

## Basic Policy on Internal Control System

Directors and employees will exercise good conscience and a high standard of ethics in the execution of their duties, complying with all laws, regulations, and internal regulations, and demonstrate responsible behavior in line with social norms.

### 1. Systems for ensuring compliance with laws and regulations and True Data's Articles of Incorporation in the execution of duties by directors and employees

For the purposes of establishing and maintaining the Company's compliance system, Audit and Supervisory Committee members will monitor the execution of duties by directors, and internal auditors—under the orders of the President—will regularly ascertain and monitor the execution of duties by directors and employees in accordance with internal audit regulations, and report to the President.

In addition, True Data has established an internal whistleblowing system to enable reporting of acts that are questionable under laws and regulations and the Company's internal regulations.

### 2. Systems for the preservation and management of information pertaining to the execution of duties by directors

The manager in charge of the Business Administration Department will be designated as the officer in charge of the preservation and management of information pertaining to the execution of duties by directors. Such information will be recorded appropriately in the form of written documents or digitally, and stored and managed for the period specified in the Document Management Regulations.

Directors can view these documents at any time and the officers in charge will respond promptly to any request to do so.

### 3. Regulations and other systems for the management of risk of loss

In accordance with the Basic Rules for Risk Management, the Risk Administration Department will be designated as the Risk Responsibility Division.

In addition, the Risk Administration Department will define and classify potential risks, establish and maintain an emergency system, including for the prompt and appropriate communication of information, and regularly reports matters related to risk management to the Board of Directors.

In the event of unforeseen circumstances, a countermeasures headquarters headed by the President will be established to take measures for the early resolution of any issues and to prevent recurrence.

### 4. Systems to ensure directors perform their duties efficiently

The Board of Directors will establish rules regarding the administration of the meeting of the Board of Directors, determine important matters at regular meetings of the Board of Directors, and supervise the execution of business by having directors report on their operations.

In addition, in order to ensure efficiency in the execution of directors' duties, the Company will ensure logical division of duties among directors and the appointment of appropriate executive officers. The Company has established "Regulations on Administrative Authority" which define appropriate authority transfer and inter-division supervision.

Furthermore, at the Management Meeting attended by the President, division heads, and full-time Audit and Supervisory Committee members, the Company will determine management strategy and track its progress with the aim of realizing its effective implementation.

### 5. Matters concerning employees who are requested by Audit and Supervisory Committee members to assist them in their duties

If it is necessary for a specific employee to assist in audit work, they will be assigned by an Audit and Supervisory Committee member. In addition, internal auditors will cooperate with Audit and Supervisory Committee members.

6. Matters concerning the independence of the employees mentioned in the preceding item from directors

Employees who have been instructed by Audit and Supervisory Committee members to conduct audit work will not be subject to the instructions of their supervisors. In addition, when the Company conducts personnel changes or evaluations involving such employees, it will hear and exercise sufficient respect towards the opinions of the Audit and Supervisory Committee members.

7. Systems for directors and employees to report to Audit and Supervisory Committee members and other systems for reporting to Audit and Supervisory Committee members

Directors and employees will report to Audit and Supervisory Committee members without delay any serious violations of laws and regulations or facts that may cause significant damage to the Company, its business, or reputation.

Audit and Supervisory Committee members may request reports from directors at any time as necessary.

8. Other systems to ensure that audits by Audit and Supervisory Committee members are conducted effectively

In order to enable Audit and Supervisory Committee members to efficiently and effectively ascertain important decision-making processes and the status of business execution, Audit Committee members may request reports from directors and employees at any time, and directors will not refuse to allow Audit Committee members to attend important internal meetings.

In addition, Audit and Supervisory Committee members will work closely with internal auditors and accounting auditors, regularly exchange information, and consult legal counsel as necessary.

9. Systems for eliminating antisocial forces

The Company will have absolutely no contact with antisocial forces, including in the form of business or supportive relationships, and will resolutely reject any improper demands made of the Company by antisocial forces.

In the event that the Company is attacked by antisocial forces—in the form of obstruction of or damage to our business activities, or slander and defamation—the Human Resources and General Affairs Department will centrally manage the response, and, in cooperation with the police and other relevant organizations, establish a system for a firm, organization-wide response.

10. Systems to ensure the reliability of financial reporting

In order to ensure appropriate accounting procedures and improve the reliability of financial reporting, the Company will develop a system of internal control for financial reporting and work to raise its effectiveness.

Supplementary Provisions

(Changes to and abolition of the Basic Policy)

Changes to or abolition of this Basic Policy will be made by resolution of the Board of Directors.

(Effective date)

This Basic Policy will come into effect on July 1, 2018.

Established on June 27, 2018  
Amended on April 1, 2019  
Amended on June 24, 2020  
Amended on April 20, 2022