

The Company's corporate governance is described below.

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

1. Basic views

The Company recognizes that strengthening and enhancing its corporate governance system is an important management issue in order to continually improve its corporate value. For the realization of such strengthening and enhancement, the Company will strive to develop and operate a management system that can quickly and accurately respond to changes in the business environment, while at the same time ensuring the soundness and transparency of the corporation and aiming to realize a corporation that is trusted by all stakeholders, including shareholders, customers, business partners, and employees. Viewing this is as our basic policy regarding corporate governance, we will strive to enhance corporate governance.

[Reasons for Non-compliance with the Principles of the Corporate Governance Code] **Updated**

[Supplementary Principle 3 -1 (3) Sustainability Initiatives]

<Initiatives for sustainability>

(1) Basic Sustainability Policy

Based on our group mission of "promoting greater ICT in the healthcare and healthcare fields and making advanced use of information," we view the resolution of social issues in the healthcare and healthcare fields as one of our top management priorities and aim to sustainably increase our corporate value.

(2) Approach to Sustainability

One of the social issues in the medical and health sectors is the delay in data utilization. As technology advances, the use of various data is leading to an improvement in the quality of our lives. However, the utilization of data in Japan's medical and health sectors has lagged behind other industries and other countries. As the population ages, there is an urgent need to promote the use of medical and healthcare data, and we believe it is our mission to tackle these issues through our business activities.

After identifying the important issues that our group should focus on, we will set specific initiatives and targets, and aim for sustainable development through the implementation of these initiatives.

(3) Materiality of our group

We have identified important issues that must be prioritized in order to realize a society where healthcare can be selected as materiality issues. We will promote initiatives for each materiality and aim to increase corporate value and realize sustainable growth.

For details of the "Process for Identifying Materiality Issues" and "List of Materiality Issues", please refer to the "Integrated Report 2024" p.10-11 "Process for Identifying Materiality Issues" and "List of Materiality Issues".

"Integrated Report 2024": https://www.mdv.co.jp/ir/library/pdf/integrated_240624.pdf

<Initiatives for human capital>

(1) Strategy

One of the Group's materiality is the "creation of innovation by human resources with creativity, ability to act, and collaboration."

For our group, "people" are the source of value creation, and we need rich ideas by human resources with diverse backgrounds. To create an environment where all employees and everyone who will be our colleagues can work proactively and willingly, and to foster a culture that takes on the challenge of creating new value, we have established a Human Resource Development Policy and an Internal Environmental Improvement Policy.

(2) Indicators

For our further development, we need rich ideas by human resources with diverse backgrounds. One of our initiatives to support the active participation of diverse human resources was to increase the ratio of women in managerial positions and increase the ratio of men taking childcare leave, with the aim of reducing gender gaps.

Looking at our current situation, while there are many female employees returning from childcare leave, there is an issue that there are few people working in management positions. In order to balance work as a manager with the life of the individual, including childcare, our policy is to develop work environments and systems, support career advancement in line with the individual's wishes, provide gender and fair opportunities, and change the mindset of the people around us.

For details of the "Human Resources Development Policy" "Internal Environmental Improvement Policy" and "Plan Period" and "Numerical Targets" in (1) and (2), please refer to the "Integrated Report 2024" p.13-15 "Human Capital".

"Integrated Report 2024": https://www.mdv.co.jp/ir/library/pdf/integrated_240624.pdf

<Investment in Intellectual Property>

(1) Basic policy on intellectual property rights

We recognize that intellectual property rights are an important corporate property, and our basic policy is to strive to protect those rights and effectively utilize them. We will also conduct our business activities, recognizing that it is equally important to respect the intellectual property rights of other companies (other parties) and endeavor not to infringe them.

(2) Specific action guidelines on intellectual property

① Acquisition, preservation and utilization of our intellectual property rights

- We recognize that our intellectual property is a vital corporate property, and we will maintain and manage this property appropriately as a strength of MDV Group. In this way, we will protect our rights and effectively utilize it.
- We will proactively acquire patents and other intellectual property rights related to technologies and products that are the fruits of advanced and creative R & D developed by our Group, and we will protect these rights and utilize them throughout the Group.
- We will consolidate information on intellectual property rights arising from all Group companies as a MDV group to ascertain and utilize intellectual property rights as a group. On the other hand, the Company will exercise its rights appropriately and justifiably against infringement by a third party.

② Respect for intellectual property rights of other companies (other parties)

- In the research and development of new products and technologies, we investigate whether they infringe the intellectual property rights of other companies and endeavor not to infringe the rights.
- The intellectual property rights of other companies that have been rightfully obtained shall be used only to the extent that they can be used as set forth in the contract, and such intellectual property rights of other companies shall not be infringed, such as by unauthorized copying of software.

Specific strategies and investments will be discussed thoroughly within the company, and when necessary, external knowledge will be incorporated to prepare for disclosure of the status of implementation.

[Principle 4 -11 Preconditions for Ensuring the Effectiveness of the Board of Directors and the Audit and Supervisory Committee]

The Company's Board of Directors is comprised of personnel from diverse professional backgrounds and age groups, such as Executive Directors who are well versed in the relevant business field in each Business Execution Division, and Outside Directors who have experience in corporate management in the service industry, experience in corporate management as a Representative Director and considerable insight as a lawyer, and Outside Directors who have deep insight into the medical industry and experience as a physician. The Company's Audit and Supervisory Committee consists of four members, including certified public accountants and certified public tax accountants, who have a high level of expertise and experience in each field.

In addition, individual Directors strive to improve the functions of the Board of Directors by analyzing and evaluating the performance of the Board of Directors as a whole and exchanging opinions as necessary. Going forward, the Company will continue to consider ways to ensure diversity, including in terms of gender and internationality.

[Disclosure Based on the Principles of the Corporate Governance Code] Updated

[Principle 1-4 Cross-Shareholdings]

The Group will hold the shares of other companies only if it is deemed reasonably necessary from the viewpoint of building, maintaining and strengthening a good cooperative relationship with the relevant company, in comprehensive consideration of the business relationship between the relevant company and the Group as well as investment costs, etc. Upon holding shares, the Board of Directors will conduct a review after carrying out a careful examination based on the above viewpoints, and if the Board of Directors determines that the significance of the holding is weak as a result of the review, the Company will reduce the holding or sell the shares. In addition, we comprehensively assess the criteria for exercising voting rights in relation to our strategic stockholdings in light of the purpose of holding them, such as whether they contribute to the sustainable growth of the issuing company, the enhancement of corporate value over the medium to long term, and the enhancement of shareholder value.

[Principle 1 -7 Related Party Transactions]

The Company requires deliberation and resolution by the Board of Directors for competing or conflict-of-interest transactions with officers and corporations substantially controlled by officers. If the relevant transaction is approved, the terms and conditions thereof are disclosed in the Notice of the General Meeting of Shareholders and Annual Securities Reports, etc. Moreover, the Company conducts a survey at the end of each fiscal year to confirm whether or not there have been related party transactions with the Group's officers, and has established a system to manage related party transactions.

[Supplementary Principle 2 -4 (1) Ensuring Diversity in Appointment of Women, Foreign Nationals and Mid-career Employees to Management Positions]

For our further development, we need rich ideas by human resources with diverse backgrounds. One of our initiatives to support the active participation of diverse human resources was to increase the ratio of women in managerial positions and increase the ratio of men taking childcare leave, with the aim of reducing gender gaps.

Looking at our current situation, while there are many female employees returning from childcare leave, there is an issue that there are few people working in management positions. In order to balance work as a manager with the life of the individual, including childcare, our policy is to develop work environments and systems, support career advancement in line with the individual's wishes, provide

gender and fair opportunities, and change the mindset of the people around us.

<Planning period>

November 10, 2023-December 31, 2026

<Numerical Targets>

Target 1: Increase the percentage of women in management positions to 30% or more

(Details of Initiatives)

From January 2024, establishment and implementation of interview opportunities regarding the direction of career formation

From March 2024, considering the content of career development training

From June 2024, selection of candidates and implementation of career development training

From January 2025, promote

Target 2: Increase the percentage of men taking childcare leave to 100%

(Details of Initiatives)

From January 2024, to promote childcare leave, publicize the available balance support system

From March 2024, we will collect information on the balancing support system and consider it each time

From June 2024, conducted diversity management training for managers

For details of the "Human Resources Development Policy" "Internal Environmental Improvement Policy", please refer to the "Integrated Report 2024" p.13-15 "Human Capital".

"Integrated Report 2024": https://www.mdv.co.jp/ir/library/pdf/integrated_240624.pdf

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

The Company does not have a corporate pension plan.

[Principle 3 -1 Full Disclosure]

- (1) The Company discloses its management philosophy, vision and management strategy on the Company website, in financial results briefing materials and medium-term management plan.
- (2) The basic policy on corporate governance is disclosed on the Company website and in the Report on Corporate Governance.
- (3) The amount of remuneration for the Company's Directors is determined individually by the Board of Directors within the maximum amount of remuneration determined by the General Meeting of Shareholders, with reference to the economic situation, the environment surrounding the Company, and the duties of each Director. The amount of remuneration for each Director is determined by the President, who is authorized by resolution of the Board of Directors, in accordance with the standards set by the Company. In making such a decision, the Nomination, Remuneration and Evaluation Committee, which is composed mainly of Independent Outside Directors, confirms the appropriateness thereof and provides appropriate advice. The remuneration of Corporate Auditors is determined through consultation among the Corporate Auditors within the maximum amount of remuneration determined by the General Meeting of Shareholders.
- (4) When the Board of Directors of the Company appoints management members, the Board of Directors makes a decision based on a review of the capabilities, experience, insight, and character traits required for each role.
In order to respond to the entrustment from shareholders, the representative director and president prepares drafts for candidates with the necessary abilities, experience, insight, and personality, which are determined after deliberation by the Board of Directors. The Audit & Supervisory Board prepares draft proposals for candidates for Audit & Supervisory Board Members with the necessary abilities, experience, insight, and personality to respond to shareholder entrustments for audits of the management team, and the decisions are made after deliberation by the Board of Directors. In making such a decision, the Nomination, Remuneration and Evaluation Committee, which is composed mainly of Independent Outside Directors, confirms the appropriateness thereof and provides appropriate advice.
- (5) For candidates for Outside Director and Outside Corporate Auditor of the Company, the Company states "Reasons for Nomination as a Candidate" in each proposal for appointment described in the Annual Securities Report and the Notice of the General Meeting of Shareholders. The appointment of Executive Officers complies with the criteria specified in the Companies Act and the Financial Instruments and Exchange Act. Going forward, the Company will consider matters such as the disclosure of the selection criteria.

[Supplementary Principle 4 -1 (1) Matters to be Resolved by Directors and Scope of Delegation to Management]

The Company has set forth matters to be resolved by the Board of Directors in accordance with laws and regulations, the Articles of Incorporation, and the Regulations of the Board of Directors, as well as the scope of delegation to Directors in accordance with the resolutions of the Board of Directors and the Regulations for Official Authority, etc.

[Principle 4 -9 Independence Standards and Qualification for Independent Outside Directors]

In the appointment of Outside Directors, the Company attaches importance to their abundant experience and considerable insight in corporate management, etc., in addition to requirements of an external nature under the Companies Act. Moreover, such Outside Directors meet the requirements for independent officers in accordance with the rules of the Tokyo Stock Exchange, and the criterion for designation as Independent Outside Directors is that there is no risk of conflicts of interest with general shareholders.

[Supplementary Principle 4 -10 (1) Views, Authority and Role Concerning Committee Member Independence]

The Company has seven Directors, three of whom are Independent Outside Directors. Although the Independent Outside Directors do not constitute a majority of the Directors, the Company has established the Nomination, Remuneration and Evaluation Committee,

which consists of three or more Independent Outside Directors, to confirm the appropriateness of the nomination, evaluation and remuneration of Directors and to obtain appropriate advice. The chairperson of the Committee is to be appointed from among the Independent Outside Directors. In the future, we plan to seek advice from the Committee from perspectives such as gender diversity and skills.

[Supplementary Principle 4 -11 (1) Policy and Procedures for Appointment of Directors]

Six of the 11 persons present at the Board of Directors meetings are independent outside officers (three Outside Directors and three Outside Corporate Auditors), enabling discussions based on opinions from an independent and neutral standpoint at the Board of Directors meetings. The current Board of Directors is composed of persons who are familiar with each business and company operations, etc., and persons who have a high level of expertise and can advise and supervise management from a wide range of viewpoints. When selecting candidates for Director, the Nomination, Evaluation and Remuneration Committee, which is composed mainly of Independent Outside Directors, confirms the appropriateness of the candidates and provides appropriate advice. The Company disclosed the skills matrix after the appointment of Directors at the 19th Ordinary General Meeting of Shareholders. We will continue to strive to maintain a good balance of knowledge, experience, and abilities to effectively fulfill the roles and responsibilities of Directors, and to create a structure that balances diversity and appropriate scale.

[Supplementary Principle 4 -11 (2) Concurrent Holding of Positions by Directors and Corporate Auditors]

The status of the concurrent holding of positions at other companies by Outside Directors and Outside Corporate Auditors is disclosed annually through the Notice of the General Meeting of Shareholders, the Annual Securities Report, and the Report on Corporate Governance. One of the three Outside Directors does not concurrently serve as an officer of any listed company other than the Group. Moreover, none of the Executive Directors concurrently serve as officers of any listed companies other than the Group, so a system is in place that enables Directors to concentrate on their duties. The one Full-time Corporate Auditors do not concurrently serve as officers of any listed companies other than the Group. Two of the three Outside Directors and one Outside Corporate Auditors concurrently serve as officers of listed companies other than the Group. However, a sufficient system has been secured for the execution of the Company's audit operations.

[Supplementary Principle 4 -11 (3) Implementation and Disclosure of Evaluation of Effectiveness of the Board of Directors]

We have established the Regulations Concerning Evaluation of the Board of Directors. Each fiscal year, we analyze and evaluate the effectiveness of the Board of Directors as a whole based on the advice and recommendations of the Nominating, Compensation and Evaluation Committee, whose main members are independent outside directors. In order to incorporate a more objective and independent perspective, we have outsourced the survey, compilation and analysis of questionnaires to third-party organizations since fiscal 2022. In addition, we will publish an outline of the results on our website.

[Supplementary Principle 4 -14 (2) Training Policy for Directors and Corporate Auditors]

The Company's basic policy is to provide Directors and Corporate Auditors with training opportunities from time to time to acquire the knowledge necessary to perform their duties and to understand their roles and responsibilities. Directors and Corporate Auditors of the Company actively participate in external seminars, etc. in order to acquire and cultivate knowledge necessary for the fulfillment of their roles and responsibilities, as well as new knowledge according to the current situation.

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

The Company has appointed an executive officer in charge of IR, and the IR/SR Division is in charge of engaging in dialogue (interviews) with shareholders. The Company holds results briefings for shareholders and investors once every quarter, and the President himself provides explanations. The Company also discloses its Policy for Constructive Dialogue with Shareholders (IR Policy) on the Company website.

[Principle 5 -2 Formulation and announcement of management strategies and plans (under consideration)]

We regard the rate of growth in sales, the ratio of ordinary income to sales, and the ratio of return on equity (ROE) as key management indicators, and aim to sustain a high rate of growth and further improve profitability and capital efficiency, thereby further increasing corporate value. Each fiscal year, we accurately assess our cost of capital, set targets for these key indicators, and explain specific measures for achieving these targets through financial results briefings and our website, etc. In November 2022, we announced a medium-term management plan with the aim of further improving communication with shareholders.

Regarding "measures for realizing management that is conscious of the cost of capital and stock price," we plan to publish the report after examining the details of the announcement.

2. Capital Structure

Foreign shareholder percentage Updated	Less than 10%
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[Status of Major Shareholders] **Updated**

Name	Number of shares held (share)	Percentage (%)
SBI Holdings, Inc.	14,507,214	38.32
MEDIPAL HOLDINGS CORPORATION	3,212,600	8.48
The Master Trust Bank of Japan, Ltd. (Trust Account)	2,684,300	7.09
Takahiro Suzuki	1,110,000	2.93
Hiroyuki Iwasaki	800,600	2.11
CMIC HOLDINGS Co., Ltd.	610,000	1.61

Shigeru Tanaoka	540,800	1.42
SCBHK AC LIECHTENSTEINISCHE LANDESBANK AG	300,000	0.79
JAPAN SECURITIES FINANCE CO., LTD.	259,200	0.68
Custody Bank of Japan, Ltd. (Trust Account)	249,900	0.66

Controlling Shareholder (excluding the parent company) (yes/no)	-----
Parent company (yes/no)	None

Supplementary explanations **Updated**

1. "Percentage of total number of issued shares (excluding treasury stock)" is rounded down to the nearest third decimal place.
2. Although the Report on Possession of Large Volume (Change Report) provided to the public on March 7, 2024 stated that Asset Management One Co., Ltd. owned the following shares as of February 29, 2024, we were unable to confirm the actual number of shares held as of December 31, 2024, and therefore these shares are not included in the above-mentioned status of major shareholders.

[Name/Number of Shares Held/Percentage of Shares Held]
Asset Management One Co., Ltd./1,594,200 shares/3.98%

3. Corporate Attributes

Stock exchange listing and market segment	Tokyo Stock Exchange, Prime
Fiscal year end	December
Business type	Information and Communications
Number of employees at the end of the previous fiscal year (consolidated)	100 or more, but less than 500
Sales revenues in the previous fiscal year (consolidated)	Less than 10 billion yen
Number of consolidated subsidiaries at the end of the previous fiscal year	Less than 10

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

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

II. Status of Business Management Organization and Other Corporate Governance Systems Pertaining to Management Decision-making, Execution and Supervision

1. Matters Related to Organizational Structure and Organizational Management, Etc.

Organizational form	Company with corporate auditor(s)
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[Directors]

Number of Directors stipulated in the Articles of Incorporation	10
Term of office of Directors stipulated in the Articles of Incorporation	1 year
Chair of the Board of Directors	President
Number of Directors	7
Status of appointment of Outside Directors	Appointed
Number of Outside Directors	3
Number of persons designated as independent officers among Outside Directors	3

Relationship with the Company (1) **Updated**

Name	Affiliation	Relationship with the Company (*)											
		a	b	c	d	e	f	g	h	i	j	k	
Souichi Katsuki	Person from another company												
Takao Nakamura	Person from another company												
Yuko Kato	Person from another company												

* Categories regarding the relationship with the Company

* For each item, "○" indicates that the person presently falls or has recently fallen under the item, and "△" indicates that the person fell under the item in the past.

* For each item, "●" indicates that the close relative presently falls or has recently fallen under the item, and "▲" indicates that the close relative fell under the item in the past.

a Executive of a listed company or its subsidiary company

b Executive or Non-Executive Director of the parent company of a listed company

c Executive of the fellow subsidiary of a listed company

d Person whose major business partner is a listed company or an executive thereof

e Major business partner of a listed company or an executive thereof

f Consultant, accountant or legal expert who receives large sums of money and other assets from a listed company in addition to executive compensation

g Major shareholder of a listed company (if the major shareholder concerned is a corporation, an executive of the corporation)

h Executive of a business partner of a listed company (those who do not fall under any of (d), (e) and (f)) (only the person concerned)

i Executive of an entity at which officers of the Company are appointed as outside officers and vice versa (only the person concerned)

j Executive of an entity to which a listed company makes a donation (only the person concerned)

k Other

Relationship with the Company (2) **Updated**

Name	Independent Officer	Supplementary explanation of conformity items	Reasons for appointment
Souichi Katsuki	○	The status of concurrent holding of positions at other companies is as follows. Outside Director of Cocorport Inc.	The Company has appointed Mr. Katsuki as an Outside Director based on the judgment that he will contribute to the Company by providing advice on its management and through appropriately supervising business execution from a practical perspective based on his considerable insight cultivated through corporate management in the service industry over many years. The Company has also designated Mr. Katsuki as an independent officer because he does not conflict with the independence criteria nor is subject to additional disclosure requirements, and there is no risk of a conflict of interest with general shareholders.
Takao Nakamura	○	Outside Director Takao Nakamura is a partner attorney at Wadakura Gate Law Office. Outside Director of Matsuya Co., Ltd. (Audit and Supervisory Committee Member)	Based on his wealth of experience gained through corporate management as a Representative Director and his considerable insight as a lawyer, the Company has determined that Mr. Nakamura can be expected to contribute to strengthening the Group's corporate governance from practical and diverse

		Outside Director of Lightblue Co., Ltd.	perspectives, and has therefore appointed him as an Outside Director. The Company has also designated Mr. Nakamura as an independent officer because he does not conflict with the independence criteria nor is subject to additional disclosure requirements, and there is no risk of a conflict of interest with general shareholders.
Yuko Kato	○	Outside Director Yuko Kato is a Director, Cardiovascular Medicine Department, The Cardiovascular Institute Hospital	The Company has appointed Ms. Kato as an Outside Director based on the judgment that he will contribute to the Company by providing advice on its management, her expertise and experience as a physician and her deep insight into the medical industry. The Company has also designated Ms. Kato as an independent officer because she does not conflict with the independence criteria nor is subject to additional disclosure requirements, and there is no risk of a conflict of interest with general shareholders.

Voluntary committee(s) equivalent to the Nomination Committee or the Remuneration Committee (yes/no)	Yes
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Establishment of voluntary committee(s), composition of committee(s), and affiliation of the chairperson (chair)

	Name of the Committee	All Committee Members	Full-time Committee Members	Inside Directors	Outside Directors	Outside Experts	Others	Chairperson (Chair)
Voluntary committee(s) equivalent to the Nomination Committee	Nomination, Remuneration and Evaluation Committee	3	3	0	3	0	0	Outside Director
Voluntary committee(s) equivalent to the Remuneration Committee	Nomination, Remuneration and Evaluation Committee	3	3	0	3	0	0	Outside Director

Supplementary explanations

The Nomination, Remuneration and Evaluation Committee of the Company is composed of three or more Independent Outside Directors, and the chairperson of the Committee is to be appointed from among the Independent Outside Directors. The Nomination, Remuneration and Evaluation Committee provides advice and recommendations to the President after deliberating on the nomination, evaluation, and remuneration, etc. of Directors.

[Corporate Auditors]

Establishment of the Board of Corporate Auditors (yes/no)	Yes
Number of Corporate Auditors stipulated in the Articles of Incorporation	5
Number of Corporate Auditors	4

Coordination among Corporate Auditors, Accounting Auditor, and Internal Audit Unit

With regard to the status of coordination between the Corporate Auditors and the Accounting Auditor, the Corporate Auditors receive an explanation of the audit plan at the beginning of the fiscal year, listen to the audit status as appropriate during the fiscal year, receive audit results reports at the end of the fiscal year, and regularly exchange information to share accurate management information at all times, thereby enhancing mutual coordination.

With regard to coordination between the Corporate Auditors and the person in charge of internal audits, the person in charge of internal audits reports to the Corporate Auditors the results of the execution of internal audits and the status of the improvement of matters to be improved identified in internal audits and the results of audits, etc., as appropriate, in accordance with the annual internal audit plan, thereby exchanging information and opinions.

The Internal Audit Office, the Board of Corporate Auditors and the Accounting Auditor conduct a three-party meeting after the Accounting Auditor conducts an on-site audit, thereby exchanging opinions on audit issues and challenges.

Appointment of Outside Corporate Auditors	Appointed
Number of Outside Corporate Auditors	3
Number of persons designated as independent officers among Outside Corporate Auditors	3

Relationship with the Company (1)

Name	Affiliation	Relationship with the Company (*)													
		a	b	c	d	e	f	g	h	i	j	k	l	m	
Masaaki Takaki	Certified Public Accountant											△			
Yasunori Matsumoto	Certified Public Accountant											△			
Kiyohito Hamada	Certified Public Accountant											△			

* Categories regarding the relationship with the Company

* For each item, "○" indicates that the person presently falls or has recently fallen under the item, and "△" indicates that the person fell under the item in the past.

* For each item, "●" indicates that the close relative presently falls or has recently fallen under the item, and "▲" indicates that the close relative fell under the item in the past.

a Executive of a listed company or its subsidiary company

b Non-Executive Director or Accounting Advisor of a listed company or its subsidiary

c Executive or Non-Executive Director of the parent company of a listed company

d Corporate Auditor of the parent company of a listed company

e Executive of the fellow subsidiary of a listed company

f Person whose major business partner is a listed company or an executive thereof

g Major business partner of a listed company or an executive thereof

h Consultant, accountant or legal expert who receives large sums of money and other assets from a listed company in addition to executive compensation

i Major shareholder of a listed company (if the major shareholder concerned is a corporation, an executive of the corporation)

j Executive of a business partner of a listed company (those who do not fall under any of (f), (g) and (h)) (only the person concerned)

k Executive of an entity at which officers of the Company are appointed as outside officers and vice versa (only the person concerned)

l Executive of an entity to which a listed company makes a donation (only the person concerned)

m Other

Relationship with the Company (2) **Updated**

Name	Independent Officer	Supplementary explanation of conformity items	Reasons for appointment
Masaaki Takaki	○	-----	The Company has appointed Mr. Takaki as an Outside Corporate Auditor because he has abundant experience and significant knowledge as a certified public accountant for many years. He formerly belonged to Deloitte Touche Tohmatsu LLC, the Accounting Auditor of the Company, but transactions with Deloitte do not fall under the category of major transactions. Since he left Deloitte in March 2020 and is not in a position to be affected by the wishes of his former corporation, the Company recognizes that there is no risk of a conflict of interest between Mr. Takaki and general shareholders and has designated him as an independent officer.
Yasunori Matsumoto	○	Mr. Yasunori Matsumoto, an Outside Corporate Auditor, belongs to Matsumoto Yasunori Certified Public Accountant Office. Representative Partner of Akahoshi Audit Corporation	The Company has appointed Mr. Matsumoto as an Outside Corporate Auditor because he has abundant experience and significant knowledge as a certified public accountant for many years. He is a former member of Deloitte Touche Tohmatsu LLC, the Accounting Auditor of the Company, and was in charge of accounting

			audits of the Company for a period of time (2008 – 2014), but transactions with Deloitte do not fall under the category of major transactions. Since he left Deloitte in June 2017 and is not in a position to be affected by the wishes of his former corporation, the Company recognizes that there is no risk of a conflict of interest between Mr. Matsumoto and general shareholders and has designated him as an independent officer.
Kiyohito Hamada	○	Mr. Kiyohito Hamada, an Outside Corporate Auditor, belongs to Yotsubasogo Accounting Office. Outside Director of Nice Corporation	The Company has appointed Mr. Hamada as an Outside Corporate Auditor because he has abundant experience and significant knowledge as a certified public accountant and management member for many years. He formerly belonged to Deloitte Touche Tohmatsu LLC, the Accounting Auditor of the Company, but transactions with Deloitte do not fall under the category of major transactions. Since he left Deloitte in February 1997 and is not in a position to be affected by the wishes of his former corporation, the Company recognizes that there is no risk of a conflict of interest between Mr. Hamada and general shareholders and has designated him as an independent officer.

[Independent Officers]

Number of independent officers	6
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Other matters concerning independent officers

The Company designates all qualified Outside Directors and Outside Corporate Auditors as independent officers.

[Incentives]

Implementation of measures to provide incentives to Directors	Introduction of performance-linked compensation system, among others
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Supplementary explanation of applicable items

Compensation for the Company's Directors consists of fixed compensation, performance-linked compensation, and stock-based compensation (transfer-restricted stock-based compensation).
At the Extraordinary General Meeting of Shareholders held on February 25, 2004, it was resolved that the total amount of fixed compensation and performance-linked compensation for Directors is to be 200 million yen or less annually (however, this does not include employee salaries for Directors who concurrently serve as employees).
At the Ordinary General Meeting of Shareholders held on March 27, 2018, it was resolved that the maximum amount of transfer-restricted stock-based compensation for Directors (excluding Outside Directors) is to be 100 million yen or less annually.
The amount of compensation for Directors (fixed compensation, performance-linked compensation, and stock-based compensation) is fully determined by the Board of Directors based on the deliberations, advice and recommendations of the Nomination, Remuneration and Evaluation Committee. The allocation to each Director is determined based on the deliberations, advice and recommendations of the Nomination, Remuneration and Evaluation Committee.

Stock option grantees	Inside Directors
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Supplementary explanation of applicable items

The Ordinary General Meeting of Shareholders held on March 27, 2018 approved the introduction of a transfer-restricted stock-based compensation system designed to provide the Company's Directors (excluding Outside Directors) with an incentive to sustainably increase the Company's corporate value and to further promote value sharing with shareholders.

[Director Remuneration]

Status of disclosure (of individual directors' remuneration)	Individual remuneration is not disclosed.
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Supplementary explanation of applicable items

As there is no director whose total amount of remuneration, etc. is 100 million yen or more, the individual disclosure of remuneration is not conducted.

Policy for determining amounts of remuneration or calculation method thereof (yes/ no) **Updated**

Yes

Disclosed details of policy for determining amounts of remuneration or calculation method thereof

Compensation for the Company's Directors consists of fixed compensation, performance-linked compensation, and stock-based compensation (transfer-restricted stock-based compensation).

The amount of compensation for Directors (fixed compensation, performance-linked compensation, and stock-based compensation) is fully determined by the Board of Directors based on the deliberations, advice and recommendations of the Nomination, Remuneration and Evaluation Committee. The allocation to each Director is determined based on the deliberations, advice and recommendations of the Nomination, Remuneration and Evaluation Committee.

At the Extraordinary General Meeting of Shareholders held on February 25, 2004, it was resolved that the maximum amount of remuneration for Corporate Auditors is to be 80 million yen or less annually. The remuneration for Corporate Auditors is to be fixed compensation only, and the amount thereof is discussed and determined by the Board of Corporate Auditors.

Executive compensation for Directors of the Company for the fiscal year ended December 2024 was as follows.

[Executive Compensation]

Seven Directors: 156,622,000 yen (fixed compensation: 156,622,000 yen, performance-linked compensation: —, transfer-restricted stock-based compensation: —)

Five Corporate Auditors: 23,870,000 yen (fixed compensation: 23,870,000 yen)

Notes: The above includes one outside auditor who retired at the conclusion of the Ordinary General Meeting of Shareholders held on March 27, 2024.

[Support System for Outside Directors (Outside Corporate Auditors)] Updated

The IR/SR Division supports Outside Directors (Outside Corporate Auditors). The Board of Directors has established a system to communicate in advance matters to be discussed, etc. and to provide information. Full-time Corporate Auditors also promote information sharing with Outside Corporate Auditors in terms of auditors' audits, accounting audits, and internal audits.

2. Matters concerning functions related to operational execution, audits and supervision, nominations, and the determination of remuneration, etc. (Outline of the current corporate governance systems) Updated

[Board of Directors]

The Board of Directors consists of seven Directors (three Outside Directors), and deliberates and makes decisions on important matters related to the execution of the Company's business, and executes business, and mutually supervises the execution of duties among the Directors. The Board of Directors holds the Ordinary Board of Directors Meeting once a month, in principle, and the Extraordinary Board of Directors Meeting as necessary to make decisions flexibly.

The activities of the Board of Directors for the year ended December 31, 2024 were as follows.

President	Hiroyuki Iwasaki	14/14(100%)	
Senior Managing Director	Syuuji Asami	14/14(100%)	
Director	Takuji Yanagisawa	14/14(100%)	
Director	Masaki Nakamura	14/14(100%)	
Outside Director	Souichi Katsuki	14/14(100%)	
Outside Director	Takao Nakamura	13/14(92%)	
Outside Director	Kiyomi Nojiri	5/11(45%)	Notes:2
Outside Director	Yuko Kato	—	Notes:3

Notes:1. In addition to the number of meetings of the Board of Directors mentioned above, there was also five written resolution deemed to have been adopted by a resolution of the Board of Directors in accordance with Article 370 of the Companies Act and the Articles of Incorporation.

2. Outside Director Kiyomi Nojiri attended the meetings of the Board of Directors held on March 27, 2024 and thereafter.

3. Outside Director Yuko Kato was elected at the General Meeting of Shareholders held on March 25, 2025.

The Board of Directors deliberates and makes decisions on matters related to basic management policies, matters related to management plans, matters related to the General Meeting of Shareholders, matters related to the Board of Directors and the Board of Directors, matters related to financial results, matters related to stocks, matters related to organization and personnel, dispositions and transfers of important assets, large amounts of borrowed goods, and other matters related to the execution of important business.

[Board of Corporate Auditors]

The Board of Corporate Auditors consists of four members (three Outside Corporate Auditors); one Full-time Corporate Auditors and three Part-time Corporate Auditors. It rigorously audits the execution of duties by Directors and conducts accounting audits and business

audits for the Company. In principle, the Board of Corporate Auditors Meeting is held once a month to ensure the effectiveness of corporate governance.

The activities of the Board of Corporate Auditors for the year ended December 31, 2024 were as follows.

Full-time Corporate Auditor Masaaki Takaki 12/12(100%)

Full-time Corporate Auditor Atsushi Igarashi 3/3(100%)

Outside Corporate Auditors Yasunori Matsumoto 12/12(100%)

Corporate Auditors Osamu Nakagawa 12/12(100%)

Outside Corporate Auditors Kiyohito Hamada 12/12(100%)

Notes: Full-time Corporate Auditor Atsushi Igarashi resigned at the conclusion of the General Meeting of Shareholders on March 27, 2024, and the status of attendance at meetings of the Board of Corporate Auditors held during his term of office is described.

Specific items to be considered by the Audit & Supervisory Board include all cases related to the execution of duties by directors, the verification and evaluation of audits by the accounting auditor, the status of the development and operation of the internal control system, the progress of internal audits, and business management, including those of subsidiaries. The Audit & Supervisory Board implements effective auditing operations based on appropriate information sharing and the exchange of opinions.

[Management Committee]

The Management Committee is composed of Executive Directors, Executive Officers, Full-time Corporate Auditors, and Division Managers designated by the President, and it meets once a month, in principle. At meetings of the Management Committee, reports are made on management plans, organizational structures, financial conditions, business conditions, etc., and measures for important matters that require deliberation are deliberated.

[Nomination, Remuneration and Evaluation Committee]

The Nomination, Remuneration and Evaluation Committee consists of at least three members, mainly Independent Outside Directors (and is chaired by an Independent Outside Director). The committee deliberates on matters such as the nomination, remuneration and evaluation of Directors, and provides advice and recommendations to the President.

The activities of the Board of Corporate Auditors for the year ended December 31, 2024 were as follows.

Outside Director Souichi Katsuki 2/2(100%)

Outside Director Takao Nakamura 2/2(100%)

Outside Director Kiyomi Nojiri 2/2(100%)

Outside Director Yuko Kato —

Notes: Outside Director Yuko Kato was elected at the General Meeting of Shareholders held on March 25, 2025.

[Status of Accounting Audit]

Deloitte Touche Tohmatsu LLC. performs accounting audits of the Company. There are no special interests between the Company and the audit corporation and its engagement partners. The names of the certified public accountants who executed accounting audit services in the 20th fiscal year and a breakdown of the team auditing the Company's accounts are as follows.

Continuous audit period

18 years

Names of certified public accountants who executed accounting audit services

Keiji Koide, Engagement Partner of Designated Limited Liability Partner

Yutaka Takeda, Engagement Partner of Designated Limited Liability Partner

Breakdown of team auditing the Company's accounts

Five certified public accountants

21 others

3. Basis of selection of the current corporate governance systems

The Company has appointed three Outside Directors and three Outside Corporate Auditors. Each of the Outside Directors and Outside Corporate Auditors is well versed in corporate governance and internal control systems, has broad insight and abundant experience, attends the Board of Directors meetings of the Company, and supervises, advises, and audits decision-making concerning business execution. Full-time Corporate Auditors also regularly attend other important meetings and express their opinions as necessary.

The Company has adopted this system in order to ensure the appropriateness of its operations.

III. Implementation of Measures Concerning Shareholders and Other Stakeholders

1. Status of initiatives to revitalize the General Meetings of Shareholders and facilitate the exercise of voting rights **Updated**

	Supplementary explanations
Early dispatch of Notice of the General Meeting of Shareholders	In order to revitalize the General Meetings of Shareholders and facilitate the exercise of voting rights, the Company is working to expedite the settlement of accounts for the early dispatch of the Notice of the General Meeting of Shareholders (at least three weeks prior to the date of the meeting) and to develop an internal system for expediting the preparation of the convocation notice and so forth. The Notice of the 22nd Ordinary General Meeting of Shareholders held on March 25, 2025 was disclosed early on the Company website and the Tokyo Stock Exchange website on February 28, 2025, prior to the dispatch of the notice.
Scheduling the General Meeting of Shareholders to avoid days on which many other companies' general meetings of shareholders are held	We will work to avoid days on which many other companies' general meetings of shareholders are held and to flexibly select a place where shareholders can attend, in consideration of their convenience.
Exercise of voting rights by electromagnetic means	A system to exercise voting rights via the internet has been introduced to enable the exercise of voting rights via personal computers, mobile phones and smartphones.
Participation in the electronic voting platform and other initiatives to enhance the voting rights exercise environment for institutional investors	If you apply in advance to use the electronic voting platform for institutional investors operated by ICJ, Inc., you can use the platform as a method for exercising voting rights at the Company's General Meeting of Shareholders.
Provision of convocation notice (summary) in English	The proposal portion of the convocation notice is provided in English for foreign investors.

2. IR-related Activities **Updated**

	Supplementary explanations	Explanation by the representative (yes/no)
Preparation and publication of disclosure policies	The policy on IR and disclosure is posted on the Company website. https://en.mdv.co.jp/investor-relations/management.html	
Holding of Periodic results briefings for individual investors	The Company holds briefings for individual investors where the President explains its business results and management policies.	Yes
Holding of periodic results briefings for analysts and institutional investors	The briefings are scheduled to be held four times a year, on a quarterly basis.	Yes
Posting of IR materials on the website	Financial results summary, timely disclosure materials, briefing materials, annual securities reports and quarterly reports are posted on the IR pages of the Company website.	
Establishment of IR department (person in charge)	The IR/SR Division is in charge of IR-related matters.	

3. Status of initiatives for the protection of stakeholder interests **Updated**

	Supplementary explanations
Stipulation of a provision on the protection of stakeholder interests in internal regulations, etc.	It is stipulated in the Information Disclosure Regulations.
Environmental Preservation and CSR Activities	<Environmental Initiatives> <ul style="list-style-type: none"> • Governance In July 2022, our Group established the Sustainability Promotion Committee directly under the Board of Directors to realize a sustainable society and increase corporate value through corporate activities that take the environment, society, and the economy into consideration. This committee meets quarterly and is chaired by the President and Representative Director, who is the chief executive officer related to ESG, and is composed of full-time corporate auditors, division general managers, and general managers. The committee plans and drafts overall plans, strategies, measures, etc. related to the Group's sustainability promotion activities, monitors the progress of these plans, and evaluates the status of achievements. In particular, with regard to climate change issues, we have established a subcommittee under the Committee, which is chaired by the General Manager of the Corporate Planning Division. This subcommittee is tasked with formulating action policies and conducting monitoring as an important company-wide theme. The contents of these reports are reported to the Board of Directors once a quarter, and the Board of Directors provides consultation and oversight on the content of reports.

• Strategy

① Analysis process

With reference to the risks and opportunities presented in TCFD Recommendations, we examined the risks and opportunities that climate change issues may have on our Group's business in the following steps: "Identifying and evaluating risks and opportunities" → "Defining scenario groups" → "Financial impact evaluations" → "Considering countermeasures". In addition, two scenarios, the 1.5°C scenario and the 4°C scenario, were used to analyze the transition of policies and market trends (transition risks and opportunities) and to analyze physical changes (physical risks and opportunities) caused by disasters and other events.

② Climate Change Scenarios

1.5 °C scenario (decarbonisation scenario)

A scenario in which efforts to achieve carbon neutrality to curb the impact of climate change have become more active, and the average global temperature has been set at 1.5°C compared to before the industrial revolution. In the 1.5 °C scenario, the impact of policy and regulatory risks is assumed to be greater than in the 2°C scenario among the transition risks.

4°C scenario (high emission scenario)

A scenario in which climate change countermeasures do not progress from the current situation and the average temperature in the world is expected to increase by about 4°C around the end of this century compared to before the industrial revolution. It is assumed that the impact of severe extreme weather and sea-level rise risks on physical risks will increase.

③ Assessing the impact of risks and opportunities and selecting countermeasures

We identified important risks and opportunities for the Group's business based on climate change scenarios. The impact of identified risk and opportunity items on our business is assessed qualitatively and quantitatively through scenario analysis, and countermeasures are formulated. The scenarios used in the valuation were mainly IEA Net Zero Emission as the 1.5°C scenario and IPCC SSP5-8.5 as the 4°C scenario.

For details of the selected items, please refer to the "Integrated Report 2024" p.24 "Disclosure of Information Related to Climate Change".

"Integrated Report 2024": https://www.mdv.co.jp/ir/library/pdf/integrated_240624.pdf

• Risk Management

① Process of identifying and assessing climate-related risks

We have established the Control Committee Rules and established the Control Committee, chaired by the representative director, to establish a management system for preventing, detecting, correcting, and preventing recurrence of all risks that may arise in business operations, and to respond to the risks that arise. The Sustainability Promotion Committee identifies and evaluates risks associated with climate change not only with short-term risks, but also medium- and long-term risks. Especially important risks are reported to the Board of Directors as necessary.

② Process of managing climate-related risks

For identified and assessed climate-related risks, the Sustainability Promotion Committee determines preventive measures and response policies in order to mitigate risks. Other company-wide risks are managed by the Control Committee. Countermeasures are reported to the Board of Directors, followed by the Control Committee from the Board of Directors and implemented by the relevant corresponding organization. In addition, risk impact and frequency of occurrence are evaluated on a five-point scale, and the importance of risks to be addressed is determined by classifying the importance of risks into four levels as a comprehensive evaluation.

For the process of determining the significance of risks, please refer to "2. Business Conditions, 2. Approach to Sustainability, (2) Response to Climate Change, ③ Risk Management" in the Annual Securities Report.

Financial Report for the Year Ended December 31, 2024: https://www.mdv.co.jp/ir/library/security_report.html

③ Process of integration into company-wide risk management

In principle, the Control Committee meets once a quarter to assess the status of responses to the risk items covered by our risk management initiatives. With regard to risks related to climate change, the Sustainability Promotion Committee and the Risk and Compliance Committee work together to manage risks in the same process as for company-wide risks and establish an integrated risk management system.

	<p>• Indicators and Targets</p> <p>In order to assess and manage the impact of climate-related issues on management, since fiscal 2022 we have been calculating greenhouse gas emissions (Scope1-3) based on GHG Protocol standards. Regarding the reduction target for greenhouse gas emissions, we have set a reduction level of 42% or more in Scope1,2 and 25% or more in Scope3 from the base emissions in fiscal 2022 for our group in fiscal 2030.</p> <p>These targets have been accredited as SBT(Science Based Targets, an initiative to reduce GHG emissions.In the future, we will promote various reduction activities such as introduction of renewable energy and thorough energy saving in order to achieve the target.</p> <p>For the calculated GHG emissions (Scope1-3), please refer to the “Integrated Report 2024” p.24 “Disclosure of Information Related to Climate Change”.</p> <p>“Integrated Report 2024”: https://www.mdv.co.jp/ir/library/pdf/integrated_240624.pdf</p>
<p>Formulation of policies, etc. on information provision to stakeholders</p>	<p>The Company believes that as a listed company, it is our duty to disclose corporate information to shareholders, investors and all other stakeholders in a timely and appropriate manner, and it is important to fully recognize that fulfilling this duty is essential as a member of a sound securities market and promptly, accurately and fairly disclose corporate information from the perspective of shareholders and investors at all times. Thus, the Company intends to provide information on our website and through briefings held as appropriate.</p>

IV. Matters Concerning Internal Control Systems, Etc.

1. Basic views on internal control systems and status of their development

In order to ensure that the execution of duties by Directors complies with laws and regulations and the Articles of Incorporation, as well as to ensure the appropriateness of the Company's business operations, the Company has set forth the Basic Policy on the Development of Internal Control Systems and has developed an internal control system based thereon.

1. System to ensure that Directors and employees execute their duties in compliance with laws and regulations and the Articles of Incorporation

(1) Directors and employees of the Company and its subsidiaries (hereinafter referred to as "the Group") will comply with laws and regulations and the Articles of Incorporation, the Management Philosophy and the Corporate Ethics set forth by the Group, and will act with high ethical standards.

(2) Promote the use of the whistle-blowing system, and endeavor to detect, at an early stage, violations of the Group's Articles of Incorporation and internal regulations, laws and regulations, and the Company's conduct guidelines, or any facts that are deemed likely to lead to such violations. The Company will not dismiss or otherwise disadvantageously treat a whistle-blower on the grounds that he/she has made a report, etc.

(3) The Internal Audit Department will investigate the actual condition of business operations and property management in accordance with the Internal Audit Regulations, and confirm that the execution of duties by the Group's Directors and employees conforms to laws and regulations, the Articles of Incorporation, and internal regulations, etc., and is conducted efficiently.

(4) With regard to the exclusion of antisocial forces, the Basic Policy on Antisocial Forces will be set forth, and the Group will take a resolute stance against antisocial forces and ban any and all relations with them.

2. System to retain and manage information relating to the execution of duties of Directors

(1) The Group's Directors will record documents and other information relating to the execution of their duties in writing or electromagnetic media in accordance with the provisions of laws and regulations and internal regulations, and will appropriately retain and manage such documents and other information, and prepare for requests for inspection by Corporate Auditors, etc.

(2) Formulate regulations for information security management, and establish and maintain appropriate information security levels.

(3) Formulate regulations for information system management, and safely manage and maintain information systems.

3. Rules and other systems for managing the risk of loss

(1) Risk management will be conducted effectively and comprehensively under the Group's consistent policies in accordance with the Risk Management Regulations.

(2) Important risk handling policies and other matters that are important from the viewpoint of risk management will be fully deliberated by the Control Committee, and particularly important matters will be reported to the Board of Directors.

4. System to ensure the efficient execution of duties by Directors

(1) The Board of Directors holds the Ordinary Board of Directors Meeting once a month and the Extraordinary Board of Directors Meetings as necessary to make decisions flexibly, and ensures a system to facilitate the appropriate execution of duties.

(2) Each department will ensure promptness and efficiency by delegating authority and clarifying responsibilities in accordance with internal regulations such as the Regulations for Division of Duties and the Official Authority Standards.

5. System to ensure appropriateness of operations within the Group

(1) The Company's subsidiary is positioned as a division of the Company, and the chain of command, authority and reporting obligations, including each organization within the subsidiary, will be established to manage the entire Group in a comprehensive and controlling manner.

(2) Corporate Auditors and Internal Audit Supervisors audit and provide guidance on the execution of duties by the Group's Directors and employees.

6. System for employees who are to assist with the duties of Corporate Auditors

(1) When Corporate Auditors request that an employee be assigned to assist with their duties, an employee will be assigned to assist the Corporate Auditors in performing their duties as necessary after consultation with the Corporate Auditors. Moreover, the authority to direct the relevant employee during the period in which he/she is to assist with the duties of the Corporate Auditors shall be delegated to the Corporate Auditors, and the relevant employee shall not be subject to the instructions and orders of the Directors. The approval of the Corporate Auditors shall be required for personnel evaluations, transfers, disciplinary actions, etc.

7. Systems for Directors and employees to report to Corporate Auditors and other systems for reporting to Corporate Auditors

(1) The Group's Directors and employees will report on the Group's business and internal controls, the status of business execution, etc. at the request of Corporate Auditors, and the Internal Audit Department reports on the results of internal audits.

(2) The Group's Directors and employees will promptly report to Corporate Auditors any serious violations of laws and regulations and the Articles of Incorporation, and misconduct, or any facts that are deemed likely to cause significant damage to the Group.

(3) This system ensures that a person who has made a report to Corporate Auditors is not treated disadvantageously on the grounds of making such report.

8. Matters related to policies for the processing of expenses or obligations arising from the execution of duties by Corporate Auditors

(1) When a Corporate Auditor makes a request for advance payment or reimbursement, etc. of expenses incurred in the execution of his/her duties, such expenses or obligations will be promptly processed unless they are deemed unnecessary for the execution of the duties of the relevant Corporate Auditor.

9. Other systems to ensure the effective execution of audits by Corporate Auditors

(1) In addition to attending the Board of Directors meetings, Corporate Auditors may attend important meetings within the Group and express their views.

(2) Corporate Auditors will regularly exchange opinions with the President, and exchange opinions with other Directors and Internal Audit Supervisors as appropriate.

10. System to ensure the reliability of financial reporting

(1) In order to ensure the reliability of the Group's financial reporting, the Company shall set forth the Basic Policy on Financial Reporting, develop and operate an internal control system for financial reporting, continually evaluate its proper functions, and take necessary corrective measures.

2. Basic views on the exclusion of antisocial forces and status of the development thereofUpdated

The Company stipulates the exclusion of antisocial forces in the Basic Policy on Antisocial Forces. To date, the Company has had no relationship with antisocial forces, including business relationships.

As for the antisocial forces exclusion system at the Company, we have established the Antisocial Forces Regulations under the control of the Administration Division and Risk Compliance Division, and have been complying with and operating the same in accordance with the Antisocial Forces Manual.

Specifically, it is required to confirm that officers and employees have no relationship with antisocial forces prior to their hiring, and to investigate or confirm the same for shareholders before they become new acquirers prior to the allotment or transfer of shares.

Moreover, the Company collects information on new business partners using an external investigation organization, etc. and conducts prior checks, and periodically investigates ongoing business partners. Master Agreements concluded with business partners include an antisocial forces exclusion clause stating to the effect that if the business partner is found to constitute an antisocial force, the contract may be canceled.

In order to strengthen the relationship with the local police station and the National Center for Removal of Criminal Organizations, the Company has appointed a person in charge of the prevention of unreasonable demands and has him/her participate in external seminars, etc., collect information and conduct internal training, thereby ensuring that all officers and employees are fully aware of this.

V. Other

1. Take-over defense measures (yes/no)

Take-over defense measures (yes/no)	None
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Supplementary explanation of applicable items

2. Other matters related to corporate governance systems, etc. **Updated**

1. Basic policy on timely disclosure

The Company values transparency and fairness in management and provides information in a timely, accurate, and fair manner in accordance with the Financial Instruments and Exchange Act and the rules stipulated by the Tokyo Stock Exchange.

2. Disclosure standards for corporate information

The Company will disclose necessary corporate information in accordance with the Financial Instruments and Exchange Act and the Rules for Timely Disclosure of Company Information by Issuers of Listed Securities stipulated by the Tokyo Stock Exchange.

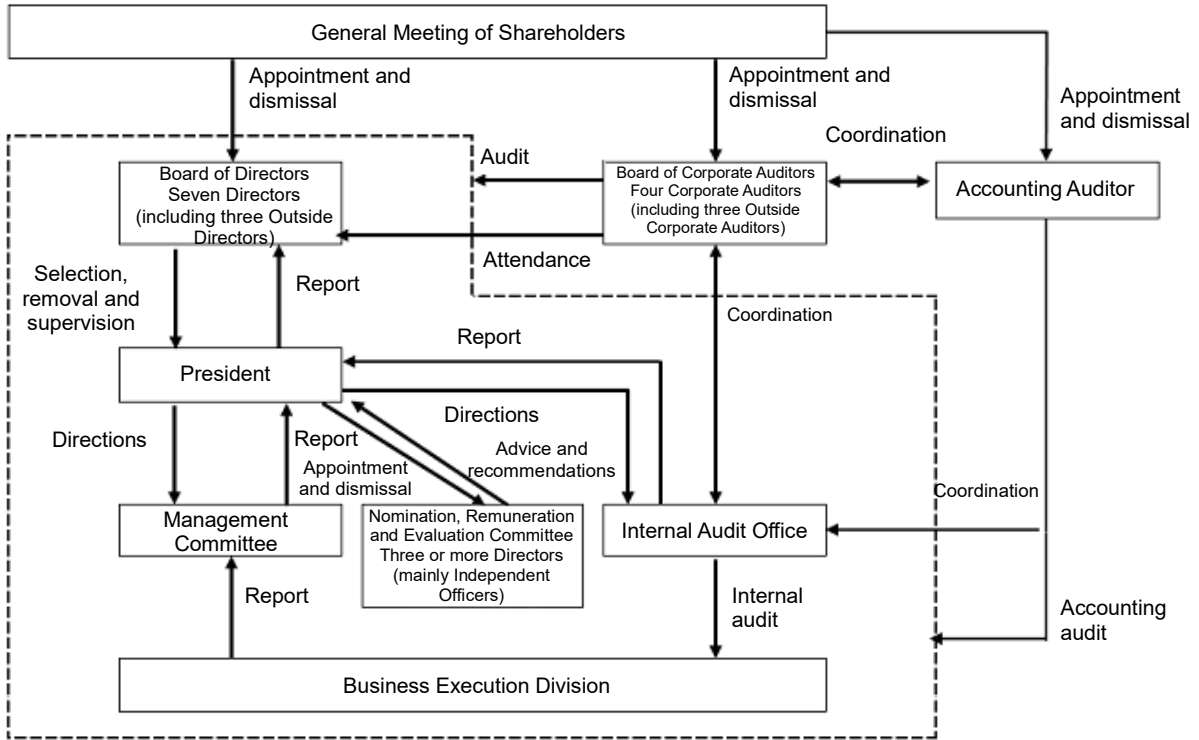
3. Internal system for timely disclosure of corporate information

The Company designates the Executive Officer and General Manager of the Corporate Planning Division as the Information Disclosure Manager and the IR/SR Division as the department in charge of information disclosure for information management. Under the system, important matters and information on the settlement of accounts are deliberated by the Board of Directors without any omission. In addition, the Company has established a system that enables the Information Disclosure Manager to quickly and comprehensively grasp the fact of the occurrence of material events through direct reports from division heads, and reports from the Director in charge and division heads at meetings of the Board of Directors and the Management Committee held once a month. If necessary, the Information Disclosure Manager will determine the necessity of disclosure pursuant to the Timely Disclosure Rules, with advice from external experts such as an audit corporation and a corporate lawyer.

The Information Disclosure Manager and the department in charge of information disclosure are in charge of preparing disclosure documents. After preparation, the full text is checked by multiple persons in charge of proofreading disclosure materials appointed in advance by the Information Manager to prevent erroneous entries and other mistakes. After necessary checks by external experts, the text is finally confirmed and approved for disclosure by each Director and Corporate Auditor at a meeting of the Board of Directors, and is disclosed to the public.

4. Insider trading prevention system

Having established the Rules for Preventing Insider Trading and regulations on the management of internal information and treasury stock trading by its officers and employees, the Company strives to prevent insider trading by its officers and employees by thoroughly disseminating the content of laws and regulations and internal regulations at educational and training sessions, etc. By holding regular internal training sessions on the regulation on insider trading, including not only treasury stocks, but also the shares of business partners, etc. from which internal information can be obtained in connection with duties, the Company will strive to prevent insider trading by thoroughly disseminating the content of laws and regulations and internal regulations.



[Reference Material: Outline of Timely Disclosure System (Diagram)]

