

Corporate Governance

CORPORATE GOVERNANCE

SEED Co., Ltd

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SEED Co., Ltd.

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Representative Director

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<https://www.seed.co.jp/en/>

The status of corporate governance of the Company is as follows.

I Basic Views on Corporate Governance, Capital Structure, Corporate Attributes and Other Basic Information

1. Basic Views

Our company and consolidated subsidiaries (hereinafter referred to as "Our Group") aim to achieve SEED's mission of "Supporting our customers' ability to see as a comprehensive manufacturer specializing in 'eyes'" and to improve our medium- to long-term corporate value. To achieve this, we will strive to enhance our corporate governance, build good relationships with all stakeholders, including shareholders, and conduct transparent, healthy, swift, and decisive corporate management.

The Company has adopted the "Seed Group Corporate Governance Basic Policy" *We are working to enhance corporate governance by establishing a corporate governance system. *See the attached sheet

[Reasons for not implementing the principles of the Corporate Governance Code]

This information is based on the revised code of June 2021.

[Supplementary Principle 4-1-3]

In selecting the President and Representative Director, who is the chief executive officer, the Company selects the person who is deemed to be the most suitable person for the position of the President and Representative Director, taking into consideration the Company's current situation and the issues to be addressed, from among persons who are deemed to be appropriate in consideration of their personality, insight, and performance.

[Supplementary Principle 4-10-1]

(Appointment) The Company appoints the President and Representative Director, who is the chief executive officer, other Directors, Executive Officers and senior management from among persons who are deemed appropriate in consideration of their personality, insight and performance, and the Board of Directors resolves on the appointment.

(Remuneration) The remuneration system for Directors was revised at the Board of Directors meeting held on June 27, 2018. The system was designed after prior advice from Non-executive Directors and External Corporate Auditors was obtained. The remuneration of the officers will be determined under this scheme from now on.

At this stage, we have no plans to establish a committee.

[Disclosure based on the principles of the Corporate Governance Code]

update

[Principle 1-4] Cross-Shareholdings

Based on the "Policy on Cross-Shareholdings" established by the Board of Directors, the Company will review the reduction or sale of shares held by the Group, taking into consideration the dividend income and economic rationality of each stock. The Company will review the economic rationality of transactions with the relevant business partner and will use as a criterion whether the exercise of voting rights for the relevant stocks will contribute to the medium- to long-term growth of the Group. In addition, if a business partner that holds the Company's shares expresses an intention to reduce or sell its holdings, the Company will not obstruct such intention but will respond appropriately.

[Principle 1-7] Related Party Transactions

1. The Group has established the Regulations on Related-Party Transactions and strives to prevent the Group's related parties, such as Directors and Auditors & Supervisory Board Members, and major shareholders from abusing their positions and conducting transactions that are contrary to the interests of shareholders to protect the interests of shareholders.

2. The Board of Directors shall monitor the Directors to ensure that they do not engage in competitive transactions, self-dealing or conflict-of-interest transactions that are against the interests of shareholders.

3. The commencement and continuation of transactions between the Group and related parties shall be conducted based on the approval of the Board of Directors after it has deliberated on the appropriateness of the transaction details and terms and conditions by referring to market prices and general transaction terms and conditions.

In addition, in response to the incident in November 2014, the Company has taken the following measures to prevent a recurrence of the incident, based on the report of the External Expert Verification Committee.

1) Conduct training for officers and employees to raise awareness of compliance

2) Thorough confirmation of related parties and strengthening of confirmation of conflicts of interest and non-competition obligations

3) Improvement and reinforcement of internal control in business processes based on appropriate investigation and understanding of the company attributes related to related parties

[Supplementary Principle 2-4-1] Ensuring diversity within the Company

<Basic Philosophy on Diversity>

•Respect and accept the differences of individuals

•Evaluate only individual performance, ability and contribution, regardless of gender, age, nationality or other attributes unrelated to the job

•All employees should participate equally in the organization and be able to fully demonstrate their abilities regardless of “differences”

Based on the above philosophy, we will respect the diversity of our employees and improve the quality of our human resources by supporting their growth. A wide range of employees are active at SEED, regardless of gender, age or nationality.

● Number of female managers: 42 (Ratio of female managers: 22.1%)

● Number of foreign employees: 22 (Percentage of foreign employees: 3.1%)

● Employment rate of disabled persons: 2.8%

* As of March 31, 2025 (non-consolidated)

We are also working to create systems to enable veteran employees to continue to be active, such as extending the retirement age and rehiring.

We will continue to increase the number of diverse human resources we accept.

[Principle 2-6] Roles of Corporate Pension Funds as Asset Owners

From the perspective of diversifying life plans and securing funds for retirement, our company has adopted a corporate “optional defined contribution pension plan” as an option for self-help asset formation.

[Principle 3-1] Enhancement of information disclosure

1. The Group shall voluntarily and fairly disclose important information on management to all stakeholders including shareholders in accordance with the Companies Act and related laws and regulations.

2. We will strive to disclose information in a variety of ways that are easy to understand and easily accessible to all stakeholders, including shareholders.

3. The Company has an English website. In addition, we will disclose information in English to the extent necessary.

4. The Group aims to realize a society where people can create diverse “visible” pleasures. To achieve this, we will enhance our corporate governance, build good relationships with all stakeholders, including shareholders, and strive to conduct corporate management that is transparent, sound, swift, and decisive.

We have formulated the “Seed Group Corporate Governance Basic Policy”* and are working to improve corporate governance. *See the attached sheet

5. The compensation system for directors and executive officers is aimed at securing excellent management talent through the appropriate promotion and treatment management of personnel for the sustainable growth of the company, and also at creating a system that conforms to the Corporate Governance Code and reflects the perspective and disclosure requirements of investors. In order to achieve this, the Board of Directors revised the executive compensation system for directors on June 27, 2018, and the “Basic Policy on Corporate Governance” states the “Compensation System Concept.” At the Board of Directors meeting held on May 23, 2022, the Company resolved to abolish the Executive Retirement Benefit System of the 66th Ordinary General Meeting of Shareholders held on June 24, 2022.

6. The Board of Directors is composed of diverse Directors with different backgrounds, including expertise and experience in the Company’s business, corporate management, finance, legal affairs, science and technology, and international business. In addition, the Company maintains an appropriate number of Directors to enable the Board of Directors to function most effectively and efficiently by promoting diversity and incorporating diverse perspectives.

7. The Company appoints the President and Representative Director, who is the chief executive officer, from among persons deemed appropriate in consideration of their personality, insight and performance, and who are deemed to be the most appropriate person in accordance with the circumstances surrounding the Company and the issues to be addressed at the time. With respect to the dismissal of the President and Representative Director, the Company has revised the Regulations of the Board of Directors to clarify the criteria for dismissal. (Board of Directors meeting held on October 15, 2018)

8. Auditor & Supervisory Board Members are elected from among people who have appropriate knowledge of corporate management, finance, legal affairs, science and technology, etc.

9. In appointing Non-executive Directors and External Corporate Auditors & Supervisory Board Members (hereinafter collectively referred to as “Outside Officers”), the Company has established the “Standards for Independence of Outside Officers”* based on the independence standards set by financial instruments exchanges in order to strengthen management oversight functions and ensure transparency, and to appoint and secure Outside Officers who can contribute to constructive discussions and advice at the Board of Directors meetings. The appointment of Non-executive Directors is conditional upon the fulfillment of the requirements of the Companies Act and these standards. *See the Appendix

10. The major career summaries of the Directors and Auditors & Supervisory Board Members are described in the Securities Report.

[Supplementary Principle 3-1-3] Initiatives for Sustainability

<Basic Policy on Sustainability>

To continue to support "Visibility".

The sustainability philosophy of SEED is to continue to be a company that is needed by society by continuing to operate based on its management philosophy and building trust with stakeholders.

•We will actively work to reduce environmental impact and risks and to protect the earth, aiming to realize recycling-based business management.

•We will contribute to the development of society by living in harmony with our customers, employees and other stakeholders.

•In order to achieve the Company's mission and increase its corporate value over the medium to long term, the Company will strive to enhance corporate governance, build good relationships with various stakeholders, and conduct transparent, sound, prompt, and decisive corporate management.

<Recycling-based environmental business management>

We aim to reduce environmental risks by realizing recycling-based business management from material procurement to production and consumer use. In the production of contact lenses, which is the foundation of our business, we have long been working to reduce CO2 emissions. We are managing the use of electricity, gas, water, compressed air, and high-pressure steam to ensure that they are used without waste.

In the fiscal year ended March 2020, we launched a project to collect empty cases of disposable contact lenses in order to address the problem of plastic waste in the ocean. Since April 2021, we have been operating the "Dox" system, which sorts out aluminum used in packaging containers and plastic with contact lenses attached, which had been disposed of as industrial waste, in cooperation with recycling companies.

<Investment in human capital>

We are systematically developing training programs to develop human resources who can adapt to changes in the environment. Training by job level enables employees to learn not only specialized knowledge and skills required for work but also general knowledge and knowledge in a comprehensive manner. In the area of global human resources development, we are focusing on self-development support, selective training to create leaders of the next generation, and language training for overseas strategies. In the area of technical human resource development, we actively select young employees to be sent to universities where joint research is being conducted, in order to improve their technical skills in the future.

<Investment in intellectual property>

Based on our code of conduct regarding intellectual property rights, which states that "in order to strengthen our business competitiveness, we will strengthen our intellectual property rights system and respect the intellectual property rights of third parties," we strive to respect third-party rights by protecting our own rights, such as technology and brand names, in light of our business expansion both domestically and overseas, and by continuously monitoring intellectual property rights surrounding our industry. Actual intellectual property-related expenses in fiscal 2024 are 188% higher than in fiscal 2019, and have increased in fiscal 2024 due to expenses incurred in connection with a logo change, etc. as part of corporate branding.

We will continue to implement operations aimed at the sound protection and utilization of intellectual property rights.

<Impact of climate change risks and opportunities on business activities and earnings>

Please refer to the Company's "Response to the TCFD Recommendations". URL <https://www.seed.co.jp/company/csr/environment.html>

[Supplementary Principle 4-1-1] Responsibilities of the Board of Directors

1. The Board of Directors makes decisions on important matters stipulated by laws and regulations, the Articles of Incorporation and the Regulations of the Board of Directors, decides basic policies on business management, and appropriately supervises and monitors Executive Directors and Executive Officers with respect to the execution of duties by Directors, financial reporting and internal controls thereof.
2. The Board of Directors delegates decision-making on business execution other than those stipulated by laws and regulations, the Articles of Incorporation and the preceding paragraph to Executive Directors in order to enhance the mobility and flexibility of business execution and increase the vitality of management.
3. The Company has established the Management Committee Regulations and the Administrative Authority Regulations and has also established matters that should be resolved by the Management Committee and matters that can be approved according to each position. Based on these executive directors and executive officers are responsible for business execution.

[Principle 4-9] Independence Criteria and Qualifications of Independent Non-executive Directors

1. Non-executive Directors are elected from among Directors who are independent from the Company in terms of both personnel and financial standing.
2. With regard to the appointment of Non-executive Directors, in order to strengthen management oversight and ensure transparency, and to appoint and secure Non-executive Directors who can contribute to constructive discussions and advice at Board of Directors meetings, the Company has established the following "Criteria for the Independence of Non-executive Directors" in accordance with the independence standards set by financial instruments exchanges, and has made satisfaction of the requirements of the Companies Act and these standards a condition for the appointment of Non-executive Directors.

[Supplementary Principle 4-11-1] View on the balance of knowledge, experience and skills, diversity and size of the Board of Directors as a whole

1. The Board of Directors is composed of diverse Directors with different backgrounds, including expertise and experience in the Company's business or corporate management, finance, legal affairs, science and technology, and international business. In addition, the Company maintains an appropriate number of Directors to enable the Board of Directors to function most effectively and efficiently by promoting diversity and incorporating diverse perspectives.
 2. The Board of Directors makes decisions on important matters stipulated by laws and regulations, the Articles of Incorporation and the Regulations of the Board of Directors, decides basic policies on business management, and appropriately supervises and monitors Executive Directors and Executive Officers with respect to the execution of duties by Directors, financial reporting and internal controls thereof.
 3. The Board of Directors delegates decision-making on business execution other than those stipulated by laws and regulations, the Articles of Incorporation and the preceding paragraph to Executive Directors in order to enhance the mobility and flexibility of business execution and increase the vitality of management.
 4. In order to strengthen the management monitoring function and ensure transparency, and to appoint and secure Outside Officers who can contribute to constructive discussions and advice at the Board of Directors meetings, the Company has established "Standards for Independence of Outside Officers" based on the independence standards set forth by the financial instruments exchange. The appointment of Outside Officers is conditional upon the fulfillment of the requirements under the Companies Act and these standards.
- The expertise of the Directors and Auditors & Supervisory Board Members (skill matrix) is disclosed in the notice of convocation of the General

Meeting of Shareholders.

Notice of Convocation of the 2025 General Meeting of Shareholders

URL: https://ssl4.eir-parts.net/doc/7743/ir_material_for_fiscal_ym8/180864/00.pdf (Page 8)

[Supplementary Principle 4-11-2]

The status of concurrent appointments as Director and Audit & Supervisory Board Member will be stated and disclosed in the Corporate Governance Report and the notice of the General Meeting of Shareholders.

[Supplementary Principle 4-11-3]

The Company's Board of Directors is composed of members with diverse knowledge and experience, and effective governance and management decisions are ensured through free and active discussions. In addition, the Company conducts a questionnaire survey of the Board of Directors once a year to evaluate the Board of Directors and discuss the results, which are then used for future operations.

[Supplementary Principle 4-14-2]

1. The Group provides Directors and Auditors & supervisory board members with sufficient training to enable them to properly fulfill their roles and responsibilities. Training of Outside Officers is conducted as necessary in light of their knowledge.
2. The Group's policy on training of Directors and Auditors & Supervisory Board Members is to provide Directors and Auditors & Supervisory Board Members (excluding Outside Officers) with opportunities to obtain internal information necessary for deliberating the Company's management at the time of their appointment and continuously thereafter, as well as to provide lectures and training on laws and corporate governance, and to continuously provide training on legal revisions and management issues.
3. The Group shall bear the necessary expenses for training Directors and Auditors & Supervisory Board Members to fulfill their roles.

[Principle 5-1] Policy for Constructive Dialogue with Shareholders

1. We will promote constructive dialogue with investors, including shareholders (hereinafter referred to as "Shareholders, etc."), with the aim of contributing to the continuous improvement of corporate value.
2. Constructive dialogue with shareholders, etc. shall be conducted based on the "Guidelines for Constructive Dialogue with Investors, including Shareholders" *. *See the attached sheet
3. The Company has a system in place under which it can ascertain shareholders and the number of shares held by them through an agent institution, etc. Even for shareholders whose actual status is difficult to ascertain due to the fact that they are held by institutional investors, etc., the Company will strive to clarify their status through individual interviews, etc.

[Measures to realize management that takes into account capital costs and stock prices]

Contents	update	Disclosure of Initiatives (First Time)
English Disclosure	update	None

Description of the applicable items	update
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In our medium-term management plan (April 2024 to March 2027) announced in January 2024, we set financial targets of "sales," "operating profit," "EBITDA," and "ROE." Furthermore, in order to achieve medium- to long-term improvement in corporate value and sustainable growth, we announced on November 11, 2025, management that takes into consideration capital costs and stock prices. Details of the "Notice regarding measures to achieve management that takes into consideration capital costs and stock prices" are available on our website.

URL: <https://ssl4.eir-parts.net/doc/7743/tdnet/2524490/00.pdf>

2. Capital Structure

Foreign shareholding ratio	Less than 10%
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[Status of Major Shareholders] update

Name	Number of shares held	Percentage
Administration Trust (A001) Trustee: SMBC Trust Bank Ltd.	5,447,910	18.01
The Mizuho Trust & Banking Co., Ltd. Securities Management Trust 0700026	4,319,070	14.28
The Nomura Trust and Banking Co., Ltd. (Trust Account 2052116)	3,604,920	11.92
Sumitomo Mitsui Trust Bank, Limited (Trust Account No. 1)	1,396,500	4.62
Masahiro Urakabe	618,400	2.04
The Master Trust Bank of Japan, Ltd. (trust account)	548,500	1.81
Custody Bank of Japan, Ltd. (trust account)	519,100	1.72
Tadashi Inoue	260,000	0.86
Seed Employee Shareholding Association	251,055	0.83
Custody Bank of Japan, Ltd. (Pension special account)	224,200	0.74

Controlling shareholders (excluding parent company)	—
Parent company	None

Additional Explanation

The trustor, Mr. Ryuji Arai, reserves the right to give instructions on the voting rights for the number of shares held by the Company in the following companies: SMBC Trust Bank, Ltd., The Mizuho Trust & Banking Co., Ltd. Securities Management Trust 0700026, The Nomura Trust and Banking Co., Ltd. (Trust Account 2052116), Sumitomo Mitsui Trust Bank, Limited (Trust Account No. 1)

3. Company Attributes

Exchange and Market Segment	Tokyo Prime
Fiscal year	March
Industry	Precision instrument
Number of employees in the most recent fiscal year	More than 1,000
Consolidated results for the most recent fiscal year Net sales	Between 10 billion yen and 100 billion yen
Number of consolidated subsidiaries at the end of the most recent fiscal year	10 to less than 50

4. Policy on Measures to Protect Minority Shareholders in Transactions with Controlling Shareholders

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5. Other Special Circumstances That May Have Material Impact on Corporate Governance

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// Status of the management organization and other corporate governance systems related to management decision-making, execution and supervision

1. Organizational Composition and Operation

Organization form	Company with Auditors
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[Directors]

Number of Directors	15 persons
Term of office of Directors	2 years
Chairman of the Board	President
Number of Directors	10 persons update
Appointment of Non-executive Directors	I have appointed.
Number of Non-executive Directors	4 persons update
Number of Independent Directors	4 persons update

Relationship with the Company (1)	update
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Name	Attribute	Relationship with the Company (*)										
		a	b	c	d	e	f	g	h	i	j	k
Yukio Ohara	From other companies					△						
Yuko Otake	Certified public accountant					△						
Noriko Koizumi	Other											
Reiji Fujita	Other											

* Selection of the relationship with the company

*If the person currently or recently falls under each category, it will be marked with a "○", if it previously fell under a "△"

*If a close relative currently or recently falls under each category, it will be marked with a "●", if it previously fell under a "▲"

- a An executive officer of a listed company or its subsidiary
- b Executive or non-executive director of the parent company of the Company
- c Executive of a sister company of the Company
- d A party whose major trading partner is a listed company or an executive thereof
- e A major client of the Company or an executive thereof
- f Consultant, accountant or legal professional who receives a large amount of money or other property from the Company other than remuneration as a director or a corporate audit
- g Major shareholder of the listed company (if the major shareholder is a corporation, an executive of the corporation)
- h Executive of a client or supplier of the Company (who does not fall under any of d, e, or f) (the Director himself / herself only)
- i Executive of a company with which the Company has a relationship with mutual appointment of outside officers (the Director himself / herself only)
- j Executive of a company or organization that receives a donation from the Company (the Director himself / herself only)
- k Other

Name	Independent Directors	Supplementary explanation on the applicable items	Reasons for Appointment
Yukio Ohara	○	Mizuho Bank, Ltd. Deputy President (Representative Director) Mizuho Holdings, Inc. Corporate Auditor Mizuho Corporate Bank, Ltd. Corporate Auditor Mizuho Financial Group, Inc. Corporate Auditor Mizuho Research & Technologies, Ltd. (currently Mizuho Research & Technologies, Ltd.) President & CEO (Representative Director) (leaving the company in February 2010) MCP Partners Co., Ltd. Advisor Held the above positions.	He has been appointed to oversee and advise on the Company's overall operations, making use of his many years of knowledge and experience as a company manager. He meets the independence requirements set by the Tokyo Stock Exchange, Inc. and the Company's "Criteria for the Independence of Non-executive Directors," and has been designated an independent director.
Yuko Otake	○	Mizuho Corporate Advisory Ltd. Held the above positions. MCP Capital Co., Ltd. Outside Director He is also in charge of the above positions.	He has deep insight and specialized accounting knowledge as a certified public accountant and tax accountant and has been appointed to supervise and advise on the Company's overall business operations, utilizing his knowledge and experience as a company manager. He meets the independence requirements set by the Tokyo Stock Exchange, Inc. and the Company's "Criteria for the Independence of Non-executive Directors," and has been designated an independent director.
Noriko Koizumi	○	—	As a university professor, he has deep insight and expertise in the fields of ophthalmology and biomedical engineering. In addition, as the Chief Scientific Officer of a venture company spun out of Doshisha University, he also has extensive knowledge of business management, and we have appointed him to utilize his track record in management and other areas to supervise and advise on the overall business of our company. He meets the independence requirements set by the Tokyo Stock Exchange, Inc. and our company's "Criteria for the Independence of Non-executive Directors," and has been designated an independent director.
Reiji Fujita	○	—	He has global knowledge and a wealth of experience cultivated at a general trading company. He also has experience in company management, and we have appointed him to utilize his experience on both the execution and auditing sides to supervise and advise on our company's overall business operations. He meets the independence requirements set by the Tokyo Stock Exchange, Inc. and our company's "Criteria for the Independence of Non-executive Directors," and has been designated an independent director.

Existence of Voluntary Committee Equivalent to Nominating Committee or Compensation Committee

None

[Auditor & Supervisory Board Members]

Establishment of Board of Corporate Auditors	The company has an Auditors and supervisory board.
Number of Auditors as stipulated in the Articles of Incorporation	5 persons
Number of Auditors	4 persons

Cooperation among Auditors & Supervisory Board Members, Accounting Audit, and Internal Audit

1. The Audit & Supervisory Board, the Accounting Audit and the Internal Auditor Division strive to improve the quality of Auditors and realize efficient Auditors by periodically establishing a review forum and sharing necessary information.
2. The Company has entered into an audit contract with Ernst & Young ShinNihon LLC as the accounting auditor for the Companies Act and Financial Instruments and Exchange Act audits.

Appointment of External Corporate Auditors	I have appointed.
Number of External Corporate Auditors	2 persons
Number of Independent External Corporate Auditor	2 persons

Relationship with the Company (1)

Name	Attribute	Relationship with the Company (*)												
		a	b	c	d	e	f	g	h	i	j	k	l	m
Hiroko Nihei	Lawyer							△						
Ryutaro Hayashi	From other companies							△						

* Selection of the relationship with the company

*If the person currently or recently falls under each category, it will be marked with a "○", if it previously fell under a "△"

*If a close relative currently or recently falls under each category, it will be marked with a "●", if it previously fell under a "▲"

- a Non-executive director or accounting advisor of the Company or its subsidiary
- b Executive or non-executive director of the parent company of the Company
- c Auditor of a parent company of a listed company
- d Executive of a sister company of the Company
- e A party whose major trading partner is a listed company or an executive thereof
- f A major client of the Company or an executive thereof
- g Consultant, accountant or legal professional who receives a large amount of money or other property from the Company other than remuneration as a director or a corporate auditor
- h Major shareholder of the listed company (if the major shareholder is a corporation, an executive of the corporation)
- i An executive of a client or supplier of the Company (which does not fall under any off, g, or h) (the Director himself / herself only)
- j Executive of a company with which the Company has a relationship with mutual appointment of outside officers (the Director himself / herself only)
- k Executive of a company or organization that receives a donation from the Company (the Director himself / herself only)
- l Other

Relationship with the Company (2)		update	
Name	Independent Directors	Supplementary explanation on the applicable items	Reasons for Appointment
Hiroko Nihei	○	The Fuji Bank, Limited (currently Mizuho Bank, Ltd.) (leaving the company in March 2008) Held the above positios.	We have appointed him to provide advice from his professional perspective as a lawyer on ensuring the validity of decision-making, such as whether procedures comply with laws and regulations, and strengthening the legal functions of our company's overall business. He meets the independence requirements set by the Tokyo Stock Exchange, Inc. and the "Criteria for the Independence of Non-executive Directors" set by our company and has been designated an independent director.
Ryutaro Hayashi	○	He worked at The Hokkaido Takushoku Bank, Ltd. (currently Sumitomo Mitsui Trust Bank, Limited), and served as an executive officer (retired in March 2015) at Chuo Mitsui Trust Holdings, Inc. (currently Sumitomo Mitsui Trust Group, Inc.) and Chuo Mitsui Loan Business Co., Ltd. (currently Sumitomo Mitsui Trust Business Services Co., Ltd.).	He was appointed to utilize his knowledge and experience as a company officer to strengthen the Auditor function for the company's overall business. He meets the independence requirements set by the Tokyo Stock Exchange, Inc. and the "Criteria for the Independence of Outside Officers" set by the Company and has been designated as an independent officer.

[Independent Directors]

Number of Independent Directors	6 persons
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Matters concerning independent officers

As described in [Principle 4-9], the Company appoints Outside Officer based on the "Criteria for the Independence of Non-executive Directors."

All Outside Officers who meet the qualifications for independent directors are designated as independent directors.

[Incentive]

Implementation of Measures to Provide Incentives to Directors	Introduction of performance-linked compensation system
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Supplementary explanation on the items
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The remuneration of Directors and Executive Officers was revised at the Board of Directors meeting held on June 27, 2018, with the aim of securing excellent management personnel through appropriate appointment and treatment management for the sustainable growth of the Company, and to create a system that is compliant with the Corporate Governance Code and reflects the viewpoints of investors and disclosure requirements. The remuneration consists of basic remuneration, performance-linked remuneration, and remuneration for share acquisition. At the Board of Directors meeting held on May 23, 2022, the Company resolved to abolish the retirement benefit plan for directors and corporate auditors at the conclusion of the 66th Ordinary General Meeting of Shareholders held on June 24, 2022. The amount of performance-linked compensation is determined annually in conjunction with the company's performance and the degree of contribution of each business in charge.

Persons to whom stock options are granted

Supplementary explanation on the items
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[Remuneration for Directors]

Disclosure of Individual Director Remuneration

Individual compensation is not disclosed.

update

Supplementary explanation on the items

The remuneration of the Company's Directors and Auditors & Supervisory Board Members for the fiscal year ended March 31, 2025 is as follows.

Total remuneration for internal directors (6 people): 56,742,000 yen (basic remuneration: 29,745,000 yen, performance-linked remuneration: 26,997,000 yen)

Total remuneration for full-time auditors (2 people): 21,240,000 yen (basic remuneration only)

Total remuneration for outside directors (5 people): 27,750,000 yen (basic remuneration only)

(Note) The amount of remuneration for Directors does not include the employee portion of the salary for Directors who also serve as employees.

Policy on determining remuneration amounts and calculation methods

Yes

update

Disclosure of policy on determining remuneration amounts and calculation methods

1. Policy on determining the amount of remuneration for officers and the method of calculating such remuneration

Directors' compensation consists of basic compensation, performance-linked compensation, and stock acquisition compensation. The standard ratio of basic compensation to performance-linked compensation is set at 1:1, and other stock acquisition compensation is added on top of that. The stock acquisition compensation is paid at a rate of approximately 10% of the total of basic compensation and performance-linked compensation, with the aim of promoting management from the perspective of shareholders. Performance-linked compensation for each position is set at the same amount as basic compensation, and is linked to performance evaluation, varying between 50% and 150% for representative directors and 60% and 140% for directors other than representative directors. In addition, Non-executive Directors and Auditors only receive basic compensation in order to enable them to fulfill their responsibilities from an independent standpoint. Executive officers' compensation also consists of basic compensation, performance-linked compensation, and stock acquisition compensation, and the ratio and range of variation are the same as for directors other than representative directors.

2. Indicators related to performance-linked compensation

Performance-linked compensation is determined by taking the achievement rate of the benchmark values for consolidated sales, consolidated operating profit, consolidated ROE, and consolidated EBITDA for each fiscal year, as well as the weighted average of the evaluation points corresponding to the achievement rate of ESG indicators and the evaluation points of the departments in charge, with a weighted average of 1:1 for directors and 4:6 for executive officers. However, Representative Directors will only be considered in the consolidated performance, and the performance-linked compensation will be paid by multiplying the above multiplier by the benchmark amount according to their position.

In order to objectively evaluate environmental management and sustainability efforts, the evaluation will be used as an indicator to qualitatively evaluate the status of efforts in the departments in charge.

[Support System for Non-executive Directors and / or External Corporate Auditor & Supervisory]

1. Support system for Non-executive Directors

The Secretariat of the Board of Directors provides information to Non-executive Directors on an ongoing basis, including the distribution of Board of Directors materials. The Corporate Planning Department oversees the Board of Directors' Secretariat. Non-executive Directors also share information by holding regular discussions with other Non-executive Directors.

2. Support system for External Corporate Auditors

At the Board of Auditors meeting, the full-time auditor provides the external auditors with information obtained through important internal meetings, such as the Management Committee, and through daily internal audits. In addition, the Board of Directors Secretariat distributes materials for the board of directors in advance, and the full-time auditor explains the contents of these materials, as necessary.

2. Matters on Functions of Business Execution, Auditor / Supervision, Nomination, and Remuneration Decisions (Overview of Current Corporate Governance System)

update

1. Overview of Corporate Governance System

The Company has adopted an audit and supervisory board system and has established a board of directors, an audit and supervisory board and an accounting auditor.

2. Board of Directors

The Board of Directors consists of ten members (including Four Non-executive Directors) and meets regularly once a month to make decisions on management policies and important matters, as well as to discuss the progress of business performance and matters related to subsidiaries. When necessary, the Board of Directors also meets on an extraordinary basis to make decisions based on sufficient discussions. In fiscal 2024, the Committee met 17 times, both regular and extraordinary.

3. Auditor & Supervisory Board

The Auditor & Supervisory Board consists of four members (including two External Corporate Auditor & Supervisory Board Members) and monitors and supervises the execution of duties by Directors. The Auditor & Supervisory Board meets once a month and also holds regular meetings with the Accounting Auditor to exchange information so that appropriate accounting procedures can be implemented in accordance with accounting standards. The standing auditors verify the appropriateness of the decision-making process and results of management decisions, inspect important documents, inspect and verify the status of business execution in each division, and report to the Board of Corporate Auditors at its monthly meeting. Through these activities, the auditors exchange opinions and share information with each other.

In fiscal 2024, the Committee met 17 times, both regular and extraordinary.

4. Executive Officer System

The Company has adopted an executive officer system. Executive officers execute business operations under the authority delegated to them by the President and Representative Director to make specific decisions on business operations in the areas of their responsibility.

5. Management Meeting

To respond to the rapidly changing business environment, the Company holds management meetings attended by the Directors, the Auditor & Supervisory Board Members and the General Managers of each department as necessary, in order to share information on important matters at an early stage and to speed up decision-making.

6. Internal Control and Risk Management Systems

As part of its efforts to strengthen internal management systems, the Group provides all employees with education to ensure that they are fully aware of the importance of compliance with laws and regulations and related rules. Furthermore, the Company works to strengthen internal checks and balances in cooperation with the relevant departments so that the Company's organization is operated in accordance with the Company's internal rules and regulations, including the Rules on Organization, Rules on Division of Duties, and Standards of Administrative Authority. We also seek guidance from our corporate lawyers as necessary.

The following organizations and committees are operated to strengthen internal control and risk management systems.

7. Internal Audit

The Auditor Department, which reports directly to the President, is in charge of internal auditors. Based on Auditor plans and instructions from the President, the Auditor Department Auditors the business activities of each department and compliance with laws and internal rules. In addition, based on the Basic Policy on Internal Control Systems, the Company auditors the status of the development and operation of internal control systems in order to improve the transparency and effectiveness of operations and to enhance the reliability of financial reporting.

8. Compliance Committee

In order to promote the enhancement and strengthening of the compliance system, the Company has established a Compliance Committee chaired by the President and Representative Director and holds meetings and discussions as necessary. We also have an anonymous reporting and consultation desk to prevent illegal activities and anti-social activities.

9. Risk Security Management Committee

In order to respond to the increasing risk management, the Group has established the Risk Management & Security Committee as a committee to monitor and manage overall risks. Chaired by the President and Representative Director, the Committee identifies risk issues and discusses measures to improve or avoid them as necessary.

10. Accounting Auditor

The Company has entered into an audit agreement with Ernst & Young ShinNihon LLC, as the accounting auditor executing the accounting Auditor business, for the Auditor under the Companies Act and the audit under the Financial Instruments and Exchange Act.

There are no interests between the Company and Ernst & Young ShinNihon LLC or its executive partners that should be stated in accordance with the provisions of the Certified Public Accountants Act.

11. Cooperation among the Board of Corporate Auditors, Internal Audit and Accounting Audit

The Audit & Supervisory Board regularly holds meetings with the Accounting Auditor and the Audit Department to review and exchange information, thereby strengthening the audit system.

12. Non-executive Director

Our four Non-executive Directors of the Company are directors who are independent from the Company in terms of personnel and financial status and supervise and monitor the decisions and actions of the Board of Directors from an independent and objective standpoint. The standards for independence of the Company's Non-executive Directors and their relationship with the Company are as described above.

13. External Corporate Auditors

The two External Corporate Auditors are independent from the Company in terms of both personnel and financial status, and conduct audits from an independent and neutral standpoint, thereby strengthening the independence and neutrality of the Company's audit system. The standards for independence of the Company's External Corporate Auditors and their relationship with the Company are as described above.

14. Standards and policies for the appointment of outside officers and the Company's stance

Non-executive Directors and External Corporate Auditors are selected from among those who are independent from the Company in terms of both personnel and financial position. "Based on the independence standards set by financial instruments exchanges, the Company has established" "Standards for Independence of Outside Officers" "and requires that the Company's outside officers meet the requirements of the Companies Act and these standards before being elected."

15. Details of the policy and method for deciding the amount of remuneration for officers and the calculation method thereof

The compensation system for directors and executive officers is aimed at securing excellent management talent through the appropriate promotion and treatment management of personnel for the sustainable growth of the company, and also at creating a system that conforms to the Corporate Governance Code and reflects the perspective and disclosure requirements of investors. In order to achieve this, the Board of Directors revised the compensation system for directors on June 27, 2018, and the "Basic Policy on Corporate Governance of the SEED Group" shows the "Compensation System Concept." In addition, the Board of Directors meeting held on May 23, 2022, the Company resolved to abolish the executive retirement benefit system at the conclusion of the 66th Ordinary General Meeting of Shareholders held on June 24, 2022.

16. Outline of the Agreement on Limitation of Liability

Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement with its directors (Non-executive Directors and directors who do not execute business) and external corporate auditors to limit their liability for damages as set forth in Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability for damages based on the agreement is the total of the amounts specified in each item of Article 425, paragraph (1) of the same Act.

3. Reasons for Adoption of the Current Corporate Governance System

Based on the above system, the Group has adopted the current corporate governance system because the Group believes that the system for monitoring the execution of duties by Directors functions effectively and that management decisions and business execution are made more quickly.

III Implementation of Measures for Shareholders and Other Stakeholders

1. Measures to Vitalize the General Meeting of Shareholders and Facilitate Smooth Exercise of Voting Rights

update

	Additional Explanation
Early dispatch of convocation notices for general meetings of shareholders	In order to ensure a sufficient period of time for consideration of the agenda of the General Meeting of Shareholders, the Company strives to send out the convocation notice of the General Meeting of Shareholders as soon as possible and posts it on the Company's website prior to sending out the notice. The convocation notice for the 69th Ordinary General Meeting of Shareholders was posted on the Company's website on June 3 and sent out on June 4.
Scheduling of General Meetings of Shareholders to Avoid Peak Dates	The meeting is held to avoid the first peak day of the month. The 69th Ordinary General Meeting of Shareholders was held on Tuesday, June 24, 2025.
Exercise of voting rights by electromagnetic means	Starting with the 62nd Ordinary General Meeting of Shareholders, we have adopted a voting website designed for smartphones.
Participating in an electronic voting platform and taking other steps to improve the voting environment for institutional investors	Starting with the 61st Ordinary General Meeting of Shareholders, we have participated in the electronic voting platform. We have also created an electronic version of the convocation notice that is smartphone compatible and encourage shareholders to exercise their votes online.
Provision of Convocation Notice (Summary) in English	Starting with the 63rd Ordinary General Meeting of Shareholders, we have been posting convocation notices in the narrow sense in English.
Other	The convocation notice is posted on TDnet and the Company's website.

2. Status of IR Activities

update

	Additional Explanation	Explanation by the representative himself
Preparation and Publication of Disclosure Policy	The Company's disclosure policy is posted on its website. https://www.seed.co.jp/company/ir/management/disclosure.html	

Regular briefings for individual investors	We plan to hold briefings for individual investors several times a year to facilitate dialogue with shareholders and other stakeholders. In fiscal 2024, we held three online individual investor briefing sessions at venues and participated in one individual investor fair.	Yes
Regular briefings for analysts and institutional investors	The President and Representative Director provides explanations at the Institutional Investor Briefing held every quarter.	Yes
Posting IR Materials on the Website	We have set up an "IR Library" on our investor information page where we post various IR materials.	
Establishment of IR department (person in charge)	The Company has appointed a person in charge of IR as the Corporate Planning Department.	
Other	In fiscal 2024, we held 26 individual interviews with institutional investors (including individual interviews with overseas investors).	

3. Status of Efforts to Respect Stakeholders' Positions

update

	Additional Explanation
Provisions regarding respect for the position of stakeholders in internal rules, etc.	"Code of Conduct" and "Seed Group Basic Policy on Corporate Governance," which form the corporate vision of our group.
Implementation of environmental conservation activities and CSR activities	<p>In the Corporate Vision and the policies and New Principles of Conduct that support it, the Group has established its approach to the environment, quality, safety, compliance, and social contribution, and has communicated this to all officers and employees.</p> <p>•At our main plant, the Kounosu Laboratory, we are working to protect the natural environment by reusing water and plastics. We also installed a photovoltaic power generation system to make effective use of sunlight and reduce electricity consumption by shielding heat.</p> <p>• In January 2011, the Company acquired ISO13485:2003, an international standard for quality management systems for medical devices.</p> <p>• In June 2019, we have been collecting and recycling empty contact lens cases through the "BLUE SEED PROJECT" program.</p> <p>• In April 2021, we established a flow with recycling companies to recycle plastic mixtures that had been treated as industrial waste in the contact lens manufacturing process as valuable resources.</p> <p>•In February 2022, we formulated an environmental policy based on the principle of conducting corporate activities in harmony with the environment, and established a promotion system and an environmental management system.</p> <p>•In March 31, 2022, the Development Bank of Japan Inc. recognized the company's "environmentally conscious efforts" and awarded it a rating, receiving financing based on the "DBJ Environmental Rating." In March 2025, the company received a rating for the fourth consecutive year, and this year's rating has improved from last year.</p> <p>•We also conduct CSR activities as needed to contribute to local communities.</p>
Formulation of policies on provision of information to stakeholders	<p>For stakeholders including shareholders, the Company has established the Guidelines for Constructive Dialogue with Shareholders and Investors, which provide information to shareholders and investors and the methods of providing information.</p> <p>• We prepare an IR report every six months and post it on our website.</p> <p>• In June 2024, we posted the "Integrated Report – SEED Report 2024" on our website.</p>

Other

The Group aims to ensure diversity, including promoting the active participation of women within the company, and is taking the following steps:

Appointment of Women to Officers and Executive Officers

At the 59th Ordinary General Meeting of Shareholders, Ms. Yuko Otake was appointed as a Non-executive Director (current position).

At the 63rd Ordinary General Meeting of Shareholders, Mr. Hiroko Nihei was appointed as an External Corporate Audit & Supervisory Board Member (Current Appointment)

At the 66th Ordinary General Meeting of Shareholders, Ms. Noriko Koizumi was appointed as a Non-executive Director (current position).

At the 68th Ordinary General Meeting of Shareholders, Ms. Kikue Nakamura was appointed as Director (current position).

At the Board meeting held on January 12, 2024, Ms. Hiroko Kanazawa was appointed as Executive Officer (to present).

·Childcare allowance

To support the child-rearing of our employees, we provide a child-rearing allowance to those who return to work after taking childcare leave.

·Shortened working hours for childcare

Employees who wish to use the shortened working hours system for childcare can do so until the day they enter the fourth grade of elementary school.

·Establishment of childcare and children's facilities

In April 2018, we opened the "Fukuro No Mori" childcare and children's facility with the aim of creating a comfortable working environment, promoting the active participation of women, and contributing to the local community. The Afterschool Children's Club building was added in May 2021. In October 2021, the Company was recognized for its excellent green space design and maintenance and received the 12th Sainokuni Midori Excellence Plan Award.

·Awarded the Sai-no-Kuni Saitama Environmental Grand Prize

We have introduced a circular economy system that aims to achieve carbon neutrality, and this activity has been recognized as an environmental social contribution activity, leading to us receiving the grand prize in the business category of the 2021 Sainokuni Saitama Environmental Awards.

·In addition, we have introduced a flextime system and a telecommuting system to create a comfortable working environment.

IV. Matters Concerning Internal Control Systems

1. Basic Views on Internal Control System and Its Development Status

We have established and disclosed the "Basic Policy Regarding Internal Control Systems" as set forth below and have thoroughly disseminated it throughout the Group.

1. System to ensure that the execution of duties by Directors and employees complies with laws and regulations and the Articles of Incorporation
 - In order to maintain and improve the supervisory function of the execution of duties by directors, the Company will continue to appoint Non-executive Directors with consideration given to their independence.
 - The Company has established the "Seed Group Code of Conduct" to ensure that directors and employees act in accordance with laws, regulations and the Articles of Incorporation, and based on this, the Company strives to conduct business activities in a lawful and fair manner in order to gain social trust.
 - In order to promote the enhancement and strengthening of the compliance system, the Company establishes a Compliance Committee chaired by the President and Representative Director and including experts (lawyers) as necessary. In addition, the Company has appointed full-time Audit & Supervisory Board Members who are independent from the Compliance Office of the Legal Department and the management to provide consultation and reporting services to Directors and employees and allows anonymous reporting and does not treat whistleblowers in a disadvantageous manner.
 - Audit & Supervisory Board Members audit the execution of duties by Directors, including the status of the establishment and operation of internal control systems, from an independent standpoint.
 - The internal audit department shall audit the evaluation of internal controls and the appropriateness and effectiveness of operations.
2. System for the preservation and management of information related to the execution of duties by Directors
 - The Company shall record, and store information related to the execution of duties by Directors in documents or electromagnetic media (hereinafter referred to as "documents, etc.") in accordance with the Document Management Regulations. Directors and Auditors & Supervisory Board Members may inspect these documents at any time pursuant to the Document Management Regulations.
3. Regulations and other systems related to the management of risk of loss
 - The risk of compliance, market environment, product quality, intellectual property, and disasters is managed by the person in charge and the head of each department in each department, and efforts are made to prevent and reduce the risk.
 - A task force headed by the President and Representative Director shall be established to respond promptly to any new risks that may arise, with the Corporate Planning Department acting as the contact point.

4. System to ensure that the Directors execute their duties efficiently

○The Company holds a regular meeting of the Board of Directors once a month to supervise important matters in management and the status of business execution by Directors. In addition, the Company holds Management Meetings (as necessary) to ensure efficient management decisions and decision-making, and the President and Representative Director, full-time Audit & Supervisory Board Members, Directors, General Managers, and departments in charge attend and discuss the meetings.

○In order to confirm the progress of the goals of each department of the Company and to plan countermeasures, each department manager holds a review meeting once a month with the attendance of the President and Representative Director and the director in charge.

5. System to ensure the appropriateness of business operations of the corporate group consisting of the Company and its subsidiaries

○System for reporting to the Company on matters related to the execution of duties by Directors, etc. of subsidiaries

・In accordance with the Affiliated Company Management Rules, the Company shall establish a division in charge of strengthening the management of subsidiaries (Retail Business Management Department, International Business Division) to manage whether each subsidiary conducts activities in compliance with the Internal Transaction Rules and the Company Rules. The head of each department in charge shall request the person in charge to hold meetings and submit relevant materials, etc., as necessary.

・We require the President and Representative Director to attend the board meetings of our domestic subsidiaries, which are held once a month.

・We require the President and Representative Director to attend reviews with our overseas subsidiaries, which are held once a month.

○Rules and other systems concerning the management of the risk of loss of subsidiaries

・In order to prevent risks and minimize corporate losses in relation to risk management and information security maintenance for the entire Group, the Company has formulated the Regulations of the Risk Management & Security Committee and requires subsidiaries to conduct risk management under the Regulations. In addition, the Company holds the Risk Management & Security Committee to promote risk management for the entire Group and comprehensively and comprehensively manages risks.

○System to ensure that the duties of directors, etc. of subsidiaries are executed efficiently

・The Company will establish management regulations for affiliated companies both in Japan and overseas and will facilitate business operations related to subsidiaries, as well as provide appropriate guidance to foster and strengthen them, and bring about mutual benefit and development.

・The Company will appoint directors or auditors to its subsidiaries, and the directors will supervise the performance of duties of the subsidiary directors, and the auditors will audit the subsidiaries' business execution.

○System to ensure that the execution of duties by directors and employees of subsidiaries complies with laws and regulations and the articles of incorporation

・To ensure that directors and employees of subsidiaries act in compliance with laws, regulations, and the Articles of Incorporation, the Company will apply the "Seed Co., Ltd. Officer and Employee Code of Conduct" to their subsidiaries as well. Based on this, the Company will strive to conduct business activities in a lawful and fair manner in order to gain social trust. The Company shall conduct business audits of its subsidiaries in accordance with the internal audit regulations and the domestic and overseas regulations for the management of subsidiaries and affiliates. Audits shall be conducted by the Audit Department and, when deemed necessary, by the Company's Audit & Supervisory Board Members.

7. Matters concerning the independence of the employee in the preceding item from the Directors

○Approval of the Board of Corporate Auditors shall be required for personnel changes, personnel evaluations, and disciplinary actions against assistants.

8. Matters concerning ensuring the effectiveness of instructions to employees who are to assist the duties of Audit & Supervisory Board Members

○The Company will ensure that its directors and employees are fully aware that assistants must follow the instructions and orders of the Audit & Supervisory Board Members.

9. System for Directors and Employees to Report to Audit & Supervisory Board Members and Other Systems for Reporting to Audit & Supervisory Board Members

○System for reporting to the Audit & Supervisory Board Members by the Company's Directors and employees

・Directors and employees shall promptly report to the Audit & Supervisory Board when they discover any fact that may cause significant damage to the Company.

・Full-time Audit & Supervisory Board Members shall attend important meetings such as the Management Committee meetings in addition to the Board of Directors meetings, inspect important documents such as requests for managerial decisions, and request reports from Directors or employees as necessary.

○System for reporting to the Company's Audit & Supervisory Board Members by Directors, Audit & Supervisory Board Members, etc. and employees of subsidiaries or by people who receive reports from them

・Directors and employees of subsidiaries shall promptly and appropriately report matters related to the execution of business when requested to do so by the Company's Audit & Supervisory Board Members.

・Directors and employees of subsidiaries shall report to the Audit & Supervisory Board Members of the Company immediately upon discovery of any violation of laws and regulations or any other fact that may cause significant damage to the Company or its subsidiaries.

10. System to ensure that people who report to the Audit & Supervisory Board Members are not treated unfavorably for the reason of such report

○The Company prohibits disadvantageous treatment of Directors and employees of the Group who have made a report to the Audit & Supervisory Board Members for the reason of such report and ensures that Directors and employees of the Group are fully aware of this.

11. Matters concerning the policy on procedures for prepayment or reimbursement of expenses arising from the execution of duties of Audit & Supervisory Board Members and other processing of expenses or debts arising from the execution of such duties

○When an Audit & Supervisory Board Member requests the Company to pay expenses in advance for the execution of his / her duties, the Company shall promptly settle the expenses or debts after deliberation by the Accounting Department, except where the Company has proved that the expenses or debts are not necessary for the execution of the duties of the Audit & Supervisory Board Member.

12. System to ensure that audits by the Board of Corporate Auditors are conducted effectively

○The Audit & Supervisory Board shall hold meetings regularly with the President and Representative Director and the Accounting Auditor

respectively to exchange opinions. In addition, professional lawyers and accountants will be appointed as necessary to guarantee opportunities to receive advice on audit services.

2. Basic Views on Eliminating Anti-Social Forces and Their Development

We have established the following “Policy for dealing with antisocial forces” and have made it known throughout the Group.

Policy against antisocial forces

In order to prevent damage caused by anti-social forces, all executives and employees of Seed Group will resolutely cut off and eliminate any relationship with anti-social forces.

1. All officers and employees shall take a resolute stance to completely cut off any relations with anti-social forces.
2. To prevent damage from anti-social forces, we will cooperate with external specialized agencies such as police and lawyers to respond systematically and appropriately.
3. We will not accept any unreasonable demands from anti-social forces and will take resolute legal action.
4. Do not provide funds to anti-social forces or engage in secret transactions
5. Ensure the safety of officers and employees who respond to unreasonable demands from anti-social forces

The Group has established the Rules for Dealing with Anti-Social Forces and the Anti-Social Forces Check Manual and does not engage in transactions with anti-social forces based on these rules. When a new business partner commences business with the Company, the Company conducts an investigation based on the above and only if the Company is approved, may the Company commence business with the Company. The existing business partner is checked once a year to see if it is an anti-social force. In addition, the Group's employees are required to submit a written pledge that they are not involved with anti-social forces.

In addition, in order to prevent damage from unreasonable demands by anti-social forces, the Company has joined the Liaison Council of Persons in Charge of Unreasonable Demands Prevention and has established a system that enables cooperation with the police and other authorities.

V. Others

1. Introduction of takeover defense measures

Introduction of takeover defense measures

None

Supplementary explanation on the items

2. Other Matters on Corporate Governance System

The outline of the Company's system for timely disclosure of corporate information is as follows.

Company information (as stipulated in the Timely Disclosure Rules) is reported to the Corporate Planning Department (under the direct control of the President), which is the department in charge of final information management and is disclosed promptly and without delay.

The flow of information reported to and collected by the Corporate Planning Department is as follows.

1. Determination (Accrual) Factual information (including information on subsidiaries) is reported by each department within the Company to the Corporate Planning Department, which serves as the secretariat for the Board of Directors, the Management Committee, and the Risk & Security Committee, which are the decision-making bodies of the Company.
2. Information on financial results (including information on subsidiaries) is reported by the Accounting Department, etc. to the Corporate Planning Department.

