

Section 04

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Promoting Sustainability

Our Approach

It is our responsibility to make cybersecurity a top priority in order to fulfill the vital role we play in society as a provider of digital infrastructure. Our data centers—the cornerstone of our operations—consume large amounts of electricity, so we also recognize climate change and decarbonization as critical issues that we are taking steps to address. Finally, we are actively investing in human capital to foster flexibility and job satisfaction for our employees in the workplace.



E Climate Change & Decarbonization

Environmental Initiatives p. 67-68

At our Ishikari Data Center—one of the largest suburban data centers in Japan—we have achieved the milestone of zero CO₂ emissions through targeted initiatives.

- Establishment of SAKURA internet Photovoltaic Power Station in Ishikari (2015)
Constructed to provide renewable energy for in-house operations.
- Non-Fossil Certificates used to achieve virtually zero CO₂ emissions (2022)
- Switched to 100% renewable energy (2023)

S Solutions for Social Issues

SAKURA's Human Capital Management p. 42

- The five pillars guiding talent to growth and success
We have defined five pillars for realizing our human resource strategy.
- SAKURA's Human Capital Management by the Numbers
We disclose results of our talent initiatives as quantifiable data, including efforts to improve the work environment.

Providing Educational Opportunities in the Digital Field p. 69

Regional Revitalization and Digital Innovation p. 70

G Sound Management

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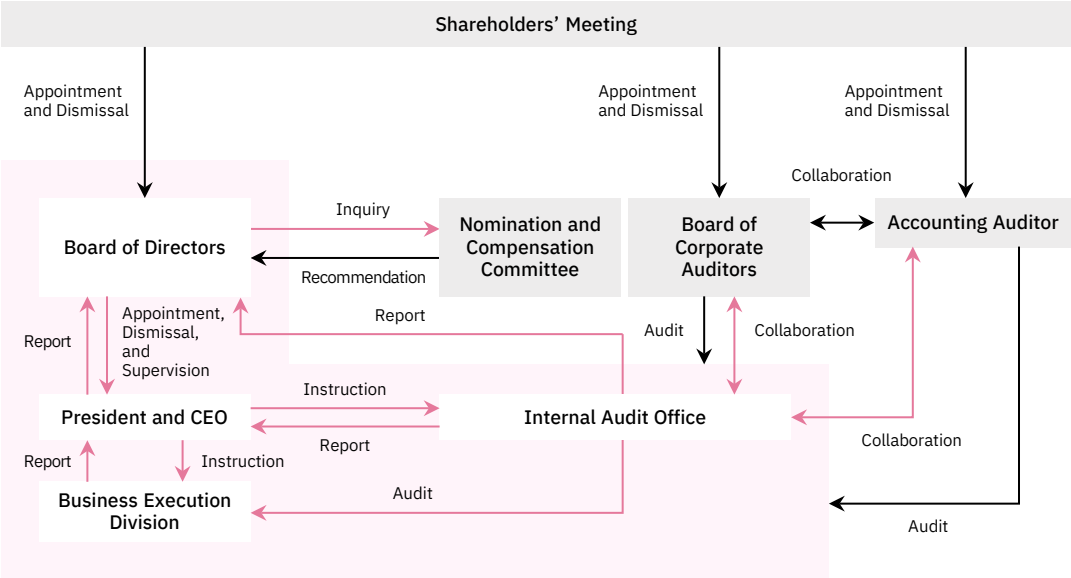
Message from the CISO p. 66

Our Basic Approach to Corporate Governance

Our basic approach to corporate governance is to strengthen our management and administrative framework as we grow our business, ensuring efficient and well-organized operations across all divisions while enhancing internal controls. This fundamental approach continues to underpin our efforts to this day.

The internet industry bears a greater social responsibility than other industries because it operates on a truly global scale, with its communication infrastructure open to countless unseen users and its market consisting of customers around the world. The corporate governance we have established forms the basis of our management, enabling us to fulfill this social responsibility.

The diagram below illustrates our corporate governance structure.



Outside Corporate Auditor Message

Yayoi Yamaguchi is entering her fifth year as one of our full-time outside corporate auditors. We asked her to share her thoughts on what role corporate auditors should play.



Yayoi Yamaguchi Outside Corporate Auditor (Full-time)

We assume the best about people, fostering a flexible work culture that respects employees' freedom and discretion. Freedom comes with responsibility, and we believe our strong compliance awareness across the organization is a natural outcome of this corporate ethos. However, while we strive to give the benefit of the doubt, everyone has their weak points. Few people actively do wrong, but circumstance may lead someone to commit misconduct. As corporate auditors, we approach our work from this aspect of human weakness—not from a mindset of “good” or “bad”—to encourage the establishment of systems, as well as to closely monitor the internal controls in place for proactively preventing issues before they occur.

We primarily work remotely but have established various internal systems to account for this. For example, in the unlikely event of an accident, we have a system in place that promptly shares details and response measures with appropriate company members. This system also allows corporate auditors to access and review this information at any time.

Our efforts are not limited to creating formal systems, as we also remain attentive to subtle insights and developments that are not easily articulated. As part of these efforts, we intentionally create opportunities for dialogue with employees through participation in management meetings, regular discussions with department heads, workplace visits, and daily exchanges via internal chat tools. We also draw on employee feedback from surveys to inform our initiatives. Ensuring a psychologically reassuring space where everyone can express themselves without fear is vital for preventing misconduct. Turning a blind eye or silently complying are ripe opportunities for misconduct. We remain vigilant against any atmosphere like this that might foster transgressions, and believe that these ongoing, day-to-day efforts are essential in supporting sound and ethical management decisions.

The mission of corporate auditors in management is to determine the rationality of management's decisions, as well as to objectively assess any habits or assumptions that have taken root in the organization. That being said, governance does not merely exist to limit management but should also provide a foundation to strongly encourage growth and taking on new challenges. By remaining vigilant against risks and providing sound oversight and support, I am dedicated to helping SAKURA sustain its growth as a company people can trust.

Governance

Initiatives to Strengthen Governance Structure

The Role of Outside, Independent Officers and Enhancing Corporate Governance

Establishment of the Nomination and Compensation Committee and the appointment of outside and independent officers

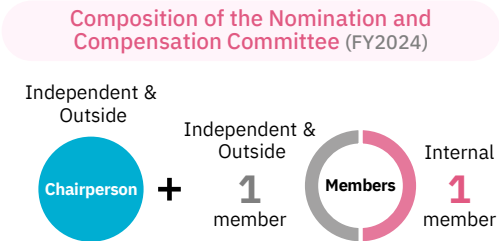
Enhancing the fairness, transparency, and objectivity of nomination and compensation procedures

Voluntary advisory committee led by independent outside directors

Our Nomination and Compensation Committee was established as a voluntary committee to advise the Board of Directors. We appoint the chairperson from among our independent outside directors, who constitute the majority of the committee. This further reinforces governance of the Board's functions concerning the nomination and compensation of directors, auditors, and supervisory board members.

The Nomination and Compensation Committee's main role

- The committee reviews the overall policies and procedures for determining the compensation of executive officers, directors, and corporate auditors.
- The committee also reviews policies pertaining to areas such as the determination of individual directors' compensation, which are submitted to the Board of Directors.



Outside and independent officers on the Board of Directors (as of June 30, 2025)



Meetings and operation status of the Board of Directors, the Board of Corporate Auditors, and the Nomination and Compensation Committee (FY2024)

Governing Body	Board of Directors	Board of Corporate Auditors	Nomination and Compensation Committee
Meetings*	14	13	5
Average attendance	100%	100%	100%
Main activities	<div>Main resolutions<ul style="list-style-type: none">Financial matters such as financial results and budgetsManagement strategy, including investment decisionsOrganizational and human resources mattersMain reporting items<ul style="list-style-type: none">Financial condition and execution status of key dutiesInternal controls and audits</div>	<div>Key audit areas<ul style="list-style-type: none">Progress toward official certification of GPU cloud services and the Government CloudBusiness expansion-related risk assessment</div>	<div>Key advice in response to Board of Director inquiries<ul style="list-style-type: none">Revision of the determination policies regarding individual directors' compensationNomination and compensation of directors for FY2026</div>

*Excluding meetings by written resolution

Revision to the policy for determining the remuneration of individual directors

We established a policy regarding the balance between directors' monetary and non-monetary compensation, as well as overall director compensation levels. Our compensation levels and structures are set to suitably reflect those of peer companies and the overall business environment, with the aim of securing outstanding talent and enhancing the company's value over the medium to long term.

Executive Appointment Policy

In response to an inquiry from the Board of Directors, the Nomination and Compensation Committee examined proposed revisions to the nomination policy for director and corporate auditor candidates and submitted its recommendations to the Board. Based upon these recommendations, the Board of Directors deliberated and resolved to adopt the following policies.

Director Appointment Policy

We nominate director candidates based on a comprehensive review of the following points.

a. Management Capabilities

- Should have thorough knowledge of our company's business
- Should possess the qualities and abilities that will contribute to improving our company's corporate value over the medium to long term, based on our company's management strategy and business characteristics
- Should be able to accurately understand current trends, the business environment, and market changes
- Should have an excellent ability to perform analysis and make decisions from an objective, company-wide standpoint
- Should be able to initiate change on their own and involve others in promoting change
- Should be able to constructively contribute to discussions and deliberations during meetings, including actively expressing their own opinions from a company-wide perspective
- Should possess the qualities to appropriately reflect stakeholder views at Board of Directors' meetings
- Should have experience in corporate leadership or have held managerial positions in publicly listed companies
- Should have professional expertise in key management issues (for example, corporate management, technology, legal and compliance, finance and accounting, marketing, global trends)

b. Humanity

- Should comply with laws, regulations, and codes of conduct, both internal and external, as well as possess the necessary judgment and fairness expected of a director
- Should understand and practice our corporate philosophy, and possess integrity that our stakeholders can trust
- Should understand and embrace diverse values and perspectives, and demonstrate behavior that respects individuality

Corporate Auditor Appointment Policy

We nominate corporate auditor candidates based on a comprehensive review of the following points.

a. Management Capabilities

- Should have thorough knowledge of our company's business
- Should possess the qualities and abilities that will contribute to improving our company's corporate value over the medium to long term, based on our company's management strategy and business characteristics
- Should be able to accurately understand current trends, the business environment, and market changes
- Should have an excellent ability to perform analysis and make decisions from an objective, company-wide standpoint
- Should possess the qualities to appropriately reflect stakeholder views at Board of Directors' meetings
- Should have experience in corporate leadership or have held managerial positions in publicly listed companies
- Should have extensive experience and insight to guide audits, or professional expertise in key management issues (for example, corporate management, technology, legal and compliance, finance and accounting, marketing, or global trends)

b. Humanity

- Should comply with laws, regulations, and codes of conduct, both internal and external, as well as possess the necessary judgment and fairness expected of a director
- Should understand and practice our corporate philosophy, and possess integrity that our stakeholders can trust
- Should understand and embrace diverse values and perspectives, and demonstrate behavior that respects individuality

Board of Directors Diversity and Structure

- We select director and corporate auditor candidates based on individual technical expertise, managerial competence, and personal abilities, regardless of age, gender, nationality, or other attributes.
- In determining the composition of the Board of Directors, we take into account the balance of knowledge, experience, and expertise across the Board as a whole. This ensures both the diversity required for effective decision-making and supervision of management, as well as a suitable size to enable the Board to function most effectively.
- We maintain the Board's ratio of independent outside directors at one third or more to strengthen supervisory functions and ensure objectivity. Furthermore, we include individuals with executive experience at other companies among our independent outside directors. Their insights enable us to more effectively anticipate changes in the business environment and reflect them in our management strategy. Corporate auditors shall include persons who have the requisite knowledge of finance and accounting.

Governance

Directors and Executive Officers (as of June 30, 2025)

Directors



Kunihiro Tanaka
President and CEO



Masataka Kawada
Director / CFO



Koichi Ise
Director



Akihiro Maeda
Director

Outside Directors

Hiroo Hatashita

Independent

Toshihiro Igi

Independent

Yukie Osaka

Independent

Tomomi Arakawa

Tatsuya Morita

Outside Corporate Auditors

Yayoi Yamaguchi

Independent

Full-time

Toshiyuki Umeki

Hiroyuki Hasegawa

Independent

Tomoyuki Hirose

Director and Corporate Auditor Skills Matrix

Introduction of Officers

	Attendance Record			Experience / Expertise					
	Board of Directors	Nomination and Compensation Committee	Board of Corporate Auditors	Corporate Management	Legal Affairs and Compliance	Finance & Accounting	Engineering Technology	Customer Success / Marketing	Global
Kunihiro Tanaka	100%	100%	-	●			●		
Masataka Kawada	100%	-	-	●		●			
Koichi Ise	100%	-	-				●		
Akihiro Maeda	100%	-	-	●			●		
Hiroo Hatashita	100%	100%	-	●		●			
Toshihiro Igi	100%	100%	-	●	●				
Yukie Osaka	100%	-	-					●	
Tomomi Arakawa	100%	-	-				●	●	●
Tatsuya Morita (Newly appointed)	-	-	-		●			●	●
Yayoi Yamaguchi	100%	-	100%	●		●			●
Toshiyuki Umeki	100%	-	100%	●			●		
Hiroyuki Hasegawa	100%	-	100%	●		●			●
Tomoyuki Hirose	100%	-	100%	●					●

*This skills matrix is based on the contents of the Annual Securities Report disclosed as of June 16, 2025. Please note that this matrix does not exhaustively list all skills and experiences of each director and corporate auditor.

Governance Directors and Executive Officers (as of June 30, 2025)

Executive Officers



Masaaki Tateno
Vice President /
Senior Executive Officer



Takayuki Takahashi
Senior Executive Officer



Takashi Shishido
Executive Officer



Yota Egusa
Executive Officer /
CISO / CIO



Masatoshi Yokota
Executive Officer



Toru Sawamura
Executive Officer



Hideto Yamazaki
Executive Officer



Akira Horimoto
Executive Officer



Yohei Ueno
Executive Officer



Masako Ohsaki
Executive Officer



Mamiko Tsukada
Executive Officer



Sayuri Masaki
Executive Officer



Mariko Yabe
Executive Officer /
Group CHRO



Jun Shimoda
Executive Officer



Sumito Ryuzaki
Executive Officer

Information Security Policy

At SAKURA internet, it is vital for us to uphold corporate ethics regarding information security and to protect both the information assets entrusted to us by our customers and those that constitute our own management resources from all possible threats to provide a wide range of solutions through the internet to everyone connected with our company. We address this challenge by establishing and continually improving our information security management system. To strengthen our security foundation, we have established and actively implement our Information Security Policy.

Employee Voices

Leveraging certifications and systems to consistently maintain high reliability

Ruiko Chiba
Information Security Management Group,
Information Systems Management Office

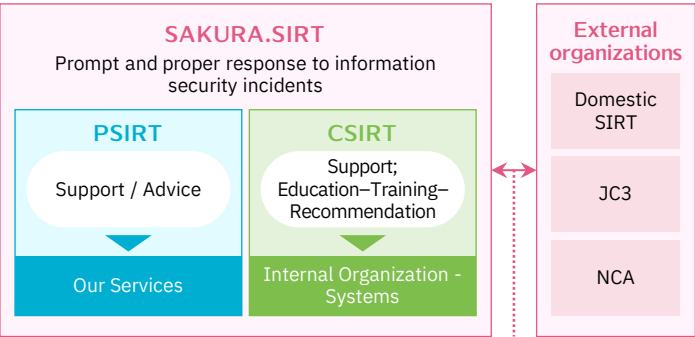


We maintain and operate certifications such as ISMS and PrivacyMark, while strengthening our information security framework through employee education, audit responses, and contractor management. As legal reforms and technological advances change the nature of security, we gather the latest information and work closely with relevant departments to respond diligently to internal consultations. We strive to prevent our systems from becoming mere formalities and work to maintain and further improve a highly reliable security environment for both employees and customers.

Cybersecurity Initiatives

SAKURA.SIRT

In May 2015, we established SAKURA.CSIRT to oversee internal systems, joining the Nippon CSIRT Association in July later that year. Then, we established SAKURA.SIRT to cover our services as well, with the mission of “making customers and the internet itself safer.” Together with internal and external specialists, we monitor, share, and leverage security information and trends.



Incident response training

To prepare for attacks on our servers, we conduct hands-on training focused especially on less experienced staff. By providing such training, we develop future core personnel, ensuring the organization as a whole can respond quickly and effectively to incidents.

Maintaining and Improving Information Security

Certifications and guidelines obtained

We are continually strengthening our information security management framework so that customers can use our services with confidence. As part of these efforts, we have obtained the following certifications and registrations in accordance with international and domestic standards.

ISMAP / ISMS / ISMS for cloud security / PrivacyMark / PCI DSS / SOC2 and SOC3

↗ Scope and details

Launch of transparency reports

We recognize the importance of “personal information,” “freedom of expression,” and “confidentiality of communications.” When responding to requests, we are committed to protecting these rights by complying with relevant laws and guidelines, including the Act on the Protection of Personal Information, the Telecommunications Business Act, and the Provider Liability Limitation Act.

As part of these efforts, we ensure transparency by publicly releasing a transparency report that discloses the number of requests received and summaries of our responses. This report covers the following services: SAKURA Web Hosting, SAKURA VPS, SAKURA Cloud, SAKURA Dedicated Server PHY, SAKURA Domain, and Server Housing.

SAKURA's Cybersecurity: Building Safety and Peace of Mind for All of Society

Yota Egusa

Executive Officer / Chief Information Security Officer (CISO) /
Chief Information Officer (CIO)

Born in Osaka Prefecture, Egusa founded the Robotics Research Club while attending St. Viator Rakusei Junior and Senior High School. They went on to study in the Division of Electronic and Information Engineering, School of Engineering, University of Osaka. Egusa has worked as an independent security consultant on system development and ISMS acquisition since their student days. They joined SAKURA internet in October 2014 and was appointed Executive Officer in July 2016 at the age of 25. Egusa oversees technology advancement company-wide and is a network, database, and information security specialist.



Security initiatives to support sustainable growth

Our services function as the foundation for a broad array of sectors, including government, education, industries, healthcare, and entertainment. Providing digital infrastructure means supporting what people and businesses rely on every day. However, a major security incident could have severe consequences not only for our customers, but for society as a whole. We recognize the gravity of this responsibility and regard security enhancement not simply as a cost or a defensive measure but as an essential investment in our foundation for ongoing business growth. By providing a secure environment for entrusted information, we build long-term customer relationships and attract new clients.

We continuously improve our security measures not only on the technical front, but also at the organizational and human levels. For example, in addition to our 24/7 operations team, we have established an incident response team (SAKURA.SIRT). Through obtaining certifications, we undergo external verification and maintain high-level security management across monitoring, analysis, and response. In the event of an incident, we promptly report to SAKURA.SIRT and follow predefined processes to identify the scope of impact and carry out recovery actions. We

subsequently analyze technical and organizational factors, establish recurrence prevention measures, review operational rules, and provide feedback to employees—facilitating organizational learning and growth.

Building peace of mind on our path to digital infrastructure leadership

We believe that for cloud infrastructure to function as social infrastructure, it is essential to incorporate security by design from the development stage. In addition to information security in the narrow sense, we also focus on broader business risks—such as protecting intellectual property, ensuring service brand reliability, regulatory compliance, and supply chain risk assessment.

We believe it is important to foster an environment where employees can take on new challenges with confidence, while maintaining both effective utilization and proper controls for security in our internal use of generative AI. We have established usage guidelines and maintain a secure environment by, for example, restricting the handling of input data. To enable flexible working styles, we are moving beyond traditional perimeter-based defenses^{*1} and are strengthening authentication and access management based on the Zero Trust^{*2} approach.

The mission of a Chief Information Security Officer (CISO) is to bridge management and frontline teams, fostering a culture and systems that accurately identify and minimize organizational information security risks. The CISO demonstrates how to balance convenience and safety, guiding the organization to make sound decisions. We believe that strengthening our ability to deliver peace of mind is the path to becoming a top digital infrastructure company. We will continue to advance comprehensive initiatives, including enhanced internal controls, transparent practices, and deeper collaboration with external partners.

^{*1} A system for preventing external attacks and unauthorized access by securing entry and exit points in an organization's network.

^{*2} A security principle gaining adoption in recent years, where no access is trusted by default; instead, each user and device is verified before granting access.

Environment Environmental Initiatives

Building an Environmentally Conscious Data Center for a Decarbonized Society (Ishikari Data Center)

With the accelerated digitalization of society and industry, the importance of data centers continues to grow.

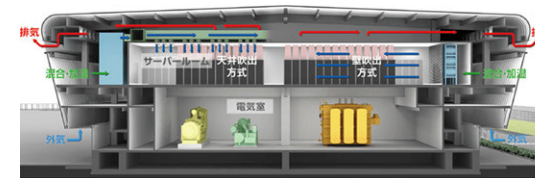
At the same time, data centers consume large amounts of electricity to power and cool servers. In recent years, the rapid adoption of generative AI and the commercialization of VR technology have further increased power consumption by high-performance servers. Recognizing the rising importance of global environmental preservation, including efforts to combat global warming, and in line with the SDGs, we are actively advancing initiatives to reduce our environmental footprint.



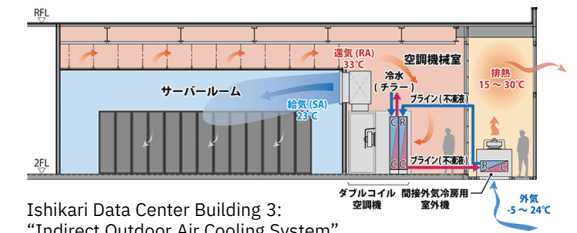
Decarbonization and energy efficiency initiatives at our facilities

At the Ishikari Data Center, we have implemented both direct and indirect outdoor air cooling systems, each utilizing Hokkaido's natural cold air, both to cool the server rooms directly and to cool the refrigerant circulating between outdoor and air conditioning units. These systems reduce power consumption by about 40% compared to conventional urban data centers.

In addition, by procuring non-fossil certificates for our other data centers and offices, we have achieved net-zero CO₂ emissions from electricity use and will continue our decarbonization efforts going forward.



Ishikari Data Center Buildings 1 and 2:
"Direct Outdoor Air Cooling System"



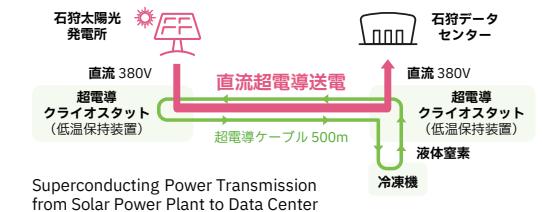
Ishikari Data Center Building 3:
"Indirect Outdoor Air Cooling System"

Examples of Past Initiatives

Adoption of superconducting power transmission to reduce environmental impact

By adopting a superconducting power transmission method—which leverages superconducting technology with zero electrical resistance—we have enhanced transmission efficiency and reduced electricity costs.

*This initiative was conducted as a demonstration project in the past and is not currently in operation.



Superconducting Power Transmission from Solar Power Plant to Data Center

Environment Environmental Initiatives

Reducing Environmental Impact through Diversified Operations: Advancing Next-Generation Digital Infrastructure

Toru Sawamura

Executive Officer

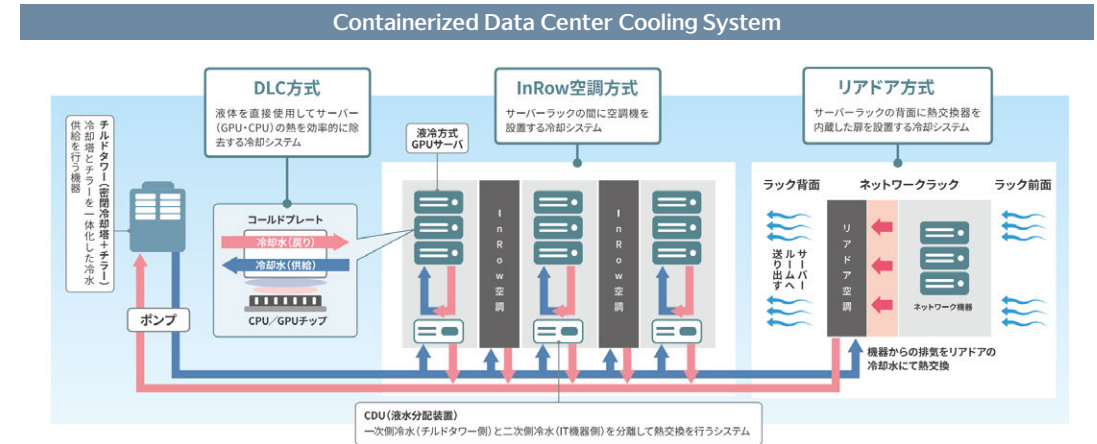
Born in Hakodate, Hokkaido. After serving as a store manager and buyer at a PC/AT-compatible specialty store and founding a PC parts import, manufacturing, and sales company, Sawamura joined SAKURA internet in 2005. He has held his current position since 2020, following 10 years as the director for data center operations. He is well versed in subcultures such as video games, animation, and internet memes. Leader, JDCC Human Resource Management Working Group; Technical Committee Member, NEDO (FY2019/FY2020).



Striving to balance facility expansion and environmental responsibility to meet market needs

As the growth of the digital society drives increased power consumption, we recognize that, as a digital infrastructure provider rooted in data centers, promoting climate change countermeasures and advancing decarbonization are both critical management priorities and responsibilities we must fulfill. We believe that such environmental initiatives not only help realize a sustainable society, but also position us for new business opportunities that include selection by environmentally conscious government agencies and companies.

With this awareness, our environmentally conscious, large-scale suburban Ishikari Data Center in Hokkaido switched to a contract plan using 100% renewable energy for all electricity from 2023, maintaining virtually zero CO₂ emissions. Most recently, the growth of generative AI has driven increased demand for advanced computing resources such as GPUs, making it an urgent challenge to balance facility expansion to meet market needs with environmental stewardship. To address this, we have installed a containerized data center utilizing direct liquid cooling (DLC) at the Ishikari Data Center, enhancing cooling efficiency and reducing environmental impact by minimizing large-scale on-site construction.



We have also achieved net-zero CO₂ emissions from electricity use at our data centers and offices outside the Ishikari Data Center through the purchase of non-fossil certificates.

Collaboration with local communities and other companies is key to realizing a green society

Furthermore, we believe that collaboration with local communities and other companies will enable us to operate with an even lower environmental impact. For example, in January 2025, we concluded a basic agreement with Preferred Networks, Inc. and Rapidus Corporation to provide domestic AI infrastructure that contributes to realizing a green society. In March 2025, in partnership with SOINN Inc., we launched a demonstration experiment at the Ishikari Data Center to automate air conditioning control using AI. By leveraging the green technologies and expertise of each company, we are verifying improvements in energy efficiency and streamlined operations.

We proactively share examples of our initiatives through presentations at JDCC (Japan Data Center Council) and HNDC (Hokkaido Ntopia Data Center Forum), with the hope that our know-how will be adopted by other companies and contribute to the realization of a decarbonized society. Going forward, we will continue to advance initiatives for both a sustainable digital infrastructure society and a decarbonized society, collaborating not only within the company but also with local communities and other companies.

Social

Providing Educational Opportunities in the Digital Field

Offering Learning Opportunities for Students and Companies to Build Cloud Expertise

Amid Japan’s declining digital competitiveness,^{*1} SAKURA internet contributes to the Comprehensive Strategy for the Vision for a Digital Garden City Nation (as revised in 2023) by fostering and securing digital talent, aiming to build a society founded on digital technology.

Offering Opportunities to Learn Cloud Technologies

→ P.33


We are expanding the “SAKURA Cloud Certificate” program, which enables learners to acquire digital technology skills ranging from fundamental to applied levels.

- Online mock examinations were launched on January 31, 2025
- By the end of March 2025, more than 2,000 learners had used our official online learning materials
 - In April 2025, we established a dedicated learning support division with the goal of certifying 10,000 qualifying participants.

Outline of the SAKURA Cloud Certificate Program

This certification exam enables learners to acquire digital technology skills ranging from fundamental to applied levels. It is designed for beginners in IT infrastructure, individuals considering the use of SAKURA Cloud, and current users who wish to further enhance their technical skills. Participants can develop practical, job-ready skills with a primary focus on cloud architecture design.

SAKURA Cloud Certificate




Launching the “cloud engineer training course,” co-developed with zero to one, Inc.

- In February 2025, the program was officially accredited under the Ministry of Economy, Trade and Industry’s Fourth Industrial Revolution Skill Acquisition Course.^{*2}

Overview of the Cloud Engineer Training Course

Centered on “SAKURA Cloud,” this course offers practical training in common technologies, terminology, and applications shared across cloud vendors, enabling participants to acquire advanced, highly specialized engineering skills beyond the level of “SAKURA Cloud Certificate.”

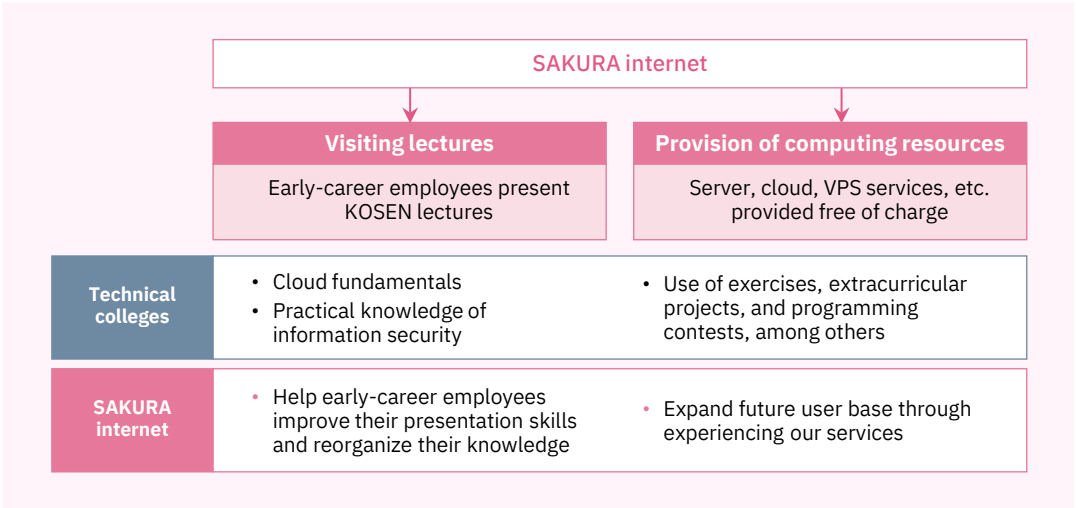
Cloud Engineer Training Course



Practical Education Through the KOSEN Support Project

We have formed a comprehensive partnership with the National Institute of Technology (KOSEN) to expand practical, hands-on education programs

- Led by our employees, including visiting associate professors, we continue to deliver practical outreach through visiting lectures at KOSEN colleges nationwide, covering topics such as cloud fundamentals, containers, Docker, and information security.



- We also offer computing resources—such as servers, cloud, and VPS services—free of charge for use in hands-on exercises and extracurricular projects.
- We provide opportunities for early-career employees to present lectures at technical colleges, helping them enhance their presentation skills and deepen their understanding by reorganizing knowledge.

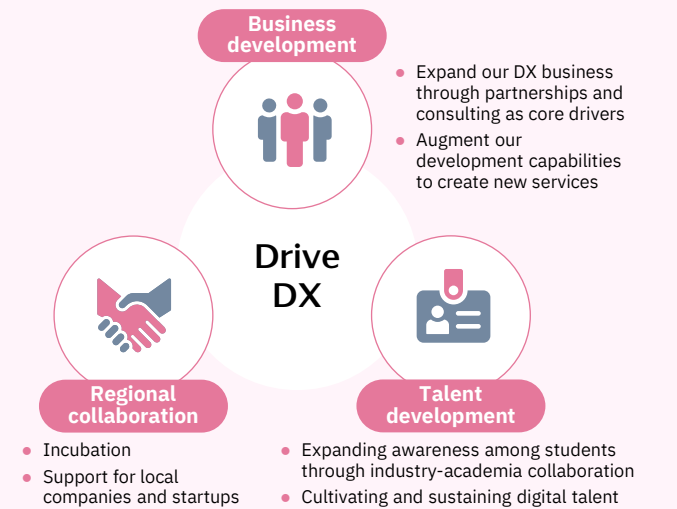
^{*1} Source: IMD World Competitiveness Center, “World Digital Competitiveness Ranking 2024.” Japan ranked 31st overall (out of 64 countries) and 67th in “Digital/Technological skills.”
^{*2} A certification system established by the Minister of Economy, Trade and Industry for specialized, practical training programs that enable working professionals to acquire advanced expertise and pursue career advancement in fields—such as IT and data—that are expected to drive future growth and job creation.

Supporting the Ambitions of Next-generation Entrepreneurs and Advancing Open Innovation Initiatives Across Japan

By adopting remote-work practices and establishing offices nationwide to prevent over-concentration in Tokyo, SAKURA internet has built a regionally distributed organizational structure—a rarity among IT companies. We actively support region-based startups, focusing on the communities where our offices are located. By promoting local employment and engagement with local stakeholders, we help foster innovation originating in regional areas.

Extending Region-specific Solutions to New Communities

Solutions developed through regional startup support can often be shared and applied in other regions or countries facing similar challenges. As a cloud-based service provider, we see strong potential to accelerate society-wide digital transformation (DX) by supporting regional startups. We aim to help realize a new society founded on digital technology.



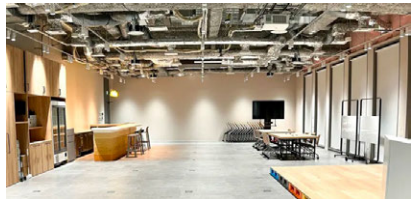
Creating opportunities for communication
Inside JAM BASE, Grand Green Osaka

Blooming Camp

We have opened “Blooming Camp” as a collaborative space designed to foster open innovation. A total of 353 events were held in the last year, organized by companies, startups, educational institutions, and various community groups.



A base for open DX
SAKURA innobase Okinawa



Expanding regional hiring

With Okinawa Prefecture’s strong IT strategy and top national rates for business creation and birthrate, the region provides an ideal environment for open innovation.



Evolving into one of Japan’s foremost startup-support hubs
Inside Fukuoka Growth Next



Support for startups

Kyushu’s local governments are proactive in proof-of-concept initiatives and cross-prefectural collaboration, making it an ideal region for activities aligned with our corporate philosophy.



President and CEO Kunihiro Tanaka and Fellow Osamu Ogasawara joined the “FGN” talk session to discuss the present state of Fukuoka’s startup ecosystem and the initiatives required for the city to grow as a hub for startups.



We promote business development and support startups through open innovation with local companies, with an emphasis on Okinawa’s unique technology and culture. Our goal is to nurture DX professionals and generate digital innovation from Okinawa.

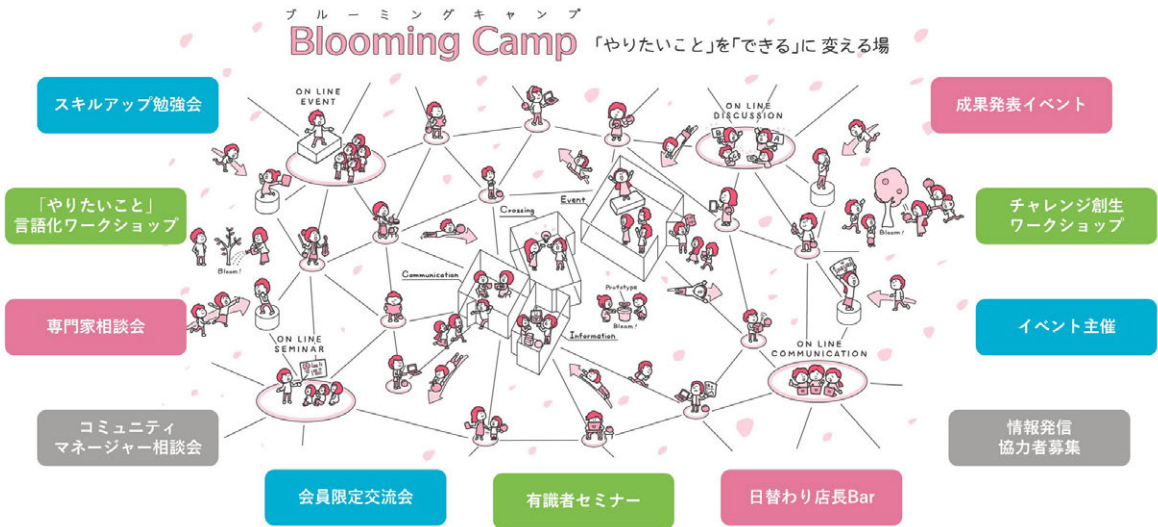
Social Blooming Camp: Open Innovation Facility

Connecting with Others, Sharing Ideas, and Growing Them Together to Give Shape to “What You Want To Do”

In September 2024, following the relocation of our headquarters, we opened “Blooming Camp” within Grand Green Osaka’s JAM BASE as a collaborative space designed to foster open innovation. Our goal is to create a place where anyone can bring “what they want to do,” nurture it, and turn it into “what they can do.”

Blooming Camp
Opened inside JAM BASE, Grand Green Osaka

Operated by SAKURA internet, this facility serves as a hub for open innovation. It functions as an innovation hub located within the Umekita 2nd Phase Development Project, “Grand Green Osaka.” Its concept embodies our corporate philosophy: turning “WHAT YOU WANT TO DO” into “WHAT YOU CAN DO.” We aim to create a space—both physical and virtual—where people can freely gather, connect, and take on new challenges.



01 Wide range of events, including workshops, study sessions, and networking meetups

Initiatives to generate innovation

Monthly average
50 or more events
Total
353 events

(From September 2024 to March 2025)

02 Short-term intensive programs

Blooming Camp members, known as Seed Members, can participate in short-term intensive programs designed to transform “WANT” (what they want to do) into “CAN” (what they can do). By combining “WANT” (their aspirations) and “HOW” (their strengths), members can “CHALLENGE” themselves (take action).

03 Launching proof-of-concept trials using the web application “Buddies”



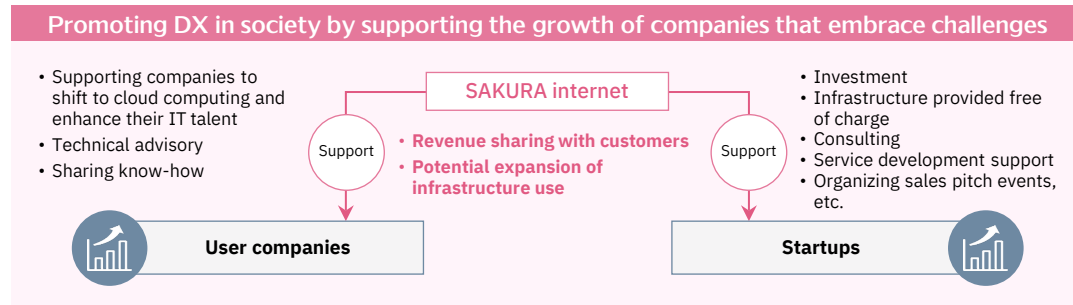
Leveraging the co-creation tool “Buddies,” we set up a limited-time booth at Blooming Camp to test the effectiveness of AI-driven innovation and gather experiential feedback.

Social Shaping the Future with Startups

Providing Hands-On, Partnership-Based Support That Helps Emerging Startups Transform “Want To” Into “Can Do”

Through co-creation with entrepreneurs, we promote active collaboration and networking to create new markets and realize sustainable, long-term growth. Our startup-support activities build valuable connections with promising potential customers and contribute to the broader advancement of digital society.

Investment and Development Support for Startups



Startup Co-Creation Program “Link up”

We provide comprehensive, all-in-one resources to build the infrastructure that accelerates startup growth.



1 Providing environments

Providing up to ¥10 million in SAKURA Cloud services for up to one year, customized to fit each business's size and growth stage. Also eligible for “ImageFlux,” “Koukaryoku Series,” and “SAKURA IoT.”



2 Technical cooperation

We provide priority support and access to experts across diverse fields, helping participants accelerate their growth.

- Technical advice
- Hands-on events
- Dedicated help desk

3 Business support

We promote collaborative problem-solving by offering opportunities for dialogue, joint proposals, and co-hosted events with partner companies.

- Support for alliances with partner companies
- Promotional opportunities
- Mentoring by startup supervisors

Aiming to generate economic returns and create value for the public through impact investing

Case study 1 Mirairo Inc.

We support the awareness and adoption of the “Mirairo ID,” a digital version of the “disability certificate” developed by Mirairo, in alignment with the company’s “Barrier Value”^{*1} philosophy.



^{*1} Mirairo Inc. advocates the belief that disabilities are not barriers to be eliminated but values that can be transformed into positive strengths.

^{*2} Karry Impact & Innovation No.1 Investment Limited Partnership.

Case study 2 Karry Fund^{*2}

Implementing impact investments through an Okinawa-based fund

We aim to address social challenges in Okinawa through collaboration with investors, social entrepreneurs, and diverse stakeholders.



Examples of Portfolio Companies

We are the official top partner of “FC Ryukyu Sakura,” the women’s team of J.League club FC Ryukyu.

Startup support in collaboration with local communities → P.70

Case study 1

Collaborative Operation of Fukuoka Growth Next



A startup support hub where entrepreneurs and supporters come together. Our employees are stationed onsite, supporting startup talent development and fundraising to drive the growth of the regional startup ecosystem.

Case study 2

SAKURA innobase Okinawa



A communication space dedicated to digital innovation, hosting events that support startup development and nurture talent for IT business creation.