

December 22, 2021
FinTech Global Incorporated

Overview of evaluation results on effectiveness of Board of Directors

Tokyo, December 22, 2021—FinTech Global Incorporated (hereafter, “FGI” and “the Company”) undertook an evaluation of the effectiveness of its Board of Directors over the course of fiscal 2021, the period from October 1, 2020 through September 30, 2021. An overview of the results of this evaluation are presented below.

1. Evaluation process

In September 2021, an online questionnaire survey was distributed, asking all eight directors, including those serving on the Audit and Supervisory Committee, to evaluate the effectiveness of the Board of Directors, and responses were received. A board effectiveness survey like this was a first for FGI. To ensure objectivity in the process for evaluating board effectiveness, the Company engaged an external organization (Mizuho Trust & Banking Co., Ltd.) to provide advice.

Period subject to evaluation	Fiscal 2021 (October 2020 – September 2021)
Key evaluation items	1. Roles and functions of the Board of Directors 2. Composition and size of the Board of Directors 3. Operation of Board of Directors 4. Cooperation with auditing firm 5. Communication with management 6. Relationships with shareholders and investors 7. Overall assessment
Collection of comments	To ensure anonymity, the questionnaires are submitted directly to the designated external organization, and comments are collected and analyzed by this external organization.

2. Overview of evaluation results

Based on questionnaire analysis, including comparison to the board effectiveness evaluation results of other companies obtained from the external organization, as well as board discussions related to analysis results, FGI’s Board of Directors properly fulfills its role and maintains sufficient effectiveness in terms of the points presented below.

- (1) The Board of Directors strikes a good balance overall in regard to skills, experience, knowledge and number of directors, and sufficiently demonstrates management decision-making and business execution supervisory functions.
- (2) FGI properly utilizes the attributes inherent in the structure for a company with an Audit and Supervisory Committee, and clarifies the role of outside directors. It is also noted that FGI has built a cooperative framework linking outside directors with each auditing structure.

However, analysis of questionnaire responses also revealed issues requiring improvement, as presented below.

- (1) Must explore topics more deeply, taking a medium- and long-term perspective to discussions

- (2) Must pursue additional discussion on director nominations and compensation and consider a succession plan

3. Measures to improve effectiveness

The Board of Directors will deal with the results of this evaluation as a board management issue.

Also, since this was the first time for FGI to evaluate board effectiveness, analysis hinged on a comparison to the evaluation results of other companies obtained from the external organization. To improve board effectiveness, FGI will continue to evaluate its Board of Directors at regular intervals and compare the results to the previous year's evaluation.

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