Evolution of Governance

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LY Corporation continues to evolve its corporate governance in line with market changes and expansion of the Group's business.

Evolution of Corporate Governance and Information Disclosure

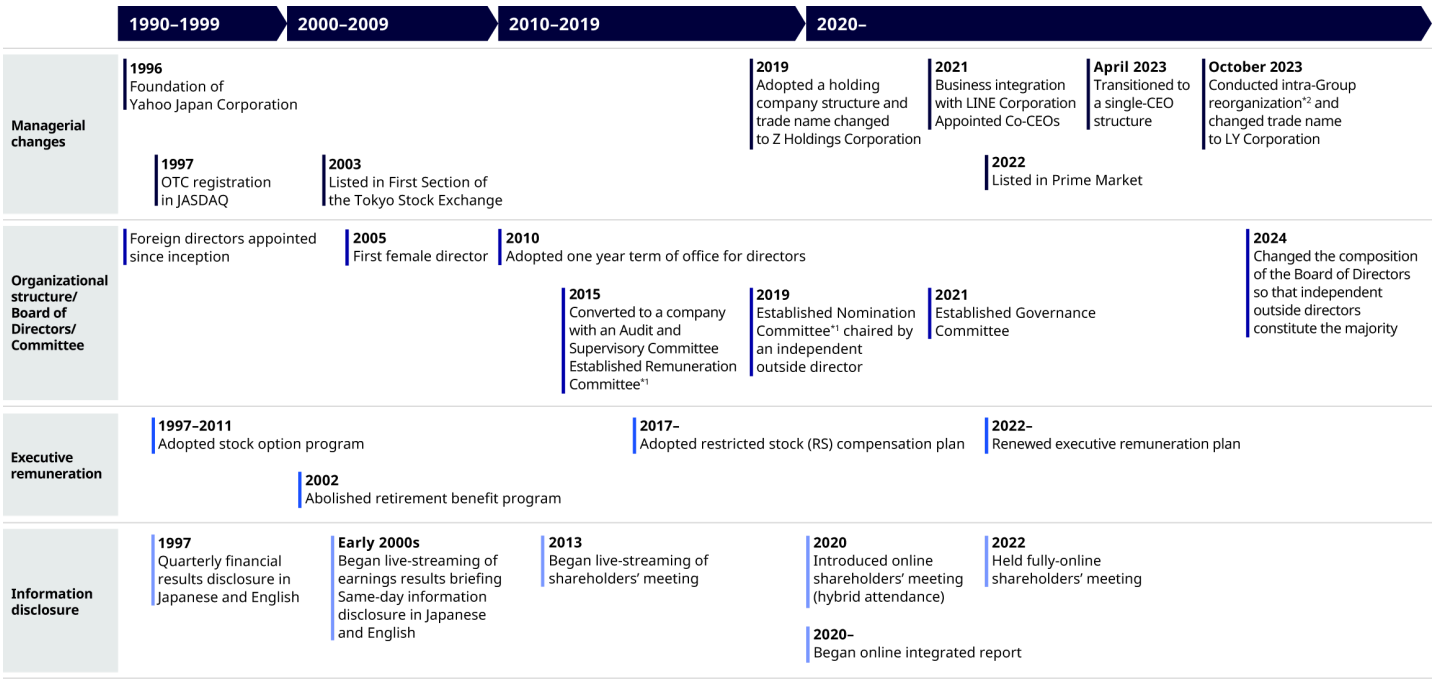
The corporate governance of LY Corporation (the “Company”) continues to evolve along with the changes in the market surrounding digital platform operators and the expansion of the Group's business.

Taking the opportunity of the business integration between Z Holdings Corporation and LINE Corporation in 2021, the institutional design has been altered with the establishment of a voluntary committee, the Governance Committee, consisting of independent outside directors, in addition to a voluntary committee, the Nominating and Remuneration Committee. In addition, in June 2024, the composition of the Board of Directors was changed so that independent outside directors constitute the majority. The Company will continue to strengthen the supervisory function of the Board of Directors and further improve corporate governance.

With respect to executive remuneration, the remuneration plan was reformed in 2022 to establish a remuneration governance system that will serve as a driving force for the realization of the Company's management philosophy and business strategy.

Additionally, the Company has been an early adopter of English-language disclosure and as a forerunner in the internet industry, it has released its quarterly earnings results and live-streamed the briefings before the start of the quarterly financial results disclosure system. Furthermore, LY Corporation actively uses the internet to strengthen its communication; for example in 2013, the Company began live-streaming its General Meeting of the Shareholders.

LY Corporation will continue to build an effective and transparent governance system and enhance information disclosure.

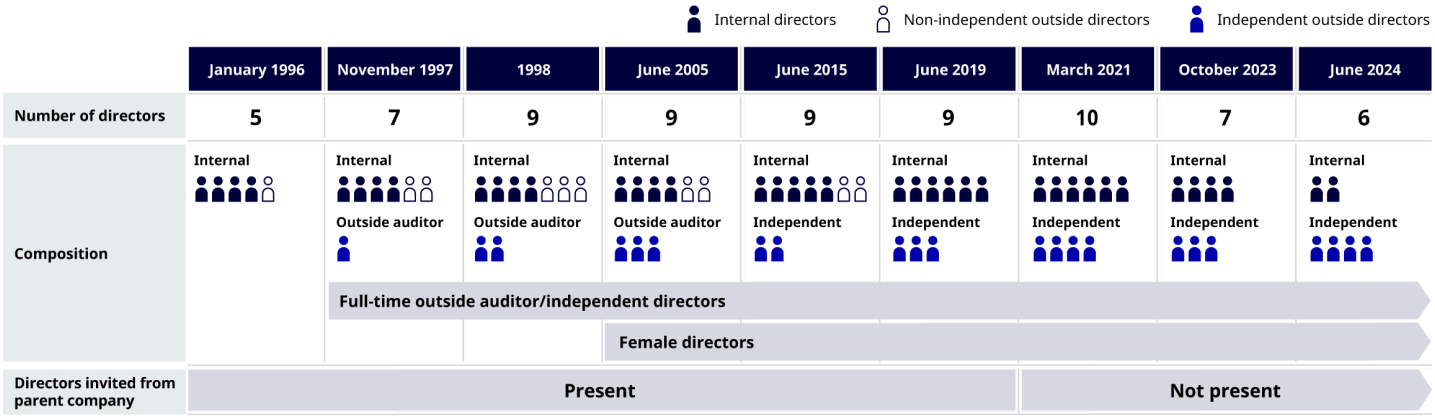


*1 Reorganized to Nominating and Remuneration Committee in 2020, chaired by an independent outside director.

*2 As of October 1, 2023, Z Holdings Corporation conducted an intra-Group reorganization mainly around the core wholly owned subsidiaries, LINE Corporation and Yahoo Japan Corporation, integrating the companies to one company with Z Holdings Corporation as the surviving company.

Changes in Board of Directors

LY Corporation strengthens the supervisory function of the Board of Directors by securing a full-time independent outside director and changing the composition of the Board of Directors so that independent outside directors account for a majority of the Board of Directors from June 2024. Following the business integration between Z Holdings Corporation and LINE Corporation, directors invited from the parent company have retired. In addition, from June 2023, there are no directors who concurrently serve as the directors of the parent company.



* The independent directors meet the independent directors' criteria of the Tokyo Stock Exchange, and are registered as independent directors.

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