

Independence Criteria for External Directors

Money Forward, Inc.

1. The Company determines that an external director or an external director candidate is sufficiently independent from the Company where such individual is deemed to satisfy the requirements set forth in each of the following items as a result of investigation within reasonable scope by the Company:
 - (1) The individual is not an executive (*1) of the Company or its subsidiaries (collectively referred to as the “Group”) and was not an executive within ten years from appointment.
 - (2) The individual does not fall under persons listed below and has not fallen under as such for the previous three years.
 - (a) A party for whom the Group is a major client or supplier (*2), or an executive of such party
 - (b) A party who is a major client or supplier of the Group (*3), or an executive of such party
 - (c) Large shareholder who directly or indirectly holds 10% or more of the Company’s total voting rights, or an executive of such shareholder
 - (d) A consultant, an accounting specialist such as public accountant, a legal specialist such as a lawyer, who obtains large sum of money (*4) or other properties aside from executives’ compensation from the Group. If such party is an organization such as a corporation or an association, includes parties belonging to such organization.
 - (e) A person who executes operation of an organization that receives large sum (*4) of donation or aid from the Group
 - (f) A person who belongs to the audit corporation that performs the statutory audit for the Group
 - (3) The individual is not a spouse or family member within the second degree of kinship of a person falling under each of the items in (1) and (2) above.
2. An External Director shall strive to maintain independence prescribed in these criteria throughout his/her term and shall promptly notify the Company when he/she will not have the independence prescribed in these criteria.

Notes

- *1. Executives refer to directors, executive officers, executive directors, and their equivalents, who execute the operation of corporations and other organizations.
- *2. A party for whom the Group is a major client or supplier refers to a party that falls under one of the following:
 - (a) A client or supplier group (refers to a party that belongs to the consolidated group that the direct client or supplier belongs to, the same shall apply hereafter) that provides products or services to the Group, whose transaction amount with the Group for the immediately preceding business year was 10 million yen or more, and such amount exceeds 2% of the consolidated net sales or total income of the client or supplier group.
 - (b) A client or supplier group to whom the Group is indebted, for whom the total debt owed by the Group for the immediately preceding business year was 10 million yen or more, and such amount exceeds 2% of the consolidated total assets of such group as at the end of such business year.
- *3. A party for whom the Group is a major client or supplier refers to a party that falls under one of the following:
 - (a) A client or supplier group that the Group provides products or services to, whose transaction amount with the Group for the immediately preceding business year was 10 million yen or more, and such amount exceeds 2% of the consolidated net sales of the Company.
 - (b) A client or supplier group who is indebted to the Group, for whom the total debt owing to the Group for the immediately preceding business year was 10 million yen or more, and such amount exceeds 2% of the consolidated total assets of the Company.
 - (c) A financial services institution group (refers to a party that belongs to the consolidated group that the direct lender belongs to) that the Company is borrowing from, for whom the total borrowings by the Company as of the end of the immediately preceding business year exceeds 2% of the Group’s consolidated total assets as at the end of such business year.
- *4. Large sum refers to an amount exceeding 10 million yen per annum on average for the previous three business years of the Company.