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FEED ONE Co, Ltd.
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https://www.feed-one.co.jp/english/

The corporate governance of FEED ONE Co, Ltd. (the "Company") is described below.

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

1. Basic Views

Our group positions corporate governance as a critical management issue. While striving to enhance corporate value, our fundamental policy is to establish an optimal management system that ensures efficiency, transparency, and soundness in management. This is to gain the trust of stakeholders, including shareholders, customers, business partners, local communities, and employees.

Reasons for Non-compliance with the Principles of the Corporate Governance Code

The company fully implements all principles of the Corporate Governance Code.

Disclosure Based on each Principle of the Corporate Governance Code

［Principle 1-4］

The Company verifies the significance of its holdings of policy shareholdings at least once a year at meetings of the Board of Directors.

Specifically, in addition to assessing whether the benefits and risks associated with holding each stock are commensurate with the cost of capital, the Company comprehensively evaluates dividend income, the profitability of related transactions, the necessity of maintaining and strengthening business relationships, and other strategic business and financial considerations, and determines the rationality of holding such shares.

As a general rule, shares deemed not to be commensurate with the cost of capital will be reduced. On the other hand, in order to achieve sustainable growth, the Company makes careful decisions by comprehensively taking into account the necessity from business and financial strategies, as well as business relationships with counterparties.

In addition, with respect to the exercise of voting rights for policy shareholdings, clear approval authority is stipulated in internal regulations. Each proposal is evaluated individually based on whether it contributes to the sustainable growth of both the Company and the investee company, as well as to the enhancement of medium- to long-term shareholder value.

Furthermore, the Company will vote against proposals that are judged to have a significant adverse impact on its business activities.

[Principle 1-7]

As a general principle, the Company conducts transactions with the Company, its directors, and major shareholders on terms that are deemed reasonable, taking into account market prices and comparisons with other companies. In addition, the Company confirms at least once a year whether any related party transactions involving directors exist. When such transactions are to be carried out, their economic rationality is thoroughly reviewed and verified by the Board of Directors.

[Supplementary Principle 2-4-1]

The company is committed to hiring and promoting individuals regardless of gender, nationality, or other attributes.

For information on promoting women's participation, please refer to the following URLs:

(https://www.feed-one.co.jp/english/csr/data/data.html)

(https://positive-ryouritsu.mhlw.go.jp/positivedb/detail?id=42650)

We believe that recognizing and respecting all employees with diverse backgrounds, and leveraging their individual abilities and experiences, is crucial for the sustainable growth of the company. Therefore, we aim to create a workplace environment where diverse employees can fully utilize their abilities.

We continue to secure talent such as women, foreigners, and mid-career hires, and aim to increase the ratio of these individuals in managerial positions to over 15% by fiscal year 2030 (from 10.9% in fiscal year 2025).

For our policies on human resource development and social environment improvement aimed at ensuring diversity, please refer to the following URL:

(https://pdf.irpocket.com/C2060/xoA3/IjHJ/zR6v/f9b8.pdf#page=31)

[Principle 2-6]

The company has adopted a defined contribution pension plan.

[Principle 3-1]

・Company objectives (e.g., business principles), business strategies and business plans

The Company has established the Purpose "Feed the World for the future, lives and smiles" and the Mission "一粒万倍（A single seed can eventually produce a great harvest)" as our management philosophy.

Under this philosophy, we provide high-quality products that contribute to the productivity of livestock and aquaculture producers and ensure the stable supply of safe and secure food to consumers by leveraging our unique business model from upstream to downstream. For more information on our management strategy and management plan, please refer to our website.

・Management Philosophy and Management Plan (Mid-term Management Plan 2026)]

(https://pdf.irpocket.com/C2060/nGVW/FtWb/D4I4.pdf)

・FY2026 Financial Results Briefing Video

(https://webcast.net-ir.ne.jp/20602605/index.html)

・Basic views and guidelines on corporate governance based on each of the principles of the Code

For our basic approach and policy on corporate governance, please refer to "I. 1. Basic Approach" in this report.

・Board policies and procedures in determining the remuneration of the senior management and directors

The company has established the following policy for the remuneration of executive officers and directors (excluding directors who are audit and supervisory committee members):

[Basic Policy]

In principle, decisions regarding individual remuneration for directors will be delegated to a nomination and remuneration committee primarily composed of independent outside directors, and a process will be followed to ensure transparency and objectivity in the procedures for determining executive remuneration.

The remuneration design provides incentives for short-term performance based on business plans and long-term corporate value enhancement based on the mid-term management plan.

The remuneration amounts for each position are set at levels that can attract and retain excellent personnel, referencing similar companies.

Based on the above policy, the Company's Board of Directors has delegated the determination of remuneration for executive officers and directors (excluding directors who are members of the Audit and Supervisory Committee) to the Nomination and Remuneration Committee, which is primarily composed of independent outside directors.

Remuneration for outside directors (excluding those who are members of the Audit and Supervisory Committee) consists solely of fixed compensation.

The basic remuneration for directors who are members of the Audit and Supervisory Committee is determined within the total amount approved by the General Meeting of Shareholders, and is decided through consultation among the members of the Audit and Supervisory Committee.

・Policy for Selecting Executive Officers and Nominating Director Candidates

The selection of executive officers and the nomination of directors (excluding directors who are audit and supervisory committee members) are based on a comprehensive consideration of each candidate's abilities, qualities, and achievements. For the nomination of outside directors, we also consider individuals who can provide objective opinions. The nomination of director candidates who are audit and supervisory committee members is based on a comprehensive consideration of their ability to appropriately supervise the execution of duties by directors (excluding directors who are audit and supervisory committee members), prevent violations of laws and regulations or the Articles of Incorporation, and contribute to ensuring the soundness of management from a neutral and objective perspective.

・Procedures Related to the Above Policies

The Company will establish a Nomination and Remuneration Committee, mainly composed of independent outside directors, to select candidates for directors and to consider the appropriateness of the remuneration system for directors (excluding directors who are audit and supervisory committee members).

The selection of director candidates who are not audit and supervisory committee members is decided by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee.

The selection of director candidates who are audit and supervisory committee members is decided by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee and the consent of the Audit and Supervisory

Committee.

We also explain the reasons for the selection and nomination of each director candidate in the proposal for the election of directors.

The decision on the remuneration of executive officers and directors (excluding directors who are audit and supervisory committee members) is delegated to the Nomination and Remuneration Committee.

[Supplementary Principle 3-1-3]

The company discloses its sustainability initiatives on our website:

(https://www.feed-one.co.jp/english/csr/)

We also disclose investments in human capital and intellectual property in our integrated report:

(https://www.feed-one.co.jp/english/ir/integrated_report/)

In the feed and livestock industry, climate change-related risks include increases in corn prices, the principal raw material used in feed production, as well as damage to the Company's production facilities and the livestock barns of producers and business partners caused by natural disasters.

Information regarding the impact of these risks and opportunities on the Company's business activities and earnings is disclosed in its Annual Securities Report.

(https://pdf.irpocket.com/C2060/ccdN/D2Mw/bney.pdf#page=26)

[Supplementary Principle 4-1-1]

The company has established a job authority regulation that defines the scope of delegation to the management at the Board of Directors' meeting. We set certain criteria for matters to be decided by the Board of Directors, such as the mid-term management plan and important capital policies and matters to be delegated to the management.

As a company with an audit and supervisory committee, we aim to expedite decision-making by delegating the decision-making on important business executions to directors.

[Principle 4-8-2]

The Company has appointed a Lead Independent Outside Director and has established a framework to facilitate communication and coordination between the Independent Outside Directors and management.

In addition, the Independent Outside Directors, including the Lead Independent Outside Director, conduct an annual self-assessment of their activities. Based on this assessment, they hold meetings with the President and Representative Director to reconfirm their respective roles. The outcomes of these meetings are shared with the Lead Independent Outside Director.

[Principle 4-9]

When selecting independent outside directors, the Company applies the criteria for determining independence set out by the Tokyo Stock Exchange, Inc.

[Supplementary Principle 4-10-1]

The Company has established a Nomination and Remuneration Committee, primarily composed of independent outside directors. This committee objectively examines the appropriateness of important matters related to nominations and remuneration, including the selection of director candidates, executive compensation structures, and succession planning, and determines remuneration details, subsequently providing recommendations to the Board of Directors.

In addition, one independent outside director who serves as an Audit and Supervisory Committee member participates in the committee, ensuring that the Audit and Supervisory Committee is able to audit and oversee the discussions conducted within the Nomination and Remuneration Committee.

[Supplementary Principle 4-11-1]

The company believes that the current composition of the Board of Directors is of an appropriate size for prompt decision-making. We select director candidates who have diverse knowledge, including extensive industry knowledge, company management, and expertise in law, to enable multifaceted discussions at the Board of Directors' meetings.

The skills matrix of each director is disclosed at the following

URL:

(https://pdf.irpocket.com/C2060/fcDL/qXdt/UCUG.pdf)

[Supplementary Principle 4-11-2]

The company discloses the concurrent positions of officers in the business report, etc., annually. Please refer to the following URL:

(https://pdf.irpocket.com/C2060/fcDL/qXdt/UCUG.pdf)

[Supplementary Principle 4-11-3]

To enhance the effectiveness of the Board of Directors and thereby increase corporate value, the Company conducts an annual questionnaire, including self-assessments, with all directors, including outside directors, and analyzes and evaluates the overall effectiveness of the Board.

In order to obtain objective perspectives, the Company utilizes an external organization, which provides support such as analysis of the questionnaire results and benchmarking against other companies.

＜Initiatives to Address Issues Identified in the FY2024 Effectiveness Evaluation＞

The analysis for FY2024 recognized that, following the transition to a company with an Audit and Supervisory Committee, higher levels of Board effectiveness are required. It also identified ongoing issues requiring continuous attention, including enhancement of the Board’s composition in terms of skills and diversity from both management strategy and gender perspectives, as well as responses to potential risks across the entire group.

○Measures to Address the Issues

・Appointment of a Lead Independent Outside Director in June 2025.

・Review of the audit framework of subsidiaries in June 2025, strengthening group governance by assigning operational audit functions to all corporate auditors.

・Implementation of one-on-one meetings in July 2025 between the Representative Director and President and independent outside directors to enhance the Board's skill alignment with management strategy.
・As of the conclusion of the 12th Annual General Meeting of Shareholders in June 2026, a review of the governance structure (including directors serving on the Audit and Supervisory Committee) was conducted, resulting in independent outside directors comprising a majority (more than half) of the nine-member Board, and all three Audit and Supervisory Committee members being independent outside directors.
・As of the same date, to reflect diverse perspectives from the viewpoints of management strategy and gender diversity, the number of female outside directors with diverse careers and skill sets was increased by one, resulting in a total of two.

＜Effectiveness Evaluation for 2025＞

At the Board of Directors meeting held on June 16, 2026, the Company conducted analysis, discussion, and evaluation of the effectiveness of the Board for FY2025. A summary of the results is as follows:

○Issues Identified

・Ensuring appropriate oversight of the internal control system across the entire group, including assessment and response to potential risks at subsidiaries.
・Establishing a framework to strengthen coordination between directors and the internal audit department.
・Developing response measures and management systems for cybersecurity risks.
・Formulating a human resources strategy aligned with the direction of management strategy.
・Continuing to analyze the causes of opposing votes at the General Meeting of Shareholders and to consider appropriate responses.

The Company will continue to enhance the effectiveness of the Board of Directors by promptly addressing these issues based on the results of the effectiveness evaluation, following thorough consideration.

[Supplementary Principle 4-14-2]

To fulfill their roles and enable the Board of Directors to effectively exercise its supervisory function, the Company's directors proactively gather information and continuously enhance their knowledge regarding the business environment surrounding the Company and the status of its operations. The Company provides directors with ongoing opportunities for knowledge acquisition and skill development necessary to meet their expected roles and responsibilities.

○Main Initiatives

・Conducted training sessions for Outside Directors, including industry-specific knowledge.
  FY 2023: Financial and Non-Financial Literacy
  FY 2024: Business Ethics and Compliance
  FY 2025: Feed Safety Regulations and Compound Feed Manufacturing
  FY 2026: Key Management Indicators and Their Improvement Strategies
・Gained an overview of the Group's overall management through various agenda items and reports submitted to the Board of Directors.
・To deepen their understanding of the execution of operations, Outside Directors attend key meetings, including Management Committee meetings, Group Strategy meetings, Livestock Business Division meetings, and Aquaculture Feed Business

meetings.

・To further enhance their understanding of the Company's business, Outside Directors conduct site visits to operational locations.
(FY2023: April – Dairy farmers / October – Feed mill and food subsidiary)
(FY2024: July – Livestock Research Center / March – Pig farm and food subsidiary)
(FY2025: September – New plant construction site and food subsidiary / February – Feed mill)
(FY2026: September – Branch offices and Feed mill)

[Principle 5-1]

The Company's basic policy is to disclose necessary information in a timely, appropriate, and fair manner so that investors can make informed investment decisions. In addition, the Company strives to enhance constructive dialogue through two-way communication with shareholders and investors.

・The IR & Financial Planning Section of the Finance and Accounting Department plays a central role, working in coordination with the Corporate Planning Department, the General Affairs Department, and other relevant divisions. Through initiatives such as holding financial results briefings, enhancing disclosures on the Company's website, and submitting the annual securities report prior to the ordinary general meeting of shareholders, the Company promotes dialogue with shareholders and investors.

・In response to requests for dialogue from institutional investors, the Senior Managing Executive Officer, who serves as Head of the Administrative Division, appropriately participates and provides explanations regarding management strategy, capital policy, business portfolio, and sustainability.

・In addition to institutional investors, the Company has launched IR activities targeting individual investors from fiscal year 2025. Through briefings and information dissemination for individual investors, the Company strives to provide clear explanations of its business activities, management strategy, and financial and capital policies, thereby enhancing constructive dialogue with a wide range of shareholders and investors.

・Opinions and concerns expressed by shareholders and investors through IR activities are shared with management and the Board of Directors in a timely manner and are utilized in the consideration of capital policy, disclosure policy, and business strategy, with the aim of enhancing corporate value.

・With respect to the management of insider information, the Company has established internal rules and ensures that they are thoroughly communicated throughout the organization. In addition, strict measures are implemented, such as restricting dialogue during certain periods, including around financial closing dates.

[Supplementary Principle 5-2-1]

Based on its business strategy, the Company determines its business portfolio, taking into account the cost of capital and the optimal allocation of management resources, and formulates its medium-term management plan. The Board of Directors continuously reviews whether the allocation of management resources, including cash and cash equivalents, is appropriate from the perspectives of growth investment, improvement of profitability, review of the business portfolio, financial soundness, and shareholder returns.Furthermore, the Board verifies the appropriateness and effectiveness of capital expenditures, R&D investments, investments in human capital, and investments in intangible assets from the perspectives of capital efficiency and growth potential.If it is determined that a review of the business portfolio is necessary, the Company's policy is to disclose, in a

timely and appropriate manner, the businesses subject to review and the reasons for such review.

Action to Implement Management That Is Conscious of Cost of Capital and Stock Price

Content of Disclosure	Disclosure of Initiatives (Update)
Availability of English Disclosure	Available
Date of Disclosure Update	June 19, 2026

Explanation of Actions

Under its “Medium-term Management Plan 2026 – 1st STAGE for NEXT 10 YEARS” (for the period from the fiscal year ended March 2025 to the fiscal year ending March 2027), the Company positions ROE and ROIC as key indicators for measuring capital efficiency, and has set target levels for the final fiscal year of ROE of 8% or higher and ROIC of 6% or higher.

The cost of equity and weighted average cost of capital (WACC) are calculated using a CAPM-based formula, taking into account beta values and debt-to-equity ratios (DER) of comparable listed companies, with assumed levels of 8% and 6%, respectively.

The Board of Directors continuously reviews the allocation of management resources, including cash and deposits, from the perspectives of growth investment, profitability improvement, optimal capital structure, and shareholder returns, with the aim of achieving returns on capital that exceed the cost of capital.

ROIC is managed on a business-segment basis. By developing and utilizing a ROIC tree and a roadmap for capital cost-based management, the Company visualizes KPIs at the operational level and promotes their penetration among employees. Through these initiatives, the Company seeks to accelerate growth, improve profitability, achieve an optimal capital structure, and strengthen its management foundation.

In addition, the Company reviews the content and effectiveness of investments in capital expenditures, research and development, human capital, and intangible assets, and promotes initiatives to enhance corporate value, including improving the price-to-book ratio (PBR).

Furthermore, through IR activities—such as dialogue between directors or senior management and shareholders and investors, as well as enhanced disclosure—the Company aims to increase its market recognition and improve its PBR.

Moreover, from the fiscal year ended March 2025, in addition to financial indicators set forth in the medium-term management plan (EBITDA, ROE, ROIC), non-financial indicators (CO_2 reduction and employee engagement) have been incorporated into performance-linked compensation for directors, thereby aligning incentives for executive directors and executive officers.

2. Capital Structure

Foreign Shareholding Ratio	10% or more but less than 20%

Status of Major Shareholders

Name or Company Name	Number of Shares Owned	Percentage (%)
MITSUI & CO., LTD.	9,838,416	25.57
The Master Trust Bank of Japan, Ltd. (Trust Account)	3,308,000	8.60
STATE STREET BANK AND TRUST COMPANY 505223	1,286,623	3.34
Daiwa Kogyo LLC	1,204,000	3.13
THE KEIHIN CO., LTD.	1,047,175	2.72
Custody Bank of Japan, Ltd. (Trust Account)	884,606	2.30
Asahi Mutual Life Insurance Company	803,968	2.09
The Bank of Yokohama, Ltd.	781,780	2.03
Feed One Co., Ltd. Employee Shareholding Association	712,601	1.85
Yonkyu Co., Ltd.	600,012	1.56

Name of Controlling Shareholder, if applicable (excluding Parent Companies)	N/A
Name of Parent Company, if applicable	N/A

Supplementary Explanation
N/A

3. Corporate Attributes

Listed Stock Exchange and Market Segment	Prime Market
Fiscal Year-End	March
Business Sector	Foods
Number of Employees (Consolidated) as of the End of the Previous Fiscal Year	500 or more but fewer than 1,000
Net Sales (Consolidated) for the Previous Fiscal Year	¥100 billion or more but less than ¥1 trillion
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	10 or more but fewer than 50

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

N/A

5. Other Special Circumstances which may have a Material Impact on Corporate Governance

The Company is an affiliate of Mitsui & Co., Ltd., which holds 9,838 thousand shares of the Company (25.72% of voting rights). While the Company purchases raw materials for compound feed, such as corn, from Mitsui & Co., Ltd., the latter also serves as one of the sales channels for the Company Group's compound feed products. These transactions occur on a routine basis, and they are conducted on terms equivalent to those applied to unrelated counterparties without capital relationships, ensuring that no disadvantage is caused to minority shareholders.

Furthermore, the Company has established a voluntary Nomination and Remuneration Committee. This committee objectively examines the appropriateness of important matters related to nominations and remuneration—including the selection of director candidates and executive compensation structures—or determines remuneration details, and provides recommendations to the Board of Directors. The committee is composed of four outside directors (including three independent outside directors) and the Representative Director and President, with an independent outside director serving as chair. Through this structure, the Company ensures independence from Mitsui & Co., Ltd. in the appointment of management.

II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight

1. Organizational Composition and Operation

Corporate Governance System	Company with Supervisory Committee

Directors

Number of Directors Stipulated in Articles of Incorporation	13
Directors' Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board	President
Number of Directors	9
Election of Outside Directors	Elected
Number of Outside Directors	6
Number of Independent Directors	5

Outside Directors' Relationship with the Company (1)

Name	Attributes	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
KIKUE KUBOTA	Academic											
TAKAO TSUJI	Another company											
KAKU YOSHISATO	Another company							○	○			
NAOHIRO CHIKADA	CPA											
YASUSHI HANDA	Lawyer											
RIKA SATO	Lawyer											

*Categories for "Relationship with the Company".
(Use "○" when the director presently falls or has recently fallen under the category; "△" when the director fell under the category in the past; "●" when a close relative of the director presently falls or has recently fallen under the category; and "▲" when a close relative of the director fell under the category in the past.)

a. Person who executes business for the Company or its subsidiary
b. Person who executes business for a non-executive director of the Company's parent company
c. Person who executes business for a fellow subsidiary
d. Person/entity for which the Company is a major client or a person who executes business for said person/entity
e. Major client of the Company or a person who executes business for said client
f. Consultant, accounting expert, or legal expert who receives large amounts of cash or other assets from the Company in addition to remuneration as a director/company auditor
g. Major shareholder of the Company (in cases where the shareholder is a corporation, a person who executes business for the corporation)
h. Person who executes business for a client of the Company (excluding persons categorized as any of d, e, or f above) (applies to director him/herself only)
i. Person who executes business for another company that holds cross-directorships/cross-auditorships with the Company (applies to director him/herself only)
j. Person who executes business for an entity receiving donations from the Company (applies to director him/herself only)
k. Other

Outside Directors' Relationship with the Company (2)

Name	Membership of Supervisory Committee	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons for Appointment
KIKUE KUBOTA	—	○	Ms. KIKUE KUBOTA is an Emeritus Professor at Ochanomizu University and a part-time auditor at Tokyo University of Agriculture. There are no business or other interests between our company and Ms. KUBOTA.	Ms. KIKUE KUBOTA has been engaged in research on food science and related fields for many years at Ochanomizu University, where she serves as an Emeritus Professor. She possesses specialized knowledge related to our company's food business. Additionally, her role as an auditor at a university corporation allows her to provide valuable and objective advice and suggestions regarding our overall management. Furthermore, Ms. KUBOTA has no special interests with the management and is deemed to have no potential conflicts of interest with general shareholders. Therefore, she has been designated as an independent officer.
TAKAO TSUJI	—	○	Mr. TAKAO TSUJI is an outside director (Audit and Supervisory Committee member) of Shinnittan Co., Ltd., an outside director of Tachibana Eletech Co., Ltd., and an outside director of FUJISOFT Incorporated. There are no special interests between our company and each company. There are no business or other interests between our company and Mr. TSUJI.	Mr. TAKAO TSUJI has extensive experience and broad knowledge gained from his work at trading companies and through managing two publicly listed companies. He is well-suited to independently oversee and supervise management from both a corporate executive's perspective and an objective standpoint. By leveraging his management experience, he provides valuable advice from a wide-ranging

				perspective on our business activities, thereby enhancing the transparency and supervisory functions of our Board of Directors. Furthermore, Mr. TSUJI has no special interests with the management and is deemed to have no potential conflicts of interest with general shareholders. Therefore, he has been designated as an independent officer.
KAKU YOSHISATO	—	—	Mr. KAKU YOSHISATO is an Executive Officer and Assistant General Manager of the Food Division at MITSUI & Co., Ltd., and an employee of a specified related business entity (a major business partner). Our group purchases corn and other raw materials for compound feed from Mitsui & Co., Ltd., while they serve as one of the sales channels for our group's compound feed. These transactions occur regularly, and there are no direct interests between the individual outside director and these transactions. Additionally, Mr. KAKU YOSHISATO is an outside director of Starzen Co., Ltd. and an outside director of J-OIL MILLS, INC. There are no special interests between our company and each company.	Mr. KAKU YOSHISATO has extensive knowledge in the feed and livestock/aquaculture business, primarily gained through his work at MITSUI & Co., Ltd. He also has experience working at a grain company in Brazil, providing him with a broad range of expertise in both the feed and livestock/aquaculture business and international operations. We believe that his wide-ranging perspective and advice on our business activities will contribute to strengthening our management structure, and thus, he has been appointed.

			There are no business or other interests between our company and Mr. YOSHISATO and his other concurrent positions.	
NAOHIRO CHIKADA	○	○	Mr. Naohiro Chikada serves as the representative of Chikada Certified Public Accountant Office, Representative Director of Chiyoda Accounting Co., Ltd., and outside auditor of Mitsubishi Research Institute DCS Co., Ltd. and Tokyo Tatemono Co., Ltd. There are no special interests between the Company and any of these entities. Furthermore, there are no business relationships or other material interests between the Company and Mr. Chikada.	Mr. NAOHIRO CHIKADA possesses specialized knowledge as a certified public accountant and tax accountant. He has also gained valuable experience as an outside director and outside auditor at other listed companies, serving on audit and supervisory committees. His objective perspective and independence make him well-suited to oversee business execution, enhancing the transparency and supervisory functions of our Board of Directors. Therefore, he has been appointed. Furthermore, Mr. CHIKADA has no special interests with the management and is deemed to have no potential conflicts of interest with general shareholders. Therefore, he has been designated as an independent officer.
YASUSHI HANDA	○	○	Mr. Yasushi Handa is an attorney and serves as Senior Counsel at Waseda Legal Commons Law Office, as well as a professor at the Law School of Gakushuin University.There are no advisory agreements, transactional relationships, or other interests between the Company and Mr. Handa.	Mr. Yasushi Handa possesses extensive legal expertise through his experience as a judge, having served as a presiding judge in various courts, as well as through his activities as an attorney. He has contributed to the supervision of management from an objective and independent standpoint as an outside director of the Company.

				Based on his experience as an outside director of the Company, it is expected that he will further strengthen the audit and supervisory functions and enhance the transparency of the Board of Directors. Accordingly, the Company has appointed him. In addition, Mr. Handa has no special interests with the management, and the Company has determined that there is no risk of conflict of interest with general shareholders; therefore, he has been designated as an independent officer.
RIKA SATO	○	○	Ms. Rika Sato is an attorney and serves as Managing Partner at Sato & Partners Law Office. She is also an Outside Director of Nippon CMK Corporation and Nippon Plast Co., Ltd., as well as an Outside Audit & Supervisory Board Member of Denki Kogyo Co., Ltd.; however, there are no special interests between the Company and these companies. There are no advisory agreements, transactional relationships, or other interests between the Company and Ms. Sato. .	Ms. Rika Sato has extensive experience in corporate and international legal affairs as an attorney and possesses wide-ranging expertise in areas including company law, compliance, risk management, and the development of governance frameworks. The Company has appointed her in the belief that her expertise will be highly beneficial in further enhancing the effectiveness of the Company's supervisory and audit functions.In addition, Ms. Sato has no special interests with the management, and the Company has determined that there is no risk of conflict of interest with general shareholders; therefore, she has been designated as an independent officer.

Supervisory Committee

Composition of Supervisory Committee and Attributes of the Chairperson

	All Committee Members	Full-time Members	Inside Directors	Outside Directors	Committee Chair
Supervisory Committee	3	—	—	3	Inside Director

Appointment of Directors and/or Staff to Support the Supervisory Committee	Appointed

Matters Concerning Independence of Said Directors and/or Staff from Executive Officers/Reasons for Adopting Current System

The directors of our group (excluding directors who are audit and supervisory committee members), executive officers, and employees shall ensure that they do not hinder the independence of the employees assisting the duties of the audit and supervisory committee. Additionally, the director in charge of the General Affairs Department shall obtain prior consent from the audit and supervisory committee regarding the personnel matters of the employees assisting the duties of the audit and supervisory committee.

Cooperation among the Supervisory Committee, Accounting Auditors and Internal Audit Department

The Internal Audit Department (comprising eight personnel) operates as a unit directly reporting to the President and conducts internal audits and internal control evaluations for the Company Group. The status and results of internal audits and internal control evaluations are reported to the President and the Audit and Supervisory Committee, as well as to the Board of Directors. To ensure the effectiveness of internal audits, follow-up reviews on the status of improvements are conducted. In addition, the department engages in regular, and as necessary, information sharing with the Audit and Supervisory Committee and the external auditor.

Members of the Audit and Supervisory Committee attend monthly Board of Directors meetings in accordance with audit policies and the allocation of duties, and monitor and supervise directors' decision-making and execution of duties. They also attend important internal meetings, such as management meetings and Group strategy meetings, and provide opinions as appropriate. Furthermore, based on an annual schedule, they conduct operational audits of the Company and, in coordination with auditors of affiliated subsidiaries, assist in auditing the execution of duties, thereby strengthening audit functions across the Group.

In addition, as part of efforts to strengthen the internal audit function, the General Manager of the Internal Audit Department also serves as the secretariat of the Audit and Supervisory Committee, thereby further enhancing the effectiveness of information consolidation and coordination with the Committee. Moreover, directors serving as members of the Audit and Supervisory Committee exchange opinions with the Internal Audit Department and the external auditor on a regular basis and as needed. The Audit and Supervisory Committee also receives detailed audit reports and explanations from the external auditor at each financial closing and examines whether the audit methods and results are appropriate.

Voluntary Established Committee(s)

Voluntary Establishment of Committee(s) equivalent to Nomination Committee or Remuneration Committee	Established

Status of Voluntarily Established Committee(s), Attributes of Members Constituting the Committee and the Committee Chairperson

	Committee's Name	All Members	Full-time Members	Inside Directors	Outside Directors	Outside Experts	Other	Chairperson
Voluntarily Established Committee Equivalent to Nomination Committee	Nomination and Compensation Committee	5	0	1	4	0	0	Outside Director
Voluntarily Established Committee Equivalent to Remuneration Committee	Nomination and Compensation Committee	5	0	1	4	0	0	Outside Director

Supplementary Explanation

We have established a Nomination and Remuneration Committee, primarily composed of independent outside directors, which selects candidates for directors and considers the appropriateness of the executive remuneration system, etc., and submits recommendations to the Board of Directors. It also determines the amounts of remuneration for individual directors (excluding directors who are audit and supervisory committee members).
The Nomination and Remuneration Committee functions as both a nomination committee and a remuneration committee.

Matters Concerning Independent Directors

Number of Independent Directors	5

Other Matters Concerning Independent Directors

We designate all outside directors who meet the qualifications of independent officers as independent officers.

Incentives

Implementation Status of Measures related to Incentives Granted to Directors	Introduction of Performance-linked Remuneration Scheme

Supplementary Explanation for Applicable Items

The remuneration of the Company's directors (excluding directors who are members of the Audit and Supervisory Committee) consists of monetary compensation (fixed compensation and short-term performance-based compensation) and non-monetary compensation (medium-term performance-based compensation and long-term incentive compensation). Remuneration for outside directors consists solely of fixed compensation. The amounts of monetary and non-monetary compensation are determined comprehensively, taking into account factors such as position, achievement rates against performance targets,

departmental evaluations, market conditions, and overall social and economic conditions.

The Nomination and Remuneration Committee determines the proportion of each type of compensation by considering the overall balance between monetary and non-monetary compensation, while also benchmarking against peer companies and those of similar size.

Performance indicators for performance-based compensation are designed to clarify the evaluation of each director's performance by broadly incorporating factors such as changes in the business environment and risks associated with the management of equity-method affiliates. Specifically, for short-term performance-based compensation (monetary compensation), the indicators are consolidated EBITDA and ROIC (Return on Invested Capital) under the business plan. For medium-term performance-based compensation (non-monetary compensation), the indicators are EBITDA, ROE (Return on Equity), CO_2 reduction, and employee engagement coefficients under the medium-term management plan. In addition, stock-based compensation, as a long-term incentive corresponding to each director's position, is granted annually.

- Performance-based compensation is set within a range of 0% to 150%, depending on the level of achievement of the target indicators.
- The ratio of variable compensation to total individual remuneration ranges from 10% to 39%, depending on performance-based compensation.
- The proportion of non-monetary compensation in total individual remuneration ranges from 10% to 15%.

Persons Eligible for Stock Options	N/A

Supplementary Explanation for Applicable Items

N/A

Director Remuneration

Status of Disclosure of Individual Director's Remuneration	No Disclosure for any Directors

Supplementary Explanation for Applicable Items

The remuneration of the Company's directors is determined by a resolution of the General Meeting of Shareholders.

Pursuant to the resolution of the 10th Annual General Meeting of Shareholders held on June 21, 2024, the total amount of remuneration for directors (excluding directors who are members of the Audit and Supervisory Committee) is set at no more than JPY 300 million per year (of which no more than JPY 40 million per year is allocated to outside directors).

In addition, pursuant to the same resolution, the total amount of stock-based compensation for directors (excluding directors who are members of the Audit and Supervisory Committee) is set at no more than JPY 90 million over a three-year period (excluding outside directors).

Furthermore, the total amount of remuneration for directors who are members of the Audit and Supervisory Committee is set at no more than JPY 60 million per year, based on the resolution of the 10th Annual General Meeting of Shareholders held on June 21, 2024.

Policy on Determining Remuneration Amounts and Calculation Methods	Established

Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods

Policy for Determining Individual Compensation for Directors (excluding Directors who are Audit and Supervisory Committee Members)

1. Basic Policy

The company positions executive compensation as an important means to achieve sustainable growth, enhance medium- to long-term corporate value, and pursue sustainability. Compensation is determined based on the following policies through a transparent and fair process:

- In principle, decisions regarding individual compensation for directors are delegated to the Nomination and Compensation Committee, which mainly consists of outside directors, ensuring transparency and objectivity in the executive compensation decision process.
- The design of compensation is intended to provide incentives for short-term performance based on business plans and medium- to long-term corporate value enhancement based on the medium-term management plan.
- The compensation amounts for each position are set at levels that can secure and retain excellent talent, referencing similar companies.

2. Compensation Structure

The compensation for our directors consists of monetary compensation (fixed compensation, short-term performance-linked compensation) and non-monetary compensation (medium-term performance-linked compensation, long-term incentive compensation). Note that the compensation for outside directors consists only of fixed compensation.

Based on the above basic policy, the amounts of monetary and non-monetary compensation are calculated comprehensively considering the position, achievement rate of performance targets, department evaluation, market environment, social conditions, etc.

Additionally, the Nomination and Compensation Committee compares and examines the payment ratios of each compensation, considering the balance between monetary and non-monetary compensation, and comparing with peer companies and companies of similar size.

3. Compensation Levels

Based on data from external research agencies on executive compensation, the median level considering the size (sales, number of employees, market capitalization, etc.) of listed and unlisted companies is used as a benchmark, and compensation is set for each position.

4. Fixed Compensation

The fixed compensation for directors corresponds to monetary compensation (a fixed amount paid monthly). Revisions to fixed compensation are determined by considering changes in business scale, compensation level trends, etc., primarily when the position or role changes.

5. Variable Compensation

The indicators for performance-linked compensation are set to clearly evaluate the performance of each director, considering broad factors such as changes in business environment factors and risks related to the operation of equity-method affiliates. For short-term performance-linked compensation (monetary compensation), the indicators are EBITDA and ROIC (Return on Invested Capital) based on the consolidated business plan. For medium-term performance-linked compensation (non-monetary compensation), the indicators are EBITDA, ROE (Return on Equity), CO2 reduction, and employee engagement coefficient based on the medium-term management plan. Additionally, stock compensation as a long-term incentive is granted annually according to the position.

Performance-linked compensation is set with a variable range of 0% to 150% depending on the achievement status of each indicator's target values.

The proportion of variable compensation in the total individual compensation ranges from 10% to 39%, depending on performance-linked compensation.

The proportion of non-monetary compensation in the total individual compensation ranges from 10% to 15%.

6. Policy for Determining the Timing or Conditions for Granting Compensation to Directors

The conditions for compensation for our directors are determined annually in June. Short-term performance-linked compensation and long-term incentive compensation (non-monetary compensation) are granted after the annual general meeting of shareholders in June. Medium-term performance-linked compensation (non-monetary compensation) is granted after the general meeting of shareholders in June of the fiscal year following the final year of the medium-term management plan. Non-monetary compensation is subject to transfer restrictions until resignation.

Support System for Outside Directors

For outside directors, the General Affairs Department serves as the point of contact for various communications and information provision.

Status of Persons who have Retired as Representative Director and President, etc.

Information on Persons Holding Advisory Positions (*Sodanyaku*, *Komon*, etc.) after Retiring as Representative Director and President, etc.

Name	Job title/ position	Responsibilities	Terms and Conditions of Employment (Full/part time, with/without remuneration, etc.)	Date when former role as president/ CEO ended	Term
N/A	N/A	N/A	N/A	N/A	N/A

Number of Persons Holding Advisory Positions (*Sodanyaku*, *Komon*, etc.) After Retiring as Representative Director and President, etc.	N/A

Other Related Matters

N/A

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

(1) Matters Related to the Function of Business Execution

The Board of Directors is responsible for making important decisions regarding business execution and, in principle, meets once a month. In addition, to ensure sufficient deliberation on important management matters, the Company holds Management Meetings, attended by executive officers in addition to Board members, at least once a month in principle. The Audit and Supervisory Committee and liaison meetings of its members, attended by directors who serve as Audit and Supervisory Committee members, are also scheduled to be held at least once a month in principle.

The Company has established committees such as the Compliance Committee and the Credit Committee to deliberate on important matters, and has developed a management oversight framework through audits conducted by the Audit and Supervisory Committee.

(2) Matters Related to Audit Functions

The Audit and Supervisory Committee meets in principle on a monthly basis, and reports are made on the methods and results of audits conducted in accordance with the audit plan determined by the Committee. The Committee receives reports on operational status from the heads of each department and conducts on-site inspections of branches, factories, and affiliated companies as necessary.

The Company enhances cooperation between the Audit and Supervisory Committee, the external auditor, and the Internal Audit Department, and has established a secretariat to support the duties of the Committee.

For external auditing, the Company has appointed Deloitte Touche Tohmatsu LLC. The certified public accountants responsible for conducting the Company's audit are as follows:

- Designated Limited Liability Partner and Engagement Partner: Naoki Mabuchi
- Designated Limited Liability Partner and Engagement Partner: Kenji Uta

(3) Overview of Limitation of Liability Agreements

Non-executive directors have entered into agreements with the Company to limit their liability for damages under Article 423, Paragraph 1 of the Companies Act, pursuant to Article 427, Paragraph 1 of the same Act. The maximum amount of liability for damages under such agreements is the amount prescribed by laws and regulations. Such limitation of liability is applicable only when the non-executive director has performed his or her duties in good faith and without gross negligence.

3. Reasons for Adoption of Current Corporate Governance System

The Company has long maintained a majority of outside directors and has worked to enhance corporate governance, including promoting the separation of business execution and oversight, with the aim of improving medium- to long-term corporate value. As part of these efforts, while including directors who serve as members of the Audit and Supervisory Committee as members of the Board of Directors, the Company transitioned to a company with an Audit and Supervisory Committee following approval at the 10th Annual General Meeting of Shareholders held on June 21, 2024. This transition was intended to strengthen supervisory functions and accelerate decision-making by enabling the Board of Directors to broadly delegate decisions on business execution to directors. Furthermore, by realizing enhanced organizational audits through the Audit and Supervisory Committee, the Company aims to further strengthen its internal control system.

In order to achieve both faster decision-making and greater efficiency and rationalization in business execution, while strengthening supervisory functions, the Company has introduced an executive officer system and promotes operational efficiency through mechanisms such as Management Meetings. At the same time, the Company appoints outside directors to strengthen its management risk control framework and ensure transparency in management at the Board level. In addition, by adopting the Audit and Supervisory Committee structure and appointing all three directors who serve on the Committee as outside directors, the Company has established a system that enables objective and neutral oversight of management and decision-making with respect to business execution.

III. Implementation of Measures for Shareholders and Other Stakeholders

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

	Supplementary Explanation
Early Posting of Notice of the General Meeting of Shareholders	The company sends out notices of convocation for the Annual General Meeting of Shareholders early and discloses them on our website before dispatch.
Scheduling of the General Meeting of Shareholders on a Non-Peak Day	The company schedules the date of the Annual General Meeting of Shareholders to avoid peak days.
Electronic Exercise of Voting Rights	The company has adopted electronic methods for exercising voting rights.
Participation in a Platform for the Electronic Exercise of Voting Rights and Other Initiatives to Enhance Environment for Institutional Investors to Exercise Voting Rights	The company participates in the electronic voting platform to improve the voting environment for institutional investors.
Provision of Notice (or Summary of Notice) of the General Meeting of Shareholders in English	The company provides English translations of the notices of convocation.
Other	N/A

2. Status of IR-related Activities

	Supplementary Explanation	Explanation by a representative director or a representative executive officer
Formulation and Publication of Disclosure Policies	N/A	
Regular Investor Briefings held for Individual Investors	The Company holds briefings for individual investors on an ongoing basis. In addition, full transcripts of earnings briefings and other meetings are published on “Logmi Finance,” a website operated by Logmi Inc. that provides investor-oriented financial presentation materials.	Held
Regular Investor Briefings held for Analysts and Institutional Investors	The Company holds earnings briefings twice a year, at the interim and full-year stages, at which the Representative Director and President and the Senior Managing Executive Officer in charge of the Administrative Division deliver presentations (with both live streaming and archived distribution available). In addition, full transcripts of earnings briefings and other meetings are published on “Logmi Finance,” a website operated by Logmi Inc. that provides investor-oriented financial presentation materials.	Held

	Furthermore, in response to requests for one-on-one meetings and other forms of engagement, the Senior Managing Executive Officer in charge of the Administrative Division is appropriately involved and endeavors to provide enhanced explanations on management strategy, business strategy, capital policy, and sustainability.	
Regular Investor Briefings held for Overseas Investors	The Company does not hold regular briefings for overseas investors; however, English translations of IR materials are disclosed. In addition, English translations of full transcripts of earnings briefings and other meetings are published on "Logmi Finance," a website operated by Logmi Inc. that provides investor-oriented financial presentation materials.	Not Held
Online Disclosure of IR Information	The Company provides easy-to-understand information to shareholders and investors by posting earnings summaries, annual securities reports, earnings presentation materials, integrated reports, corporate research reports (analyst reports prepared by FISCO Ltd.), materials for general meetings of shareholders, timely disclosure materials, and other investor-related materials and video content.	
Establishment of Department and/or Placement of a Manager in Charge of IR	The Company has established the Investor Relations and Financial Planning Section within the Finance and Accounting Department as the unit responsible for IR activities, and conducts such activities in coordination with the Corporate Planning Department, the General Affairs Department, and other relevant departments.	
Other	N/A	

3. Status of Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanation
Establishment of Internal Rules Stipulating Respect for the Position of Stakeholders	We have established the Feed One Group Code of Conduct for Officers and Employees, which outlines the social responsibilities and corporate ethics for our group's officers and employees.
Implementation of Environmental Preservation Activities and CSR Activities, etc.	In our group, we have established CO2 emissions as a key indicator to minimize risks and maximize opportunities associated with climate change. Our medium-term goal is to reduce Scope 1 and 2 CO2 emissions by 50% by FY2030 compared to FY2020 levels, and our long-term goal is to achieve carbon neutrality across the supply chain by FY2050. a. Medium-term Goal - Target Year: FY2030 - Content: 50% reduction in Scope 1 and 2 CO2 emissions (compared to FY2020) - Scope: Our company and major affiliates b. Long-term Goal - Target Year: FY2050 - Content: Achieve carbon neutrality - Scope: Entire supply chain c. CO2 Reduction Roadmap for Medium-term Goal Our group has formulated three reduction measures and created a decarbonization roadmap to achieve the medium-term goal by FY2030. Although emissions are expected to increase due to business growth towards FY2030, we will achieve further emission reductions within our group. It is important to contribute to the decarbonization and low-carbonization of the entire supply chain through business activities, and we will accelerate our efforts by implementing reduction measures, including contributions to reduction. **Energy-saving and Energy-creating Activities** We will improve unit consumption at production sites, update to high energy-saving performance equipment, switch fuels (from heavy oil to liquefied natural gas, etc.), and electrify equipment (introducing heat pumps, electric forklifts, etc.). Additionally, we will work on energy creation within our company by introducing solar power generation equipment and achieve steady

	reductions, including improving energy efficiency through the reorganization of production sites. **Switch to Renewable Energy Power** By utilizing electricity derived from renewable energy, we will achieve decarbonization of our group's electricity and contribute to accelerating the introduction of renewable energy in Japan. **Offsetting through Reduction Contributions** We will contribute to the reduction of greenhouse gases derived from livestock, such as methane from cattle burps and methane and nitrous oxide from livestock manure, as well as methane generated during the production process of feed rice, a feed ingredient. By purchasing and offsetting the environmental value (such as J-Credits), we will contribute to the decarbonization and low-carbonization of the supply chain. Additionally, as part of our CSR activities, we are engaged in food education activities to deepen the correct understanding of domestic livestock products and are working on solving issues that match our business characteristics, such as developing low-fishmeal and fishmeal-free feed from the perspective of marine resource conservation.
Formulation of Policies, etc. on Provision of Information to Stakeholders	N/A
Other	N/A

IV. Matters Concerning the Internal Control System

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

1. Systems to Ensure Compliance of Directors, Executive Officers, and Employees with Laws and Articles of Incorporation in the Execution of Their Duties

(1) The Board of Directors of our group makes important management decisions and supervises the execution of duties by directors in accordance with laws, the Articles of Incorporation, resolutions of the General Meeting of Shareholders, and internal regulations.

(2) To ensure that directors, executive officers, and employees of our group comply with laws and regulations and promote appropriate corporate activities, we disseminate the "Feed One Group Code of Conduct for Officers and Employees."

(3) The Audit and Supervisory Committee audits the execution of duties by directors in cooperation with the accounting auditor and the internal audit department.

(4) The "Internal Reporting Regulations" are disseminated within our group, and the status of reports and follow-up on the results of such reports are regularly reported to the Board of Directors. The Board of Directors takes necessary measures to enhance the effectiveness of the internal reporting system and continuously improves it through evaluations.

(5) The Board of Directors strives to educate, train, and inform our group about compliance, including the internal reporting system, and to assign and develop personnel with the necessary skills and aptitudes.

(6) The Compliance Committee investigates and deliberates on various compliance issues within our group, determines action policies, and provides instructions and information to our group.

(7) Our group maintains no relationships with antisocial forces that threaten civil society and does not engage in any antisocial transactions. We respond firmly to such forces in close cooperation with external specialized agencies such as the police.

2. Systems for the Preservation and Management of Information Related to the Execution of Duties by Directors and Executive Officers

(1) Documents related to the duties of directors, executive officers, and employees of our group are managed in accordance with applicable laws, the "Document Management Regulations," the "Information Security Regulations," and other relevant regulations, ensuring the proper preservation and management of important documents and records.

(2) The handling of personal information within our group is managed in accordance with the "Personal Information Protection Regulations" and other relevant regulations.

(3) The handling of trade secrets within our group is managed in accordance with the "Trade Secret Protection Regulations."

3. Systems for Managing Risks of Loss

(1) To manage risks associated with quality, our group establishes a "Quality Policy" and implements a management system to prevent quality-related risks, centered on the Quality Assurance Department. The Quality Assurance Committee investigates and deliberates on various quality issues, determines action policies, and provides instructions and information to our group.

(2) To manage risks arising from business development, our group operates the "Enterprise Risk Management Regulations," with the Corporate Planning Department overseeing risk information and regularly reporting to the Board of Directors. Each department manages specific risks related to their respective operations.

4. Systems to Ensure Efficient Execution of Duties by Directors and Executive Officers

(1) An executive officer system is established to clarify functions and expedite management by separating decision-making and supervisory functions from business execution functions.

(2) To ensure a common understanding between decision-making and supervisory functions and business execution functions, and to ensure the effectiveness and efficiency of operations, the reliability of financial reporting, and compliance with relevant laws and regulations, important matters are decided at the Board of Directors meetings held monthly after deliberation by the Management Committee.

(3) Our group operates in accordance with internal regulations such as the "Division of Duties Regulations" and the "Authority Regulations," with each department head managing their responsibilities appropriately according to their authority and responsibilities.

5. Systems to Ensure Proper Business Operations within the Corporate Group Consisting of Our Company and Subsidiaries

(1) The execution of business operations by group companies is managed based on the "Group Company Management Regulations" and the "Authority Regulations," with the Group Strategy Meeting attended by the President and relevant directors, executive officers, and employees.

(2) The Internal Audit Department, independent of the business line, conducts regular internal audits of our company and group companies, investigates the operation and maintenance of the internal control system, and reports the findings and improvement measures to the President, the Audit and Supervisory Committee, and the Board of Directors.

6. Matters Related to Employees Who Assist in the Duties of the Audit and Supervisory Committee

The secretariat of the Audit and Supervisory Committee is the Audit and Supervisory Committee Secretariat, and if the Audit and Supervisory Committee requests employees to assist in its duties, such employees are assigned.

7. Matters Related to the Independence of the Employees Mentioned in the Previous Item from Directors (Excluding Directors Who Are Audit and Supervisory Committee Members) and Ensuring the Effectiveness of Instructions to Such Employees

Directors (excluding directors who are Audit and Supervisory Committee members), executive officers, and employees of our group ensure that the independence of employees assisting in the duties of the Audit and Supervisory Committee is not hindered. The director in charge of the General Affairs Department obtains prior consent from the Audit and Supervisory Committee regarding personnel matters of such employees.

8. Systems for Reporting to the Audit and Supervisory Committee by Directors (Excluding Directors Who Are Audit and Supervisory Committee Members), Executive Officers, and Employees, and Other Systems for Reporting to the Audit and Supervisory Committee

(1) Directors, executive officers, and employees establish a system where Audit and Supervisory Committee members can attend important internal meetings such as the Board of Directors, Management Committee, and Group Strategy Meeting and receive timely reports. They also report the status of management decisions and business execution to the Audit and Supervisory Committee through regular reports, important approval documents, minutes, and other documents. If the Audit and Supervisory Committee requests an explanation regarding the execution of duties within our group, directors, executive

officers, and employees respond promptly and accurately.
(2) If directors, executive officers, employees, or those who have received reports from them recognize the occurrence of events that significantly impact the management of our group, they promptly report to the Audit and Supervisory Committee.

9. Systems to Ensure That Persons Who Have Made Reports Are Not Treated Unfavorably for Making Such Reports
Our group ensures that no unfavorable treatment is given to persons who have reported to the Audit and Supervisory Committee for making such reports.

10. Policies on Procedures for Prepayment or Reimbursement of Expenses Arising from the Execution of Duties by Audit and Supervisory Committee Members (Limited to Those Related to the Execution of Duties of the Audit and Supervisory Committee) and the Processing of Expenses or Liabilities Arising from the Execution of Such Duties
If an Audit and Supervisory Committee member requests prepayment or reimbursement of expenses related to the execution of their duties based on the Companies Act, our company promptly processes such expenses or liabilities unless they are deemed unnecessary for the execution of the Audit and Supervisory Committee member's duties.

11. Other Systems to Ensure Effective Audits by the Audit and Supervisory Committee
The President and directors regularly exchange opinions with the Audit and Supervisory Committee, recognize the importance of audits by the Audit and Supervisory Committee, and establish a cooperative system to support audit operations, allowing the Audit and Supervisory Committee to audit the execution of duties by directors in cooperation with the accounting auditor and the internal audit department.

2. Basic Views on Measures for Eliminating Anti-Social Forces and Status of Development

The Company has established the following framework to eliminate anti-social forces and strives to review and improve it as appropriate:

（1） The Company stipulates in the “Feed One Group Code of Conduct for Officers and Employees” that all relationships with anti-social forces shall be completely severed and that no transactions with such forces shall ever be conducted.

（2） To exclude anti-social forces, the Company has developed a system led by the General Affairs Department, under which it participates in training programs organized by relevant institutions and maintains close cooperation with external specialized organizations such as the police, ensuring that the entire Company responds with a firm and resolute attitude.

V. Other

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not Adopted

Supplementary Explanation for Applicable Items

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2. Other Matters Concerning the Corporate Governance System

Timely Disclosure System

The company ensures the proper disclosure of important information that may affect investment decisions, such as occurrence facts, decision facts, and financial information, in accordance with the Financial Instruments and Exchange Act and other relevant laws, as well as the "Rules on Timely Disclosure of Corporate Information by Issuers of Listed Securities" established by the stock exchange where our shares are listed. The operational system for timely disclosure is as follows:

(1) Occurrence Facts

Important information that occurs within our company and its affiliates is promptly reported by the department or affiliate where the fact occurred to the responsible person of each supervising department in accordance with internal regulations (Internal Information Management Regulations and Affiliate Management Regulations). This information is also promptly reported to the Corporate Planning Department, which oversees risk management and affiliate management within our group, ensuring that important information is consolidated in the Corporate Planning Department. The General Manager of the Corporate Planning Department, together with the General Manager of the General Affairs Department, who is responsible for handling information, promptly consults with the supervising officer and the head of the relevant department regarding the necessity, timing, and method of timely disclosure. If it is determined that timely disclosure is necessary, the information is promptly disclosed by the General Manager of the General Affairs Department with the approval of the President.

(2) Decision Facts

The Corporate Planning Department, which oversees the approval process within our group, consolidates important information decided by our company and its consolidated subsidiaries in accordance with internal regulations (Approval Regulations, Internal Information Management Regulations, and Affiliate Management Regulations). For important facts that may require timely disclosure, the General Manager of the General Affairs Department, who is responsible for handling information, promptly consults with the supervising officer and the head of the relevant department to determine the necessity of timely disclosure. If it is determined that timely disclosure is necessary, the timing and method of disclosure are promptly decided, and the information is disclosed by the General Manager of the General Affairs Department with the approval of the President.

(3) Financial Information

The Finance and Accounting Department prepares financial figures, and the General Affairs Department compiles qualitative information. After obtaining approval from the Board of Directors, the Finance and Accounting Department promptly carries out the procedures for timely disclosure.

Organization and Internal Control System of the Company

An overview of the Company’s organizational structure and internal control system is illustrated as follows.

END