

**Administrative Admonishment and Administrative Directive from the Personal Information Protection Committee to Recruit Career Co., Ltd.**

August 26, 2019

Recruit Co., Ltd.

The Personal Information Protection Committee has issued an administrative admonishment and an administrative directive today to Recruit Career Co., Ltd. (Headquarter: Chiyoda-ku, Tokyo, CEO, President and Representative Director: Daizo Kobayashi, hereinafter referred to as "Recruit Career"), a subsidiary of Recruit Co., Ltd. (Headquarter: Chiyoda-ku, Tokyo, President: Yoshihiro Kitamura, hereinafter referred to as the "Company"). The Company regrets and sincerely apologizes for any inconvenience and concern that this incident has caused.

**Overview of Administrative Admonishment and Administrative Directive**

As a result of an investigation by the Personal Information Protection Committee regarding "Rikunabi DMP Follow," a service operated by Recruit Career, Recruit Career received an administrative admonishment under Article 42, Paragraph 1 of the Act on Protection of Personal Information of Japan (Act No. 57 of 2003, as amended) (hereinafter referred to as the "Act") following a determination that Recruit Career did not appropriately follow the security procedures required by Article 20 of the Act, and that it provided personal data to third parties without obtaining the necessary consent required under Article 23, Paragraph 1 of the Act (the service has been discontinued since August 4, 2019).

Furthermore, in light of the Guidelines (General Rules) on the Act, the explanation regarding the sharing of personal data to third parties contained in Recruit Career's Privacy Policy was found to be unclear, and as a result Recruit Career also received an administrative directive from the Personal Information Protection Committee under Article 41 of the Act.

On August 26, 2019, Recruit Career has announced in its press release titled "Administrative Admonishment and Administrative Directive regarding 'Rikunabi DMP Follow'" its apologies, the cause of this incident and the measures that it will take to prevent similar occurrences.

**Future Actions**

In addition to Recruit Career's preventative measures, the Company, as its parent company, will work to strengthen governance of the Company's subsidiaries. Specifically, the Company plans to implement the following measures:

**1. Strengthening governance**

An organizational framework dedicated to data management is scheduled to be established around October 2019, and the Company plans to integrate the legal functions of all of the Company's subsidiaries in Japan around April 2020.

**2. Projects aimed at appropriate data use**

The Company is considering the establishment of a data usage policy in line with societal expectations for all of the Company's subsidiaries. In addition, the Company plans to establish an Advisory Committee on Data Utilization including outside advisors and intends to reform the Company's privacy policy to better reflect the needs of the Company's users around April 2020.

**3. Employee training and raising awareness**

The Company plans to continue to train and educate the Company's employees regarding personal information protection as well as this matter.