standards of conduct for officers and employees, "DeNA Quality", and aims to embody its mission and vision

DeNA Quality: All Together, in Pursuit of Delight

- (i) *Focus on substance:* We focus on providing true value;
- (ii) *Stretch ourselves:* We strive to achieve the highest level of professionalism at all times;
- (iii) *Have an elevated perspective:* We are always conscious of the wider context of our work;
- (iv) *Be transparent & honest:* We communicate openly and honestly to achieve results as a team; and
- (v) *Speak up:* We fearlessly share our thoughts.

The Company will continue to pursue the full implementation of the above measures in order to ensure the effectiveness and enhancement of the Company's corporate governance system.

(3) Policies and Procedures in Determining the Remuneration of Senior Management and Directors

- The Company compensates its directors in part on the basis of the Company's performance, so that each director is appropriately motivated to contribute to the overall performance of the Company and increase in its corporate value. This system also helps to raise each such director's awareness of shareholder-oriented management. However, outside directors are exempted from this compensation system. For details of such compensation system, including for senior management, please refer to "II. Overview of Business Management Organization and Other Corporate Governance Systems Related to Managerial Decision-Making, Business Execution and Management Supervision – 1. Items Related to Organizational Structure and Operations, etc. – [Incentives] and [Director's Compensation]" in this Report.
- The Company has established a compensation system wherein a part of the compensation of management, including executive officers, is based on the Company's performance.
- In order to enhance independence and objectivity of the function of the Board of Directors in the compensation of directors and executive officers, and ensure accountability, the Company has established a Compensation Committee (a voluntary advisory body for the Board of Directors).
- The Compensation Committee is made up of a majority of independent directors, and the chairman is an independent director.
- The Board of Directors will determine the compensation structure and individual compensation for directors and the compensation structure for executive officers, etc. on the basis of recommendations from the Compensation Committee.

(4) Board Policies and Procedures in the Appointment & Dismissal of the Senior Management and the Nomination of Director and Corporate Auditor Candidates

- Policies for the Appointment and Nomination of Senior Management

The Company believes that candidates for director and corporate auditor at a minimum must have the sophistication and qualification to satisfy and promote the following objectives:

- continuous increase in the Company's corporate value;
- ensuring transparency and fairness in the Company's management; and
- establishing and maintaining a system of compliance.

In addition to the above, and consistent with the criteria below for the composition of the Board of Directors and Board of Corporate Auditors, candidates for director and corporate auditor must be persons of excellence with sound judgment and insight, and individual characteristics such as gender and age are not considered.

[Board of Directors]

- in order to ensure transparency and fairness, the Board must include outside directors with a high level of independence;
- in order to allow for active discussion and prompt decision-making, the Board should consist of an appropriate number of members; and
- there should be an appropriate balance in the experience and background of outside directors, who should include persons with a wide range of considerable management experience and insight.

[Board of Corporate Auditors]

- in addition to persons with a wide range of considerable management experience, corporate auditors should include persons with background and insight in legal, finance and labor matters; and
- at least one corporate auditor should have considerable experience in finance and accounting.

With respect to executive officers, appointments are made taking into account a candidate's ability in the following areas:

- strong leadership skills and the ability to lead an organization as the person responsible for business execution in his/her business or functional area;
- desire to contribute to the development of the Company, and capability for high-level strategic thinking from a whole-company perspective;
- ability to create appealing organizations based on the Company's mission, vision, as well as passion; and
- deep commitment to compliance, and the ability to make business decisions and operate organizations based on sound principles.

• Procedures for the Appointment and Nomination of Senior Management

The Company has established a Nomination Committee (a voluntary advisory body for the Board of Directors), to enhance the independence and objectivity of the function of the Board of Directors in nominating directors, executive officers, and others who play an important role in the Company's business. The Nomination Committee is made up of a majority of independent directors, and the chairman is an independent director.

The Board of Directors makes determinations regarding the nomination of director and corporate auditor candidates, and regarding the appointment of executive officers, on the basis of recommendations from the Nomination Committee.

• Policies & Procedures for the Dismissal of Senior Management

If directors, executive officers, and other officers and employees who play important roles commit a serious violation of laws, regulations, or the articles of incorporation in the performance of their duties; become objectively incapable of performing their duties, for example due to physical or mental incapacity; or in other cases where dismissal is required on the basis of internal rules and regulations, the Board of Directors will make determinations based on recommendations by the Nomination Committee about whether to submit a resolution regarding the dismissal of the director to the Ordinary General Meeting of Shareholders or about whether to dismiss the executive officer.

(5) Explanations with respect to the Individual Appointments, Dismissals, & Nominations of Director and Corporate Auditor Candidates

The appointment & nomination of the Company's five (5) director candidates and the outside corporate auditor candidates Nobuko Inaba and Atsuko Sato are discussed in "Notice of the Convocation of the 21st

Ordinary General Meeting of Shareholders” (pages 7 to 17, Japanese version) on the Company’s website. The appointment & nomination of the outside corporate auditor Yukinao Kondo is discussed in “Notice of the Convocation of the 20th Ordinary General Meeting of Shareholders” (page 12, Japanese version) on the Company’s website. The appointment & nomination of the Company’s outside corporate auditor Shinichi Koizumi is discussed in “Notice of the Convocation of the 19th Ordinary General Meeting of Shareholders” (pages 13 and 14, Japanese version) on the Company’s website.

Pursuant to the policies and procedures described under (4) above, the Board of Directors appoints the Company’s executive officers, whose names are disclosed on the Company’s website.

(Supplementary Principle 4.1.1)

• Scope of Matters Delegated to Management

The Company’s internal rules set forth that broad authority should be delegated to the management meeting, which is the business execution body, and to executive officers and other officers and employees for items other than those requiring a resolution by the Board of Directors due to their financial scale or importance to management strategy, or due to legal requirements or requirements in the Articles of Incorporation. This should clarify responsibility for business execution and increase flexibility and agility in business execution. Further, the directors and the Board of Directors will focus on establishing the basic policy for internal control systems, to ensure that there is appropriate checking of management’s business execution, and monitoring of the operation of those systems.

(Principle 4.9)

• Independence Standards and Qualification for Independent Directors

With respect to the independence of outside directors and outside corporate auditors, in addition to the standards for independence set forth by the Tokyo Stock Exchange, the Company considers the following factors:

(1) the candidate is not, and has not been for the past three (3) years, an executive officer of a business counterparty that is either:

- a business counterparty the aggregate amount of whose business transactions with the Company in the immediately preceding fiscal year were 1% or more of the Company’s consolidated sales or 1% or more of the consolidated sales of such business counterparty;

(2) if the candidate or his/her close relatives is providing or has in the past three (3) years provided legal, accounting, consulting or other professional services to the Company, such person does or did not receive remuneration from the Company (other than in the form of executive compensation) of ¥5 million or more (or its equivalent) per year;

(3) if the agency to which the candidate belongs is providing or has in the past three (3) years provided legal, accounting, consulting or other professional services to the Company, such agency does or did not receive remuneration from the Company (other than in the form of executive compensation) of ¥12 million or more (or its equivalent) per year or 1% or more of the consolidated sales of such agency for the fiscal year (or its equivalent); and

(4) the candidate is not and has not been for the past ten (10) years any of the following:

- A representative or employee of the Company’s outside auditor
- Member of a law agency, corporate auditor, or tax accountant corporation or other similar service with which the Company has or had concluded an advisory contract
- Employee of a major debt-holder for the Company
- A major shareholder that owns 10% or more of the Company’s issued shares, or an employee of a major shareholding company, or such company’s parent or group company.

(Supplementary Principle 4.11.1)

• Balance between Knowledge, Experience and Skills of the Board of Directors; Diversity and Appropriate Board Size

The Company’s policy and procedures for the appointment of candidates for the Board of Directors is set forth under Principle 3-1(4) discussed above. At present, pursuant to such policy, the Board of Directors consists of five (5) directors (out of a maximum of ten (10) directors provided in the Articles of Incorporation), of whom two (2) are outside directors, making the ratio of outside directors relatively high. In addition, the total number of attendees of a Board of Directors meeting is nine (9) (including four (4) corporate auditors), of whom six (6) (two (2) outside directors and three (3) outside corporate auditors) are independent outside officers. The Company believes that this composition facilitates substantive discussion

and prompt decision-making by the Board of Directors, while at the same time ensuring transparency and fairness in the process. In the case of outside directors, the Company selects candidates on the basis of their considerable management experience and expertise in a wide range of areas.

(Supplementary Principle 4.11.2)

• Directors' and Corporate Auditors' Concurrent Positions Held at Other Companies

The Company discloses material concurrent positions held at other companies by its directors and corporate auditors (including candidates therefor) in supplementary materials and business reports provided in connection with the notice of convocation of the general shareholders' meeting each year.

(Supplementary Principle 4.11.3)

• Analysis and Evaluation of the Board's Effectiveness as a Whole

The Company has a policy of analyzing and evaluating the Board's effectiveness as a whole (including the voluntary advisory committees) at least once per year.

The Company analyzed and evaluated the Board's effectiveness as a whole from September to November 2018, with consideration also for the results of the previous analysis and evaluation conducted from January to March 2018.

1. Method for Analysis and Evaluation

• Means and Implementation Structure for Analysis and Evaluation

The Company provided a questionnaire to all its directors and corporate auditors, and based on those responses, the director in charge held individual meetings as appropriate. Based on those results, discussions were held at Board meetings evaluating the effectiveness of the Board as a whole and about future issues and measures.

The Chairperson for the Board Meetings was the director in charge of this evaluation of effectiveness. The method for analysis and evaluation and the questionnaire questions were discussed and finalized at Board meetings, with consideration for the opinion of outside legal counsel.

• Summary of the Questionnaire Questions

There were four broad categories of questions, with multiple questions in each, and evaluation comments were sought through a five-tier rating system and free response.

Analysis of the answers placed more emphasis on the free response section, although differences in evaluation marks between different respondents were also considered.

- (1) Evaluation of whether discussions were contributing to leading the Company's mid to long-term growth
 - Securing sufficient time
 - Appropriateness of discussion topics, etc.
- (2) Evaluation regarding the composition of the Board and functions the Board ought to provide
 - Number of directors, specialist knowledge, experience, understanding of the Company's businesses and corporate culture
 - Quality, frequency, and depth of discussion
 - Degree of frankness of speech and constructiveness of debate
 - Effectiveness of the executive sessions, comprising solely of the outside officers
 - Effectiveness of off-site meetings, in which all directors and the standing corporate auditor participated, etc.
- (3) Evaluation of progress in initiatives regarding issues raised in the previous evaluation of the Board's effectiveness
 - Working to identify in advance points for discussion at Board meetings
 - Setting early opportunities to reflect on the Company's performance each quarter
 - Establishing time for free debate during regular Board meetings, etc.
- (4) Evaluation of progress towards external commitments* to strengthen corporate governance and internal controls, made available in March and May 2017

* These commitments are comprised of strengthening top management, oversight of business execution by the Board of Directors, strengthening compliance systems and management structure, and corporate culture reform. For more details, please see the disclosure of May 23, 2017, titled "Notice Regarding Strengthening

Corporate Governance and Internal Controls” (URL below).

<https://v4.eir-parts.net/v4Contents/View.aspx?template=announcement&sid=36168&code=2432>

2. Summary of the Results of the Analysis and Evaluation

The Company has determined through its analysis and evaluation that the Board is effective, as follows.

- As a result of the discussions concerning mid to long-term growth, the Group’s overall definition of its businesses has become more clear, and progress has been made in sharing awareness of issues and in other areas
- The current composition of the Board does not have any major issues from a management perspective. Also, discussions are being held at the appropriate level and depth
- The initiatives to strengthen compliance and the risk management structure and the Group’s initiatives to corporate governance and internal controls are functioning to enable the Board’s supervision of business execution

Further, the Company’s analysis and evaluation showed that the initiatives begun on the basis of the results of the previous analysis and evaluation of the Board’s effectiveness (see (3) above) have led to more efficient discussion, a more detailed understanding and discussions of each business, more diversified discussion topics, and to deeper discussions at the Board meetings, contributing to higher Board effectiveness.

Meanwhile, the analysis and evaluation showed that there was scope for further improvement in the following areas.

- Topics and time for discussions concerning achieving mid to long-term growth for the Company
- Business strategy development and perspective on new businesses at the Board
- Setting agenda items and time for the free discussion

At the Board meetings, in addition to discussion of the above analysis and evaluation, further increasing the effectiveness of the Board meetings was also discussed.

As a result, the Company decided to pursue multiple initiatives, including the following.

- Secure more time for discussion of the mid to long-term growth strategy at the off-site meetings
- Set the degree of importance for each agenda item and share it in advance to enable the Board meetings to better focus discussion on important topics
- Improve the providing of information about the status of business execution and other matters in the free discussion

The Company will continue to implement the evaluation of effectiveness for the Board as a whole, thereby aiming to improve the effectiveness of the Board meetings.

(Supplementary Principle 4.14.2)

- Training Policy for Directors and Corporate Auditors

The Company strives to ensure that each of its outside officers understands the Company’s business environment and challenges through explanatory sessions on the Company’s business and management strategy at the time of his/her election. The Company also provides its directors and corporate auditors with various opportunities to attend third-party training sessions at the Company’s expense. The Company evaluates ways to strengthen training for its directors and corporate auditors from time to time as necessary.

(Principle 5.1)

- Policy for Constructive Dialogue with Shareholders

The Company strives to promote constructive dialogue with its shareholders and investors through the following measures:

- the executive officer in charge of this area has overall responsibility for dialogue with the Company’s shareholders and investors. Any request for dialogue with the Company from a shareholder or investor is handled primarily through such executive officer and the investor relations department. The Company’s representative director also strives to engage proactively in dialogue with investors;
- the executive officer in charge of the investor relations department and each division head of relevant

departments, such as the corporate department (which includes accounting and legal functions) meet every other week to share information and to exchange views, and provide support on any dialogue with shareholders and investors as necessary;

- the Company holds explanatory meetings concerning financial results every quarter, meets with shareholders and investors, including those overseas, and engages in other IR activities;
- with respect to any views and concerns expressed by shareholders and investors, the investor relations department provides feedback to the relevant departments, the relevant management executives and the Board of Directors as necessary. Analysis of such views and concerns, and consideration of measures that the Company should take to address them, are handled primarily by the executive officer in charge of this area and the investor relations department and discussed at the Board of Directors meetings as necessary;
- the Company works to ensure timely and appropriate disclosure of information in accordance with the statutory disclosure requirements based on the Financial Instruments and Exchange Act and other relevant laws and in accordance with the securities listing regulations of the Tokyo Stock Exchange; and
- in relation to any dialogue with shareholders and investors, the Company takes care to prevent disclosure of insider information. Even for information that does not necessarily qualify for statutory disclosure or timely disclosure under the securities listing regulations, when the Company provides information that may have significant impact on investment decisions of shareholders and investors, the Company works to ensure that there are no disparities among shareholders and investors in terms of access to information. During any so-called “quiet period”, the Company does not accept requests for dialogue with shareholders or investors and seeks thoroughly to manage disclosure of information.

2. Capital Structure

Foreign Shareholding Ratio	More than 30%
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[Status of Major Shareholders] [Updated]

Name / Company Name	Number of Shares Owned	Percentage (%)
Tomoko Namba	19,778,855	13.61
Nintendo Co., Ltd.	15,081,000	10.38
Japan Trustee Services Bank, Ltd.	14,718,723	10.13
The Master Trust Bank of Japan, Ltd.	10,823,900	7.45
JP MORGAN CHASE BANK 385151	4,419,581	3.04
Shogo Kawada	4,036,341	2.78
JPMorgan Securities Japan Co., Ltd.	2,980,681	2.05
Trust & Custody Services Bank, Ltd.	2,243,600	1.54
BNP Paribas Securities (Japan) Limited	2,014,400	1.39
JP MORGAN CHASE BANK 385635	2,000,500	1.38

Controlling Shareholder (except for Parent Company)	-
Parent Company	None

Supplementary Explanation [Updated]

* The above information concerning the foreign shareholding ratio, status of major shareholders, and the below supplementary explanation is all as of March 31, 2019.

1. The Company owns 5,460,269 shares (3.62%) (including 274,984 shares of Company stock held through the trust for the Company’s employee stock option plan (ESOP)) of treasury stock, but this has been omitted from the major shareholders list above.

2. In a large shareholding report (change report) made available on December 20, 2018, it was stated that Sumitomo Mitsui Trust Bank and its joint holders held the following amount of shares as of December 14, 2018. However, the Company was not able to confirm the real holding size of Sumitomo Mitsui Trust Bank as of March 31, 2019, so did not list Sumitomo Mitsui Trust Bank in the above list of major shareholders.
[Major Shareholder / Number of Shares Owned / Percentage]
Nikko Asset Management Co., Ltd. and one other company / 7,284,600 / 4.83%
3. In a large shareholding report made available on February 7, 2019, it was stated that Nomura Securities Co., Ltd. and its joint holders held the following amount of shares as of January 31, 2019. However, the Company was not able to confirm the real holding size of Nomura Securities Co., Ltd. as of March 31, 2019, so did not list Nomura Securities Co., Ltd. in the above list of major shareholders.
[Major Shareholder / Number of Shares Owned / Percentage]
Nomura Asset Management Co., Ltd. and two other companies / 7,698,149 / 5.10%
4. The Percentage is calculated using the total number of issued shares (150,810,033) excluding the treasury stock owned by the Company (5,460,269 shares, including 274,984 shares of Company stock held through the trust for the Company's employee stock option plan (ESOP)).

3. Corporate Attributes

Listed Stock Market and Market Section	Tokyo Stock Exchange First Section
Fiscal Year-End	March
Type of Business	Service Business
Number of Employees (consolidated) as of the End of the Previous Fiscal Year	More than 1000
Sales (consolidated) as of the End of the Previous Fiscal Year	More than ¥100 billion and less than ¥1 trillion
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	More than 10 and less than 50

4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder

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5. Other Special Circumstances that May Have a Material Impact on Corporate Governance

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

1. Organizational Composition and Operation

Organization Form	Company with Corporate Auditors (<i>Kansayaku</i>)
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[Directors]

Maximum Number of Directors Stipulated in Articles of Incorporation	Ten (10)
Term of Office Stipulated in Articles of Incorporation	One (1) year
Chairperson for the Board Meetings	Executive Chairman (excluding if also serving as President & CEO)
Number of Directors	Five (5)
Election of Outside Directors	Elected
Number of Outside Directors	Two (2)
Number of Independent Directors	Two (2)

Outside Directors' Relationship with the Company (1) [Updated]

Name	Attribute	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Nobuo Domae	From another company											
Koji Funatsu	From another company											

- * Relationship with the Company
- indicates that the item is/became applicable to the outside director either at present or recently
 - △ indicates that the item was applicable to the outside director in the past
 - indicates that the item is/became applicable to a close relative of the outside director at present or recently
 - ▲ indicates that the item was applicable to a close relative of the outside director in the past

- a. Executive of the Company or any of its subsidiaries
- b. Non-executive director or executive of a parent company of the Company
- c. Executive of an affiliate (subsidiary of the Company's parent company) of the Company
- d. A party whose major client or supplier is the Company or an executive thereof
- e. A major client or supplier of the Company or an executive thereof
- f. A consultant, accountant or legal professional who receives significant remuneration or other assets from the Company other than remuneration as a director/corporate auditor
- g. Major shareholder of the Company (or an executive of such major shareholder if the shareholder is a legal entity)
- h. Executive of a client or supplier company of the Company (does not fall under any of d, e, or f) (the director himself/herself only)
- i. Executive of a company that has an outside director or corporate auditor who is also an outside director or corporate auditor of the Company (the director himself/herself only)
- j. Executive of a company or organization that receives a donation from the Company (the director himself/herself only)
- k. Others

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

Name	Independent Director	Supplementary Information on the Relationship	Reasons of Appointment
Nobuo Domae	○	-	<p>Mr. Nobuo Domae has extensive management experience and broad insight regarding businesses aimed at general consumers, which is compatible with the Company's characteristics and group business strategy. His experience and insight are considered essential to the Company from the viewpoints of making customers feel delighted, as it aims to achieve mid to long-term growth by formulating strategies to pioneer new businesses and promote existing businesses with an eye to changes in the social structure. In fact, he has provided valuable advice on the matters mentioned above, and has given various comments for the improvement and strengthening of the corporate governance and internal control system, based on his wealth of experience and independent, objective position, and considering that he can be expected to continue to give appropriate advice in the decision-making of the Board of Directors, the Company believes that that Mr. Domae will perform his duties as an outside director properly.</p>
Koji Funatsu	○	-	<p>Mr. Koji Funatsu has extensive management experience and broad insight as a representative director of listed companies providing mainly various IT-related services. Amid rapid changes in the social structure and business environment, the Company is focusing its efforts on strengthening the business portfolio for the next stage of growth, such as proactive investment including M&A. With his high-level understanding of the dynamic IT market, the Company expects him to give well-balanced, valuable advice on the investment strategy and business portfolio of the Company. Also, given his extensive management experience and insight in fields related to IT and the China business, as well as his experience as an outside director of other listed companies, he is expected to supervise management from an objective position independent from management engaged in business execution, and considering the above the Company believes that Mr. Funatsu will perform his duties as an outside director properly.</p> <p>Mr. Funatsu is a Representative Director of transcosmos, inc., and the DeNA Group and transcosmos, inc. have business transactions.</p>

			Since he fulfills the Company's Independence Standards for Independent Board Members, considering the circumstance that the total annual transaction amount between transcocos inc. and the DeNA Group was neither 1% or more of the consolidated net sales of the DeNA Group nor 1% or more of the consolidated net sales of transcocos inc., the Company judges that he is sufficiently independent as an Outside Director. In addition, no personnel relationship exists between the Company and transcocos inc., and there are no such relationships in which transcocos inc. can influence the management, setting of policies for financial strategy or other decision-making of the Company.
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Voluntary Establishment of Committee(s) Corresponding to Nomination Committee or Compensation Committee	Established
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Establishment of Voluntary Committee(s), Committee Members, Affiliation of Committee Head (Chair)

	Committee Name	Members	Standing Members	Internal Directors	Outside Directors	Outside Experts	Other	Committee Head (Chair)
Voluntary Committee Equivalent to Nomination Committee	Nomination Committee	3	3	1	2	0	0	Outside Director
Voluntary Committee Equivalent to Compensation Committee	Compensation Committee	3	3	1	2	0	0	Outside Director

Supplementary Explanation [Updated]

[Advisory Committees]
The Company has established a Nomination Committee and a Compensation Committee, which are voluntary advisory bodies for the Board of Directors. This is in order to ensure transparency and objectivity, including the appropriate participation of outside directors, in matters regarding personnel selection and compensation, which are key factors for the Board of Directors to fulfill its oversight function.
Both committees are made up of a majority of independent directors, and the chairman is also an independent director, to enhance independence and objectivity.
The Nomination Committee is providing recommendations regarding the initial proposals and basic approach

to nomination policy for directors, corporate auditors, and executive officers, and providing recommendations on advice regarding initial proposals for the succession plan and the approach for training management and executive officer candidates. As of June 2019, the chairman of the Nomination Committee is the independent outside director Koji Funatsu. The remaining committee members are the independent outside director Nobuo Domae and the Representative Director & Executive Chairman Tomoko Namba. Under the previous committee member composition, the Nomination Committee met six (6) times in fiscal year 2018, and all three then-committee members attended 100% of meetings.

The Compensation Committee provides a report regarding the recommendations concerning initial proposals for the compensation structure for directors and individual allocation, as well as the compensation structure, incentive plans, and evaluation criteria for executive officers. As of June 2019, the chairman is the independent outside director Nobuo Domae. The remaining committee members are the independent outside director Koji Funatsu and the Representative Director & Executive Chairman Tomoko Namba. Under the previous committee member composition, the Compensation Committee met six (6) times in fiscal year 2018, and all three then-committee members attended 100% of meetings.

[Corporate Auditors]

Establishment of the Board of Corporate Auditors	Established
Maximum Number of Corporate Auditors Stipulated in Articles of Incorporation	Five (5)
Number of Corporate Auditors [Updated]	Four (4)

Cooperation between Corporate Auditors, Independent Outside Auditor and the Internal Audit Department

The Company's corporate auditors hold meetings, quarterly and at other times as necessary, with the Company's independent outside auditor, Ernst & Young ShinNihon LLC ("EY ShinNihon"), to exchange views and information on the Company's audit system, audit plan and status of audits, in order to maintain a mutually collaborative relationship. In addition, the Company's corporate auditors hold meetings, periodically and at other times as necessary, with the Company's internal audit department to exchange views and information on the Company's audit system, audit plan and status of audits, in order to maintain a mutually collaborative relationship.

Election of Outside Corporate Auditor	Elected
Number of Outside Corporate Auditors [Updated]	Three (3)
Number of Independent Corporate Auditors [Updated]	Three (3)

Outside Corporate Auditors' Relationship with the Company (1) [Updated]

Name	Attributes	Relationship with the Company*												
		a	b	c	d	e	f	g	h	i	j	k	l	m
Shinichi Koizumi	From another company													
Nobuko Inaba	Certified Public Accountant										△			
Atsuko Sato	Academic													

Relationship with the Company

- indicates that the item is/became applicable to the outside corporate auditor either at present or recently
- △ indicates that the item was applicable to the outside corporate auditor in the past
- indicates that the item is/became applicable to a close relative of the outside corporate auditor at present or recently
- ▲ indicates that the item was applicable to a close relative of the outside corporate auditor in the past

- a. Executive of the Company or any of its subsidiaries
- b. Non-executive director or accounting advisor of the Company or its subsidiaries
- c. Non-executive director or executive of a parent company of the Company
- d. Corporate auditor of a parent company of the Company
- e. Executive of an affiliate (subsidiary of the Company's parent company) of the Company
- f. A party whose major client or supplier is the Company or an executive thereof
- g. A major client or supplier of the Company or an executive thereof
- h. A consultant, accountant or legal professional who receives significant remuneration or other assets from the Company other than remuneration as a corporate auditor
- i. Major shareholder of the Company (or an executive of such major shareholder if the shareholder is a legal entity)
- j. Executive of a client or supplier company of the Company (does not fall under any of d, e, or f) (the corporate auditor himself/herself only)
- k. Executive of a company that has an outside director or corporate auditor who is also an outside director or corporate auditor of the Company (the corporate himself/herself only)
- l. Executive of a company or organization that receives a donation from the Company (the corporate auditor himself/herself only)
- m. Others

Outside Corporate Auditors' Relationship with the Company (2) [Updated]

Name	Independent Corporate Auditor	Supplementary Information on the Relationship	Reasons of Appointment
Shinichi Koizumi	○	-	Mr. Shinichi Koizumi has abundant management experience in finance and accounting at business corporations, significant insight into financial and accounting matters, and wide-ranging knowledge from large-scale global corporations. The Company believes that Mr. Koizumi will perform his duties as an outside corporate auditor properly, considering his ability to supervise overall management and provide valuable advice from the viewpoint of considering the greater picture of how the DeNA Group ought to be in the future. The Company had transactions relating to construction work for the office of one of its subsidiaries with OBAYASHI CORPORATION, in which Mr. Shinichi Koizumi serves as Outside Director. Mr. Koizumi has never been appointed as an inside director for OBAYASHI CORPORATION. Also the total transaction amount between the companies was neither 1% or more of the consolidated net sales of the DeNA Group nor 1% or more of the consolidated net sales of OBAYASHI CORPORATION. Since he fulfills the Company's Independence Standards for Independent Board Members, the Company judges that he is independent. Although the

			<p>Company conducted business with OBAYASHI CORPORATION such as the outsourcing of construction work on the office of one of the Company's subsidiaries, no personnel relationship exists between the companies, and there are no such relationships in which OBAYASHI CORPORATION can influence the management, setting of policies for financial strategy or other decision-making of the Company.</p> <p>The Company entered into an advisory contract with Mr. Shinichi Koizumi from April 2017 to June 2017, and received advice on compliance and other matters from him during this period. Based on the contract, the total amount of compensation paid by the Company to Mr. Koizumi was not in excess of ¥3 million, and since he meets the Independence Standards set by the Company, the Company believes that he is sufficiently independent as an Outside Corporate Auditor. There are no such relationships in which Mr. Koizumi can influence the Company's management or decisions etc., on policies regarding its financial strategies.</p>
Nobuko Inaba	○	<p>Ms. Nobuko Inaba worked for Ernst & Young ShinNihon LLC (formerly Century Audit Corporation), the Independent Outside Auditor of the Company, from October 1993 to September 2005 (excluding the period from July 1999 to July 2001). She left Ernst & Young ShinNihon LLC in September 2005 and has not joined a corporation that receives compensation from the DeNA Group since then.</p>	<p>Ms. Nobuko Inaba has long been engaged mainly in audit operations primarily for financial institutions and in financial and accounting advisory services for business companies. As such, she has adequate insight regarding finance and accounting, and is expected to conduct audits from a practical viewpoint. In addition, she is expected to conduct oversight of accounting and management and provide effective advice from an objective and multidimensional perspective based on her professional knowledge and experience, including her experience in M&A and business revitalization consulting services and corporate management experience. Considering the above, the Company believes that Ms. Inaba will perform her duties as an outside corporate auditor properly.</p>
Atsuko Sato	○	-	<p>Ms. Atsuko Sato has profound knowledge from engaging in research regarding management for global business development as well as methods of strengthening financial foundations. As such, she is expected to conduct audits from a practical viewpoint. She also has expert knowledge and experience she gained from working in departments such as the investment banking department and a private equity fund, and as such she is expected to implement audits of business</p>

			execution and accounting audits from expert and independent objective viewpoints based on such knowledge and experience. Considering the above, the Company believes that Ms. Sato will perform her duties as an outside corporate auditor properly.
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[Independent Directors/Corporate Auditors]

Number of Independent Directors/Corporate Auditors [Updated]	Five (5)
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Matters relating to Independent Directors/Corporate Auditors

All of the Company's outside directors and outside corporate auditors who qualify as an independent director/corporate auditor are designated as independent directors/corporate auditors.

[Incentives]

Status of Implementation of Measures to Grant Incentives to Directors	Stock Options / Other
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Supplementary Explanation

The compensation of the Company's directors consists of cash compensation and compensation in the form of stock options. Cash compensation for directors other than outside directors includes a fixed portion and a variable portion based on the Company's performance in the previous fiscal year. Cash compensation for outside directors consists of a fixed portion only. The upper limit on stock option compensation for directors, which is separate from cash compensation, was approved by the resolution of the 15th Ordinary General Meeting of Shareholders held on June 22, 2013. For directors other than outside directors, this was set at an amount equal to 1.0% of the amount of the Company's profit for the year attributable to owners of the parent as set forth in the consolidated income statement for the previous fiscal year. However, such amount may not exceed 1.0% of such profit when added to the cash compensation (for the year) for such directors. In addition, the upper limit for the number of stock acquisition rights to be issued as stock options per year was set at 160,000 units. For outside directors, in consideration of the nature of their duties and services, the amount of stock option compensation is limited to ¥20 million per year and the upper limit for stock acquisition rights to be issued as stock option was set at 15,000 units per year.

Potential Recipients of Stock Options	Inside Directors, Outside Directors, employees
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Supplementary Explanation

The stock option incentive system ensures that directors share with the Company's shareholders the benefits of rising stock prices as well as the risks of falling stock prices, giving the directors an incentive to contribute to the overall performance of the Company and increase its corporate value. This system also helps to raise the directors' awareness of shareholder-oriented management.

The Company also provides stock options to executive officers and specialist officers, who hold core roles in business operations for the Group, in order to better align the goals and interests of these individuals with those of the Company to grow mid to long-term corporate value.

To date, no outside directors have received stock options.

[Directors' Compensation]

Disclosure of Compensation of Individual Directors	Disclosure of Compensation of Certain Directors
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Supplementary Explanation [Updated]

Compensation paid to the Company's directors for fiscal year 2018 has been disclosed in the Company's 21st Business Report and Securities Report. In addition, the Company discloses individual compensation with respect to the directors whose aggregate amount of annual compensation was ¥100 million or more. This information is also disclosed on the Company's website. For details, please refer to the Company's Securities Report (in Japanese) at <https://dena.com/jp/ir/library/report.html>.

Policy for Determining Amounts and Calculation Method of Compensation	Established
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Disclosure of Policy for Determining Amounts and Calculation Method of Compensation

The compensation for directors consists of cash compensation and compensation in the form of stock options, and the compensation for corporate auditors consists of only cash compensation.

1. Cash compensation

Cash compensation for directors other than outside directors includes a fixed portion and a variable portion based on the Company's performance in the previous fiscal year.

Cash compensation for outside directors consists of a fixed portion only.

The upper limit on cash compensation for directors was set at the 15th Ordinary General Meeting of Shareholders held on June 22, 2013, and the 19th Ordinary General Meeting of Shareholders held on June 24, 2017. For the fixed portion, the upper limit was set at ¥320 million per year (of which the amount allocable to outside directors was set at ¥60 million per year), while the limit for the performance-linked portion was set at an amount equal to 1.0% of the amount of the Company's profit for the year attributable to owners of the parent as set forth in the consolidated income statement for the previous fiscal year. Such amount may not exceed 1.0% of such profit when such performance-linked portion is added to the compensation derived from stock options (for the year).

Outside directors are not eligible for performance-linked compensation due to the nature of their duties and services. Cash compensation for corporate auditors was set at the Extraordinary General Meeting of Shareholders held on September 28, 2004, and may not exceed ¥60 million per year.

2. Stock option incentive system

The stock option incentive system ensures that directors share with the Company's shareholders the benefits of rising stock prices as well as the risks of falling stock prices, giving the directors an incentive to contribute to the overall performance of the Company and increase its corporate value. This system also helps to raise the directors' awareness of shareholder-oriented management.

The upper limit on stock option compensation for directors, which is separate from cash compensation, was approved by the resolution of the 15th Ordinary General Meeting of Shareholders held on June 22, 2013. For directors other than outside directors, this was set at an amount equal to 1.0% of the amount of the Company's profit for the year attributable to owners of the parent as set forth in the consolidated income statement for the previous fiscal year. However, such amount may not exceed 1.0% of such profit when added to the cash compensation (for the year) for such directors. In addition, the upper limit for the number of stock acquisition rights to be issued as stock options per year was set at 160,000 units. For outside directors, in consideration of the nature of their duties and services, the amount of stock option compensation is limited to ¥20 million per year and the upper limit for stock acquisition rights to be issued as stock options per year was set at 15,000 units.

[Procedures for determining individual compensation allocations]

The representative directors create a proposal for individual allocation of director compensation (subject to the limitations described above), and submit such proposal to the Compensation Committee, a voluntary advisory committee established by the Company. The Board of Directors considers the Compensation Committee's opinion on said proposal and determines the individual allocation of director compensation.

The individual allocation of corporate auditor compensation is determined by discussion of the corporate auditors.

[Support System for Outside Directors and/or Outside Corporate Auditors]

The Company provides its outside directors and outside corporate auditors with materials and prior briefings on items on the agenda of the meetings of the Board of Directors as necessary. In addition, members of the corporate department (in the case of outside directors) and members of the Corporate Auditors Office (in the case of outside corporate auditors) have primary responsibility for sharing information and providing other necessary support to outside directors/outside corporate auditors in fulfilling their duties.

[Situation of Persons Retired from Position of President/CEO, etc.]

Names and Other Information of Advisers (*Sodanyaku* and *Komon*) who are Former Presidents/CEOs, etc.

Name	Job Title/Position	Responsibilities	Employment Terms (Regular/irregular, compensation, etc.)	Date when former role as president/CEO ended	Term
-	-	-	-	-	-

Number of advisers (<i>sodanyaku</i> and <i>komon</i>) who are former presidents/CEOs	Zero (0)
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Other

The Company has no advisers (*sodanyaku* or *komon*).

2. Matters Related to Functions of Business Execution, Audit and Supervision, Nomination and Decisions on Compensation (Overview of Current Corporate Governance System) [Updated]

The following is a summary of the Company's corporate governance system as of the date of this Report:

1. Board of Directors

The Board of Directors is composed of five (5) directors, two (2) of whom are independent directors. In addition to regular monthly Board meetings, the Board convenes special meetings when necessary. The Board of Directors makes important management decisions and performs an oversight function for overall business execution under the executive officer system, which is centered on the President & CEO.

The Chairperson for the Board Meetings will be selected at the meeting of the Board of Directors every year, and will be the director in the Board of Directors most appropriate to serve an oversight function. The

Chairperson for the Board Meetings will officiate the approval and denial of agenda items and the setting of the agenda, including deliberation and resolution items for the Board of Directors, and reports on business execution. As of June 2019, the Chairperson for the Board Meetings is the Representative Director & Executive Chairman Tomoko Namba.

The term for directors is one (1) year.

The Board of Directors will delegate decision-making authority on specific business execution issues to executive officers. By doing so, the Company will aim to enhance oversight of business execution, as well as place greater focus on discussions from a mid to long-term perspective as well as a big picture perspective. Also, the Company analyses and evaluates the effectiveness of the Board of Directors as a whole, engages in discussion to further enhance the effectiveness of the Board of Directors, and engages in other initiatives to strengthen the functions of the Board of Directors.

The Company has established the Board of Directors Office as a department to support the operations of the Board of Directors.

Information regarding the composition of the Board of Directors may be found in the Securities Report on the Company's website. Information regarding the number of Board meetings held and the attendance rates of each director for fiscal year 2018 may be found in the Notice of the Convocation of the 21st Ordinary General Meeting of Shareholders on the Company's website.

[Advisory Committee]

The Company has established a Nomination Committee and a Compensation Committee, which are voluntary advisory bodies for the Board of Directors. This is in order to ensure transparency and objectivity, including the appropriate participation of outside directors, in matters regarding personnel selection and compensation, which are key factors for the Board of Directors to fulfill its oversight function.

Both committees are made up of a majority of independent directors, and the chairman is also an independent director.

The Nomination Committee is providing recommendations regarding the initial proposals and basic approach to nomination policy for directors, corporate auditors, and executive officers, and providing recommendations on advice regarding initial proposals for the succession plan and the approach for training management and executive officer candidates.

The Compensation Committee is providing a report regarding the recommendations concerning initial proposals for the compensation structure for directors and individual allocation, as well as the compensation structure, incentive plans, and evaluation criteria for executive officers.

2. Executive Officer System

The Company has introduced an executive officer system in order to clarify roles and responsibilities for oversight and execution, and with the aim to enhance the oversight function of the Board of Directors while also improving the efficiency of business execution.

Executive officers will be placed in each business or functional area, and be responsible for business execution related to proposing and carrying out strategy and plans for each business or functional area, on the basis of the authority bestowed by the Board of Directors.

The representative directors shall be responsible for and oversee the executive officers.

3. Management Meeting

The management meeting in principle is held weekly and is made up of the executive directors and managing executive officers, who shall be selected from among the executive officers. The management meeting's chairman is a constituent member determined beforehand in the management meeting, and the management meeting makes decisions regarding important business execution matters. Also, in order to ensure consistency in execution approach and improve efficiency, reports and deliberations about each area shall be conducted by the respective executive officer.

Further, resolutions of the management meeting are approved by a majority vote of the constituent members present (at least one for vote must be from a constituent member who is not a representative director), in order to better ensure the effectiveness of governance for decision-making in important business execution matters.

As of April 2019, the chairman of the management meeting is the Director & Chief Operating Officer (COO) Shingo Okamura in the case of the weekly management meeting, and Representative Director, President & Chief Executive Officer (CEO) Isao Moriyasu in the case of the monthly management meeting. The management meeting is made up of the three inside directors, consisting of the Representative Director & Executive Chairman Tomoko Namba, Representative Director, President & Chief Executive Officer (CEO)

Isao Moriyasu, and Director & Chief Operating Officer (COO) Shingo Okamura; and the three managing executive officers, consisting of Chief Technology Officer (CTO) & Head of System Management Unit Atsushi Kobayashi, Head of Automotive Business Unit Hiroshi Nakajima, and Head of External Partnerships & Alliances Unit Keigo Watanabe.

4. Corporate Auditors / Board of Corporate Auditors

The Company has four (4) corporate auditors including three (3) outside corporate auditors. The standing corporate auditor was selected from among the outside corporate auditors. One of the outside corporate auditors has extensive experience in finance and accounting at a business corporation, one worked on audit operations primarily for financial institutions for many years, and the last has many years of experience working in finance and accounting in a financial institution, and each has considerable expertise in finance and accounting.

Each corporate auditor attends meetings of the Board of Directors and the management meetings, interviews officers and employees, reviews materials relating to important decisions and authorizations and broadly monitors the management of the Company in general. Each corporate auditor conducts appropriate monitoring of management from an independent standpoint while also sharing information with the other corporate auditors at meetings of the Board of Corporate Auditors, and strives to perform his/her audit duties efficiently and with a high degree of effectiveness.

The Company has established the Corporate Auditors Office as a department to support the duties of the corporate auditors.

5. Internal Audit Department

The internal audit department conducts internal audit of the Company. Based on the Company's rules for internal audit and an audit plan approved by the Board of Directors, the internal audit department conducts audits of each relevant department or division (including subsidiaries of the Company). The internal audit department only reports directly on the results of each audit to the Company's representative directors, the Board of Directors, and the Board of Corporate Auditors. The department/division subject to such audit also receives notice of the results of such audit and thereafter, the internal audit department follows up on improvements made based on recommendations from such audit.

6. Outside Auditor

The Company has engaged EY ShinNihon as its outside auditor. Two (2) certified public accountants of Shin Nihon have overall responsibility for the Company's audit and they are supported by 40 assistants (18 certified public accountants, 6 successful examinees and 16 others). Further, the certified public accountants who conduct the Company's audit are changed regularly in compliance with the Certified Public Accountants Act.

7. Limited Liability Contracts

In order to recruit valuable directors (excluding inside directors, etc.) and corporate auditors and enable them to adequately perform their expected duties, the Company has, on the basis of Article 26(2) and Article 34(2) of the Articles of Incorporation, concluded contracts with each director (excluding inside directors, etc.) and each corporate auditor to limit liability for damages under Article 423(1) of the Companies Act. The maximum limit of liability for damages on the basis of said contracts for both directors (excluding inside directors, etc.) and corporate auditors is 10 million yen or the minimum amount stipulated in Article 425(1) in the Companies Act, whichever is higher.

3. Reasons for Adoption of Current Corporate Governance System

The Company is a company with corporate auditors. The Company believes that it can vigorously pursue its business strategy through prompt and effective decision-making regarding important management issues by the Board of Directors consisting of directors who are familiar with the Company's business. At the same time, the Company aims to ensure oversight and supervision through the double system of supervision, with monitoring by the Board of Directors, which includes multiple outside directors with a high degree of independence, and auditing by the Board of Corporate Auditors. The outside directors and corporate auditors share information, exchange opinions, and coordinate as necessary to ensure effective oversight of management via the double system of oversight and supervision through the outside directors and corporate

auditors.

The outside directors fulfill their roles as independent and objective members of the Nomination Committee and Compensation Committee, both advisory bodies for the Board of Directors, and in so doing function to supervise business execution.

III. Implementation of Measures Related to Shareholders and Other Stakeholders

1. Measures to Revitalize the General Meeting of Shareholders and Facilitate Exercise of Voting Rights

[Updated]

	Supplementary Explanations
Setting Date of General Meeting of Shareholders to Avoid Being Held on the Same Day as That of Many Other Companies	The Company seeks to set the date of its General Meeting of Shareholders on a day other than the day on which a large number of other companies hold their meetings.
Allowing Electronic Exercise of Voting Rights	In order to promote the exercise of voting rights by its shareholders, the Company allows the exercise of voting rights by electronic means (including personal computers and mobile phones).
Participation in Electronic Voting Platform	The Company participates in the “Voting Rights Electronic Exercise Platform” operated by ICJ Co., Ltd. The resulting convenience provides institutional investors sufficient time to consider proposals from the date of the convocation notice.
Providing Convocation Notice in English	The Company prepares and posts on its website an English version of the convocation notice as of the date of such notice, as a convenience to our non-Japanese shareholders in exercising their voting rights.
Other	Currently, the Company does not provide early delivery of the “Notice of the Convocation of the Ordinary General Meeting of Shareholders”, but for the 2019 Ordinary General Meeting of Shareholders, the “Notice of the Convocation of the Ordinary General Meeting of Shareholders” was made available on TDnet, provided by the Tokyo Stock Exchange, Inc., and on the Company’s website, thirty (30) days prior (May 23) to the event date (June 22).

2. Investor Relations Activities [Updated]

	Supplementary Explanations	Explanation by Representative
Regular Investor Briefings for Individual Investors	The Company holds investor briefings for individual investors at the appropriate timing. The timing of previous briefings may be found in the IR Calendar page, and the documents are available on the IR Library page of the Company’s investor relations page (in Japanese, https://dena.com/jp/ir).	Yes
Regular Investor Briefings for Analysts and Institutional Investors	The Company holds an operating results briefing every quarter, and the presentation materials, Q&A summary, on-demand webcast, and other materials are made available on the Company’s website in Japanese and English.	Yes
Regular Investor Briefings for Overseas Investors	The Company discloses the quarterly operating results briefing presentation materials and on-demand broadcast as quickly as possible in order to maintain fair information disclosure. In addition, the Company continually meets with various overseas investor, attends conferences for institutional investors hosted by various securities companies, and sets up conference calls as necessary to explain the Company’s business condition generally. Information about past financial results conference calls is available on the Company website. (https://dena.com/intl/ir/calendar.html)	Yes

Posting of Investor Relations Materials on Website	The Company posts on its website (under “Investors”) financial statements, operating results briefing materials and an on-demand webcast, convocation notices for the General Meeting of Shareholders, notices of resolution of the General Meeting of Shareholders, other periodic reports, disclosure materials, annual securities reports, and reports on corporate governance. (https://dena.com/intl/investors/) In addition, the Company posts its Code of Conduct and information about its CSR activities, which includes a variety of compliance and risk management initiatives. (https://csr.dena.com , Japanese only)	
Establishment of Department and/or Manager in Charge of Investor Relations	The Company has established the Investor Relations Department as a department specializing in investor relations with full-time employees in charge.	
Other	The Company sends the “IR news mail” that provides periodic reports and notices to registered users.	

3. Measures that Consider the Interests of Stakeholders [Updated]

	Supplementary Explanations
Internal Rules and Other Provisions Made in Consideration of Stakeholders’ Interests	In order to ensure the trust of its stakeholders in the conduct of its business, the Company strives to promote social responsibility and ethical conduct by adopting and implementing its Ethics Charter and Group Code of Conduct, promoting awareness of its corporate social responsibility and requiring compliance with laws and regulations in its daily business activities.
Promotion of Environmental Protection, Corporate Social Responsibility (CSR) and Other Activities	The Company strongly supports and participates in activities that promote regional and social good through its services and efforts of its employees and staff, including activities to contribute in the areas of sports and technology education support for the next generation. For details of the Company’s CSR activities, please refer to our website (in Japanese): https://csr.dena.com/
Other	(Initiatives to Prevent Corruption, Including Bribery, and to Prevent Unfair Competition, etc.) The Company has established the Group Code of Conduct to promote a deep understanding of social responsibility and ethical conduct. The Group Code of Conduct promotes awareness of corporate social responsibility and requires compliance by all officers and employees with laws and regulations in their daily business activities. This Group Code of Conduct addresses important risk factors, including abiding by applicable laws and regulations regarding antitrust and competition; abiding by laws and regulations related to prohibition of bribing public officials in Japan and internationally, including each country’s criminal laws and the U.S.’s Foreign Corrupt Practices Act (FCPA); abiding by applicable labor laws and regulations, including minimum wage; prohibiting forced labor and child labor; respecting human rights; appreciating regional and cultural differences and diversity; prohibiting all harassment, including sexual harassment; prohibiting discrimination on the basis of race, religion, gender, age, nationality, place of origin, disability and other factors; abiding by equal opportunity in hiring; ensuring fair disclosure; and preserving the environment. Also, as stipulated in the Group Code of Conduct, the Company respects international standards, including the UN’s International Bill of Human Rights (including the Universal Declaration of Human Rights), Guiding Principles on Business and Human Rights, and the UN Global Compact, the OECD Guidelines for Multinational Enterprises, and the International

	<p>Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work.</p> <p>The content of the Group Code of Conduct is disseminated to all employees on behalf of the representative directors through the employee handbook titled the "Compliance Handbook", which includes specific examples, and further disseminated on a monthly basis to all officers and employees through compliance training.</p> <p>(Group Code of Conduct)</p> <p>The DeNA Group Code of Conduct is available at the following URL: https://csr.dena.com/images/code-of-conduct/dena_group_code_of_conduct_en.pdf</p> <p>(Initiatives for Human Capital Development)</p> <p>The Company began various initiatives in October 2017, with the aim of creating an environment where employees can follow their passion. This includes the Shake Hands program, which allows employees to move at will to a new team provided the employee and head of the new team agree, without allowing for opposition from the current team leader. Another program is the Cross Job program, which allows employees to allocate up to 30% of their time towards work for other departments. The Company also has a Side Job program that allows employees to work on projects outside the Company. The Company conducts a 360 degree feedback program for managers, that collects and shares feedback from team members. The Company's Career Consultation Office supports employee career development and growth, and improvements to working style. The Company also conducts a monthly survey to check if employees are motivated by their current work, and feel that they are working to their full potential. The Company is continuing to expand its human capital development programs, such as through offerings like those described above.</p> <p>(Initiatives to Promote the Success of Women)</p> <p>The Company is proactively pursuing initiatives that support employees in balancing both work and life events. The Company is promoting the creation of an environment where employees who must temporarily change their work style, for example due to pregnancy, childbirth, childcare, caregiving, or personal or family health, are enabled to achieve results and maximize the use of limited available time. In particular, the Company has implemented numerous initiatives to support women who want to continue working, as life events particular to women, including pregnancy, childbirth, and childcare, can be difficult to balance with work, and ensure that these life events are not a limitation on women's careers.</p> <p>The Company offers a variety of support initiatives, in particular programs and benefits such as shortened working hours, babysitter aid, financial support for those who return to work early, and work-from-home in accordance with circumstances. In addition, the Company established an internal organization called the DWC (DeNA Women's Council) in 2012, which provides comprehensive support from pregnancy through the return to work, including workshops for employees returning from maternity leave. As a result, approximately 25% of the Company's female employees are currently balancing work and childcare. Further, the Company was certified under the Act on Advancement of Measures to Support Raising Next-Generation Children, and granted the right to use the kurumin mark, a symbol of a company supporting childcare.</p> <p>For more details on the DeNA Group's employee initiatives, please visit the following page (in Japanese): https://csr.dena.com/employees/</p>
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	<p>(Initiatives to Promote Employee Wellness)</p> <p>The Company is dedicated to creating an organization where employees, who are essential partners, are able to achieve their best performance at top physical and mental health. In addition to the human resources & general affairs department, which manages overall health matters, including those related to working hours and occupational health, and the standing industrial doctor and health nurse, the Company also created the CHO (Chief Health Officer) Office in 2016, which is dedicated to promoting the health of fellow employees. In recognition of these health-related efforts, the Company was selected as a 2019 Health & Productivity Company under the Health & Productivity Stock Selection program jointly conducted by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange to recognize outstanding enterprises engaging in a health and productivity management program in which enterprises focus on and strategically carry out efforts with regard to their employees' health.</p> <p>For more details, please visit the following page (in Japanese): https://csr.dena.com/cho-office/https://dena.com/jp/article/003654</p> <p>(Contribution to Solving Social Problems Through IT)</p> <p>Japan is on the forefront of a variety of social issues, such as transportation system dysfunction and the increased burden of medical and social security costs due to its super aging society. The Company is utilizing internet and AI technologies to pursue a variety of initiatives to address these issues. The Company has also established an R&D structure to provide services to those with limited access to transportation and the elderly, and is promoting the establishment of a technology-focused organization and encouraging personnel development. In addition, the Company has engaged in various operations efficiency efforts using IT tools, such as the business chat tool "Slack." In recognition of these initiatives, the Company was selected as a 2019 Competitive IT Strategy Company, under the program jointly conducted by METI and the Tokyo Stock Exchange to recognize a selection of outstanding companies for their strategic IT utilization efforts.</p> <p>For more details, please visit the following page (in Japanese): https://dena.com/jp/article/003657</p>
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IV. Matters Related to the Internal Control System

1. Basic Approach to and Status of Development and Operation of Internal Control System [Updated]

(1) System to Ensure Adequacy of Operations

In the Board of Directors meeting, the Company revised the "Basic Policy for Internal Control Systems" as of April 1, 2019 as follows, and maintains the internal control system and risk management system under such policy:

1. System to Ensure Compliance by Directors and Employees of the Company and its Subsidiaries with Laws, Regulations and the Articles of Incorporation

- Directors, executive officers and employees of the Company and its consolidated subsidiaries (collectively, the "Group") shall redefine and seek to embody the Group's mission, "Delight and Impact the World," in each of their business areas.
- Directors, executive officers and employees of the Group shall be required to be cognizant of its corporate social responsibility and to engage in their daily duties in accordance with the Group's Code of Conduct and the requirements of "DeNA Quality," in full compliance with applicable laws and regulations and in a manner consistent with social norms and ethical standards. The heads of the various organizational units, such as executive officers, unit heads and general managers, shall operate their respective units to ensure that each member conducts their affairs in a manner consistent with the foregoing.

- The Company shall establish a department responsible for the compliance and risk management of the Group (the “Compliance and Risk Management Unit”). The Compliance and Risk Management Unit shall be responsible for (a) creating guidelines and manuals and (b) establishing and operating the Group’s compliance program, including education initiatives (such as compliance training), for the purpose of disseminating information to employees about laws, regulations, and internal rules, etc., to ensure that the conduct of individual employees and the organization comply with applicable laws and regulations and conform to social norms and ethical standards. The head of the Compliance and Risk Management Unit shall provide periodic updates to the representative directors and Board of Directors regarding the status of the Unit’s activities.
- The internal audit department shall conduct the internal audit of the Group and provide periodic updates to the representative directors and Board of Directors regarding the status of its activities.
- The whistleblowing hotline system shall apply to the Group’s directors, executive officers and employees, as well as those formerly but no longer employed by the Group and employees of its business partners, among others. In addition, in order to ensure that the abovementioned people are appropriately aware of and able to utilize this system, the Company shall appropriately ensure that they are aware of the importance of this system and provide points of contact for reporting purposes (such as corporate auditors, outside legal counsel and other professionals that are independent of management), in addition to an internal contact point for reporting. The Company’s whistleblowing hotline system shall also ensure appropriate confidential treatment to enable any of the abovementioned people to consult or report without fear of retaliation.
- The corporate department shall check and manage the Company’s business partners and adopt measures to firmly and systematically deal with any anti-social forces that threaten the order and safety of society or the Company’s sound business operations.

2. System for the Storage and Preservation of Information Related to Director Duties

- With respect to the storage and management of information relating to the performance by the Company’s directors of their duties, the corporate department shall have overall responsibility and, depending on the nature of the information, designate the departments responsible for the storage and management of that information in the Company’s internal rules and regulations.
- These responsible departments shall appropriately record, store and manage the abovementioned information for the requisite period of time in a manner consistent with applicable law and the Company’s internal rules relating to document management and other relevant internal rules. Depending on the medium of storage, these responsible departments shall ensure that said information is consistently stored safely and in an efficiently searchable way, and respond promptly to requests from directors and corporate auditors to access that information.

3. Regulations Relating to the Management of Risk of Loss and Other Relevant Risk Management System of the DeNA Group

- Each executive officer, unit head and general manager of organizational units shall be responsible for the analysis, evaluation and management of risks relating to or arising from business operations and the duties of the organizational unit for which they are responsible.
- The Compliance and Risk Management Unit shall be responsible for the following:
 - administration of the Group’s risk management processes (including the assessment, management, and monitoring of risk) and risk management support for each department;
 - (a) in coordination with the corporate department, the internal audit department and all risk management committees, (A) comprehensive assessment of the Group’s business and operational risks, (B) preparation of a summary of the results of analysis, evaluation and measures against risk and (C) continuous and centralized management and monitoring of risk-related information; (b) periodic reporting of such management and monitoring to the Board of Directors, the corporate auditors and management meetings; and (c) providing the views of the department on the deliberations and resolutions of the Board of Directors and management meetings of the Company and, as necessary, of any consolidated subsidiary of the Company;
 - in addition to the administration of the Company’s whistleblowing hotline system, collection of primary risk-related information in coordination with the customer service, public

relations, internal audit (which operates the whistleblowing hotline system) and other related departments; establishment and administration of a system for taking into account feedback from customers and business partners to improve the business operations of the Company; and

- In the case of any unexpected event, follow crisis management procedures to ensure prompt and accurate reporting, communication and handling of the issue.
- If the responsible head of the Compliance and Risk Management Unit has any concerns about the risk awareness and assessment of any representative director or executive officer in their business judgment, they may directly raise those concerns at any meeting of the Board of Directors or management meeting of the Company or, as necessary, at the meeting of the Board of Directors of any consolidated subsidiary of the Company.
- The Company's Board of Directors shall appoint and remove the responsible head of the Compliance and Risk Management Unit through a resolution.
- Security and management of information assets (including personal information) and compliance with related laws and regulations are of critical importance to the business operations of the Group. Accordingly, a committee chaired by the President & CEO of the Company shall have exclusive jurisdiction over matters relating to the foregoing, and the information security department shall manage such matters under the basic policies established by that committee and in coordination with the Compliance and Risk Management Unit.
- If the Compliance and Risk Management Unit or the internal audit department becomes aware (through the internal audit department, internal reporting or otherwise) of any material violation of laws, regulations or the Articles of Incorporation, any inappropriate action or any possibility of serious risk of loss on the Company, it shall promptly report to the Company's directors (other than directors who may have a conflict of interest) and corporate auditors.

4. System to Ensure Efficient Performance of Duties by Directors of the DeNA Group

- With a view to promoting efficiency in the performance of duties and the delegation of authority related to the business execution, in addition to the Company's executive officer system, the Company will appoint an executive officer, commissioned by the Board of Directors or by a representative director, to be responsible for each business unit.
- The representative directors shall administer and supervise the Company's executive officers.
- From the standpoint of supervising the Company's business execution, the Board of Directors shall review the matters to be resolved at the meeting of the Board of Directors and arrange appropriate delegation of duties.
- The corporate department, in coordination with the executive officers or any director or corporate auditor dispatched from the Company, shall monitor and support the business execution of each consolidated subsidiary to ensure efficient operation in accordance with the rules of its Board of Directors and other applicable rules and regulations established by each subsidiary.
- The authority and responsibilities of the directors of the Group in their roles shall be set forth in the rules of the Board of Directors, the rules concerning delegation of authority, the rules concerning duties and responsibilities and other internal rules of each company of the Group, which shall be reviewed in a timely and appropriate manner.
- With respect to managing the performance of its business operations, each Group company shall prepare an annual budget and business plan and in measuring each company's performance thereunder, manage its budget on a monthly basis, monitor on a weekly or daily basis any important operating ratios or figures and report in a timely and appropriate manner to the Board of Directors any information necessary for business management.

5. Other Group Systems to Ensure Adequacy of Operations

- The Company shall dispatch directors and/or corporate auditors to its main subsidiaries, monitor, supervise and audit the performance by the directors of their duties at those subsidiaries and receive reports on the business execution of those subsidiaries from the dispatched directors and/or auditors.
- Each subsidiary, in accordance with the Company's rules and regulations relating to the management of subsidiaries, periodically shall report to and (on important matters) engage in prior consultation

with the executive officer responsible for the relevant business area (in the case of each subsidiary's business operations) and the corporate department (in the case of each subsidiary's business management).

- The internal audit department shall audit the Company's management of its subsidiaries and the business operations of those subsidiaries and verify the effectiveness of the Group's internal controls.

6. Matters Relating to Providing Personnel Support to Corporate Auditors

- The Company shall establish an office responsible for providing support to its corporate auditors (the "Corporate Auditors Office"), appoint full-time members of that office and assign an additional number of employees to that office as may be appropriate to respond to requests for assistance from its corporate auditors.

7. Matters Relating to Independence of Personnel Providing Support to Corporate Auditors and Ensuring Effective Instruction to Such Personnel

- With respect to any matter that is being handled at the request of a corporate auditor, no member of the Corporate Auditors Office shall receive orders or instructions from any director, executive officer or their superior. In addition, any appointment, transfer or evaluation of those members shall be subject to the approval of the standing corporate auditor.

8. System of Reporting by Directors and Employees of the DeNA Group to Corporate Auditors

- The Corporate Auditors Office shall establish an appropriate setting for the corporate auditors to effectively perform their duties by facilitating their participation in Board of Directors meetings, management meetings and other important meetings of the Company and their review of documents and related materials relating to resolutions.
- At important meetings such as the Board of Directors meetings and management meetings, directors responsible for business execution and executive officers shall report on the operating status of the businesses for which they are responsible.
- Each of the Compliance and Risk Management Unit and the internal audit department shall report on its activities to the representative directors and the Board of Directors as well as to the corporate auditors.
- Directors and employees of the Group, promptly upon becoming aware thereof, must notify the corporate auditors of any material violation of laws and regulations or the Articles of Incorporation, any inappropriate activity and any matter that may result in serious loss or damage to the Group. In addition, the corporate auditors shall be entitled at any time as necessary to seek information from directors and employees of the Group.
- The Group shall establish a system to ensure that a person who reports to a corporate auditor or makes a report under the whistleblowing hotline system is not treated disadvantageously by virtue of having made that report.

9. System to Ensure Efficient Oversight by Corporate Auditors

- The Company, primarily through the Corporate Auditors Office, shall establish a system to enable corporate auditors to perform an effective audit of the Company. That system shall provide for meetings between corporate auditors and outside (accounting) auditors to exchange views and information, as well as liaising with outside directors and periodic meetings with inside directors in response to any request from the corporate auditors.
- A corporate auditor at their discretion may consult with legal advisors other than the Company's regular legal advisors and other outside professionals on matters that they deem such consultation to be necessary in the performance of their oversight duties.
- In the event a corporate auditor seeks up-front payment or reimbursement of any costs relating to the performance of their duties, the Company shall promptly make that payment or reimbursement unless it is determined that said payment or reimbursement is not necessary for the corporate auditor's performance of their duties.

10. System for Ensuring Accuracy of Financial Reports

- With the head of the Corporate Unit supervising the establishment of internal controls related to financial reporting, and the head of the internal audit department supervising the evaluation of internal controls related to financial reporting, and pursuant to this basic policy and the “Basic Policy Regarding Internal Controls Relating to Financial Reporting” to be separately established, a representative director shall implement and administrate the Company’s internal controls relating to financial reporting.
- The Board of Directors shall supervise as appropriate the Company’s internal controls relating to financial reporting as administered by a representative director.

(2) Summary of Operation Status of the System to Ensure Adequacy of Operations

Here follows the summary of the operation status of the system to ensure adequacy of operations for fiscal year 2018.

1. Operation Status of System Relating to Compliance with Laws and Regulations

- The Group’s mission is to “Delight and Impact the World” and the Group endeavors to ensure all officers and employees embody that mission. Based on this mission, all business areas also have a separate defined mission.
- The Group has defined the Group Code of Conduct and “DeNA Quality” (standards of conduct) in order to ensure that all officers and employees engage in their daily duties in full compliance with applicable laws and regulations and conform to social norms and ethical standards, and embody the Group’s mission. The Group endeavors to ensure knowledge of the above through such initiatives as messaging from management to officers and employees, regular training and surveys for officers and employees, and the inclusion of “DeNA Quality” as a factor in the personnel evaluation system.
- The compliance and risk management department and legal department jointly created a compliance handbook for all employees that includes content such as explanations of the Group Code of Conduct using specific examples and introductions to the risk management system and the whistleblowing hotline system. This handbook functions to disseminate knowledge to all employees on behalf of the representative directors.
- The compliance and risk management department conducts compliance training for all officers and employees every month to ensure that individual employee and organizational actions are in full compliance with applicable laws and regulations and conform to social norms and ethical standards. The compliance and risk management department ascertains and analyzes the training completion percentage and results, and endeavors to have the training content reach all officers and employees.
- All organizations coordinate with the compliance and risk management department to implement measures to raise compliance awareness. Executive officers responsible for each organization share the status of those initiatives and issues periodically at management meetings. In this way, the Group works to raise compliance awareness throughout the Group.
- The compliance and risk management department and the legal department jointly identify compliance-related risks, and formulate & review various standards, guidelines, manuals, and other rules.
- The head of the compliance and risk management department is appointed by a Board of Directors resolution, and this head periodically reports on the status of activities to the representative directors and Board of Directors.
- The internal audit department defines the yearly audit focus items for the Group, and conducts the internal audit. The audit results are reported to the representative directors and the Board of Directors.
- The Group operates the whistleblowing hotline system not only for all officers and employees of the Group, but also for those formerly but no longer employed by the Group and employees of its business partners, among others. The Group made available points of contact to the corporate auditors and outside legal counsel in addition to the internal points of contact. The Group Code of Conduct and internal rules specify anonymity and confidentiality for the person who made a report

and prohibitions on retaliatory treatment of said person.

- In the Group, the corporate department implements checks of partners at the beginning of a transaction and yearly thereafter to ensure counteraction of anti-social groups and organizations.

2. Operation Status of the System Relating to the Management of Risk of Loss

- For each of the Group's organizations a risk manager is appointed for that organization, and this risk manager coordinates with the compliance and risk management department to identify business and operational risks, and after analyzing and evaluating (categorization and quantification), organizes response measures and manages overall. The Group also regularly reviews the risk analysis and evaluation results based on the above risk monitoring, and reviews the management approach, to keep the risk management in line with business trends.
- The compliance and risk management department coordinates with each Group organization, and promotes comprehensively identifying, centrally managing, and monitoring information regarding risks and the response to said risks that were identified and analyzed & evaluated in each organization. In addition to obtaining information through the operation the internal whistleblowing hotline, the compliance and risk management department also periodically coordinates with the customer support department and public relations department on information they obtain, among others, to ascertain primary information that could lead to risk.
- The compliance and risk management department periodically reports to the Board of Directors about the management and monitoring situation for risk in the Group, and on the content of initiatives to reduce risk. The compliance and risk management department also periodically obtains information that could lead to risks for the Group related to changes in the external environment surrounding the Company's business environment, and shares this information with each Group organization.
- The Group aims to make appropriate information sharing and quick response possible in case of an unexpected event by reviewing the crisis management procedures and ensuring awareness through training and other measures.
- The Company shall convene meetings of the information security management committee and personal information management committee periodically and as necessary. These committees define the daily work policy relating to handling information asset protection, management, and laws and regulations in the Group. These committees also check and monitor the determination of specific measures and progress thereof relating to the Group's information security and personal information protection.

3. Operation Status of the System Relating to Performance of Duties by Directors

- The Group creates, stores, and preserves Board of Directors meetings minutes and other documents and electronic records related to performance of duties by directors as appropriate.
- The Company places an executive officer in each business area or functional area, and the representative directors oversee and monitor them. Also, through review of the Board of Directors meeting agenda and other initiatives, the Company aims to increase the efficiency of the performance of duties by directors.
- Decision-making regarding business execution at the Company is conducted by the Board of Directors and additionally by the management meeting made up of executive officers or heads of each organization as appropriate for their authority. The management meeting is held as a rule on a weekly basis, and in addition is operated in an agile manner.
- The Group periodically reviews internal rules and regulations that define the authority of the Board of Directors and other decision-making institutions and executives for each Group company, with the support of the Company's corporate department, and aims to improve the efficiency of the performance of duties by the directors.
- The Group conducts monthly budget management and daily and weekly major indicator management for each of the Group companies, and key business management information is reported to the Board of Directors on a monthly basis.

4. Operation Status of the System to Ensure Adequacy of the Group's Operations

- The subsidiary management approach and management rules and regulations are periodically reviewed at the Company Board of Directors meetings and management meetings. The Company has also created guidelines with more information about the management approach and is having each subsidiary adopt such guidelines and operate under them in order to enhance the effectiveness of the management approach, etc.
- The Company dispatches its officers and employees to main subsidiaries as directors, corporate auditors and/or responsible persons of the corporate departments of such subsidiaries to supervise and audit the performance by the directors of their duties as well as receive reports on the business execution of those subsidiaries from the dispatched persons, through the Board of Directors or daily management operations.
- At the Company, executive officers responsible for the relevant business area supervise the business of that subsidiary. In addition, the corporate department receives reports from subsidiaries about business management information and engages in prior consultation with the subsidiary on important matters, on the basis of the subsidiary management rules and regulations.
- The internal audit department conducts internal audits of the entire Group.

5. Operation Status of the System Relating to Performance of Duties by Corporate Auditors

- Dedicated employees with a high level of independence from business execution are assigned to the Corporate Auditors Office, and these employees support audits, such as the smooth exercise of the right of corporate auditors to survey operations and property, through such activities as ensuring opportunities for corporate auditors and the Group's officers and employees to meet and gathering related materials.
- The corporate auditors participate in the Company's Board of Directors meetings, receive reports from directors and executive officers about the status of business execution, and audit directors in the performance of their duties. Also, the standing corporate auditor participates in the Company's management meetings and other important meetings, and in addition to auditing business execution, also shares that information with the other auditors at corporate auditor meetings and on other occasions.
- The corporate auditors debrief the directors and corporate auditors of the Company and its main subsidiaries about the status of the performance of duties and interview the Group's employees to gather information. Also, the corporate auditors periodically receive reports from the compliance and risk management department and the internal audit department about their activities.
- The corporate auditors conduct meetings periodically with the accounting auditors to exchange opinions and information. The corporate auditors also hold meetings with the outside directors to share information and exchange opinions.

6. Operation Status of the System to Ensure Accuracy of Financial Reports

- The Company periodically amends its "Basic Policy Regarding Internal Controls Related to Financial Reporting" and related guidelines in order to establish internal controls related to financial reporting and ensure that operations thereof are highly effective. Also, the range of evaluation regarding the internal controls related to financial reporting will be continually reviewed on the basis of the above Basic Policy, etc.

Group Code of Conduct

The DeNA Group Code of Conduct is available at the following URL:

https://csr.dena.com/images/code-of-conduct/dena_group_code_of_conduct_en.pdf

2. Basic Policy and Efforts to Counteract Anti-Social Groups and Organizations

1. Basic Policy

As required by the Group Code of Conduct and the basic policy for internal control systems, from the standpoint of social responsibility and corporate protection, the Company shall forcefully respond to contacts and demands from anti-social groups and organizations that threaten the order and safety of society and resolutely eliminate any relationship or transaction with such anti-social groups and organizations.

2. Internal System to Handle Anti-Social Groups and Organizations

The Company's general affairs department has overall responsibility for the Company's internal system to handle and eradicate any relationship with anti-social groups and organizations. When the Company considers transacting with a new business partner or counterparty, it conducts background checks pursuant to prescribed internal rules.

3. Cooperation with Outside Specialized Agencies

The Company participates in the "Tokubouren" (an association established by the National Policy Agency to combat anti-social groups and organizations) and members of the relevant departments attend workshops organized by the association. The Company has established a collaborative relationship and maintains close communication with the association, the police, outside legal advisors and other professional organizations. The general manager of the general affairs department has overall responsibility for the actual handling of anti-social groups and organizations in close coordination with the police, outside legal advisors and outside professional organizations, so as to enable the Company to address any issues promptly.

4. Establishing Manuals

The Company has created manuals for how to address anti-social groups and organizations in order to break off and reject any connection with such groups and organizations and prevent damage therefrom.

5. Training Activities

The Company conducts compliance training for all officers and employees. The Company also regularly takes up the topic of managing partners and handling anti-social groups and organizations to ensure the spread of appropriate handling of such anti-social groups and organizations throughout the Company.

V. Other

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not Adopted
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Supplementary Explanation

The Company's Basic Policy Regarding Control of the Financial and Business Policies of the Company (matters set forth in Article 118, Item 3 the Ordinance for Enforcement of the Companies Act) is as follows: The Company believes that the "person who controls the financial and business policies of the Company" must have broad knowledge and considerable experience in the DeNA Group's business (including internet service for mobile phones and personal computers), as well as profound understanding of the Company's relationship of trust with its shareholders, employees, users, business counterparties and various stakeholders. Through such knowledge, experience and understanding, such person should have the ability to maximize the Company's corporate value and profit over the medium- and long-term.

As a listed company, the Company believes that the decision to allow a party to seek ownership of a large number of Company shares should ultimately be left to the Company's shareholders, assuming that such acquisition will be made through free market transactions. At the same time, attempts to take over a company may in some cases clearly damage the target company's corporate value or the common benefit of its shareholders, or may not provide appropriate time or information necessary for proper consideration of the takeover proposal, and such cases cannot always be said to further the corporate value or the common benefit of the shareholders of the target company.

The Company believes that in such case, the party who seeks to acquire a large amount of Company shares is not suited to control the financial and business policies of the Company. Accordingly, in such case, to the extent permitted by applicable law and the Articles of Incorporation, the Company intends to take measures to protect and increase the DeNA Group's corporate value and common benefit with shareholders.

2. Other Matters Concerning Corporate Governance System

The Company's internal system for periodic disclosure of information is as follows:

1. Policy on Periodic Disclosure

The Company has implemented a system to facilitate the appropriate disclosure of information relating to the Company and its affiliated companies. This system is intended to satisfy the Company's responsibilities to its shareholders and investors promptly to disclose appropriate information in accordance with applicable law and the listing requirements of the Tokyo Stock Exchange.

2. Internal System Relating to Timely Disclosure by the DeNA Group

In order to prevent insider trading, the Company has implemented the "Rules and Regulations for the Prevention of Insider Trading". Pursuant to these rules and regulations, the head of the corporate department has overall responsibility to manage information relating to the Company and to be aware of any information that requires timely disclosure. In addition, the responsible person for each department, in his/her capacity as the person with overall responsibility to manage information in such department, coordinates with the head of the corporate department in the management of such information. Such responsible person is also charged with instilling awareness in the Company's employees of the importance of information management and to be well versed in the Company's rules and regulations relating thereto. In the case of affiliated companies, pursuant to the "Rules and Regulations for the Management of Subsidiaries" the responsible business unit or the responsible executive officer manages information relating to business operation. Any other information relating to business operation is handled by the corporate department.

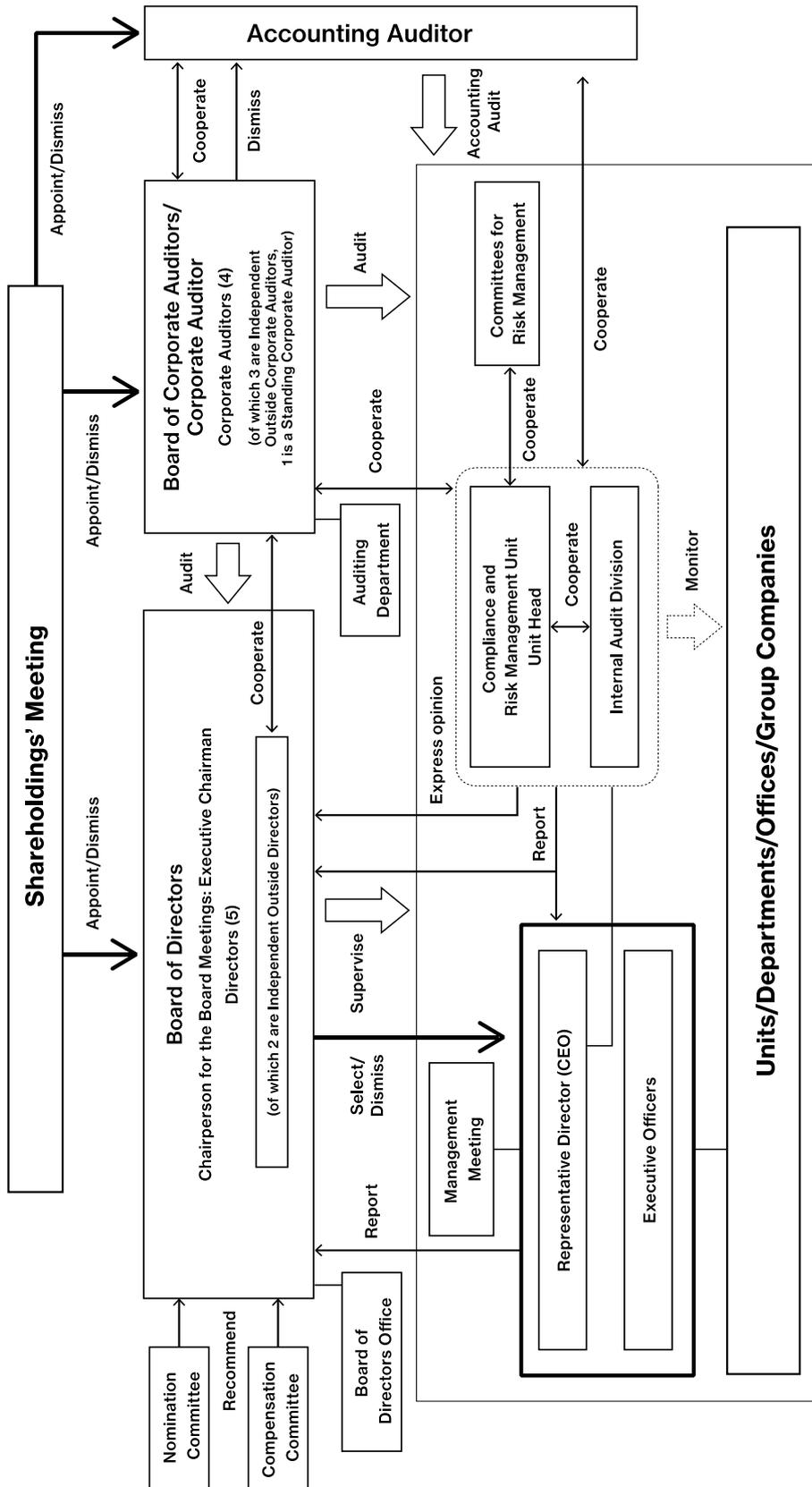
With respect to important matters, the head of the corporate department coordinates with the person responsible for information management of the department involved and the department responsible for investor relations, and consults with relevant departments and outside legal advisors as necessary, and determines the need for disclosure as well as the timing and content of disclosure. A decision on financial information that is deemed to warrant disclosure in principle is determined at a management meeting or Board of Directors meeting attended by the full-time directors, full-time corporate auditors and executive officers. After obtaining final approval of the head of the corporate department, the department responsible for investor relations will proceed promptly to disclose relevant information.

3. Audit of the Internal System Relating to Timely Disclosure

From the standpoint of compliance with law and efficient conduct of business that reflects the Company's business strategy, the department in charge of internal audit conducts internal audits pursuant to the annual audit plan. The purpose of such audits is to examine, evaluate and improve the system of management and operation relating to the Company's business. With respect to timely disclosure of financial information, the Company has implemented a system of timely disclosure pursuant to an internal reporting system based on the Financial Instruments and Exchange Law.

The Board of Corporate Auditors led by the full-time corporate auditors also provide an oversight function in relation to the Company's timely disclosure system by attending Board of Directors meetings and seeking information and reports from each relevant department and related company.

[Structure for Corporate Governance (Diagram)] [Updated]



[Overview of System for Timely Disclosure (Diagram)]

