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## SBI Holdings, Inc. Corporate Governance Principles

A company's stakeholders consist of customers, shareholders, and employees as well as consumers, business partners, and local communities at large. The SBI Group recognizes its sociality as an element that constitutes society and undertakes business operations entirely from a customer perspective, based on its fundamental "Customer-centric Principle," with a view to contributing to the maintenance and development of society through businesses while responding to requests from a wide range of stakeholders. The Group recognizes that, in each process of operating businesses while addressing various issues surrounding sustainability, gaining social trust is essential. Accordingly, with also a view to establishing an appropriate corporate governance structure that contributes to the improvement of corporate value, it strives to maintain an organizational structure that responds rapidly to any change in the transparency/fairness of decision-making processes and business environments.

### I SBI Group's Management Philosophy and its Definition of Corporate Value

#### 1. Management Philosophy and Corporate Vision

The SBI Group makes a clear distinction between its Management Philosophy and its Corporate Vision. The Group considers a management philosophy to embody a company's long-term, universal values and *raison d'être*, which are not prone to change because of changes in top management or the business environment. The Group considers a corporate vision to be a concrete, realistic and obtainable description of how a company sees itself in the future. In this age of incessant change, a corporate vision is medium-term in nature.

#### (1) SBI Group's Management Philosophies

##### **Sound Ethical Values**

We shall undertake judgments on actions based not only on whether they conform to the law or profit the Company, but also whether they are socially equitable.

##### **Financial Innovator**

We will transcend traditional methods and bring financial innovations to the forefront of the financial industry, utilizing opportunities provided by the powerful price-cutting forces of the Internet and providing financial services that further enhance benefits for customers.

##### **New Industry Creator**

We will work to become the leader in creating and cultivating the core industries of the 21st century.

##### **Continual Self-Evolution**

We will continue self-evolution to flexibly adapt to changes in the economic environment through "Ingenuity" and "Self-transformation."

**Fulfill Social Responsibility**

We will ensure that each company in the SBI Group recognizes its social responsibilities as a member of society while fulfilling the demands of its stakeholders, contributing to the betterment of society.

**(2) The SBI Group's Corporate Vision**

For further details, please refer to the following website.

<http://www.sbigroup.co.jp/english/company/information/vision.html>

**2. SBI Group's definition of corporate value**

The SBI Group defines corporate value as an aggregation of customer value, shareholder value and human capital value.

The creation of customer value, which is the intrinsic value of goods and services a company provides to its customers, is the foundation of corporate value. Customer value, shareholder value and human capital value are mutually interconnected, and increase over time in a virtuous cycle.

Increase in customer value, by closely adhering to the "Customer-centric Principle" on a Group-wide basis, will contribute toward an improvement in business performance, which results to an increase in shareholder value. And as an outcome, it makes it possible to further recruit and retain superior personnel, which leads to an increase in human capital value. If it is able to recruit and retain superior personnel, better products and services can be created and will lead to an additional increase in customer value. By creating this type of virtuous cycle, the SBI Group is endeavoring to increase corporate value.

**II. Relationships with Stakeholders****1. Basic policy****(1) The SBI Group's Code of Conduct**

In accordance with the Management Philosophy, SBI Holdings ("the Company") has established the SBI Group Compliance Code of Conduct as a code of conduct pertaining to relations with stakeholders. All SBI Group officers and employees observe the Code of Conduct and endeavor to ensure that it is widely put into practice.

**(2) Disclosure of Company Information**

The Company's basic policy on information disclosure is to fulfill its responsibilities as a listed company to all stakeholders through appropriate, prompt disclosure of important matters about the Company and to increase corporate value by ensuring management transparency and fairness.

**2. Relationships with Customers**

The SBI Group consistently adheres to the "Customer-centric Principle" in all Group businesses to maximize customer value, which is the intrinsic value of the goods and services a company provides to customers and the foundation of corporate value. The officers and employees of the SBI Group demonstrate leadership and endeavor to increase customer satisfaction, along with create and enhance

customer value through the provision of customer services grounded in this basic principle.

### **3. Relationships with shareholders**

#### **(1) Shareholder Rights**

The Company abides by the following items to enable all shareholders to secure and appropriately exercise shareholder rights.

- (i) The Company discloses information concerning the General Meeting of Shareholders in a timely and appropriate manner.
- (ii) In principle, the Company sends out the convocation notice approximately three weeks before the General Meeting of Shareholders and publishes the notice on the Company's website to allow sufficient time for consideration of proposals.
- (iii) The Company arranges an environment in which shareholders are able to exercise voting rights via the website. In addition, it discloses the English translation of agenda items in the convocation notice, as well as the convocation notice written in English via its English website.
- (iv) The Board of Directors analyzes proposals against which a substantial number of negative votes have been cast at the General Meeting of Shareholders.

#### **(2) Basic Policy for Constructive Dialogue with Shareholders**

The Company has established a basic policy for the purpose of actively engaging in dialogues to establish good relationships with investors, including shareholders, through investor relations activities (see Attachment 1) .

#### **(3) Capital Policy**

- (i) For further details of the Company's basic dividend policy, please refer to the following website.  
[https://www.sbigroup.co.jp/english/investors/management/dividend\\_policy.html](https://www.sbigroup.co.jp/english/investors/management/dividend_policy.html)
- (ii) When implementing a capital policy that results in dilution of shares, to avoid causing unfair harm to existing shareholder value, the Company comprehensively considers the rationality of the policy and provides sufficient explanation to shareholders at the time of implementation.

#### **(4) Strategic Shareholding**

- (i) Strategic shareholding policy

When engaging in business alliances or cooperation that contribute to the SBI Group's business development and enhancement of the Company's corporate value, the Company may acquire and hold shares of business partners with a view to earning profits through their future sale if it is rational to do so for reasons such as prospective enhancement of the corporate value of business partners. The Board of Directors individually examines the objective and rationale for those listed shares that are held for a strategic reason, on an annual basis. Specifically, the Board of Directors conducts assessments from qualitative perspectives, such as whether or not the holding of shares contributes to the maintenance and strengthening of the relationship with the relevant parties, and quantitative perspectives, such as whether or not dividends or earnings from transactions related to the relevant parties are in line with the Company's capital cost. If it decides that there

is no rationale in such holding after a comprehensive examination, the Company, in principle, starts to sell such shares that are held.

In a certain case where the Company's shares are held by a strategic shareholder, it will not engage in economically unreasonable transactions that are detrimental to the joint corporate and shareholder interests with the relevant company. If the relevant shareholder of strategic holdings indicates an intention to sell such holdings, the Company takes appropriate measures, instead of preventing the sale of such holdings by indicating the possibility of reducing transactions and other means.

(ii) Policy on exercise of voting rights

The Company exercises voting rights after confirming that the content of proposals submitted to General Meetings of Shareholders does not damage the SBI Group's corporate value and taking into consideration the circumstances of investee companies.

#### **(5) Anti-takeover Measures**

In principle, the Company does not adopt anti-takeover measures.

#### **(6) Related Party Transactions**

When the Company engages in a transaction with a principal shareholder (a shareholder holding 10% or more of voting rights) or when the Company engages in a transaction with a Director of the Company, approval of the Board of Directors shall be required.

Except for the above, when the Company or a subsidiary of the Company engages in a transaction with a related party, the Board of Directors shall appropriately monitor the details of the transaction.

### **4. Relationships with employees**

#### **(1) Fair Remuneration Linked to Employees' Motivation**

Based on the Group's policy to reward those who have merited success, and to offer positions to those who exhibit good sense and judgement, the processes that lead to results are evaluated, as well as the results themselves in determining the employees' remuneration. The evaluations are based on a comprehensive range of other criteria, including experience, ability and contribution to business performance.

#### **(2) Respect for Diversity**

The SBI Group engages in initiatives to enable each employee to actively contribute regardless of nationality, race, religion, age, gender, sexual orientation or disability, focuses on creating a workplace environment in which employees can develop broad perspectives, autonomously build their careers, and actively contribute to various fields. Furthermore, the Group evaluates employees in accordance with their abilities, making no distinction upon hiring, advancement, or promotion practices.

#### **(3) Whistle-blowing System**

- (i) The Company has established a whistle-blowing system for SBI Group officers and employees to directly report violations of laws, regulations, or the Articles of Incorporation or other important

compliance-related matters and periodically reports to the Statutory Auditors on the status and content of reports made via the whistle-blowing system.

- (ii) The Company does not dismiss or subject to any other disadvantageous treatment to persons who have made reports via the whistle-blowing system or SBI Group officers and employees or Statutory Auditors of subsidiaries who have reported to the Company's Statutory Auditors, any matter pertaining to the performance of duties by SBI Group officers and employees.
- (iii) The Board of Directors supervises the status of whistle-blowing system operation.

## **5. Relationships with the community**

The SBI Group's underlying approach to business is not solely guided by the profit motive, but by its belief in contributing to a society that is safe, fair, comfortable and environmentally friendly. Based on this belief, while seeking harmony with various stakeholders as a constituent member of society, the SBI Group not only proactively commercializes and practices the ideals of social justice, but also through direct social contributions actively engages in direct social contribution activities to contribute to the creation of a sustainable society.

## **III. Basic Policy on the Governance System**

The Company has selected a Company with Board of Statutory Auditors system as its organizational structure and has established a Board of Directors and Board of Statutory Auditors.

The Board of Directors decides important matters, supervises the status of business execution, and in principle, by securing more than one third of the total number of Directors as Outside Directors who pose no risk of conflict of interest with general shareholders and meet the independence criteria established by the Company (see Attachment 2; hereafter "Independent Outside Directors"), strengthens the supervision of management appropriateness and improves management transparency. The Board of Statutory Auditors has the responsibility to establish a good corporate governance system that maintains the trust of society by auditing the Directors' performance of duties as an organization independent from the executive bodies. In particular, the Statutory Auditors are directly elected by the shareholders and have the authority to conduct investigations of subsidiaries or audits at their sole discretion in the pursuit of the responsibility of Directors. The Standing Statutory Auditors play a central role in appropriately ensuring collaboration between the Statutory Auditors or Board of Statutory Auditors and Independent Outside Directors and Accounting Auditors, and endeavor to realize a more effective corporate governance system.

The Company seeks to enhance the functionality of the Board of Directors and the objectivity and transparency of deliberation processes with respect to the designation of candidates for Directors and Statutory Auditors, the appointment/dismissal of management executives (Directors with specific titles such as President, Vice President and Senior Managing Director), the compensation for Directors, as well as the development of the next generation of management executives. In doing so, it established the Management Advisory Committee, an individual advisory organization under the Board of Directors, in which the majority of the committee members are Independent Outside Directors.

## **1. Directors and the Board of Directors**

### **(1) Roles and Responsibilities of Directors**

The Directors shall recognize their fiduciary duty to shareholders and act in the common interest of the Company and shareholders while ensuring appropriate cooperation with stakeholders. The Directors have the following responsibilities.

- (i) The Directors comprise the Board of Directors and supervise the execution of business performed by the Representative Director, Executive Directors, Executive Officers and other persons who execute business.
- (ii) The Directors have the obligation to perform their duties with the duty of care of a prudent manager and duty of loyalty toward the Company.
- (iii) The Directors collect information considered sufficient to contribute to the performance of duties and decision-making and strive for self-improvement to appropriately fulfill their roles and responsibilities.
- (iv) The Directors contribute to enhancing the Company's medium- to long-term corporate value by actively engaging in constructive, freewheeling discussion and exchange of opinions based on their knowledge and experience.
- (v) Independent Outside Directors recognize that they, in particular, are expected to make judgments from an independent and objective standpoint and endeavor to appropriately express their views to the Board of Directors.

### **(2) Roles and Responsibilities of the Board of Directors**

- (i) The Board of Directors, consisting of the Company's Directors, decides important matters relating to business execution and supervises the Directors' performance of duties.
- (ii) The Board of Directors holds ordinary Board of Directors Meetings once a month, in principle, and extraordinary meetings as necessary.
- (iii) The Board of Directors makes decisions on matters stipulated by laws and regulations and matters stipulated as important matters and, to rapidly and flexibly respond to changes in the business environment, delegates business execution authority for other matters to authorized persons designated by the Representative Director in accordance with rules for delegation of authority decided by the Board of Directors.
- (iv) In the interest of enhancing the Company's medium- to long-term corporate value, the Board of Directors promotes constructive, freewheeling discussion and exchange of opinions and engages in multifaceted thorough consideration when making decisions.
- (v) The Board of Directors has established the Basic Policy on Internal Control Systems and supervises the status of development and operation of systems to ensure compliance, risk management, and the reliability of financial reporting.
- (vi) For the purpose of securing the objectivity and transparency of the deliberation process in appointing or dismissing candidates for Directors, Statutory Auditors and management executives, including the Representative Director, the Board of Directors consults with the

Management Advisory Committee about their respective qualities, ability to perform their duties, track records and management skills, and makes decisions after reviewing feedback from the Committee. The reason for the appointment and dismissal of candidates for Directors and Statutory Auditors is described in the convocation notice.

- (vii) The Representative Director selects candidates for management executives mainly from among the executive officers and strives to foster such candidates to develop the next generation of management executives that contribute to the Company's sustainable growth. The Representative Director supports candidates' efforts for self-improvement through the daily execution of duties while evaluating their capability, personality, dignity and insights from a range of perspectives.

In addition, the Board of Directors consults with the Management Advisory Committee regarding the development of the relevant candidates for executives and receives feedback from the Committee. In doing so, it undertakes adequate supervision regarding how the development is being carried out; namely, assessing whether or not insights, decisiveness and the ability to perform the duties required for future management executives are being developed, as well as the evaluation of the actual results and achievements.

### **(3) Nomination of Director Candidates**

(i) Procedure

To determine Director candidates, the Representative Director selects individuals that he/she considers to be qualified based on the performance of their duties. Meanwhile, the Board of Directors designates Director candidates after consulting with the Management Advisory Committee regarding whether or not such candidates satisfy the qualities and abilities required for Directors or management personnel, and appoints them as Directors through the resolution of the General Meeting of Shareholders.

(ii) Policy

With respect to the designation of Director candidates, attention shall be paid to securing a reasonable number of members to convene meetings flexibly and conduct discussions actively. In addition, the matters listed below shall be considered while simultaneously considering the balance between knowledge, experience, capabilities and roles that are expected of Directors, regardless of their nationality, race, gender or age.

- Director candidates are determined by considering the following two requirements;
  - a Director candidates recognize their fiduciary duty to shareholders and have qualities that enable them to appropriately perform their duties with the care of a prudent manager and loyalty toward the Company.
  - b Director candidates possess sufficient professional knowledge and a wealth of experience in management or management supervision and are able to engage in appropriate decision-making to contribute to enhancing the Company's corporate value.
- Candidates for Independent Outside Directors are expected to have sufficient insights to supervise management from a third-party perspective, extensive job experience, high-level



expertise in areas such as company management, financing, accounting and laws, or knowledge and experience of the Company's business areas.

- If Independent Outside Director candidates concurrently hold positions as officers of other companies, it shall be possible for them to appropriately fulfill the abovementioned role in the Company.
- Director candidates the Company plans to appoint as management executives are expected to be able to contribute to enhancement of the Company's corporate value utilizing their knowledge and experience of the SBI Group as a whole or the SBI Group's important businesses.

#### **(4) Compensation for Directors**

##### **(i) Procedure**

Compensation for Directors (excluding Outside Directors) consists of basic compensation, which is fixed compensation, as well as bonuses based on business results, etc. and restricted stock units (RSUs), a stock compensation plan. The Board of Directors determines the amounts to be paid after receiving feedback from the Management Advisory Committee, taking into consideration a range of factors such as the details of duties and the level of responsibility, authority and contribution, within the range of the total compensation amount approved at the General Meeting of Shareholders.

Additionally, as for the compensation for Outside Directors, it consists of basic compensation, which is fixed compensation, as well as bonuses based on business results, etc., and the Board of Directors also determines the amounts to be paid within the range of the total compensation amount approved at the General Meeting of Shareholders. However, if the Board of Directors leaves the decision for either case to the Representative Director, the Representative Director makes such decision.

##### **(ii) Policy**

The amount of basic compensation – a monthly monetary reward – is decided for each Director taking into consideration the following matters.

- The maximum amount of employee salary
- Compensation paid to Directors of the same rank in the past
- The Company's business performance outlook
- The going rate for Director compensation
- The degree of contribution to the Company's business performance, etc.
- The circumstances of accession to office
- Other matters

Bonuses, which are awarded annually in principle, and restricted stock compensation, which is granted on a timely basis over the course of the Director's tenure, are based on the responsibilities of individual Directors and their execution of these duties and the Company also comprehensively considers the contribution of the applicable Directors and other factors such as the operating environment when determining payment amounts. Accordingly, the Company does not set any



quantitative targets.

Meanwhile, per the business environment and other companies' compensation levels, the distribution of the basic compensation, bonuses and restricted stock compensation will be decided accordingly so that it would function as an incentive in enhancing the corporate value.

#### **(5) Management Advisory Committee**

The Company is working on strengthening the supervisory functions of the Board of Directors while increasing management transparency from an outside perspective through the use of multiple Independent Outside Directors.

The Management Advisory Committee, an individual advisory organization created under the Board of Directors, in which the majority of the committee members are Independent Outside Directors, is operated for the purpose of being properly involved with the function of the Board of Directors and the deliberation processes thereof related to the designation of candidates for Directors and Statutory Auditors, the appointment/dismissal of management executives, compensation for Directors, as well as the development of the next generation of management executives. In doing so, the Committee increases the objectivity and transparency of the decisions the Board of Directors makes, and further enhances the Company's corporate governance system.

Independent Outside Directors engage in proper and active discussions at meetings of the Board of Directors and seek to exchange information and share recognition based on an objective standpoint at such meetings that are held periodically to execute the duties properly from an independent standpoint. In the meantime, Statutory Auditors may participate in the Management Advisory Committee as necessary.

#### **(6) Board Evaluation**

The Board of Directors strives to improve its effectiveness by analyzing and evaluating the overall effectiveness of the Board of Directors once a year, and endeavors to improve issues that are identified.

### **2. Statutory Auditors and the Board of Statutory Auditors**

#### **(1) Roles and Responsibilities of Statutory Auditors**

The Statutory Auditors shall recognize their fiduciary duty to shareholders and act in the common interest of the Company and shareholders while ensuring appropriate cooperation with stakeholders. The Statutory Auditors have the following responsibilities.

- (i) The Statutory Auditors have a responsibility to secure the sound, sustained growth of the Company and establish a good corporate governance system that maintains the trust of society by auditing the Directors' performance of duties as members of an organization independent from the executive bodies.
- (ii) The Statutory Auditors endeavor to maintain an independent stance, always maintain a fair and unbiased attitude, and act on the basis of their own convictions.
- (iii) The Statutory Auditors constantly strive for self-improvement to improve the quality of auditing.
- (iv) The Statutory Auditors strive to deepen their awareness of management issues from an overall

management viewpoint and to ascertain changes in the management situation and in the environment surrounding the Company, in order to form an appropriate auditing perspective.

- (v) The Statutory Auditors communicate with Directors and employees of the Company and subsidiaries and endeavor to improve an environment for conducting audits and collect information.
- (vi) In light of the characteristics of Standing Statutory Auditors as full-time corporate officers, the Standing Statutory Auditors endeavor to improve an environment for conducting audits and collect information within the Company and constantly supervise and verify the status of development and operation of internal control systems.
- (vii) The Standing Statutory Auditors endeavor to share information learned in the performance of their duties with the other Statutory Auditors.

## **(2) Roles and Responsibilities of the Board of Statutory Auditors**

- (i) The Board of Statutory Auditors, consisting of all of the Company's Statutory Auditors, appoints Standing Statutory Auditors.
- (ii) In light of the fact that the Board of Statutory Auditors is the sole consultative body and decision-making body for forming opinions concerning auditing, each Statutory Auditor reports the status of performance of duties to the Board of Statutory Auditors and strives to ensure the effectiveness of auditing utilizing the Board of Statutory Auditors. However, resolutions of the Board of Statutory Auditors do not impede the exercise of the authority of each Statutory Auditor.
- (iii) The Board of Statutory Auditors expresses its opinion to Directors or the Board of Directors as necessary.
- (iv) The Board of Statutory Auditors determines criteria for evaluating the Accounting Auditor from the perspective of the Accounting Auditor's independence and expertise, the appropriateness of the status of performance of duties, and the status of communication with the Statutory Auditors, and it determines the appropriateness of reappointing the Accounting Auditor.
- (v) The Statutory Auditors and Board of Statutory Auditors strive to ensure cooperation with the Independent Outside Directors to enable them to strengthen their ability to collect information without the independence of the Independent Outside Directors being affected.

## **(3) Nomination of Statutory Auditors Candidates**

### **(i) Procedure**

To determine Statutory Auditor candidates, the Representative Director selects individuals that he/she considers to be qualified based on the performance of their duties. Meanwhile, the Board of Directors designates Statutory Auditor candidates with the consent of the Board of Statutory Auditors following the consultation with the Management Advisory Committee regarding whether or not such candidates satisfy the qualities and abilities required for Statutory Auditors, and appoints them as Statutory Auditors through the resolution of the General Meeting of Shareholders.

### **(ii) Policy**

At the time of determining Statutory Auditor candidates, the Board of Directors nominates candidates considering the following matters, having taken into account that at least one person with

sufficient knowledge of finance and accounting be appointed.

- Statutory Auditor candidates are capable of making appropriate decisions from an independent and objective standpoint in accordance with their fiduciary duty to shareholders.
- Statutory Auditor candidates endeavor to maintain an independent stance, always maintain a fair and unbiased attitude, and are able to act on the basis of their own convictions.
- Statutory Auditor candidates have a wealth of knowledge and experience of financing, accounting and law, or have extensive accomplishments in professional fields necessary for performing the audit function.

### **3. Accounting Auditor**

The Company recognizes that the Accounting Auditor has an important role of ensuring the reliability of financial information and has a duty toward shareholders and investors. In addition, to prepare an environment that makes it possible for the Accounting Auditor to appropriately conduct audits, the Company endeavors to secure an audit schedule and prepare a conference room for the exclusive use of the Accounting Auditor, arranges regular interviews between the Accounting Auditor and the Company's Representative Director and CFO, and secures a framework for liaison with the Statutory Auditors, Internal Auditing Department and Independent Outside Directors.

If the Accounting Auditor discovers misconduct and requests an appropriate response or identifies any defect or problem, it immediately liaises with the Board of Directors and Board of Statutory Auditors, and the Directors in charge take the lead in examining and correcting the situation under the direction of the Representative Director.

### **4. Support systems**

#### **(1) Board of Directors Operating Policy**

The Board of Directors has established the following policy for the operation of Board of Directors Meetings for the purpose of stimulating deliberation and discussion.

- (i) Board of Directors Meeting materials are distributed to the Directors and Statutory Auditors well in advance of meetings.
- (ii) The Company provides sufficient information to the Directors and Statutory Auditors as necessary concerning matters to be deliberated.
- (iii) The annual Board of Directors Meeting schedule and expected matters to be deliberated are notified in advance.

#### **(2) Access to Information and Support Framework**

The Company has developed and operates a framework for information sharing and otherwise providing appropriate support at the request of Directors and Statutory Auditors. The Company supports appropriate information sharing with the Internal Auditing Department, Directors and Statutory Auditors to ensure the effectiveness of the roles and responsibilities of the Directors and Statutory Auditors.

**(3) Training for Directors and Statutory Auditors**

The Company has prepared a training environment for the acquisition and updating of knowledge that each Director and Statutory Auditor is required as a business executive. In addition, the Company has prepared a training environment for newly appointed Directors and Statutory Auditors appropriately and on a timely basis to deepen their understanding of the SBI Group as necessary.

Establishment and revision history:

Established: December 22, 2015

Date of Amendment: April 1, 2016

Date of Amendment: December 21, 2018

Date of Amendment: June 27, 2019

Date of Amendment: March 25, 2021

Date of Amendment: December 21, 2021

Date of Amendment: July 27, 2022

Date of Amendment: March 14, 2024

Date of Amendment: January 14, 2025

**Attachment 1****Basic Policy for Constructive Dialogue with Shareholders**

The Company has established the following basic policy for the purpose of actively engaging in dialogues to establish good relationships with investors, including shareholders, through investor relations activities.

- The Company has set up a dedicated investor relations department under the control of the Representative Director to plan and implement activities for dialogue with shareholders and investors. The investor relations department is responsible for individual meetings with shareholders and investors. When there are requests for individual meetings, the Representative Directors, Directors (including Independent Outside Directors and Statutory Auditors) and Executive Officers attend as necessary.
- To rationally and smoothly engage in dialogues with shareholders and investors at financial results announcements and investor briefings, the investor relations department plays a central role in providing accurate, unbiased information to shareholders and investors while closely liaising with involved departments.
- The Company holds quarterly financial results briefings, semi-annual briefings for individual shareholders, Current Management Information Briefings after the General Meeting of Shareholders, and other events as means of dialogue other than individual meetings and actively arranges opportunities for the executive team to engage in direct communication with shareholders and investors, such as participation from time to time in conferences held by securities companies in Japan and overseas. In addition, the Company endeavors to actively provide information to shareholders and investors by means including posting explanatory material for investors and presentation videos in both Japanese and English on its corporate website.
- The Company endeavors to ascertain the composition of its shareholders and makes use of opinions, concerns, and other feedback obtained through dialogues with shareholders and investors to continuously increase corporate value by sharing and utilizing this information by means such as providing feedback to the executive team and involved departments as appropriate.
- The investor relations department personnel who engage in dialogues with shareholders and investors receive training in the handling of insider information and confidential information, carefully manage unreleased material facts in accordance with the Rules for Management of Insider Trading, and appropriately engage in dialogues with shareholders and investors. In

addition, to prevent leakage of unannounced financial results information during the results announcement preparation period and ensure the fairness of investor relations activities, the Company observes a quiet period during which it refrains from dialogue concerning results information from the day after each quarterly closing until the date of the results announcement.

**Attachment 2****SBI Holdings' Independence Criteria for Outside Directors**

The Board of Directors has established the following criteria for Independent Outside Directors and Independent Outside Statutory Auditors who pose no risk of conflict of interest with general shareholders.

- A) A person who is currently not or was not for a period of ten years before taking office an officer<sup>1</sup> or employee of the Company or any of its subsidiaries.
- B) A person who is currently not or was not for a period of five years before taking office a principal shareholder<sup>2</sup> of the Company (if the principal shareholder is a corporation, association, or other organization, an officer<sup>1</sup> or employee of said organization).
- C) A person who is currently not or was not for a period of five years before taking office a person having transactions or a person who executes business<sup>3</sup> of a company having transactions with the Company exceeding 2% of the Company's consolidated revenues.
- D) A person who is currently not or was not for a period of five years before taking office a person who executes business<sup>3</sup> of a principal lender (more than 2% of consolidated total assets) of the Company or any of its subsidiaries.
- E) A person who is currently not or was not for a period of five years before taking office a consultant, accounting professional, or legal professional receiving from the Company a large sum of money<sup>4</sup> excluding compensation for duties as an officer (if the entity receiving said assets is a corporation, association, or other organization, a person affiliated with said organization who is involved with the Company).
- F) A person who is currently not or was not for a period of five years before taking office a person who executes business<sup>5</sup> of a corporation, association, or other organization that has received from the Company large sum of donations<sup>4</sup>.
- G) A person who is not a relative within the second degree of kinship of a person mentioned in A) to F) above<sup>6</sup> or a person who depends upon such person for his or her livelihood.
- H) The maximum tenure of Independent Outside Directors is ten years. However, in respect of Independent Outside Statutory Auditors, in case the tenure of ten years falls within the four-year tenure of statutory auditors under the Companies Act, the maximum tenure is limited to the expiry of the tenure prescribed in the Companies Act.
- I) A person whom the Board of Directors determines poses no risk of any other conflict of interest.

<sup>1</sup> Directors (excluding Independent Outside Directors) and Statutory Auditors (excluding Outside Statutory Auditors).

<sup>2</sup> Shareholders holding 10% or more of voting rights

<sup>3</sup> Directors (excluding Independent Outside Directors) and employees

<sup>4</sup> A large sum of money refers to any amount that exceeds 10 million yen per year if the recipient is an individual, or 12 million yen if the recipient belongs to an organization such as a company or association.

<sup>5</sup> If an association, education institution or other organization, a person in a position corresponding to a board member.



<sup>6</sup> If a corporation, association, or other organization, a person in a position at the officer or department manager level.