



# To bring transformation to education, empowerment to children

There are children in this world who do not have adequate access to education due to various reasons including gap in academic ability, lack of income, and regional disparities. We provide children with new learning experiences that are tailored to their individual needs. Through these learning experiences, children acquire true academic skills that can be used for a lifetime and more importantly, realize that "hard work will pay off."

We will work with schools, cram schools, and other educational institutions to build new forms of learning to make this happen.



#### **Greetings** — Takahiko Yunokawa, Founder & Chief Executive Officer

SuRaLa Net Co., Ltd. upholds the company philosophy, "To bring transformation to education, empowerment to children" and provides Surala, an Al-based e-learning system to about 2,200\* schools and cram schools in Japan. Overseas, we provide Surala Ninja! an e-learning system designed to support elementary school students in arithmetic learning. We have continued to grow by offering solutions to educational challenges, for instance, by providing learning opportunities to children with developmental or learning disabilities as well as children who refuse to go to school or have economic difficulties. In 2017, we were listed on TSE Mothers as a representative EdTech startup. \*As of the end of December, 2020

We recently introduced an impact management practice to logically visualize the social issues we solve and the outcomes we are aiming for. We chose school absenteeism, developmental/learning disabilities, poverty, and poor academic performance as the four social issues of interest and assessed both qualitatively and quantitatively the impacts we have made in these fields. This challenge of impact assessment was a novel and unique initiative for an IT venture.

Our aim is to fill the gap in education and solve various related problems by expanding the use of Surala in Japan and overseas, to provide children around the world with opportunities for high-quality but low-cost education.



Takahiko Yunokawa, CFO

#### **SuRaLa Net and Impact Management**

#### Company philosophy of SuRaLa Net

There are children in this world who do not have adequate access to education due to various reasons including gap in academic ability, lack of income, and regional disparities. We provide children with new learning experiences that are tailored to their individual needs. Through these learning experiences, children acquire true academic skills that can be used for a lifetime and more importantly, realize that "hard work will pay off." We will work with schools, cram schools, and other educational institutions to build new forms of learning to make this happen

#### - Impact management

With the rise of awareness for building a sustainable society as represented by ESG and SDGs, private businesses too are now expected to play their role for the cause. SuRaLa Net has, through its domestic and overseas business activities, been actively addressing Sustainable Development Goals including "No Poverty (Goal 1)" "Good Health and Well-being (Goal 3)" "Quality Education for All (Goal 4)" and "Gender Equality (Goal 5)." We have decided to introduce the impact management approach to business evaluation to clearly visualize the positive impacts our business has had on society.

Impact management refers to the process by which an organization measures, evaluates and continuously improves the impacts of its business activities on society and the environment. Specifically speaking, we visualize the desired outcomes of our business activities and our strategy toward realizing those outcomes. We then monitor the implementation status using a logic model\*. The results are analyzed and used for management decision-making, explanation and reporting to stakeholders, and to implement the Plan-Do-Check-Action cycle. By implementing impact management and visualizing the pathway to solving individual social issues, SuRaLa Net has enabled qualitative and quantitative evaluation of the impacts of our business on

society. We hope to further enhance our corporate value by identifying the social values that our business has created in addition to economic values such as sales and profit.

#### **皋 Social issues that SuRaLa Net hopes to solve and the pathway to their solutions**

The various difficulties that children face today may well affect their future and could even be passed down to their children over generations. SuRaLa Net hopes to contribute to breaking this negative cycle and eliminate the disparity that lies ahead. This requires that children become financially independent when they grow up, and we believe there are two ways to make that happen. One is to enhance the child's cognitive abilities including academic skills and the other is to enhance his/her non-cognitive abilities such as problem-solving skills, cooperativeness, and autonomy. We believe that both cognitive and non-cognitive abilities are born by cultivating a "can-do" feeling, and that self-confidence and successful experiences provide a springboard for developing abilities. We can help children accumulate successful experiences through learning opportunities equally ensured for all children in compulsory education. Through this approach, we can bring a significant social impact.

Our e-learning system Surala is used in a wide range of scenes including cram schools, schools, and homes. We are aware that among the users, there are children and families faced with various difficulties. SuRaLa Net hopes to support children and families experiencing difficulties or issues such as school absenteeism, developmental/learning disabilities, poverty, and poor academic performance. To verify our approach, we analyzed the impacts we have made on children and families experiencing different issues and the pathways to creating those impacts and published the results in this impact management report.

First, we will introduce the pathway for correcting disparities. Correction of disparities is the final outcome common in all the logic models. Children will gain confidence in themselves by accumulating successful experiences through learning (improvement of cognitive ability) and start to take on various challenges (improvement of non-cognitive ability). As a result, they will be able to think for themselves to choose their own education/career options that they wish to pursue, and thereby will become financially independent in the future. We believe that increasing the number of adults who can think for themselves and are financially independent will consequently lead to reducing social disparities.

We believe that the following four elements of GRIT\*, which came to be widely known through a book, are very important for empowering children to live independently when they grow up.



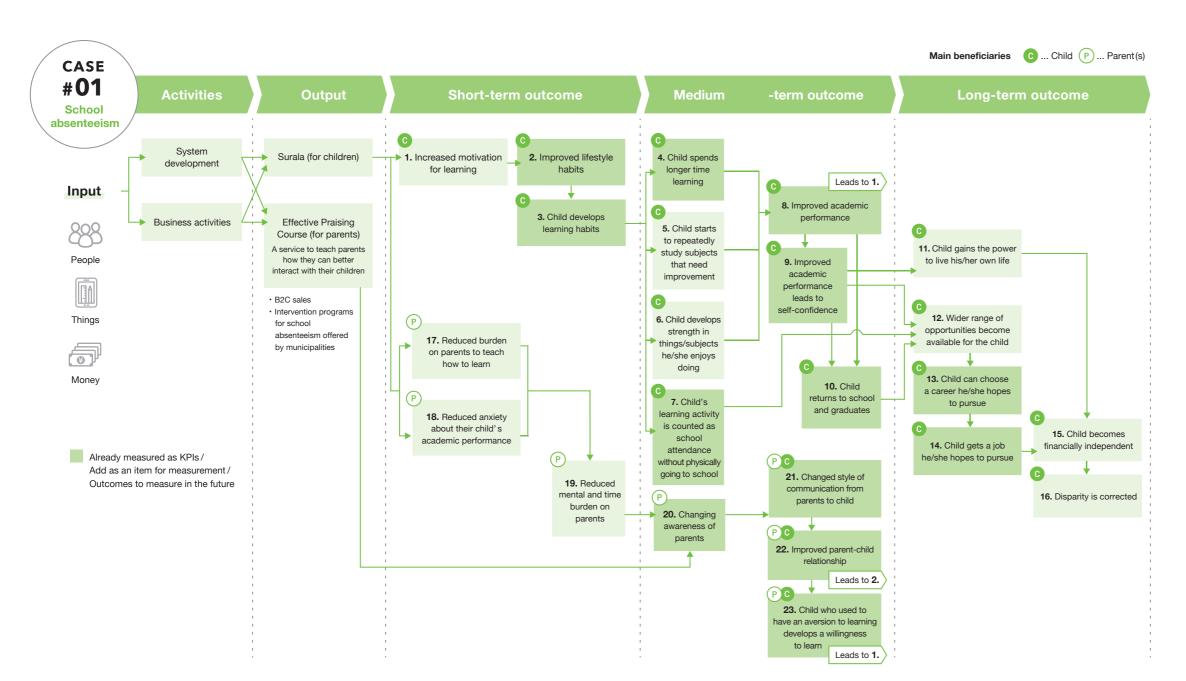
These four are components of non-cognitive ability which is said to be difficult to quantify but can be acquired after birth.

Surala features grade-free programs that students can learn without being restricted to grade levels, lectures taught by animated characters that are fun to learn even for beginners, and drills for repeatedly learning areas that need more improvement (AI will automatically judge which areas need improvement). By continuing learning with Surala, children can not only improve their cognitive ability but also gain perseverance, an important element of the non-cognitive ability for becoming financially independent in the future. We are most delighted if Surala can help in the process.

02

<sup>\*</sup> A logic model is a tool to visualize the theoretical cause-and-effect relationships from business activities to outputs and outcomes.

<sup>\* &</sup>quot;GRIT - The Power of Passion and Perseverance" written by Angela Lee Duckworth from Diamond Inc.



### **Q KPI DATA** of absentee children

Significant increase in the average number of learning hours\*1 \*2

First month: approx. 6.0 hours

**12th month:** approx. **7.5 hours** (x 1.26)

**24th month:** approx. **15.3 hours** (x 2.58)

Number of cases certified to be counted as school attendance\*3

Surala use cases 132 / 190

(certification rate: approx. 70%)

We interviewed parents who participated in our Effective Praising Course and had them answer on a scale from 1 to 10 what aspects of parenting improved after they participated in the course. The results were: "(1) Objectively analyze my child's behavior," "(2) Recognize and praise what my child is able to do," and "(3) Became able to understand my child's feelings" were each rated at 7 points on average; and "(4) Enjoy the time I spend with my child" was 8 points on average.

\*1 Calculated from learning data of 1.596 absentee users who used the home learning service from January 2019 to December 2020. \*2. Home learning hours may have been boosted during 2020 due to the impact of the COVID-19 pandemic. \*3. Counted only those cases where it could be confirmed whether certification had been granted or not during January 2019 to February 2021. \*4. Measured on a scale from 1 to 10 the degree of change between before and after participation in the course, 1 stands for "no change" and 10 for "significant improvement" compared to before participation

#### Impacts on absentee students and their parents

In Surala, animated characters play the role of the teacher, so it provides a setting where children who have difficulties in eye contact or having a conversation with other people can engage in learning without feeling anxiety. Children who experienced learning loss for some time can fill the gap by returning to earlier levels with the grade-free programs and efficiently catch up with the school curriculum using our unique learning system. Moreover, Surala meets the requirements for "e-learning programs" specified in the "Handling of attendance in student reports when absentee pupils/students engage in learning activities at home using information and communication technology (ICT) and other tools"\* by the Ministry of Education, Culture, Sports, Science and Technology (MEXT), and therefore learning with Surala can be counted as school attendance.

SuRaLa Net recognizes the importance of good parent-child relationship for solving worries and suffering stemming from school absenteeism. We have developed a unique course (Effective Praising Course) for parents by incorporating cognitive behavioral therapy to deepen parents' understanding of their children, as a means to support and facilitate parent-child relationship. The child's use of Surala for home learning leads to reduced teaching burden on the parents and the parents' participation in Effective Praising Course leads to improved relation between the parents and child, which in turn will lead to the child's improved learning and lifestyle habits.

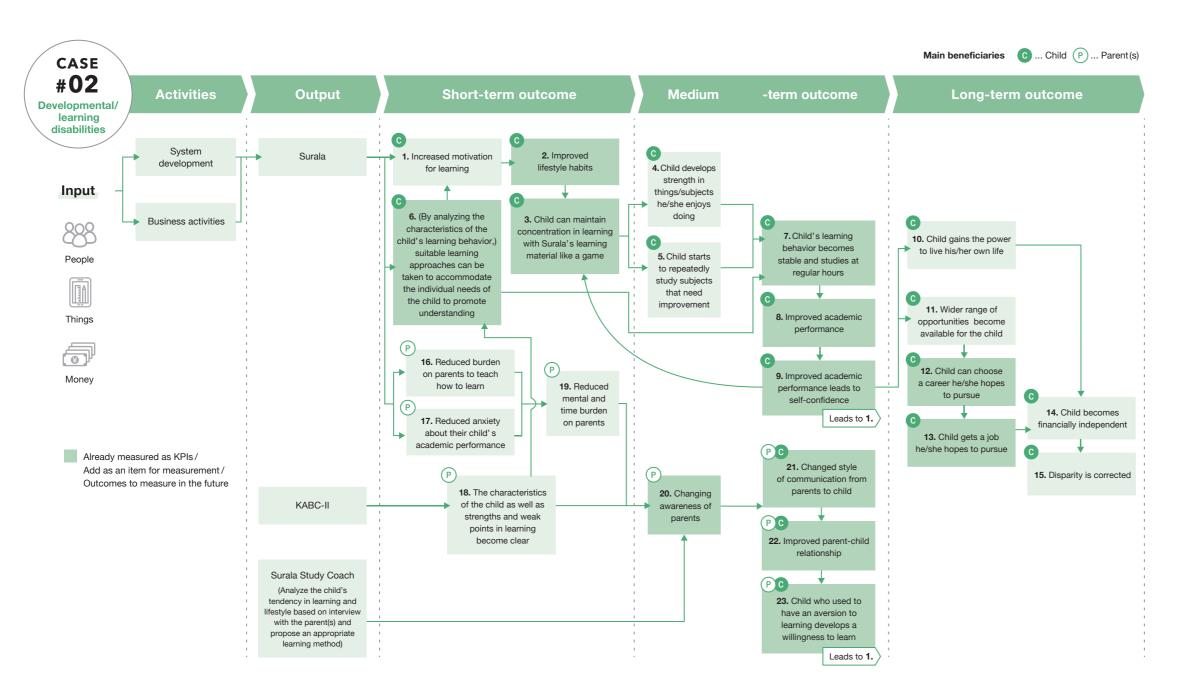
\* MEXT Handling of attendance in student reports when absentee pupils/students engage in learning activities at home using information and communication technology (ICT) and other tools https://www.mext.go.jp/content/1422155\_001.pdf

### COLUMN #1

#### The timing when absentee students should start using Surala

There are various reasons why children refuse to go to school. It can be because of human relationships, because they are falling behind academically, or any other reason. At first, when they stop attending school regularly, they are torn by a conflict between reason (I should go to school) and instinct (I don't want to go to school) and get caught up in a struggle with guilt and self-disgust. The parents, too, experience stress.

Forcing the child to learn during this period will not produce positive results. Learning with Surala becomes effective only when the child has accepted his/her situation and starts showing interest in learning. With Surala, you can start from anywhere you please and learn at your own pace, so the child can go back to any level suited for him/herself and pick up again to fill the missed learning gap. Many of the students who started using Surala after they stopped attending school say, "I studied with Surala regularly during fixed hours of the day." Because Surala records all the course units and the problems worked, hours spent learning, and achievement rates against set targets, it can provide close support for the student and parents as a pacemaker for home learning. SuRaLa Net supports absentee students and parents by offering the opportunity for suitable learning when the child regains interest for learning and perhaps for returning to school.



### **EXAMPLE 2** KPI DATA of children with developmental/learning disabilities

#### Average number of learning hours

First month: approx. 5.8 hours 12th month: approx. 5.5 hours 24th month: approx. 6.0 hours

Quantity of learning was maintained\*1

Changes in what parents could do before and after participating in the Effective Praising Course\*2

Objectively analyze Avg. of **7/10** pts my child's behavior

Recognize and praise what my child is able to do ... Avg. of 7/10 pts

Became able to understand .. Avg. of **7/10** pts. my child's feelings ....

Enjoy the time Avg. of **8/10** pts I spend with my child.

\*1. Calculated from learning data of 3,163 users with developmental/ learning disabilities who used the home learning service from January 2019 to December 2020, \*2. Measured on a scale from 1 to 10 the degree of change between before and after participation in the course, 1 stands for "no change" and 10 for "significant improvement" compared to before participation

#### Impacts on children with developmental/learning disabilities and their parents

Surala is widely introduced at after-school daycare service centers\* where children with developmental and learning disabilities spend after-school hours. There are children with developmental and learning disabilities also among those who stay and learn at home. When dealing with children with developmental and learning disabilities, it is important to understand the characteristics of the individual child and present a tailored learning method. With Surala, each child's learning is analyzed by an Al algorithm to select questions of the appropriate level and identify areas that need improvement and propose learning plans. For home learning users, Surala Study Coach will be assigned to support the child's learning via parents. Surala Study Coach will make proposals to ensure a learning environment tailored to the child's learning habits and characteristics, which will stabilize the child's motivation for learning and thus lead to improved academic performance.

By combining KABC-II (a kind of an intelligence test to promote understanding of the child's characteristics and identify strong and weak areas of academic functioning) and support from Surala Study Coach, parents will be able to understand their child's characteristics and provide communication and a learning environment suited for the child. This will instill positive feelings for learning in the child even if he/she used to have difficulty focusing on learning.

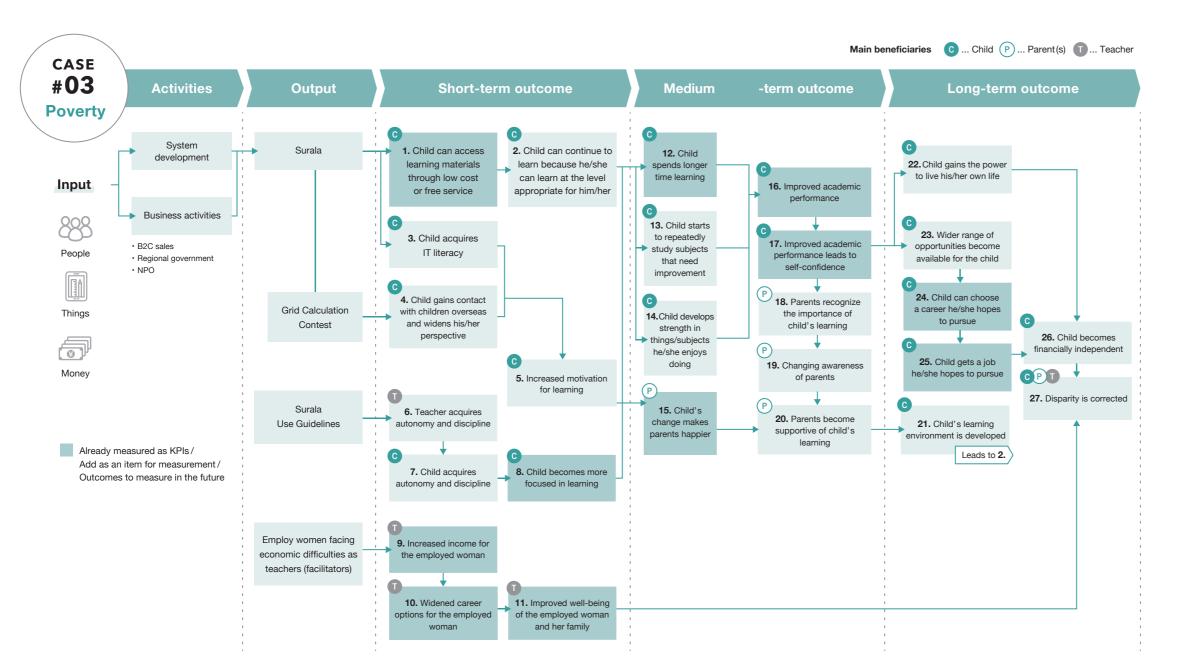
#### COLUMN #2

#### Why is Surala effective for the learning of children with developmental disabilities

Children with developmental disabilities often have a high level of intelligence but may experience difficulties in school life and school curriculum because such children's strengths and weaknesses are so prominent that it is difficult to support them through collective education, or because communication difficulties discourage them from learning. To support the learning of such children, Surala for early elementary level was jointly developed with Child Developmental Science Research, an institution specialized in developmental disabilities.

Surala features grade-free programs that children can systematically learn across grade levels. According to research in brain science, memory retention is associated with the ability to retrieve memory using verbal (semantic) cues and/or visual cues, and by using both types of cues, memory can be more easily retained. Surala links textual, vocal, and illustrated information to facilitate learning. Users can retrieve and use learned information by working on practice problems before they forget it, which helps the information to be firmly embedded in the brain. With Surala, children can learn in a game-like manner by engaging various senses (i.e. using sight, hearing, writing, reading and speaking) to boost memory retention and in such a fun way that they can spend hours focused on learning all by themselves.

<sup>\*</sup> After-school daycare service center: Facility for providing appropriate and effective training and guidance to children with disabilities according to the physical and mental conditions of the child and the environment he/she is placed in, so that the child can gain essential life and social skills



# KPI DATA of children in poverty



## Number of overseas users in poverty

291\*1\*2

\*1. Counted the number of users who are supported by overseas NPOs providing learning opportunities to families with economic difficulties. \*2. Number of users as of April 2021. The number is decreasing because operation of JUKU has been suspended due the impacts of the COVID-19 pandemic.

### Impacts on children in poverty and their parents

SuRaLa Net provides learning opportunities to families with economic difficulties through collaboration with Japanese and overseas NPOs. Learning with Surala and/or Surala Ninja! helps children because our systems allow children to learn at the level appropriate for each child, which in turn leads to improved academic performance and heightened self-confidence of the child.

Many children from families with economic difficulties have never had access to a personal computer before. Using Surala for learning can help fill the gap in IT literacy, a factor which often leads to educational disparity. We have seen children in Indonesia and Sri Lanka, who never had the chance to go abroad, participate in Surala Grid Calculation Contest and be deeply inspired to see the wider world through interaction with children from other countries.

Parents see the positive change occurring in their child and realize that improvement of academic performance has good consequences. This leads to behavioral change in parents. For instance, parents who used to be unwilling to provide an adequate learning environment for the child grow more supportive of their child's learning.

SuRaLa Net collaborates with Women's Bank, a local micro financial institution, in the operation of after-school learning facilities in Sri Lanka and actively hires women from low-income settlements as facilitators to guide children, with an aim to contribute to reducing disparities suffered by the women, their families, and their community.

07

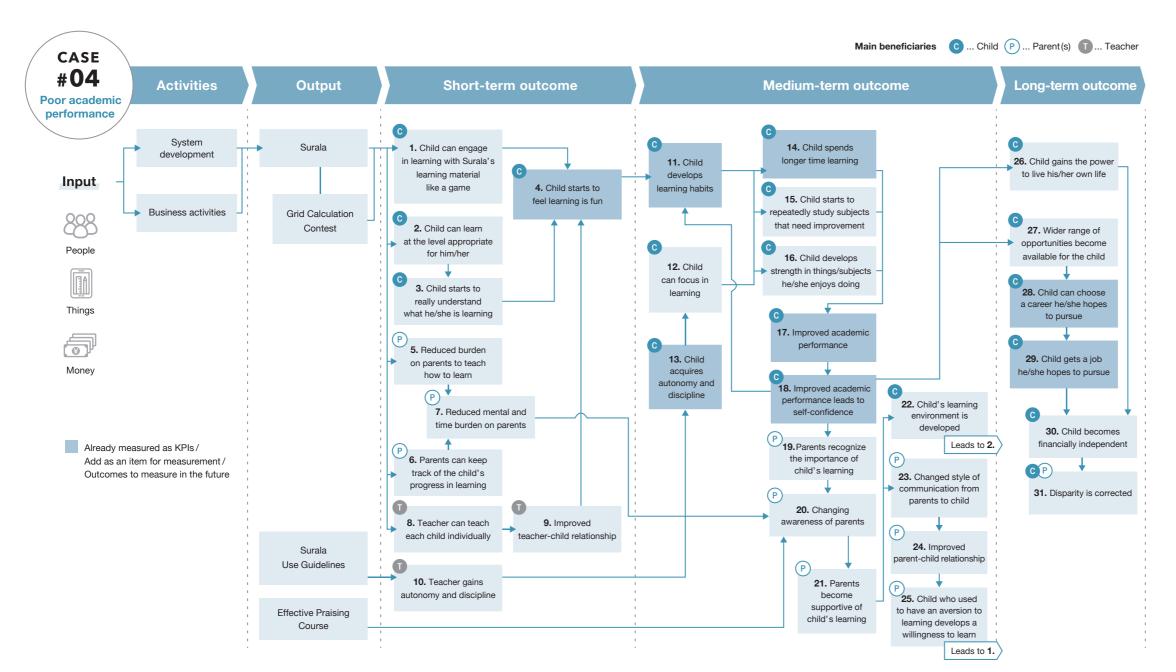
### **COLUMN #3**

#### **Overseas operations of SuRaLa Net**

SuRaLa Net has started its operations in developing countries since 2014. In Sri Lanka, we operate Surala JUKU to teach arithmetic to children from low-income families. We also provide underprivileged children with e-learning systems for studying elementary level arithmetic through SOS Children's Village, an NGO that takes care of orphans and domestic violence victims. While the school enrollment rate is rather high in Sri Lanka at over 90%, the level of teacher competency varies partly due to the civil war. The situation is that children who cannot receive support outside of schools are left neglected as they fall behind in learning.

SuRaLa Net believes that a country's growth and development depend on whether children of this layer (base of the pyramid), which comprise the majority of children in developing countries, can acquire basic academic skills or not. The results of a demonstration project\* conducted at elementary schools that introduced Surala Ninja!, showed dramatic improvement in calculation test scores and calculation speed.

<sup>\*</sup> Report on dissemination and demonstration project to strengthen the math skills of children utilizing e-learning through industry-academia collaboration in the Republic of Indonesia https://openjicareport.jica.go.jp/245/245/245\_108\_12301180.html



### **KPI DATA** of children with poor academic performance

Number of children with poor academic performance in cram schools in Japan using Surala

8,939\*1

Number of children with poor academic performance in schools in Japan using Surala

25,919\*2

Number of children with poor academic performance using Surala home learning service in Japan

2,041\*

\*1. Obtained by multiplying 24,866 (the number of users with an ID as of December 2020) with 35.8% (the percentage of students who scored a standard deviation of 40 or less in Surala Academic Achievement Test within a month after entering the cram school.) (The Achievement Test was only implemented for a limited period.) \*2. Counted the number of students who are members of schools with a standard deviation of 40 or less from among users with an ID as of March 2021, based on information published on the Internet, \*3. Counted the number of students who selected "supplementary learning to catch up in school" as the purpose of using Surala and started learning from a level lower than the actual grade of the student, from among users with an ID as of December 2020

#### Impacts on students with poor academic performance and their parents

Many Surala learners who start using Surala at schools or cram schools or for home learning have poor academic performance. However, programs featuring animated characters played by famous voice actors, learning experience utilizing gamification, and adaptive learning to suit individual learner needs make it easier for children to understand the contents and continue learning with fun. When the child develops a learning habit and realizes improvement in academic performance, the child will gain self-confidence and become more motivated in various activities beyond just studies.

Similar effects are observed in overseas cases, too. The learning material of Surala Ninja! is designed not only to capture the interest of children who have a liking for Japanese animation and games, but also so that children can work independently from the most basic level of conceptual understanding, such as counting numbers. Surala Ninja! also has a positive effect on the teachers. It is difficult for teachers to teach the class to accommodate the different levels of understanding of individual students, where the number of students in a class is large. Introduction of Surala Ninja! enables teachers to spend more time with students that require extra support. When Surala Ninja! is introduced at overseas schools, teachers are asked to operate the class in line with quidelines provided by SuRaLa Net. These guidelines include elements such as Japanese-style manners and discipline. By running the class according to the guidelines, children will develop disciplined habits, which establish a sound rhythm and environment conducive to focusing on children's learning.

#### **COLUMN #4**

#### Japanese style education and Surala Ninja!

When introducing Surala Ninja! in countries including Sri Lanka, Indonesia, and the Philippines, we always take several days to provide training to the teachers (facilitators). In the training, we present case examples to show what can be done using Surala Ninja! and how children can make best use of it. We also make sure to take time for the facilitators to work with Surala Ninja! themselves and then think together how the class should be managed.

We introduce examples of Japanese practice such as handwashing before class, entering and exiting the classroom, and greetings to start and end class, and then discuss together how the local school would want to operate the class. Habits taken for granted in Japanese schools including exchange of greetings, tidying up the environment, and handwashing are not necessarily common in schools of developing countries. Handwashing has been welcomed as being beneficial for preventing the spread of infectious diseases. Keeping an orderly environment is also appreciated by both parents and teachers as the first step to autonomous learning. The attitudes of showing respect and appreciation for the learning environment and engaging in learning with sincerity are also developed through the Surala Ninja! programs. These activities are highly recognized in the international community as Japanese style education.

#### COLUMN #5

#### Relation between school absenteeism and future earnings

The number of absentee students in Japan is on the increase. According to a survey by MEXT\*, the number of students who do not attend elementary or junior high schools in Japan is 181,272, accounting for 1.9% -a record high percentageof the total number of students.

Recent survey reports indicate that school absenteeism is associated with non-employment or non-regular employment, and thus with income disparity. MEXT conducted a survey\*\* in 2011 to understand the subsequent living conditions of absentee students. Among the roughly 1,600 survey subjects who did not attend school when they were in the 9th grade in 2006, 53.4% were employed and only 9.3% were regularly employed 5 years later in 2011 (when the subjects were around 20 years of age). These figures are extremely lower than the results of the 2016 Comprehensive Survey of Living Conditions\*\*\* (75.4% of men and 53.8% of women with a high school diploma were regularly employed), indicating that school absenteeism has affected future employment.

With the adoption of the MEXT policy that absentee students who are socially withdrawn and do not have access to sufficient support but are learning at home using e-learning programs can be treated as attending school, many home-learning students are now being counted as attending school.

Surala meets the requirements of an e-learning program that can be treated as equivalent to school attendance. SuRaLa Net supports absentee students and their parents by offering the opportunity to learn with Surala to develop academic skills, perseverance, and self-confidence, and thereby widen their career options and choose a career/job that they wish to pursue.

#### **COLUMN #6**

#### Relation between household income and motivation for learning

The results of the FY2013 National Assessment of Academic Ability (detailed survey)\* conducted by the National Institute for Educational Policy Research reveal that children from households receiving financial assistance for school expenses are more inclined to have academic performance problems. Household income and academic performance of the child show a proportional relation, especially in the core academic subjects. The survey shows that the lower the household income the lower the correct answer rate in Japanese and arithmetic. In both the 6th grade and 9th grade, a statistically significant association was observed between the child's academic performance in Japanese and arithmetic (math) and household income.

A correlation has also been proved between welfare public assistance and low academic performance from a local government survey\*\*. Children from low-income households hardly spend time for home learning and tend to have difficulties in academic performance. This makes it difficult for such children to aspire to a successful career, leading to reduced motivation for learning. Children from families with economic difficulties including those receiving welfare public assistance are facing problems not only in academic performance but also in terms of motivation.

SuRaLa Net provides Surala to families with economic difficulties through collaboration with local governments and NPOs. When children gain low-cost or free access to learning systems, even those children who used to be reluctant about learning will be able to continue learning and improve their academic skills. We believe that once they acquire a "can-do" attitude through accumulation of small successful experiences, they will be able to overcome problems with motivation.

11

#### **Outcome indicators**

◆ Already being measured
 ○ Newly add as an item for measurement
 ◇ Hope to measure in the future
 None

Outcome	Measurement of KPIs	Absentee	Develop- mental disability	Poverty	Poor academic performance
Child can access learning system/material	# of active users	_	_	0	_
Child's lifestyle habits improve	Questionnaire for parents	0	0	_	_
Child starts to feel learning is fun	Questionnaire for children	_	_	_	0
Child develops learning habits	# of days the user logged in out of 30 days	0	-	_	0
Child spends longer time learning	# of hours spent learning with Surala	•	_	•	•
Child can maintain concentration in learning	Hours logged into Surala	_	•	_	_
Suitable learning approaches for each child	Questionnaire for parents	_	0	_	_
Stable learning behavior & regular-hour studies	# of learning hours with Surala,log-in frequency	_	•	_	_
Child's academic performance improves	Scores in Surala academic achievement test	0	0	0	0
Improved performance leads to the child's self-confidence	Questionnaire for parents	0	0	0	0
Learning activity is counted as school attendance	Questionnaire for parents about school attendance	•	_	_	_
Child can choose a career he/she hopes to pursue	-	$\Diamond$	$\Diamond$	$\Diamond$	$\Diamond$
Child can get a job he/she hopes to pursue	-	$\Diamond$	$\Diamond$	$\Diamond$	<b>♦</b>
Child returns to school and graduates	Questionnaire for parents regarding graduation	0	_	_	_
Parents' awareness changes	Questionnaire for parents	•	•	_	_
Communication style from parents to child changes	Questionnaire for parents	•	•	_	_
Parent-child relationship improves	Questionnaire for parents	0	0	_	_
Child develops a willingness to learn	Questionnaire for parents	0	0	_	_
Child's change makes parents happier	Questionnaire for parents	_	_	0	_
Child becomes more focused in learning	Questionnaire for parents	_	_	0	_
Child acquires autonomy and discipline	Questionnaire for teachers	_	_	_	0
Teacher's income increases (overseas)	Changes in the teacher's income	-	-	0	_
Career options for the employed woman widens (overseas)	Questionnaire for teachers	_	_	0	_
Well-being of the employed woman & her family improves (overseas)	Questionnaire for teachers	-	-	0	_



Ratio certified for treatment as school attendance



**2.58** times



Increase in the average learning hours of absentee children

291



**Number of overseas** Surala users in poverty 36,863

# of students with poor academic performance using Surala in Japan

12

I can now recognize and praise what my child is able to do.



<sup>\*</sup> FY2019 MEXT survey on various problems in student quidance including problematic behavior and absenteeism https://www.mext.go.jp/content/20201015-mext jidou02-100002753 01.pdf

<sup>\*\* 2014</sup> MEXT survey on school absenteeism https://www.mext.go.jp/component/a menu/education/detail/ icsFiles/afieldfile/2014/08/04/1349956 05.pdf

<sup>\*\*\*</sup> Graphical Review of Japanese Households from the 2016 Comprehensive Survey of Living Conditions by the Ministry of Health, Labour and Welfare (MHLW), 2018 https://www.mhlw.go.jp/toukei/list/dl/20-21-h28\_rev2.pdf

<sup>\*</sup> National Institute for Educational Policy Research, FY2013 National Assessment of Academic Ability (detailed survey) https://www.nier.go.jp/13chousakekkahoukoku/kannren\_chousa/hogosya\_chousa.html

<sup>\*\*</sup> Chiba Prefecture Verification and Improvement Committee, Analysis report on the results of the FY2007 National Assessment of Academic Ability (2008) http://www.pref.chiba.lg.jp/kyouiku/shidou/gakuryoku/joukyou/h19-02.html

#### Voices from beneficiaries

#### **Absentee child**

# Pathway for my daughter to admission to high school after becoming unable to attend junior high because of being an HSP\* — Parent of G (10th grade)

My daughter suddenly stopped going to school after summer vacation was over in her 7th grade. We searched for home learning programs and found Surala. My daughter and I were going through difficult times, but we were supported by the encouraging mails we received from the Surala Coach. By printing and submitting the Surala learning management screen to school, her learning activity was recognized as school attendance. The number of days absent from school was recorded "zero" on the diploma she received upon her graduation. Surala was the only learning material she used but she was admitted to the high school she wanted to enter. Now she is enjoying her school life taking part in club and student-body activities.

\*HSP: Highly Sensitive Person. A person with an innate trait of high sensitivity to visual, auditory or other sensory stimuli and a high emotional sensitivity.

#### Child with developmental or learning disabilities #1

## Boy in the gray zone improved his English score by 17 points! Gradually building his basic academic skills — Parent of Y (8th grade)

My son took a developmental screening test when he was in elementary school because he had difficulties in writing and communicating. It turned out that he was in the gray zone. He tried cram schools and other home study programs, but he couldn't catch up because he didn't have the chance to review the course units learned in the past. Just when he was getting frustrated, we found Surala. Now, he is studying according to a study plan his Surala Coach designed for him. He can study at his own pace and review his weak areas as many times as he wants. I think Surala is very helpful for children who have difficulty retaining their memory.

#### Child with developmental or learning disabilities #2

# Overcame disruption of focus characteristic to ADHD and admitted to high school! — Parent of I (10th grade)

My son has an ADHD tendency and has trouble trying to study by himself at home. Friendly and concise explanations given by animated characters and the game-like elements of Surala seem to have made learning more accessible to my son. In addition, his Surala Coach prepared a tailored learning plan for him to make it clear what needs to be done every day. You can also check on the screen what percentage of work has been completed for the day, which helps you gain a prospect of your progress. Thanks to such support, my son became able to focus on studying for a certain length of time and was successfully admitted to the high school he wanted to go to.

13

#### Editor's note — Yuki Furuko, Chief Financial Officer

Shout us

The distinct feature of SuRaLa Net is that our core business, which is to develop and offer e-learning systems and programs, directly link to solving social issues. Conventionally, non-profit organizations have played the central role in solving social issues and for-profit businesses have tried to solve social issues through CSR activities, but we do not fit into either of these models. We tackle social issues through our core business activity.

Through the process of assessing both qualitatively and quantitatively the impacts we have made in the four social issues of school absenteeism, developmental/learning disabilities, poverty, and poor academic performance, we gained conviction that we can continue to contribute to solving these social issues.

We will continue to introduce our activities to a wide audience by conducting and publishing the results of stationary measurements.

To bring transformation to education, empowerment to children

Surala is a dialogue-based animated learning program developed by applying gamification.

Research for the development of Surala was started in 2005, as a joint project with famous instructors in the subjects of English, Japanese, and math as well as university professors with expertise in e-learning research.

It was rapidly adopted across the country as an innovative program different from conventional video-based e-learning or workbook-type e-learning programs, and in 2012, won the MEXT Minister's Prize of Japan e-Learning Awards, one of the most prestigious awards in the education sector.

SuRaLa Net Co., Ltd. is a company that conducts research, planning, and sales of Surala and Surala-related products and provides consulting services for utilizing Surala at schools and cram schools.

Company name SuRaLa Net Co., Ltd.

**Date of incorporation** August 29, 2008

Address Head office

4F, Toshimaya Building, 1-13-1, Uchikanda, Chiyoda-ku, Tokyo

Osaka satellite office

2F, Hankyu Five Annex Building, 1-12, Kakuda-cho, Kita-ku, Osaka City

Contact information TEL 03-5283-5158

FAX 03-5283-5159

Capital stock 283,777,000 yen

**Business description** Provision of e-learning education services and related operational consulting services

14

Provision of marketing and promotion services including website operation

Website https://surala.jp/en/