

The following is an unofficial English translation of the Japanese original text of the Corporate Governance Report of Cookpad Inc., which has been submitted to the Tokyo Stock Exchange. Cookpad Inc. 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.

Updated on 29 March 2023

**Cookpad Inc.**

Rimpei Iwata, Chief Executive Officer  
Contact: Finance Division, +81-50-3142-1532  
Securities Code: 2193  
<https://www.cookpadteam.com>

The following is an overview of corporate governance at Cookpad Inc.

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

### 1. Basic Views

As a company providing services related to cooking, we believe public trust is fundamental to our business and therefore strive to maintain trustworthiness in order to build corporate value on it. This belief has led to a recognition that it is vital for us to develop systems for timely, appropriate corporate governance and ensure transparency and efficiency of management at all times.

To maintain society's trust, it is also essential that we should consistently enhance our corporate value. In light of these considerations, we recognised the need to build a system that separates the supervisory and executive functions for the most effective management and transitioned to a Company with the Three Board Committees via a resolution at the General Meeting of Shareholders held on 24 July 2007. Our Board of Directors, with the majority comprising outside directors, delegates substantial authority to executive officers and supervises as an independent body the performance of executive officers, thus achieving the balance between "dynamic, flexible business execution" and "timely, appropriate supervision." This structure for the best decision-making ensures appropriate corporate management. For more prompt and effective execution, we have introduced operating officers to the executive function.

### [Reasons for Non-compliance with the Principles of Japan's Corporate Governance Code]

The descriptions in this section are based on the revised version of Japan's Corporate Governance Code enforced on 11 June 2021.

[Supplementary Principle 2-4-1]

Cookpad Inc. (the "Company") believes diverse personnel is important and indispensable for the Company to deliver on its mission.

<Ensuring diversity>

Recognizing the need to ensure diversity in achieving its mission, the Company has also set up operations outside Japan. Personnel exchanges among the offices around the world provide us with diverse know-hows reflecting distinct kinds of experiences, skills and attributes.

<Voluntary and measurable goals for ensuring diversity>

The Company does not set specific targets for personnel diversity, focusing more on providing all employees with fair evaluations and equal opportunities for being appointed to higher positions.

<Policies on human resource development and internal environmental development to ensure diversity and the progress so far>

Since diverse employees work in its organisations, the Company has introduced flexible work schedules without core hours (only in Japan) where every employee can choose the times when they work considering personal circumstances and requirements for their duties such as the need to communicate with people in different time zones, and thus can perform to their best capacity.

[Supplementary Principle 3-1-3]

To deliver on its mission to "Make everyday cooking fun!" the Cookpad Group (the "Group") has been making proactive investments to solve various problems associated with cooking and to increase the number of home cooks who enjoy cooking around the world.

The Group does not disclose specific metrics on issues concerning the Task Force on Climate-Related Financial Disclosure (TCFD). Instead, we collect data for the World Cooking Index, an index to quantify how much our mission has been achieved, through worldwide questionnaire surveys conducted in collaboration with Gallup Inc.

The Company's articles of incorporation (the "Articles of Incorporation") state, "Our Company exists to 'Make everyday cooking fun!' and this is our mission" and "When everyone on the planet enjoys everyday cooking, our company will dissolve," to emphasise the Group's goal and raison d'être.

Capitalism and its prioritisation of economic growth has had a massive impact on the world: extreme poverty is declining and, in general, life expectancy is increasing. However, we have started to realise how much we are sacrificing our own personal health and the health of our planet. Our diet is contributing to 'lifestyle' diseases, the biggest cause of deaths around the world, while the rapid shift to virtual relationships is contributing to mental illness. From the perspective of the "health" of the earth, the food value chain is one of the largest sources of carbon dioxide emissions, contributing to global warming, escalating land and marine pollution, and threatening the world's biodiversity. At the very moment we need to be more conscious of these issues and change our behaviour, we are actually becoming more ignorant of them. This is because we are outsourcing cooking to processed food, delivery services and restaurants. This act of outsourcing makes us less aware of what is going on with our food and everything connected to it. We believe that we are at the point of no return; our food system must change. We need to find and act on solutions now. What we eat has an enormous impact on our world. So, cooking can help to make ourselves, society and the planet healthier. We strive to make a positive impact through home cooking. Specifically, we aim to increase the number of "creators involved in cooking" because once you become a creator, you become more aware. Creators think, they are

curious, they are engaged. In turn, they tend to make conscious, informed choices, which can change the world. We believe that if cooking is more enjoyable, then more people will cook more often. Some people are motivated by learning new skills, some by the creativity and others by being part of the community. Whatever their motivation, we will help to make cooking enjoyable for everyone who wants to cook. Of the seven billion people on our planet, many home cooks are already enjoying cooking. We will create a community where the passion and wisdom of these people helps and inspires others. We will achieve the health of our planet, people and society, if we “Make everyday cooking fun!”

[Supplementary Principle 3-2-1]

For the selection and evaluation of external auditors, the Company prioritises, over establishing its own standards, quality management reviews by the Japanese Institute of Certified Public Accountants (JICPA), a third-party public institution, and inspections by the Certified Public Accountants and Auditing Oversight Board (CPAFOB). In addition, the Company evaluates eligibility, independence and expertise of external auditors based on their quality management system they maintain as a corporation and the reports on their compliance to the Audit Firm Governance Code. For any request made by the Company for services other than auditing, the independence of the external auditors to be engaged in those services needs to be verified both by the Company and by the external auditors themselves.

[Supplementary Principle 4-1-3]

The Company puts the planning for the succession of the Chief Executive Officer on its agenda and the Board of Directors continues to discuss the plan.

[Principle 5-2]

The Company has set out its mission in the Articles of Incorporation and conducts business with a long-term view in pursuit of that mission.

We do not disclose specific data concerning, among others, our outlook on profitability and capital efficiency. This is because we prioritise the capabilities of flexibly dealing with changes in the business environment and making timely, appropriate decisions to deliver on our mission, in the belief that such an approach eventually benefits shareholders and other stakeholders of the Company.

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

[Principle 1-4]

The Company does not hold cross-held shares.

[Principle 1-7]

The Company's Rules for the Board of Directors stipulate that a resolution of the board is required for material transactions with major shareholders (those who own 10% or more of the total number of issued shares) as well as competitive or conflict-of-interest transactions with the Company's directors (“Directors”) or the Company's executive officers (“Executive Officers”). Transactions with Directors or their close relatives that do not fall under the above description are to be verified in annual interviews with Directors. We properly disclose all transactions with related parties in accordance with Japan's Companies Act, Japan's Financial Instruments and Exchange Act and other applicable laws as well as the regulations of the Tokyo Stock Exchange.

[Principle 2-6]

The Company does not provide a corporate pension scheme.

[Principle 3-1]

(1) Business principles, business strategies and business plans

The Company states its mission to “Make everyday cooking fun!” not only on its website (<https://www.cookpadteam.com>) and in disclosure materials including the Annual Securities Report, but also in the Articles of Incorporation, making proactive investments to solve various problems associated with cooking and to increase the number of “creators involved in cooking” in pursuit of its mission.

(2) Basic guidelines on corporate governance

Please refer to “1. Basic Views” in “1. Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Information.”

(3) Board policies and procedures for determining the remuneration of senior management and directors

The remuneration of Directors and Executive Officers is determined by the Compensation Committee, with the majority comprising outside directors. Basic policies for determining the amount of compensation are described in the convocation notice of the General Meeting of Shareholders, which is posted on the Company's website (in Japanese only).

(4) Board policies and procedures for appointment/dismissal of senior management and nomination of director candidates

For the election and dismissal of Directors, the Nominating Committee, with the majority comprising outside directors, determines the details of the proposals, which will be presented to and resolved by the Company's shareholders in the General Meeting.

Executive Officers are elected and dismissed through voting by the Board of Directors. The nominees of Directors and Executive Officers are chosen based on comprehensive considerations after discussions are made on whether they have the personality, expertise, experience, background and other elements required for the duties.

In the case where a Director or an Executive Officer is deemed to be incapable of upholding their duties after infringement and/or negligence of them are observed, the Board of Directors discusses and determines on the treatment of the Director or the Executive Officer through prescribed procedures.

(5) Accountability for the appointment/dismissal of senior management and the nomination of director candidates

The Company states the reasons for the election and appointment of Directors in the convocation notice of the General Meeting of Shareholders, along with descriptions of any dismissals. The Company presents the reasons for the election and appointment of Executive Officers in a meeting of the Board of Directors, which is responsible for their election.

[Supplementary Principle 4-1-1]

The Company has introduced the Company with the Three Board Committees (Nominating, Compensation and Audit Committees) system to establish separate executive and supervisory structures for prompt and proper management.

The Board of Directors delegates authority over making business decisions to the Executive Committee, consisting of the Chief Executive Officer and Executive Officers, except decisions exclusively left for the board to make and decisions on the act of endowment. The Executive

Committee confers the authority to its members as required, in accordance with the Company's rules on the segregation of powers.

[Principle 4-9]

The Company appoints independent outside directors referring to the standards for independence defined by the Tokyo Stock Exchange. From the candidates for independent outside directors, the Company expects expertise, among others, required to supervise its management while also taking into consideration specific circumstances at the time.

[Supplementary Principle 4-10-1]

As a Company with the Three Board Committees, the Company has set up and operates the three committees in accordance with Japan's Companies Act: the Nominating, Compensation and Audit Committees.

[Supplementary Principle 4-11-1]

The Articles of Incorporation stipulate that the number of Directors shall not exceed nine.

The Nominating Committee chooses nominees with a view to composing the optimal team to deliver on the Company's mission.

The current Board of Directors consists of directors who have vast experience in and knowledge about corporate management, with the majority comprising outside directors. All the outside directors have been appointed as independent officers, which allows them to supervise the Company's management from multiple, diverse perspectives.

[Supplementary Principle 4-11-2]

Major concurrent positions held by Directors are disclosed on the Company's website (<https://info.cookpad.com/corporate>; in Japanese only) as well as in the convocation notice of the General Meeting of Shareholders and the Annual Securities Report.

We are convinced that Directors with concurrent positions can uphold their duties at the Company.

[Supplementary Principle 4-11-3]

To continuously maintain and enhance the functions of the Board of Directors, the Company conducts and discloses the evaluation of the board's effectiveness on an annual basis.

We repeat this evaluation process every year to identify issues with the board and discuss specific solutions for them, in the belief that this cycle makes the board more solid and functioning better.

[Supplementary Principle 4-14-2]

The Company provides a board orientation to new Directors to ensure that they have a deep understanding about their responsibilities and the Company's businesses.

In addition, we deliver training programs for Directors so that they perform their supervisory functions to their full potential, when required for them to keep up with law/regulation amendments and current trends.

[Principle 5-1]

The Company communicates with investors as required to deliver on its mission.

We have set up in the CFO Office a unit dedicated to investor relations activities and have appointed Morio Inukai, Chief Financial Officer, as officer in charge. With the IR unit working in close coordination with relevant units such as the Finance Division and the Legal and Compliance Division, we provide financial results briefings for analysts and institutional investors, disclose information on our website, have actual dialogues with shareholders and other individual investors residing in Japan and abroad, and undertake other IR-related activities.

For proper management of information on insiders, we have established the Rules on Insider Trading Management and regulate the practice in accordance with the rules.

## 2. Capital Structure

Ratio of shares held by foreign investors	10% to less than 20%
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### [Major Shareholders]

Name	Number of shares held	Percentage(%)
Mr. Akimitsu Sano	46,582,800	44.70
Barisutā K.K.	9,846,000	9.45
The Master Trust Bank of Japan, Ltd. (Trust Account)	4,992,200	4.79
The Bank of New York Mellon 140051 (Standing proxy: Mizuho Bank, Ltd. (Settlement & Clearing Services Division))	2,169,500	2.08
MSIP CLIENT SECURITIES	1,564,800	1.50
Credit Suisse AG Hong Kong Trust A/C CLIENT	1,301,500	1.25
Mr. Shuhei Morofuji	1,180,000	1.13
BNP Paribas Luxemburg/2S/JASDEC/Janus Henderson Horizon Fund	872,700	0.84
Mr. Joe Hirao	706,900	0.68
SBI Securities Co., Ltd.	691,666	0.66

Controlling shareholder (Except for parent company)	N/A
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Parent company	None
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### Supplementary Information

N/A

## 3. Corporate Attributes

Listed stock market and market section	Standard Market, Tokyo Stock Exchange
Fiscal year-end	December
Type of business	Services
Number of employees (consolidated) as of the end of the previous fiscal year	100 to less than 500
Sales revenue (consolidated) for the previous fiscal year	Less than 10 billion yen
Number of consolidated subsidiaries as of the end of the previous fiscal year	10 to less than 50

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

N/A

## 5. Other Special Circumstances Which May Have Material Impact on Corporate Governance

N/A

## II. Business Management Organisation and Other Corporate Governance Systems Regarding Decision-Making, Execution of Business and Oversight of Management

### 1. Organisational Structure and Management

Organisational structure	Company with the Three Board Committees
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#### [Directors]

Max. number of directors stipulated in Articles of Incorporation	9
Terms of office stipulated in Articles of Incorporation	1 year
Chairperson of the board	Director who also serves as Executive Officer other than Chairperson and President
Number of directors	7

#### [Outside Directors]

Number of outside directors	4
Number of outside directors designated as independent directors	4

#### Relationship with the Company (1)

Name	Attributes	Relationship with the Company (*)												
		a	b	c	d	e	f	g	h	i	j	k		
Toru Kitagawa	External													
Hiroataka Tanaka	External													
Takako Kato	External													
Trang Diep Kieu Le	External													

#### \* Categories for relationship with the Company

\* "C" when the person currently falls or recently fell under the category; "P" when the person fell under the category some time ago.

\* "RC" when a close relative of the person currently falls or recently fell under the category; "RP" when a close relative of the person fell under the category some time ago.

a: An executive of the Company or any of its subsidiaries

b: An executive or a non-executive director of the Company's parent company

c: An executive of the Company's fellow subsidiary company

d: A party whose major client or supplier or service provider is the Company or an executive thereof

e: A major client or a supplier or service provider of the Company or an executive thereof

f: A consultant, an accountant or a legal professional who receives a large amount of payment in money and/or in kind from the Company besides compensation as director

g: A major shareholder of the Company (or an executive of the major shareholder as a legal entity)

h: An executive of a client or a supplier or service provider of the Company (which does not correspond to "d," "e" or "f") (Applicable to the person themselves only)

i: An executive of a company between which and the Company outside directors or other corporate officers are mutually appointed (Applicable to the person themselves only)

j: An executive of a company or an organisation that receives a donation from the Company (Applicable to the person themselves only)

k: Other

#### Relationship with the Company (2)

Name	Committees			Independent	Supplementary information on relationship	Reasons for appointment
	Nominating	Compensation	Audit			
Toru Kitagawa		✓	✓	✓	N/A	An ex-Chief Financial Officer/Corporate Officer in charge of strategies, finance, supply chain, etc. at Starbucks Coffee Japan, Ltd., Mr. Kitagawa has vast experience in corporate strategy and finance at multiple B2C brands. For these reasons, the Company believes that Mr. Kitagawa can be expected to provide oversight and advice relevant to its business.

Hiroataka Tanaka	✓		✓	✓	N/A	Having provided strategic consulting in technology, communications and other industries, Mr. Tanaka also has extensive knowledge in the field of food tech. For these reasons, the Company believes that Mr. Tanaka can be expected to provide oversight and advice appropriate for its business. Mr. Tanaka also satisfies the independence criteria defined by the Tokyo Stock Exchange and we have designated her as independent director and filed a registration with the exchange.
Takako Kato			✓	✓	N/A	With vast experience in administrative operations in general affairs and finance among other fields, Ms. Kato has extensive knowledge about corporate governance. For these reasons, the Company believes that Ms. Kato can be expected to provide oversight and advice relevant to its business.
Trang Diep Kieu Le	✓	✓		✓		With experience in internet service companies, Ms. Le has extensive knowledge about social media communities. For these reasons, the Company believes that Ms. Le can be expected to provide oversight and advice relevant to its business.

### [Committees]

Composition of each committee and attributes of the committee chairperson

	Number of members	Number of full-time members	Number of inside directors	Number of outside directors	Chairperson
Nominating Committee	3	0	1	2	Outside director
Compensation Committee	3	0	1	2	Outside director
Audit Committee	3	0	0	3	Outside director

### [Executive Officers]

Number of executive officers

6

Concurrent positions

Name	Has authority to represent the Company	Also serves as director			Also serves as employee
			Nominating Committee	Compensation Committee	
Rimpei Iwata	Yes	Yes			No
Akimitsu Sano	No	Yes	✓	✓	No
Tomoya Yasuda	No	Yes			No
Morio Inukai	No	No			No
Rebecca Rippin	No	No			No
Thomas Melkebeke	No	No			No

### [Audit Structure]

Audit Committee is assisted by directors/employees

Yes

Regarding independence of the directors and employees from the executive officers

Since the Audit Committee consists solely of outside directors, the Company appoints audit assistants for the Audit Committee (“Audit Assistants”), who assist the committee with its duties. We have built a system where full-time Audit Assistants inform members of the Audit Committee of the progress in their regular operations when necessary. To ensure the independence of employees who work as Audit Assistants, the Audit Committee appoints, dismisses and evaluates them in accordance with the Rules for the Audit Committee.

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## Cooperation among members of the Audit Committee, independent auditors and the internal audit unit

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KPMG AZSA LLC audits the accounts of the Company under an audit agreement.

The Company holds a meeting when necessary for exchanges of information and ideas between members of the Audit Committee and independent auditors. Also attended by Audit Assistants, the meeting provides opportunities where audit plans, systems and results are reported and matters that require attention are shared.

The certified accountants who conducted accounting audits for the fiscal 2022 are: Yoshichika Kaneko and Yuki Kodaka.

We appoint internal auditors, who conduct internal audits under the direction of the Chief Executive Officer. We hold a meeting when necessary for exchanges of information and ideas among the internal auditors, members of the Audit Committee and Audit Assistants, where audit plans and results are reported.

### [Independent Directors]

Number of independent directors	4
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#### Other matters related to independent directors

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N/A

### [Incentives]

Initiatives to offer incentives to directors and executive officers	Introduced stock option plans
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#### Supplementary information

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The Company offers stock options to boost motivation and morale for higher performance and to acquire talented individuals.

Persons eligible for stock options	Executive Officers, employees, and directors and employees of subsidiaries
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#### Supplementary information

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Those eligible for stock options are Executive Officers, employees of the Company, and directors and employees of subsidiaries

### [Remuneration of Directors and Executive Officers]

Disclosure of each individual Director's remuneration	Not disclosed
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Disclosure of each individual Executive Officer's remuneration	Not disclosed
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#### Supplementary information

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For Directors' and Executive Officers' remuneration, the Company discloses the individual total amounts for outside directors, inside directors and Executive Officers.

Policies for determining compensations and calculation methods	Adopted
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#### Disclosure of policies for determining compensations and calculation methods

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The Compensation Committee determines the amount of compensation based on polices described below for determining the remuneration for each individual officer of the company. In principle, the Compensation Committee determines the amount for each Executive Officer or Director for the fiscal year in a meeting to be held annually after the General Meeting of Shareholders. The Compensation Committee determines non-fixed components of compensation plans as needed.

#### [1] Directors' compensation

A Director's compensation is basically fixed salary and the amount for each Director is determined based on the economic situation, the circumstances around the Company and the Director's duties, also taking into account the frequency of and the time taken for the Director's supervisory activities.

#### [2] Executive Officers' compensation

An Executive Officer's compensation consists of fixed salary and stock awards, and the amount and the value for each Executive Officer are determined based on the economic situation, the circumstances around the Company and the Executive Officer's duties.

### [Systems for Supporting Outside Directors]

Prior to a meeting of the Board of Directors, the Board of Directors bureau in the Legal and Compliance Division informs outside directors of the matters to be resolved and reported. The bureau also provides a report of the meeting for absent directors immediately after it was held.

## 2. Matters Concerning Respective Decision-Making Functions for the Execution of Business, Auditing and Supervision, Nominations, and Remuneration (Overview of the Current Corporate Governance System) Updated

The Company's corporate governance system for making decisions regarding the execution of business, auditing and supervision, nominations, remuneration and other matters is described below.

### ◆ Board of Directors

The Company's Board of Directors, consisting of seven Directors (including four outside directors), determines basic policies on business management and, delegating substantial authority to Executive Officers, supervises business execution by the Executive Officers.

### ◆ Three Board Committees

#### 1. Audit Committee

The Audit Committee consists of three outside directors, whom the Company has appointed in the belief that a team of outside directors with different expertise can review the Company's business management from multiple, diverse perspectives. The matters to be discussed at the Audit Committee include the status of review and oversight of business execution by Directors and Executive Officers as well as proposals for appointment and dismissal of independent auditors to be presented to the General Meeting of Shareholders. Audit Assistants, functioning as the bureau of the committee, inform meeting attendees of matters to be discussed in advance and send relevant materials to absent members for prompt, proper operation of the committee.

#### 2. Nominating Committee

The Nominating Committee consists of three Directors including two outside directors. Outside directors shall represent the majority to ensure proper nomination. The matters to be discussed at the Nominating Committee include proposals for appointment and dismissal of directors to be presented to the General Meeting of Shareholders. The bureau of the committee in the Personnel Division informs meeting attendees of matters to be discussed in advance and sends relevant materials to absent members for prompt, proper operation of the committee.

#### 3. Compensation Committee

The Compensation Committee consists of three Directors including two outside directors. Outside directors shall represent the majority to ensure proper remuneration and fair evaluation of business execution from a supervisory viewpoint. The matters to be determined at the Compensation Committee include basic policies on remuneration for Directors and Executive Offices, the individual amounts of compensations and specific calculation methods. The bureau of the committee in the Personnel Division informs meeting attendees of matters to be discussed in advance and sends relevant materials to absent members for prompt, proper operation of the committee.

### ◆ Executive Officers

Executive Officers make resolutions or decisions on matters concerning business execution in accordance with basic policies formulated by the Board of Directors.

### ◆ Auditing System

The Audit Committee, Audit Assistants and internal auditors develop the Company's auditing system in cooperation with external auditors and legal advisors.

## 3. Reasons for Adopting the Current Corporate Governance System

Even before the transition to a Company with the Three Board Committees, the Company proactively appointed independent outside directors as part of its initiatives for corporate governance promotion and introduced operating officers to its executive system, in the belief that its corporate value can be enhanced by separating the supervisory and executive functions for better oversight of management and more prompt business execution.

The Amendment to Japan's Companies Act allowed us to introduce the Company with Three Board Committees system and we did so to further ensure the separation between the supervisory and executive functions.

In the Company's Board of Directors, outside directors specialised in different fields represent the majority and, based on their vast experience and extensive knowledge, provide advice on business management while exchanging opinions and ideas with other Directors for the board to fulfil its supervisory function.

### III. Implementation of Measures for Shareholders and Other Stakeholders

#### 1. Measures to Vitalise the General Meeting of Shareholders and Promote Exercise of Voting Rights

	Supplementary information
Early notification of the General Meeting of Shareholders	The Company dispatches the convocation notice at least three business days ahead of the statutory deadline.
Allowing electronic exercise of voting rights	To accommodate shareholders' needs, the Company has introduced a system for exercising voting rights using a PC or a smartphone via the Internet.
Participation in an electronic voting platform and other efforts to improve the environment for exercising voting rights by institutional investors	The Company participates in an electronic voting platform to prompt institutional investors to exercise their rights, allowing them to examine proposals from the day the convocation notice is dispatched.
Other initiatives	The convocation notice of the General Meeting of Shareholders is posted on the Company's website (in Japanese only).

#### 2. Investor Relations (IR) Activities

	Supplementary information	To be presented by the representative
Regular briefings for analysts and institutional investors	The Company holds regular briefings for analysts and institutional investors following disclosures of financial results for the fiscal year and the second quarter.	Yes
Disclosing IR materials on the website	Focusing considerably on IR activities for retail investors, the Company posts on its website financial results reports and other documents to be timely disclosed.	
Establishing a unit (or a manager) dedicated to IR activities	The Company has set up the CFO Office as a unit dedicated to IR activities.	

#### 3. Initiatives to Ensure Due Respect for Stakeholders

	Supplementary information
Developing policies on information disclosure to stakeholders	The Company has established its disclosure policies.

## IV. Matters Related to the Internal Control System

### 1. Basic Views on the Internal Control System and the Progress of System Development

The Company has established the internal control system for the Group as described below.

1. Systems for ensuring that Directors and the Company's employees execute their duties in compliance with laws and regulations and the Articles of Incorporation

(1) Compliance system

a. The Company builds and develops a system for ensuring compliance with laws and regulations relevant to its business activities, the Articles of Incorporation and its internal regulations ("Laws and Regulations") in accordance with the Rules on Compliance and Risk Management laid down by the Board of Directors.

b. The Company persistently undertakes educational initiatives and provides training programs for personnel to raise awareness of compliance, reinforcing its compliance system.

(2) Internal hotline for compliance

The Company establishes an internal hotline for compliance to detect and correct as early as possible issues concerning noncompliance to Laws and Regulations.

(3) Auditing

a. The Chief Executive Officer establishes the Internal Control Office, which conducts internal regular audits and promptly reports the results to the Audit Committee.

b. The Audit Committee reviews as an independent body the business activities undertaken by Executive Officers while evaluating the structure and operations of the internal control system.

(4) Other

a. The Company takes appropriate disciplinary decisions on officers' and employees' violations of Laws and Regulations in accordance with internal regulations such as the Rules of Employment and the Rules for the Disciplinary Committee.

b. The Company develops and operates an appropriate internal control system in accordance with Laws and Regulations including Japan's Financial Instruments and Exchange Act in order to ensure reliability of its financial reports and make timely, proper disclosures required by Laws and Regulations.

c. The Company has established the Rules for Excluding Antisocial Forces to stand firmly against and eliminate associations with antisocial forces, screening all new suppliers and service providers in accordance with the rules.

2. System for storing and managing information related to the execution of duties by Directors

(1) Executive Officers properly keep and manage documents and other information related to their execution of duties in accordance with Laws and Regulations while establishing and developing internal regulations including the Rules on Document Management.

(2) Such information should be available to Directors when needed.

3. Rules or any other systems of the Company for managing the risk of loss

(1) Striving to ensure that users enjoy our services without worries, the Company prioritises earning and maintaining users' trust in its risk management.

(2) The Board of Directors, with the majority comprising outside directors, sufficiently examines the risk of loss in making material business decisions.

(3) The Risk Management Committee specifies the unit in charge for each risk to clearly understand and manage risks associated with business execution. With a view to reducing and preventing such risks, the committee thoroughly and comprehensively identifies them, and then conducts analyses and evaluations to prevent and prepare for their materialisation while reporting the state of risk management to the Chief Executive Officer and the Board of Directors in a timely manner.

(4) The Company is committed to developing and reinforcing its information security system based on the Basic Rules of Information Security. We operate the information security management system (ISMS) which have been certified to the global ISMS standards.

(5) In the event of a material business risk arising, the Company immediately organises an emergency risk management office headed by the Chief Executive Officer to control the risk early.

(6) The Audit Committee and the Internal Control Office review the effectiveness of the Company's risk management system.

4. System for ensuring efficient execution of duties by Executive Officers

Executive Officers perform their duties assigned by the Board of Directors in the scope determined by the board. They take regular decisions in accordance with the Rules on Division of Duties, which specify different settlement procedures for matters with varying materiality and risk.

5. Other systems including one for ensuring proper business operations of the business group consisting of the Company and its subsidiaries

(1) Systems for reporting matters to the Company concerning the execution of duties by subsidiaries' directors

a. The Company builds and develops a system where subsidiaries report financial results on a regular basis as well as their material decisions when they are made in order to ensure proper management of subsidiaries in accordance with the Rules on Affiliate Management.

b. In the event of a subsidiary's material violation of Laws and Regulations in its business activities or a risk of that arising, officers and employees of the subsidiary, in principle, shall immediately give a briefing to the Company in a manner specified by the Company, in accordance with the Rules on Compliance and Risk Management.

(2) Rules for managing the risk of loss incurred by subsidiaries and other related systems

a. The Company has set up the Rules on Compliance and Risk Management for the entire Group, where the Company requires subsidiaries to perform risk management as needed and manages the risk for the entire Group comprehensively and collectively.

b. The Company manages the risk for the entire Group including subsidiaries with the Risk Management Committee, which deliberates on issues and measures to take for the promotion of group risk management.

c. The Company strives to establish and develop a system for efficiently discussing, sharing information, and communicating instructions and requests with managers of the risk management units at subsidiaries.

d. When notified of a risk arising with business activities at a subsidiary, the Risk Management Committee immediately organises an emergency risk management office headed by the Chief Executive Officer to control the risk early.

(3) Systems for ensuring efficient execution of duties by subsidiaries' directors

a. The Company has set up the Rules on Affiliate Management to help the Group to conduct business in a proper, efficient manner

while respecting autonomy and independence of subsidiaries' management.

- b. The Company requires each subsidiary to build the chain of command, the authority delegation system, the decision-making system and other organisational systems, according to the subsidiary's business and size.
- c. For the management of subsidiaries, the Company dispatches officers to guide and develop them.
- d. The Company provides legal and other back-office functions for subsidiaries as required to build an efficient executive system.
- e. The Company approves subsidiaries' mid-term business plans and then sets major business goals based on the plans, periodically reviewing their progress with annual objectives also set for each subsidiary and with the results managed.

(4) Systems for ensuring that the execution of duties by subsidiaries' directors and employees complies to laws and regulations as well as the Articles of Incorporation

- a. The Company builds and develops a system for ensuring legitimate and fair business activities by subsidiaries' officers and employees, in accordance with the Rules on Compliance and Risk Management.
- b. The Company persistently undertakes educational initiatives and provides training programs to raise awareness of compliance, reinforcing the entire Group's compliance system.
- c. The Company, in principle, makes an internal hotline for compliance available to subsidiaries to detect and correct as early as possible their issues concerning noncompliance to Laws and Regulations.
- d. The Company dispatches Directors and/or auditors to subsidiaries to clearly understand how operations are performed and conducts internal audits of major subsidiaries to ensure proper operations.

6. Directors and the Company's employees to assist duties of the Company's Audit Committee

- (1) The Audit Committee may have employees of the Company as Audit Assistants, who assist the committee with its duties, although the committee may not have Directors as Audit Assistants.
- (2) Audit Assistants shall only report to the Audit Committee when assisting the committee with its duties. To ensure their independence from Executive Officers, the Audit Committee may appoint and dismiss employees as Audit Assistants.
- (3) To ensure the effectiveness of Audit Assistants' directions, the Company provides them with opportunities to attend the meetings of the Board of Directors, the Executive Committee and the Risk Management Committee.

7. Systems for providing reports to the Audit Committee

- (1) Executive Directors shall periodically provide reports to the Audit Committee via the Board of Directors regarding how they have performed their duties and attend an Audit Committee meeting as requested by the committee to give a briefing. In the event of an Executive Officer finding a risk of material loss incurred by the Company arising, the Executive Officer shall immediately inform the Audit Committee of the risk.
- (2) Subsidiaries' officers shall attend an Audit Committee meeting as requested by the committee to give a briefing on how they have performed their duties. In the event of an officer of a subsidiary finding a risk of material loss incurred by the Group arising, the officer shall immediately inform the Audit Committee of the risk via the Risk Management Committee and the Board of Directors. Audit Assistants shall periodically give a briefing to members of the Audit Committee regarding the current status of the compliance and risk management at subsidiaries.
- (3) The Company prohibits its officers and employees from unfairly treating its officers and employees who have provided reports to the Audit Committee on account of such reports. We ensure that the Group's officers and employees will be informed of such prohibition with measures such as incorporating the practice in the Rules on Internal Integrity Reporting and the Rules on Compliance and Risk Management.

8. Other systems for ensuring effectiveness of the Audit Committee

- (1) The Audit Committee should enhance the effectiveness of its performance by utilising internal audits and cooperating with the units in charge of internal audits in addition to conducting its own reviews.
- (2) The Audit Committee should be informed of internal audit plans in advance and, if necessary, requests changes to the plans. The Audit Committee oversees internal audits while periodically conducting its own reviews on operations including internal audits.
- (3) The Audit Committee oversees accounting practices in close coordination with independent auditors through periodical exchanges of information and opinions or other forms of discussion.
- (4) When an Audit Committee member requests advance payment, reimbursement or settlement of expenses incurred or to be incurred for the execution of duties by the member, the Company accepts the request except in cases where it can be proved that the expenses have not been or will not be incurred because of the execution of duties by the member.

## 2. Basic Views on Excluding Anti-social Forces

The Company believes eliminating associations with anti-social forces is important for its businesses from the perspectives of corporate social responsibilities and protection of its brand.

We established the Rules for Excluding Antisocial Forces on 3 October 2008 and screen shareholders, suppliers and service providers, and other related parties using surveys conducted by an external research agency and online searches in accordance with the rules.

We also provide training programs for all our employees periodically and our new employees when they join the Company in order to stand together firmly against anti-social forces.

## V. Other

### 1. Introducing Anti-Takeover Measures

Introducing anti-takeover measures

Introduced

#### Supplementary information

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##### 1. Our Basic Policy on Those Who Control Decisions on Our Financial or Business Policies

As a publicly traded company, we respect the free trade of shares of our stock in the market and do not prevent acquisition of a substantial number of shares of our stock by a certain party if such acquisition helps to protect or enhance the Group's corporate values and thus the common interests of our shareholders. We believe it is our shareholders who should eventually decide whether to accept or reject an offer of such large-scale share acquisition.

Some offers of large-scale share acquisition, however, may reduce the Group's value and thus the common interests of our shareholders by, for instance, undermining our relationship with stakeholders, undervalue the Group, or fail to provide information sufficient for our shareholders to take final decisions.

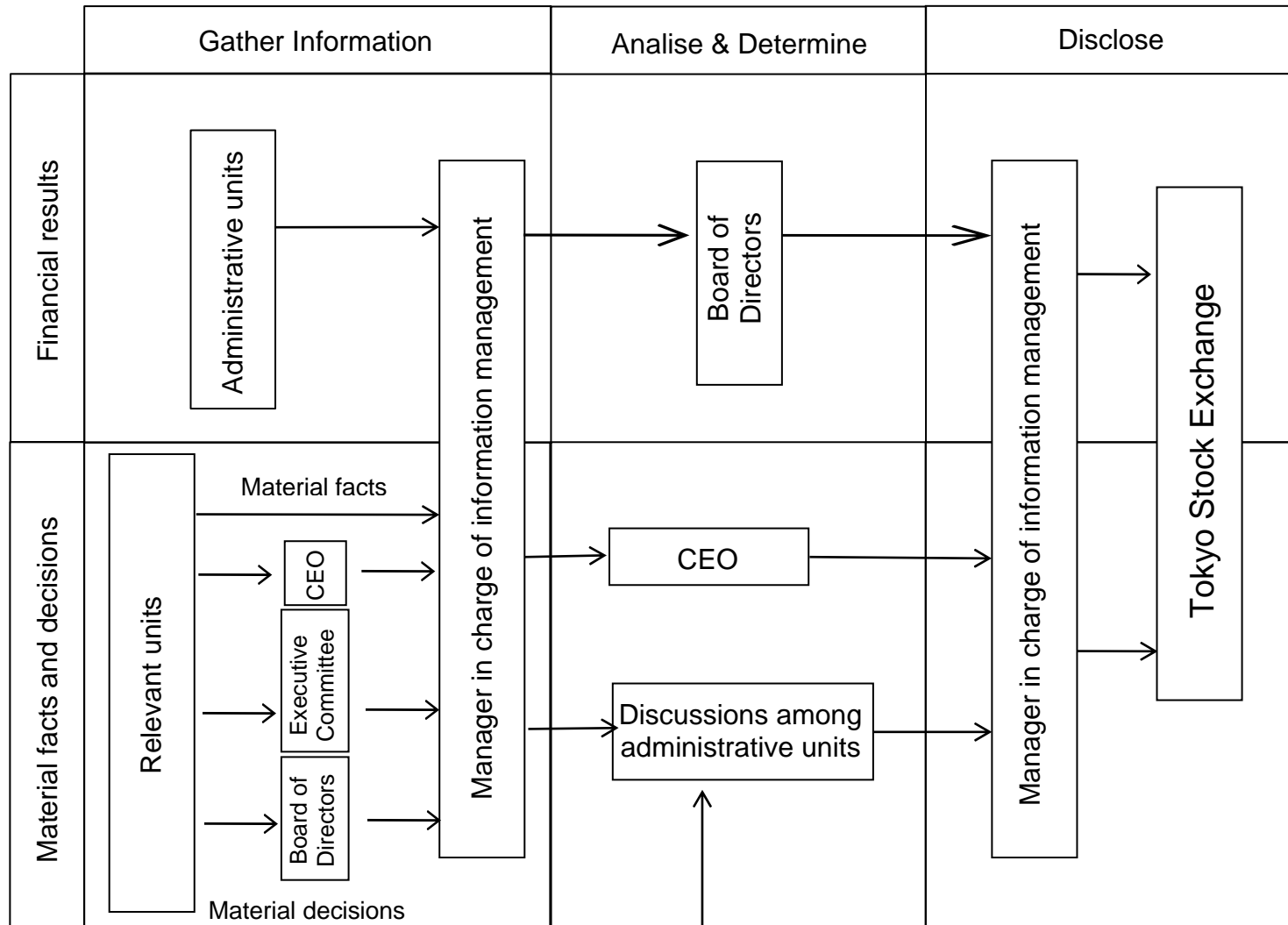
We believe that if there is a risk of a large-scale share acquisition hindering us from enhancing the Group's corporate values or maximising the common interests of our shareholders, such as in a case where such acquisition may be detrimental to the sources of the Group's value on a mid or long-term basis, we should deem the potential acquirer of a substantial number of shares of our stock to be inappropriate as a party who controls the decisions on our financial and/or business policies and the Board of Directors, as a body responsible for business management with fiduciary duty to take due care of the company, obviously needs to take actions, if necessary, in order to enhance the Group's corporate values and maximise the common interests of our shareholders, to the extent permissible by Laws and Regulations and our Articles of Incorporation.

##### 2. Initiatives to Prevent a Party Deemed to Be Inappropriate Based on the Basic Policy from Controlling the Company's Decisions on its Financial and Business Policies

The Board of Directors resolved to adopt measures against acquisition of a substantial number of shares of our stock (or anti-takeover measures, hereinafter the "Plan") at the meeting held on 24 December 2021, as part of its initiatives to prevent a party deemed to be inappropriate based on the Basic Policy on Those Who Control Decisions on Company's Financial or Business Policies (the "Basic Policy"), established by the Board of Directors at the same meeting, from controlling the Company's decisions on its financial and business policies. The Company also acquired approval in the General Meeting of Shareholders held on 25 March 2022, and therefore continues the measures. For details of the Basic Policy and the Plan, please refer to "Adoption of Measures against Large-Scale Share Acquisition (or Anti-Takeover Measures)" ([https://info.cookpad.com/en/ir/management\\_index/governance/](https://info.cookpad.com/en/ir/management_index/governance/)) published on 24 December 2021.



# <System for Timely Disclosures>



Inquiries made as necessary

Lawyers and other external experts

Internal audits by Internal Control Office