

Last updated: March 28, 2025

Olympus Corporation

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Securities Code: 7733

<https://www.olympus-global.com/>

The status of corporate governance of Olympus is as set out below.

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

1. Basic Views

Olympus Corporation has formulated basic concepts concerning corporate governance in the “Basic Policy on Corporate Governance.” For details of this basic policy, please refer to Attachment 1 of this report.

[Reasons for Non-Compliance with the Principles of the Corporate Governance Code]

Olympus Corporation complies with all the principles of the Corporate Governance Code.

[Disclosure Based on Each Principle of the Corporate Governance Code] Updated

[Principle 1-4 Policy shareholdings]

• In line with the “Basic Policy on Corporate Governance” on Attachment 1 of this report, the Board of Directors specifically gives comprehensive consideration to the benefits and risks of its holdings, verifying the necessity of holdings for each individual issue, and sells shares which are not reasonable to hold. As of the end of March 2016, Olympus Corporation held 64 issues worth 68 billion yen. This has been gradually reduced and as of the end of March 2024, hold 0.6 billion yen in 6 issues.

• Details of shares held by Olympus Corporation have been disclosed in annual securities reports, for your reference.

Annual Securities Report For the Fiscal Year Ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

https://www.olympus-global.com/ir/data/pdf/annual_fy2024_en.pdf

• If a company that holds Olympus Corporation’s shares as policy shareholdings other than pure investment makes an offer to sell, etc., the sale cannot be prohibited.

• Our policy regarding possession of listed shares as a policy measure and the criteria for exercise of voting rights for such policy shareholdings is stated in 1. -(4) of the “Basic Policy on Corporate Governance” on Attachment 1 of this report, for your reference.

[Principle 1-7 Related party transactions]

Information concerning the framework of procedures when Olympus Corporation and its subsidiaries conduct transactions with related parties is stated in 1. -(5) of the “Basic Policy on Corporate Governance” on Attachment 1 of this report, for your reference.

[Supplementary principle 2-4-1 Ensuring diversity in the promotion to core human resources]

<Policies and voluntary and measurable goals for ensuring diversity and their status>

In realizing our Corporate Philosophy of “Making people’s lives healthier, safer and more fulfilling,” Diversity, Equity and Inclusion (DEI) is an indispensable piece of strategy to ensure. At the Olympus Group, valuing people with diverse perspectives and backgrounds is a part of Our Core Values. The Olympus Group respects the differences in our people’s age, gender, race, sexual orientation, gender identity, socioeconomic status, ethnicity, (dis)ability, nationality and culture, language, religion, opinions, political stance, experiences, and career backgrounds.

In engaging with DEI, four key themes are being prioritized globally.

1. Gender and Life Priority, to further support women colleagues and all “Care Takers*” that may have time constraints through life events

2. Nationality and Culture, to increase diversity and ensure equitable access to opportunities regardless of nationality/culture or language

3. Career and Experience, to increase professional experience and broaden team/organizational coverage of perspective

4. Inclusive Environment, to ensure psychological safety that everyone could speak up and collaborate effectively

* People who need to work and at the same time taking care of their children, parents, families etc.

Please refer to our website and securities reports where specific initiatives, targets, and results have been disclosed.

Diversity, Equity, and Inclusion

<https://www.olympus-global.com/csr/social/diversity/>

Annual Securities Report For the Fiscal Year Ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

https://www.olympus-global.com/ir/data/pdf/annual_fy2024_en.pdf

<Policies for human resources development and internal environment development to ensure diversity, and the status of their implementation>

[Employee development]

The Olympus Group believes that its employees are the most important management resource from a long-term perspective. While valuing each employee with integrity and empathy, we are working to build an organization that can come together as a global Group to respond agilely to changes in the management environment.

The Olympus Group also believes that we should not limit the avenues to success for our employees to specific regions, and rather that numerous diverse opportunities should be provided. For the past several years, based on our global human resources strategy, we have promoted the global integration of our human resource processes. 2021 marked the full-scale introduction of our Global Leadership Competency Model, the Olympus Group's leadership model. Since then, we have rolled out skill development programs and learnings contents that employees throughout the world can use. In 2023, we introduced our performance management system that allows the goal setting and evaluations of all employees to be viewed on a global basis. Our global leaders and business leaders experience our "Leaders Developing Leaders"* program, and we are building structures to allow information on the human resources assignment process, remuneration, and skill and other development to be accessed. We work to assign the right employees to the right jobs on a global basis and to accelerate the growth of employees who show desire.

* A concept of developing human resources whereby all leaders, not just direct superiors, take responsibility and work together for developing the next generation broadly across the entire company, including their own successors

[Promoting the advancement of women]

The Olympus Group actively recruits and promotes high-quality professional and talented people and provides them with opportunities to work in our company so that all employees can demonstrate their abilities without discrimination based on gender. In 2019, Olympus Corporation received Eruboshi Grade 3 certification. Please refer to our website where specific initiatives and results have been disclosed.

Diversity, Equity, and Inclusion

<https://www.olympus-global.com/csr/social/diversity/>

[Employment of people with disabilities]

Olympus Corporation actively promotes the employment of people with disabilities (physical, mental, and intellectual). After hiring employees, they are active in a wide range of fields, including general clerical positions, as well as research and development positions such as manufacturing engineering positions and IT development positions. In April 2009, we established a special-purpose company, which mainly employs people with intellectual disabilities and strives to continuously employ them by creating an employment environment that includes the establishment of work processes suited to the characteristics of the people with disabilities and the placement of supporting staff for their active roles. Please refer to our website where specific initiatives and results have been disclosed.

Employment

<https://www.olympus-global.com/csr/social/employment/>

[Initiatives for health and productivity management]

The Olympus Group believes that creating a workplace environment in which its employees can work in good health and with vitality is a prerequisite for advancing the company's various activities. To support this, the Olympus Group established the Olympus Health Declaration in April 2018, which proclaims management's commitment to firmly support maintaining and promoting the health of its employees and their families, in cooperation with Olympus Health Insurance Society. While reviewing and strengthening the health support system and clarifying the health issues of the Olympus Group, we have actively implemented various health measures and lifestyle improvement measures in response to changes in the work environment and working style. In addition to verifying the effectiveness of each measure, the Olympus Group has set evaluation indicators for overall health management and actively publishes them on the Olympus Group corporate website. These efforts have been well received, and Olympus Corporation has been certified as a "2024 White 500 Health & Productivity Management Outstanding Organization" for eight years in a row since 2017.

[Principle 2-6 Exercising the functions of corporate pension asset owners]

Regarding the corporate pension fund of Olympus Corporation, the Asset Management Committee, which is charged with deliberations and proposals concerning the investment management of pension assets, submits proposal to various conference bodies, such as the Governing Board and the Representatives Committee, where proposals are deliberated upon and after verification of the appropriateness thereof executed by the Olympus corporate pension fund.

The Olympus corporate pension fund is subject to investment trust and pension insurance arrangements in accordance with policies and portfolios approved by the Asset Management Committee and the Representatives Committee. The actual fund management is mandated to a financial institution, with the investment status including stewardship activities being subject to quarterly monitoring in regular operations briefing sessions. The Asset Management Committee and the Representatives Committee consist of persons with expertise in the fields of human resources, accounting, and finance, as well as employee representatives, forming a framework capable of verifying the sound operations of the pension funds from the perspectives of professional expertise and beneficiary protection.

[Principle 3-1 Complete information disclosure]

In addition to appropriate disclosure based on laws and regulations, Olympus Corporation voluntarily disseminates the following information in order to ensure transparency and fairness in decision-making and to realize effective corporate governance.

(1) Corporate Philosophy and Corporate Strategy

• Corporate Philosophy

All the Olympus Group's activities are based on our Corporate Philosophy, which is made up of Our Purpose of "Making people's lives healthier, safer and more fulfilling" and Our Core Values.

To demonstrate our commitment to patient safety as our highest priority, and to transform Olympus Corporation into a global MedTech company, in January 2024, the Olympus Group refreshed "Our Core Values." We newly added "Patient Focus,"

“Innovation,” and “Impact,” while maintaining our existing core values of “Integrity” and “Empathy.” With these new core values and based on our corporate strategy announced in May 2023, we will pursue greater success and sustainable growth as a leading global MedTech company.

• Corporate Strategy

The Olympus Group announced the new corporate strategy “Leading as a global MedTech company” in May 2023. Based on the basic guidelines of “Patient safety and sustainability,” “Innovation for growth,” and “Productivity,” this management strategy is designed to strengthen our position as a global MedTech company and realize the Group’s corporate philosophy of “Making people’s lives healthier, safer and more fulfilling.”

We have also established four strategic value pools that will drive our long-term sustainable growth and create value for our customers and society: Business and Global Expansion, Strategic M&A, Care Pathway Enhancement, and Intelligent Endoscopy Ecosystem. The Guiding Principles and the four value pools are deeply connected and help facilitate and accelerate each other, which is the beauty of the new company strategy.

OUR GUIDING PRINCIPLES



Strategic Value Pools



Furthermore, the Group aims to maintain an annual sales growth rate of approximately 5% and an operating profit margin of approximately 20%, even in the face of rapid changes in the external environment. We are targeting CAGR of approximately 8% for EPS, which is higher than the growth rate of net sales, by controlling cost increases through productivity and efficiency improvements.

[Financial guidance from the fiscal year ended March 2024 to the fiscal year ending March 2026]



Our corporate strategy has been published on our website and in integrated reports available for reference.

Company Strategy

<https://www.olympus-global.com/company/philosophy/strategy.html>

Integrated Report For the Fiscal Year Ended March 31, 2024

<https://www.olympus-global.com/ir/data/integratedreport/2024.html>

(Action to Implement Management That Is Conscious of Cost of Capital and Stock Price) (Disclosed in English)

Olympus Corporation has made its compensation system that is conscious of stock price by adopting relative TSR and EPS growth rate for indicators of executive officer compensation, etc., and manages its business based on its own cost of capital and profitability such as analysis and evaluation of the current situation and discussion of issues for improvement in the Board of Directors. In addition, Olympus Corporation actively conduct constructive interactions with shareholders for the purpose of our continuous development and improvement of mid- to long-term corporate value. Details have been published in annual securities report and integrated report.

Annual Securities Report For the Fiscal Year Ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

https://www.olympus-global.com/ir/data/pdf/annual_fy2024_en.pdf

Integrated Report For the Fiscal Year Ended March 31, 2024

<https://www.olympus-global.com/ir/data/integratedreport/2024.html>

(2) Basic concepts concerning corporate governance of Olympus Corporation

• As set out in the above section 1 “Basic concepts,” based on the respective principles of the Corporate Governance Code, we have formulated as its “Basic Policy on Corporate Governance” basic concepts concerning corporate governance, which are available for reference in Attachment 1 of this report.

(3) Compensation of directors and executive officers

• As a company with a Nominating Committee, etc., Olympus Corporation has a Compensation Committee consisting of at least three members and a majority of whom are independent outside directors. The Committee is chaired by an independent outside director to ensure transparency and to determine compensation in a fair and appropriate manner. The basic policy of our executive compensation system is to make executives strongly aware of their responsibility to maximize corporate value and meet the expectations of various stakeholders, and to treat them appropriately in accordance with their responsibilities. In accordance with this effect, the Compensation Committee has established a policy regarding the determination of individual compensation received by directors and executive officers and determines the amount of individual compensation received by directors and executive officers in accordance with this policy. For details, please refer to the section “II. 1. Organizational Composition and Operation [Compensations for Directors and Executive Officers]” of this report.

(4) Election of directors and executive officers

• At Olympus Corporation, proposals for director candidate elections and dismissals are determined by the Nominating Committee, which is chaired by an independent outside director and whose members consist in the majority of independent outside directors, after it is discussed whether the candidate has experience, insight, etc. appropriate for directors. In addition, elections of executive officers are determined by the Board of Directors after the Nominating Committee discusses whether the candidate has experience, insight, etc. appropriate for executive officers and develops proposals for elections.

(5) The reasons for the election of each director

• The reasons for the election of each director and skill matrix are described in the reference documentation to proposals for the election of directors, which is part of the convocation notice of the general meeting of shareholders and in this report (section II. Business Management Organization and Other Corporate Governance Systems Regarding Decision-Making, Execution of Business, and Monitoring, 1. Organizational Composition and Operation, and Attachment 2 “Directors Skills Matrix”).

Notice Regarding the Convocation of the General Meeting of Shareholders For the Fiscal Year Ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

https://www.olympus-global.com/ir/stock/pdf/meetingFY2024_01.pdf

[Supplementary principle 3-1-3 Initiatives on sustainability and so on]

<Initiatives on sustainability>

The Olympus Group recognizes that our Group itself can continue to be a sustainable company by contributing to society through activities aimed at “Making people’s lives healthier, safer and more fulfilling,” our Corporate Philosophy. Our ESG (environment, society, and governance) strategies are important in realizing that Corporate Philosophy.

Based on our Corporate Philosophy, the Olympus Group identifies the important ESG areas and initiatives (materiality items) on which we should focus and strives to resolve various social issues through our business. In the fiscal year ended March 2023, we revised and reorganized our existing ESG strategies. In our new corporate strategy, for which the fiscal year ended March 2024 was the first fiscal year, we have positioned ESG as a priority item and strengthened the compatibility and consistency of our ESG strategies with our corporate strategy, business strategies, and financial strategies.

Please refer to our website where we publish our initiatives on sustainability.

Sustainability

<https://www.olympus-global.com/csr/>

Annual Securities Report For the Fiscal Year Ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

https://www.olympus-global.com/ir/data/pdf/annual_fy2024_en.pdf

<Investments in human capital>

As part of our corporate reforms, the Olympus Group is working to realize a healthy organizational culture. Turning our eyes to both the needs of the Olympus Group and the everyday experiences of our employees, when these two factors are well balanced, our organization will be healthy, and our employees will be able to fully exercise their individual possibilities. Through a culture where individual employees are empowered to perform their best, we believe that we can achieve sustainable growth and our goal of “Making people’s lives healthier, safer and more fulfilling” in our Corporate Philosophy.

To realize these goals and to further evolve as a global MedTech company, we have identified three issues that we will pursue globally through various initiatives: “strengthening our corporate culture of ‘Patient Focus,’” “strengthening systems to promote a healthy organization,” and “creating opportunities for diverse human resources to grow and succeed globally.”

We have published personnel-related initiatives on our website.

Sustainability

<https://www.olympus-global.com/csr/>

Annual Securities Report For the Fiscal Year Ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

https://www.olympus-global.com/ir/data/pdf/annual_fy2024_en.pdf

<Investments in intellectual properties>

In terms of the Olympus Group’s intellectual properties, through patent applications, we are working to maintain competitive superiority in the Endoscopic Solutions Business and aiming to establish a competitive advantage in the Therapeutic Solutions Business, one of our growth drivers. To realize this competitive advantage both strategically and effectively, we have introduced an operational process to decide the allocation of patent investment through an overview of all projects in the Endoscopic Solutions Business and Therapeutic Solutions Business approved in our strategic business plan and through discussions with our businesses.

We have also created dedicated capabilities for cross-regional patent portfolio management for our Endoscopic Solutions Business and Therapeutic Solutions Business, creating a system for the integrated global management of our patent portfolio. Furthermore, with an eye on expanding our patent portfolio through M&A, we are strengthening our intellectual property functions to support our division dedicated to business development in the U.S. from a due diligence perspective. By carefully considering our strategy and shifting our investment to high-growth sectors, we have been enhancing the strength of each individual patent and quickly closing the gap with U.S. and European competitors. We will continue to work to build a patent portfolio that contributes to the sustainable growth of the Group.

We have published initiatives related to intellectual properties on integrated reports.

Integrated Report For the Fiscal Year Ended March 31, 2024

<https://www.olympus-global.com/ir/data/integratedreport/2024.html>

<The impact of climate change-related risks and earning opportunities on our business activities and profits>

The Olympus Group is working to reduce the impact that the entire value chain has on the environment, including product development, procurement, manufacturing, distribution, sales, and repair. The Olympus Group is also using scenario analysis to identify risks and opportunities related to climate change in the short, medium, and long term. Although there will be some impact of climate change risks on the Olympus Group's strategy and financial plans, the degree of impact will be limited. At the same time, we will continue to develop eco-friendly products based on energy saving, etc., by viewing the growing need for products that help reduce greenhouse gas emissions as an opportunity related to climate change. The products of the Olympus Group are compact and consume little energy when used. Therefore, since climate change has little impact on demand for products and services, we also recognize it does not have a major impact on business activities.

We also announced our endorsement of the recommendations by the Task Force on Climate-related Financial Disclosures (TCFD) in May 2021. We have published our Group's climate change-related initiatives which is in line with the TCFD framework on our website and in integrated reports.

Environmental Policy and Strategy

<https://www.olympus-global.com/csr/environment/management/>

Integrated Report For the Fiscal Year Ended March 31, 2024

<https://www.olympus-global.com/ir/data/integratedreport/2024.html>

[Supplementary principle 4-1-1 Scope of delegation to the management team]

We clearly separate the monitoring function from the executional function of management as a company with Nominating Committee, etc. to accelerate decision making in the execution of duties, to strengthen governance and further increase the transparency.

The Board of Directors aims to accelerate management decision making and execution by having a structure that focuses on deciding important matters on core managerial elements and management monitoring, delegating more authority to executive officers concerning decision making on the execution of duties and matters related to business execution. In addition, the Board of Directors makes decisions on matters related to the basic policies on management and internal control systems as well as other important matters and matters related to the execution of important duties, and receives reports from executive officers. Matters to be referred to the Board of Directors are set forth in Regulations of the Board of Directors and The Board of Directors Resolutions/Reporting Criteria.

[Principle 4-9 Qualifications and standards for independent judgments by independent outside directors]

The Board of Directors determines criteria for ensuring the independence of independent outside directors, which are detailed in this report, section II. 1. "Organizational Composition and Operation," sub-section "Matters Concerning Independent Directors." The Nominating Committee, which consists in the majority of independent outside directors, assesses the independence of candidates, thereby ensuring practical effectiveness, and at the same time verifies that the selected candidates can be expected to contribute to the Board of Directors.

[Supplementary principle 4-10-1 The mandates and roles as well as the policy regarding the independence of the composition of each committee]

The mandates and roles as well as the policy regarding the independence of the composition of each committee are described in Attachment 1 "Basic Policy on Corporate Governance," 4.-(7) of this report.

[Supplementary principle 4-11-1 Balance, diversity and scale for the Board of Directors, and policies and procedures for election of the directors]

At Olympus Corporation, the Nominating Committee creates a matrix of the experience and insight required from directors of Olympus Corporation, and determines director candidates. Balance and diversity for the Board of Directors, and policies and procedures for election of the directors are stated in Attachment 1 "Basic Policy on Corporate Governance," 4.-(3), (4), and (8) of this report.

As for the composition of the Board of Directors as of the date of the last update of this report, of 10 directors, eight are independent outside directors to ensure the effectiveness and diversity of the Board of Directors functioning as a monitoring board. In addition, of 10 directors, four have a citizenship other than Japanese nationality, and two are women. With multiple human resources equipped with abundant experience and insight in corporate management, finance and international business deployment, the Board has a composition with consideration for internationality and gender as well.

The reasons for the election of each director and skill matrix are described in the reference documentation to proposals for the election of directors, which is part of the convocation notice of the general meeting of shareholders and in this report (section II. Business Management Organization and Other Corporate Governance Systems Regarding Decision-Making, Execution of Business, and Monitoring, 1. Organizational Composition and Operation, and Attachment 2 "Directors Skills Matrix").

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https://www.olympus-global.com/ir/stock/pdf/meetingFY2024_01.pdf

[Supplementary principle 4-11-2 Situation of concurrent posts for directors and audit & supervisory board members]
Directors' status as concurrently serving officers of other listed companies is disclosed annually in the reference documents and the business report of the notices regarding the convocation of the general meeting of shareholders, and in annual securities reports.

Notice Regarding the Convocation of the General Meeting of Shareholders For the Fiscal Year Ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

https://www.olympus-global.com/ir/stock/pdf/meetingFY2024_01.pdf

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[Supplementary principle 4-11-3 Self-evaluation for the Board of Directors]

With the goal of realizing effective corporate governance, every year since 2015, we have evaluated the overall effectiveness of the Board of Directors and disclosed a summary of the results. The evaluation method includes a questionnaire and discussion. Furthermore, to ensure objectivity, the evaluation is conducted using a third-party perspective (external consultants), and the discussion is also facilitated by external consultants to organize the points objectively and provide support. Following the discussion, based on the results of analysis produced through the discussion at the Board of Directors, initiatives to enhance the effectiveness of the Board of Directors are shared. In order to pursue "Making people's lives healthier, safer and more fulfilling" in our Corporate Philosophy, we continue to work to strengthen corporate governance, an important part of our management platform, and to enhance transparency. An overview of the evaluation of the Board of Directors is published on our website.

Evaluation of effectiveness of the Board of Directors:

<https://www.olympus-global.com/company/governance/board.html>

[Supplementary principle 4-14-2 Training for directors]

With regard to training for directors, we support the acquisition of knowledge about Olympus Corporation by carrying out visits to our major business bases such as business offices and factories, etc., and business study sessions such as briefing sessions, product demonstrations, and technical result presentations. By having meetings with newly appointed directors and executive officers, etc., the Olympus Group is also providing support to promote understanding of concepts for handling and recognizing issues, and to deepen understanding of the roles and responsibilities of directors of Olympus Corporation. We will also provide support including covering costs for gaining the necessary knowledge to carry out their duties as a director.

[Principle 5-1 Policy concerning constructive interaction with shareholders]

Policies concerning the creation of frameworks and efforts to promote the constructive interaction with shareholders are described in the section "Basic Policy on Corporate Governance," 5.-(1) in Attachment 1 of this report.

2. Capital Structure

Foreign shareholding ratio	30% or more
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[Status of Major Shareholders]

Name	Number of shares held (shares)	Ratio (%)
The Master Trust Bank of Japan, Ltd. (trust account)	222,594,000	19.46
Custody Bank of Japan, Ltd. (trust account)	78,168,600	6.83
STATE STREET BANK AND TRUST COMPANY 505001	51,363,886	4.49
SMBC Trust Bank Ltd. (Olympus shares in Sumitomo Mitsui Banking Corporation's retirement benefit trust account)	39,509,300	3.45
JP MORGAN CHASE BANK 385632	29,127,619	2.55
STATE STREET BANK AND TRUST COMPANY 505223	23,578,519	2.06
STATE STREET BANK WEST CLIENT - TREATY 505234	22,646,212	1.98
Nippon Life Insurance Company	21,258,572	1.86
STATE STREET BANK AND TRUST COMPANY 505103	20,889,313	1.83
GOVERNMENT OF NORWAY	18,223,498	1.59

Name of controlling shareholder, if applicable (excluding parent companies)	-----
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Name of parent company, if applicable	None
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Supplementary explanation

1. The status of major shareholders listed is current as of September 30, 2024.
2. The Change Report for the Large-Volume Holding Report dated June 21, 2021 and available for public inspection shows that Sumitomo Mitsui Trust Bank, Limited and two other joint holders hold 82,941,600 shares (6.38% holding ratio of share certificates, etc.) as of June 15, 2021, but as Olympus Corporation could not confirm the actual number of shares held as of September 30, 2024, these holders have not been included in the above status of major shareholders.
3. The Large-Volume Holding Report dated July 9, 2021 and available for public inspection shows that Baillie Gifford & Co and one other joint holder hold 65,597,033 shares (5.05% holding ratio of share certificates, etc.) as of June 30, 2021, but as Olympus Corporation could not confirm the actual number of shares held as of September 30, 2024, these holders have not been included in the above status of major shareholders.
4. The Change Report for the Large-Volume Holding Report dated November 4, 2022 and available for public inspection shows that BlackRock Japan Co., Ltd. and seven other joint holders hold 78,732,691 shares (6.12% holding ratio of share certificates, etc.) as of October 31, 2022, but as Olympus Corporation could not confirm the actual number of shares held as of September 30, 2024, these holders have not been included in the above status of major shareholders.
5. The Change Report for the Large-Volume Holding Report dated May 10, 2023 and available for public inspection shows that Nomura Asset Management Co., Ltd. and one other joint holder hold 85,792,527 shares (6.78% holding ratio of share certificates, etc.) as of April 28, 2023 but as Olympus Corporation could not confirm the actual number of shares held as of September 30, 2024, these holders have not been included in the above status of major shareholders.
6. The Large-Volume Holding Report dated May 8, 2024 and available for public inspection shows that Massachusetts Financial Services Company and one other joint holder hold 59,169,200 shares (5.02% holding ratio of share certificates, etc.) as of April 30, 2024, but as Olympus Corporation could not confirm the actual number of shares held as of September 30, 2024, these holders have not been included in the above status of major shareholders.

3. Corporate Attributes

Listed stock exchange and market division	Tokyo Stock Exchange, Prime Market
Fiscal year-end	March
Business sector	Precision instruments
Number of employees (consolidated) as of the end of the previous fiscal year	1,000 or more
Net sales (consolidated) in the previous fiscal year	100 billion yen or more to less than 1 trillion yen
Number of consolidated subsidiaries as of the end of the previous fiscal year	50 or more to less than 100

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

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

II Business Management Organization and Other Corporate Governance Systems Regarding Decision-Making, Execution of Business, and Monitoring

1. Organizational Composition and Operation

Corporate governance system	A company with Nominating Committee, etc.
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[Directors]

Number of directors stipulated in the Articles of Incorporation	15
Directors' term of office stipulated in the Articles of Incorporation	1 year
Chairperson of the board	Outside director
Number of directors	10

[Outside Directors]

Number of outside directors	8
Number of independent directors	8

Outside directors' relationship with the company (1)

Name	Attribute	Relationship with the Company*											
		a	b	c	d	e	f	g	h	i	j	k	
Sumitaka Fujita	From another company												
David Robert Hale	From another company												
Jimmy C. Beasley	From another company												
Sachiko Ichikawa	From another company												
Kohei Kan	From another company												
Gary John Pruden	From another company												
Luann Marie Pendency	From another company												
Masato Iwasaki	From another company												

* Relationship with the Company

* Marked "○" if recently or currently applicable to the person in question and marked "△" if previously applicable.

* Marked "●" if recently or currently applicable to a relative in question and marked "▲" if previously applicable.

a Business executive of a listed company or its subsidiary

b Business executive or non-executive director of a listed company's parent

c Business executive of a listed company's affiliate or subsidiary

d Person whose main transaction counterparty is a listed company or a business executive thereof

e Main transaction counterparty of a listed company or a business executive thereof

f Consultant, accounting expert, or legal expert deriving from a listed company large financial gains or other property (other than officers' remuneration)

g Main shareholder of a listed company (if that shareholder is a corporation, a business executive thereof)

h Business executive (only the person in question) of a transaction counterparty of a listed company (other than items d, e, and f)

i Business executive of an entity in a relationship of mutual employment as outside officers (only the person in question)

j Business executive of a recipient of a donation from a listed company (only the person in question)

k Other

Outside directors' relationship with the company (2)

Name	Membership of committee			Designation as independent officer	Supplementary explanation of the relationship	Reasons for appointment
	Nominating Committee	Compensation Committee	Audit Committee			
Sumitaka Fujita	○			○	There is no fact that falls under attribute information.	Mr. Sumitaka Fujita has extensive experience and diverse knowledge as a business manager at ITOCHU Corporation. He also possesses a high level of insight, expertise, and capabilities that are expected of an outside director of Olympus Corporation through his experience as an outside director and outside auditor at several other companies and his experience as the Chairperson of the Japan Association for Chief Finance Officers. Since he assumed the post of director of Olympus Corporation in April 2012, he has been giving guidance/advice regarding the business management of Olympus Corporation. In addition, he contributed to the development of a transparent director compensation system as Chairperson of the Compensation Committee, which was established voluntarily. Since June 2018, he has been leading the Board of Directors as Chairperson of the Board. After the transition to a Company with a Nominating Committee, etc. in June 2019, he has been monitoring business execution of Olympus Corporation at the Board of Directors, and as Chairperson of the Nominating Committee, he has been facilitating decisions regarding the contents of the agenda for election of directors. Olympus Corporation expects that outside directors will monitor management from the perspective of achieving sustainable growth and enhancing corporate value over the medium to long term of the Olympus Group as entrusted by shareholders, and will provide advice based on their own knowledge. From the above, Olympus Corporation has determined that he is an indispensable person for the composition of the Board of Directors and nominated him as an outside director. In addition, Olympus Corporation considers that there is no risk of conflicts of interest with general shareholders and has designated him as an independent officer because he meets the standards for the independence of outside officers stipulated by the Tokyo Stock Exchange and the "Criteria for Independence of Outside Officers" stipulated by Olympus Corporation.
David Robert Hale		○		○	There is no fact that falls under attribute information.	Mr. David Robert Hale is a business manager of ValueAct Capital Management L.P. (hereinafter, "VAC"), one of Olympus Corporation's shareholders. He has a track record of helping global companies transform themselves with his knowledge of the global capital markets and the healthcare industry as a business management consultant and investor with experience in diverse industries, and he possesses a high level of insight, expertise, and capabilities that are expected of an outside director of Olympus Corporation. Since he assumed the post of director of Olympus Corporation in June 2019, he has been giving guidance/advice regarding the business management of Olympus Corporation at meetings of the Board of Directors. In addition, as a member of the Nominating Committee until

Name	Membership of committee			Designation as independent officer	Supplementary explanation of the relationship	Reasons for appointment
	Nominating Committee	Compensation Committee	Audit Committee			
						<p>June 2023, he facilitated decisions regarding the contents of the agenda for election of directors. Olympus Corporation expects that outside directors will monitor management from the perspective of achieving sustainable growth and enhancing corporate value over the medium to long term of the Olympus Group as entrusted by shareholders, and will provide advice based on their own knowledge. From the above, Olympus Corporation has determined that he is an indispensable person for the composition of the Board of Directors and nominated him as an outside director. Since he is Co-Chief Executive Officer of VAC, one of Olympus Corporation's shareholders, it is expected that he can contribute to enhancing corporate value by reflecting shareholder opinions in management. In addition, Olympus Corporation considers that there is no risk of conflicts of interest with general shareholders and has designated him as an independent officer because he meets the standards for the independence of outside officers stipulated by the Tokyo Stock Exchange and the "Criteria for Independence of Outside Officers" stipulated by Olympus Corporation.</p>
Jimmy C. Beasley		○		○	There is no fact that falls under attribute information.	<p>Through his 30 years of global business experience and extensive management experience in the C. R. Bard Group, one of the world's leading companies in the healthcare industry, Mr. Jimmy C. Beasley possesses a high level of insight, expertise, and capabilities that are expected of an outside director of Olympus Corporation. Since he assumed the post of director of Olympus Corporation in June 2019, he has been giving guidance/advice regarding the business management at meetings of the Board of Directors. In addition, he has participated in decisions on executive compensation as a member of the Compensation Committee. Olympus Corporation expects that outside directors will monitor management from the perspective of achieving sustainable growth and enhancing corporate value over the medium to long term of the Olympus Group as entrusted by shareholders, and will provide advice based on their own knowledge. From the above, Olympus Corporation has determined that he is an indispensable person for the composition of the Board of Directors and nominated him as an outside director. Moreover, Olympus Corporation has determined that he will contribute to achieving sustainable growth and enhancing corporate value over the medium to long term of the Olympus Group, as well as fulfilling Olympus Corporation's aim of enhancing the diversity of the Board of Directors including the internationality as a global MedTech company. In addition, Olympus Corporation considers that there is no risk of conflicts of interest with general shareholders and has designated him as an independent officer because he meets the standards for the independence of outside officers stipulated by the Tokyo Stock Exchange and the</p>

Name	Membership of committee			Designation as independent officer	Supplementary explanation of the relationship	Reasons for appointment
	Nominating Committee	Compensation Committee	Audit Committee			
Sachiko Ichikawa			○	○	There is no fact that falls under attribute information.	<p>“Criteria for Independence of Outside Officers” stipulated by Olympus Corporation.</p> <p>Ms. Sachiko Ichikawa has extensive experience, broad knowledge and a global perspective as an attorney (in Japan and New York, U.S.A.) and a certified public accountant in the U.S. She also possesses a high level of insight, expertise, and capabilities that are expected of an outside director of Olympus Corporation through her experience as an outside director and outside auditor at several other companies and her experience as Statutory Auditor of The Board Director Training Institute of Japan. Since she assumed the post of director of Olympus Corporation in June 2021, she has been giving guidance/advice regarding the business management of Olympus Corporation at meetings of the Board of Directors. In addition, she has promoted the audit of the execution of duties by the directors and executive officers of Olympus Corporation as a member of the Audit Committee. Olympus Corporation expects that outside directors will monitor management from the perspective of achieving sustainable growth and enhancing corporate value over the medium to long term of the Olympus Group as entrusted by shareholders, and will provide advice based on their own knowledge. From the above, Olympus Corporation has determined that she is an indispensable person for the composition of the Board of Directors and nominated her as an outside director. She has not been involved in company management in any way other than as an outside director and audit & supervisory board member in the past, but for the reasons stated above, Olympus Corporation has determined that she will properly perform her duties as an outside director.</p> <p>In addition, Olympus Corporation considers that there is no risk of conflicts of interest with general shareholders and has designated her as an independent officer because she meets the standards for the independence of outside officers stipulated by the Tokyo Stock Exchange and the “Criteria for Independence of Outside Officers” stipulated by Olympus Corporation.</p>
Kohei Kan			○	○	There is no fact that falls under attribute information.	<p>Mr. Kohei Kan has extensive experience and diverse knowledge as Chief Executive Officer of Deloitte Touche Tohmatsu LLC, in addition to his extensive experience and diverse knowledge as a certified public accountant. He also possesses a high level of insight, expertise, and capabilities that are expected of an outside director of Olympus Corporation given that he has experience working abroad and experience as person in charge of auditing and assurance businesses overseas at the aforementioned company with a global perspective. In addition, he currently serves as a board member of the International Federation of Accountants. Since he assumed the post of director of Olympus Corporation in June 2022, he has been giving guidance/advice regarding the business</p>

Name	Membership of committee			Designation as independent officer	Supplementary explanation of the relationship	Reasons for appointment
	Nominating Committee	Compensation Committee	Audit Committee			
						<p>management of Olympus Corporation at meetings of the Board of Directors.</p> <p>In addition, he has promoted the audit of the execution of duties by the directors and executive officers of Olympus Corporation as a member of the Audit Committee. Olympus Corporation expects that outside directors will monitor management from the perspective of achieving sustainable growth and enhancing corporate value over the medium to long term of the Olympus Group as entrusted by shareholders, and will provide advice based on their own knowledge. From the above, Olympus Corporation has determined that he is an indispensable person for the composition of the Board of Directors and nominated him as an outside director. He has not been involved in company management in any way other than as an outside director and audit & supervisory board member in the past, but for the reasons stated above, Olympus Corporation has determined that he will properly perform his duties as an outside director.</p> <p>In addition, Olympus Corporation considers that there is no risk of conflicts of interest with general shareholders and has designated him as an independent officer because he meets the standards for the independence of outside officers stipulated by the Tokyo Stock Exchange and the “Criteria for Independence of Outside Officers” stipulated by Olympus Corporation.</p>
Gary John Pruden	<input type="radio"/>			<input type="radio"/>	There is no fact that falls under attribute information.	<p>Mr. Gary John Pruden has over 30 years of global business experience and extensive experience and knowledge as a business manager at Johnson & Johnson Group, one of the world’s leading companies in the healthcare industry. He also has experience as an outside director of several U.S. companies. Since he assumed the post of director of Olympus Corporation in June 2022, he has been giving guidance/advice regarding the business management of Olympus Corporation at meetings of the Board of Directors. In addition, as a member of the Compensation Committee until June 2023, he facilitated decisions on executive compensation. As a member of the Nominating Committee since June 2023, he has facilitating decisions regarding the contents of the agenda for election of directors. Olympus Corporation expects that outside directors will monitor management from the perspective of achieving sustainable growth and enhancing corporate value over the medium to long term of the Olympus Group as entrusted by shareholders, and will provide advice based on their own knowledge. From the above, Olympus Corporation has determined that he is an indispensable person for the composition of the Board of Directors and nominated him as an outside director. Moreover, Olympus Corporation has determined that he will contribute to achieving sustainable growth and enhancing corporate value over the medium to long term of the Olympus Group, as well as fulfilling Olympus Corporation’s aim of enhancing the diversity of</p>

Name	Membership of committee			Designation as independent officer	Supplementary explanation of the relationship	Reasons for appointment
	Nominating Committee	Compensation Committee	Audit Committee			
						the Board of Directors including the internationality as a global MedTech company. In addition, Olympus Corporation considers that there is no risk of conflicts of interest with general shareholders and has designated him as an independent officer because he meets the standards for the independence of outside officers stipulated by the Tokyo Stock Exchange and the “Criteria for Independence of Outside Officers” stipulated by Olympus Corporation.
Luann Marie Pendy		○		○	There is no fact that falls under attribute information.	Dr. Luann Marie Pendy has extensive experience and diverse knowledge through her work with Medtronic plc., one of the world’s leading companies in the healthcare industry, as well as with several other companies. In particular, she also possesses a high level of insight, expertise, and capabilities that are expected of an outside director of Olympus Corporation through her experience in the areas of Quality Assurance and Regulatory Affairs (QA&RA), as well as her experience on quality-related committees. Since she assumed the post of director of Olympus Corporation in June 2023, she has been giving guidance/advice regarding the business management of Olympus Corporation at meetings of the Board of Directors. In addition, she has been participating in decisions on executive compensation as a member of the Compensation Committee. Olympus Corporation expects that outside directors will monitor management from the perspective of achieving sustainable growth and enhancing corporate value over the medium to long term of the Olympus Group as entrusted by shareholders, and will provide advice based on their own knowledge. From the above, Olympus Corporation has determined that she is an indispensable person for the composition of the Board of Directors and nominated her as an outside director. Moreover, Olympus Corporation has determined that she will contribute to achieving sustainable growth and enhancing corporate value over the medium to long term of the Olympus Group, as well as fulfilling Olympus Corporation’s aim of enhancing the diversity of the Board of Directors including the internationality as a global MedTech company. In addition, Olympus Corporation considers that there is no risk of conflicts of interest with general shareholders and has designated her as an independent officer because she meets the standards for the independence of outside officers stipulated by the Tokyo Stock Exchange and the “Criteria for Independence of Outside Officers” stipulated by Olympus Corporation.
Masato Iwasaki	○			○	There is no fact that falls under attribute information.	Dr. Masato Iwasaki has extensive and diverse knowledge as a business manager in the healthcare industry, having previously served as an executive at Takeda Pharmaceutical Company Limited. He also possesses a high level of insight, expertise, and capabilities that are expected of an outside director of Olympus Corporation through his experience as an outside director at another company, together with his experience in leading

Name	Membership of committee			Designation as independent officer	Supplementary explanation of the relationship	Reasons for appointment
	Nominating Committee	Compensation Committee	Audit Committee			
						<p>various acquisitions and establishment of overseas companies and restructuring, to promote globalization at Takeda Pharmaceutical Company Limited. Additionally, he currently serves as a Chairperson of Economic, Fiscal, Financial, and Social Security Committee at KEIZAI DOYUKAI (Japan Association of Corporate Executives). Olympus Corporation expects that outside directors will monitor management from the perspective of achieving sustainable growth and enhancing corporate value over the medium to long term of the Olympus Group as entrusted by shareholders, and will provide advice based on their own knowledge. From the above, Olympus Corporation has determined that he is an indispensable person for the composition of the Board of Directors and nominated him as an outside director.</p> <p>In addition, Olympus Corporation considers that there is no risk of conflicts of interest with general shareholders and has designated him as an independent officer because he meets the standards for the independence of outside officers stipulated by the Tokyo Stock Exchange and the “Criteria for Independence of Outside Officers” stipulated by Olympus Corporation.</p>

[Supervisory Committees]

Committee Compositions and Chairperson Attributes

	Total number of members	Number of full-time members	Number of internal directors	Number of outside directors	Chairperson
Nominating Committee	3	0	0	3	Outside director
Compensation Committee	4	0	1	3	Outside director
Audit Committee	3	1	1	2	Outside director

[Executive Officers]

Number of Executive Officers 11

Status of concurrent duties

Name	Representative authority	Concurrent position as director			Concurrent position as employee
			Nominating Committee member	Compensation Committee member	
Yasuo Takeuchi	Yes	Yes	×	○	No
John de Csepel	No	No	×	×	No
Frank Drewalowski	No	No	×	×	No
Tatsuya Izumi	No	No	×	×	No
Gabriela Castillo Kaynor	No	No	×	×	No
Tetsuo Kobayashi	No	No	×	×	No
Seiji Kuramoto	No	No	×	×	No

Shigeto Ohtsuki	No	No	×	×	No
Andre Heribert Roggan	No	No	×	×	No
Boris Shkolnik	No	No	×	×	No
Neil Boyden Tanner	No	No	×	×	No

[Auditing Structure]

Appointment of directors and/or staff to support the Audit Committee

Yes

Matters concerning relevant directors' and employees' independence from executive officers

We shall allocate a dedicated employee who will assist with the Audit Committee's duties. Employees can be deployed in dual roles as needed. In addition, we shall set forth internal corporate regulations to ensure independence from execution as stated below, and ensure effectiveness of directions from the Audit Committee to such employees.

- 1) While employees who have been assigned to assist in the duties of the Audit Committee assist in those duties, directors (excluding Audit Committee members), executive officers and employees, etc. shall not give them commands or instructions.
- 2) The appointment, dismissal, transfer, wage and personnel evaluation of employees who are assisting the Audit Committee with their duties shall be decided only after obtaining the approval of the Audit Committee.

Cooperation among Audit Committee, accounting auditors and internal audit department

Olympus Corporation has a dual reporting line of regular and ad-hoc reports from the internal audit department to both the Chief Executive Officer (CEO) and the Audit Committee.

From the stage of the internal audit plan through the stage of auditing results, the Audit Committee regularly receives reports from the internal audit department, confirms that these reports align with its focal points, provides direction as needed, thereby confirming the effectiveness of the various risk assessment, control, and monitoring processes performed under the direction of the executive officers. In addition, the Audit Committee regularly receives reports from the accounting auditor on the accounting audit plan, the implementation status of audits, and the status of the creation and operation of quality management systems, and confirms the audit quality, independence, etc. of the accounting auditor. Furthermore, the Audit Committee focuses on the global accounting audit system and audit quality, as well as on the status of leadership with respect to global network firms, and determines the appropriateness of the accounting audits.

The internal audit department provides regular and ad-hoc reports to the CEO and the Audit Committee on the internal audit plan and the implementation status and results of internal audits, as well as on the evaluation results of the establishment and operation status of internal controls, and engages in close information exchanges and cooperation with the accounting auditor on audit plans and audit results.

[Matters Concerning Independent Directors]

Number of independent directors

8

Other matters concerning independent directors

We designated eight outside directors as independent officers. No special interest relation exists between outside directors and Olympus Corporation.

[Policy on independence of Outside Officers]

Olympus Corporation has established its "Criteria for Independence of Outside Officers" as described below in order to clarify its policy on the independence of Outside Officers:

[Criteria for Independence of Outside Officers]

- 1) In any of the past 10 fiscal years, the Outside Officer has not directly received more than 10 million yen in remuneration (excluding remuneration from Olympus to Officers) or other assets from Olympus and Olympus's affiliates (hereinafter, collectively the "Group"). If the Outside Officer is a consultant, accounting expert or legal expert, the organization to which he or she belongs has not received more than 10 million yen in remuneration or similar from the Olympus Group.
- 2) During the past ten-year period, the Outside Officer has not been an Executive Director, executive officer, Corporate Officer or employee of the rank of General Manager or above at a company that falls under the following categories.
 - (1) In any of the past 10 fiscal years, the monetary amount of the relevant company's transactions with the Olympus Group has been more than 2% of the consolidated revenue of either Olympus or the Olympus Group
 - (2) The relevant company is a principal shareholder of Olympus (holding more than 5% of the total number of voting rights of Olympus directly or indirectly; the same shall apply hereinafter).
 - (3) The Olympus Group is a principal shareholder of the relevant company
 - (4) The relevant company has substantive interests in the Olympus Group (as a main bank, consultant, etc.)
 - (5) The Olympus Group and the relevant company have a relationship in which they mutually dispatch and appoint directors
- 3) The Outside Officer is not financially dependent on a person who falls under the categories of 1. or 2. above.
- 4) The Outside Officer is not a spouse of, or a relative within the third degree of kinship of, a Director, Executive Director, Corporate Officer or employee of the rank of General Manager or above at the Olympus Group.
- 5) The Outside Officer does not belong to an auditing firm that conducts statutory audits of the Olympus Group.
- 6) In addition to each of the above items, the Outside Officer does not have any significant interest that casts doubt on his or her independence.

[Incentives]

Implementation status of measures related to incentives granted to directors and/or executive officers	Introduction of a performance linked compensation system
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Supplementary explanation of relevant items

Details on our compensation system are provided in the section "Disclosure content of policy for determining compensation amounts and the calculation method."

Persons eligible for stock options	———
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Supplementary explanation of relevant items

[Compensations for Directors and Executive Officers]

Status of disclosure of individual executive officer's compensation	Individual compensation is partially disclosed
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Supplementary explanation of relevant items

We have disclosed the following compensation results for directors and executive officers for the fiscal year ended March 2024 in its business report and annual securities report.

<Compensation, etc. for the fiscal year ended March 2024>

- (1) Total amount of compensation, etc. by officer classification, total amount by type of compensation, etc., and the number of officers subject to compensation, etc.

Officer classification		Total amount of compensation, etc. (in millions of yen)	Total compensation, etc. by type (in millions of yen)			No. of subject officers (Persons)
			Base salary	Performance-linked monetary compensation	Non-monetary compensation	
Director	Inside	1,772	830	289	653	4
	Outside	277	207	–	70	10
	Sub-Total	2,049	1,037	289	723	14
Executive Officer		2,373	1,105	522	746	8

Notes:

1. Base salary includes the amount paid in the fiscal year ended March 2024. Performance-linked monetary compensation, which is short-term incentive, and non-monetary compensation (subsequent grant-type restricted stock compensation (RSU) and performance-based stock compensation (PSU)), which is long-term incentive, include the amounts to be recorded as expenses for the fiscal year ended March 2024.
2. There are two other Executive Officers who are classified as both an Executive Officer and Inside Director which is in addition to the eight Executive Officers mentioned above. Total compensation by type is reported for these two individuals in the Inside Director's row.
3. Olympus Corporation does not provide performance-linked compensation (performance-linked monetary compensation and performance-based stock compensation (PSU)) to Directors who are not classified as both an Executive Officer and Inside Director.
4. The table above includes one Inside Director and one Outside Director who retired at the close of FY2023 General Meeting of Shareholders held on June 27, 2023.
5. One Outside Director has requested to decline his compensation and the Compensation Committee has decided not to pay the compensation to him. He is not included in the number of Outside Directors mentioned above.

- (2) Total amount of compensation, etc. for each officer whose total amount of compensation, etc. is 100 million yen or more

Name	Officer classification	Total amount of compensation, etc. (in millions of yen)	Total compensation by type (in millions of yen)		
			Base salary	Performance-linked monetary compensation	Non-monetary compensation
Yasuo Takeuchi	Director, Executive Officer	496	92	97	308
Stefan Kaufmann	Director, Executive Officer	1,138	607	192	339
Tetsuo Kobayashi	Executive Officer	119	35	40	44
Jose Ignacio Abia Buenache (Common name: Nacho Abia)	Executive Officer	528	155	108	265
Chikashi Takeda	Executive Officer	164	34	39	91
Frank Drewalowski	Executive Officer	459	273	102	84
Andre Heribert Roggan	Executive Officer	462	300	72	90
Gabriela Castillo Kaynor	Executive Officer	219	91	67	60
Pierre Albert Boisier	Executive Officer	204	89	61	54

Notes:

1. The "Base salary" in the table above includes the amount paid in the fiscal year ended March 2024. "Performance-linked monetary compensation" includes the amount of short-term incentive compensation with the fiscal year ended March 2024 as the evaluation period and "Non-monetary compensation" includes the amount of long-term incentive compensation with the fiscal year ended March 2024 as a part of the evaluation period (subsequent grant-type restricted stock compensation and performance-based stock compensation), both of which are to be recorded as expenses in the fiscal year ended March 2024.
2. Stefan Kaufmann, Jose Ignacio Abia Buenache, Frank Drewalowski, Andre Heribert Roggan, Gabriela Castillo Kaynor and Pierre Albert Boisier have employment contracts with overseas subsidiaries and the "Base salary" amount in the above table includes various allowances and welfare benefits provided under such employment contracts for them.

3. Stefan Kaufmann, Frank Drewalowski and Andre Heribert Roggan are Executive Officers of Olympus Corporation having office for execution in Japan and their principle place of residence is Japan, while belonging to an overseas subsidiary. We make the necessary adjustments to ensure that their tax burden for income taxes is consistent with that of the residents of the belonging country. The amount of taxes, etc. incurred in connection with such treatment is also included in the amount shown under “Base salary” in the table above. In addition, in case of Stefan Kaufmann and Andre Heribert Roggan, unsettled taxes that are temporarily incurred in the relevant country and for which a refund is to be requested (Stefan Kaufmann: 99 million yen, Andre Heribert Roggan: 99 million yen) are not included in the compensation of the table above.

(3) Short-term incentive compensation, for which the evaluation period was the fiscal year ended March 2024 (FY2024-STI)

Short-term incentive compensation (STI) for the fiscal year ended in March 2024 consists of financial indicators and quality target. Financial indicators were set to be revenue and operating profit margin aiming at assessing growth and efficiency. In addition, since it is important to steadily implement long-term and strategic efforts within each fiscal year, quality target was set as indicator. The composition of evaluation index is revenue 25%, operating profit margin 25%, and quality target 50%.

i. Revenue: 25%

The Compensation Committee has made a resolution to define the target of revenue according to the “next term forecast” of the financial statements for the fiscal year ended March 2023 on June 9, 2023. For achieving 100% of the target, 100% will be paid, and the payout rate will be from a lower limit of 0% to an upper limit of 200%. If revenue (X) exceeds the target, for the payout rate of between 100% and 200% payment, it is calculated as $\text{Payout rate} = 100 + (X - 9,140) * 100/307$. If revenue (X) is below the target, it is calculated as $\text{Payout rate} = 50 + (X - 8,702) * 50/438$. Where revenue is less than 8,264 Oku-yen, the payout rate is 0%.

ii. Operating profit margin: 25%

The Compensation Committee has made a resolution to define the target of operating profit margin according to the “next term forecast” of the financial statements for the fiscal year ended March 2023 on June 9, 2023. For achieving operating profit margin within minus/plus one percentage point of the target, 100% will be paid, and the payout rate will be from a lower limit of 50% to an upper limit of 200%. If operating profit margin (Y) exceeds the target, for the payout rate of between 100% and 200% payment, it is calculated as $\text{Payout rate} = 100 + 25 * (Y - 20.9)$. If operating profit margin (Y) is below the target, the payout rate between 50% and 100% payment is calculated as $\text{Payout rate} = 100 - 25 * (18.9 - Y)$. If operating profit margin is less than 16.9%, the payout rate is 0%.

iii. Quality target: 50%

1. The goals for the STI and PSU reward evaluation are the medium- to long-term, and short-term goals of major initiatives to improve the root causes (vulnerabilities) that may exist with our QARA organizational structure, manufacturing processes, quality management systems and the quality culture of our medical business.
2. The Compensation Committee and the Quality Assurance and Regulatory Affairs (QA&RA) sub-Committee, which is made up of outside directors, cooperate to determine proper compensation evaluation targets and achievement rates based on completion of extensive remediation and Quality Systems improvement work streams. Successful completion of these work streams was further verified by regular meetings of QA&RA sub-Committee and the preliminary results of an independent third-party audit at one facility.

The target values and actual values for each performance evaluation index are as follows.

Short-Term Incentive Compensation (STI)		Target value	Actual value	Payout rate
Performance evaluation index	Revenue (25%)	¥914.0 billion	¥871.5 billion	51.1%
	Operating profit margin (25%)	18.9-20.9%	16.2%	0%
	Quality target (50%)	401 work streams	Exceeded target level	200.0%

Note:

Revenue is calculated from the figure after foreign exchange adjustment by applying the exchange rate used for the earnings forecast for the fiscal year under review and operating profit margin is calculated from operating profit after adjustments that deduct other income and other expenses.

Based on the above results, the Compensation Committee determines the total payout rate. The consolidated payout rate of each performance index was 112.8%. The payment amount is determined by multiplying this payout rate by the standard amount of short-term incentive compensation (STI).

(4) Long-term incentive compensation (FY2022-PSU), for which the fiscal year ended March 2024 was set as the final year of the evaluation period

The composition of the evaluation index for performance-based stock compensation (PSU) is Operating profit margin 40%, Relative TSR 40% and ESG 20%. As index related to enhancement of corporate value or shareholders’ value, financial

perspective, shareholder’s perspective and ESG perspective are taken and goals for Operating profit margin, Relative TSR and DJSI-Index (Dow Jones Sustainability Index) were set respectively. The same weight (40% each) was set to Operating Profit margin and Relative TSR and half the weight (20%) was set to DJSI-Index as ESG perspective.

The following table summarizes the weight for each index, target values for 100% payment, results, and the payout rates based thereon.

Performance evaluation index	Weight	Target (100% Payout)	Result	Payout rate	Payout rate
(1) Operating profit margin	40%	Setting 100% payout target for each year	(Note 1)	57.3%	87.8%
(2) Relative TSR	40%	50%ile (Peer group)	31.1%ile	62.2%	
(3) ESG	20%	DJSI-index	(Note 4)	200.0%	

Notes:

- Operating profit margin: 100% payout target for each year were as follows. Payout rate of operating profit margin is a simple average of payout rate of each year.
FY2022=17.5%, FY2023=21.4%, FY2024=18.9-20.9%
The results of operating profit margin for each year were as follows.
FY2022=19.3%, FY2023=20.0%, FY2024=16.2%
- Operating profit margin value is after adjustment by deducting other income and expenses.
- (Relative TSR payout rate for 25%ile to 50%ile) = 2 * (Relative TSR result %ile)
- Payout rate of ESG index is determined by DJSI-Index of each year in the evaluation period. Results of each year were as follows.
FY2022 = World, FY2023 = World, FY2024 = World

The resulting consolidated payout rate of each performance index was 87.8%. The number of shares to be vested is determined by multiplying this payout rate and the number of PSU units granted to each executive officer.

(5) Stock compensation with units granted for the fiscal year ended March 2024

Stock compensations with units granted for the fiscal year ended March 2024 were as follows:

Type	Name	Eligible person	Date of granting unit	Total number of units granted
subsequent grant-type restricted stock compensation	FY2024-RSU	Non-executive Directors	June 27, 2023	32,040
		Executive Officers	April 1, 2023	289,098
performance-based stock compensation	FY2024-PSU	Executive Officers	April 1, 2023	433,648

Policy for determining compensation amounts and the calculation methods

Available

Disclosure content of policy for determining compensation amounts and the calculation methods

As a company with a Nominating Committee, etc., the Compensation Committee, majority of which is comprised of independent outside directors, considers and decides matters including the policy to determine individual compensation, etc., for directors and executive officers, the compensation content, and matters related to compensation regulations. See Attachment 3 in this Report for details on the company’s policy to determine individual compensation, etc., for directors and executive officers for the fiscal year ending March 2025.

[Support Systems for Outside Directors]

To support the effective execution of the roles and duties of directors, we work proactively to provide outside directors with information and distribute documents prior to Board of Directors meetings while setting an opportunity for the explanation of agendas in advance as necessary and working to stimulate discussions in the Board of Directors meetings. We have also established the “Secretary to the Board” as a dedicated organization to support the execution of duties of outside directors as well as the effective and robust activities of the Board of Directors, Nominating Committee and Compensation Committee. Furthermore, in order to assist the Audit Committee with their duties, Olympus Corporation has established the Office of Audit Committee that ensures independence from execution.

Additionally, we support the acquisition of knowledge about Olympus Corporation by providing training comprising visits to our major business bases such as business facilities and factories, etc., and business study sessions such as briefing sessions, products demonstrations, and technical result presentations. By having meetings with newly appointed directors and executive officers, etc., the Olympus Group is also promoting understanding of executive thinking and awareness of issues, and providing support to

deepen understanding of the roles and responsibilities of directors of Olympus Corporation. We will also provide support including covering costs for gaining the necessary knowledge to carry out their duties as a director.

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

Organizational design is a company with Nominating Committee, etc. By having the Board of Directors specialize in deciding important items related to the core of management and in management monitoring, we are working to enhance our management speed and monitoring functions. For items related to the everyday execution of duties, authority has largely been delegated to executive officers as we work to increase the speed of management decision making and execution of duties.

The following shows the composition of the Board of Directors and each committee.

Position	Name	Board of Directors	Nominating Committee	Compensation Committee	Audit Committee
Independent Outside Director	Sumitaka Fujita	◎	◎		
Independent Outside Director	David Robert Hale	○		○	
Independent Outside Director	Jimmy C. Beasley	○		◎	
Independent Outside Director	Sachiko Ichikawa	○			○
Independent Outside Director	Kohei Kan	○			◎
Independent Outside Director	Gary John Pruden	○	○		
Independent Outside Director	Luann Marie Pendy	○		○	
Independent Outside Director	Masato Iwasaki	○	○		
Director	Yasuo Takeuchi	○		○	
Director	Toshihiko Okubo	○			○

Members are indicated by ○, and heads of organizations (Chairperson of the Board of Directors or Chairperson) are indicated by ◎.

The status of activities of the Board of Directors and each committee for the fiscal year ended March 2024 are as follows.

[Board of Directors]

Purpose and Authority, etc.	<ul style="list-style-type: none"> - The Board of Directors convenes at least once every three months and when needed. The Board of Directors determines matters related to basic policies of management and internal control systems and other important matters, and monitors the execution of the duties of directors and executive officers, etc. - The Board of Directors is chaired by an independent outside director. We expect that outside directors will monitor management from the perspective of achieving sustainable growth of Olympus Corporation and enhancing corporate value over the medium to long term as entrusted by shareholders, and will provide advice based on their own knowledge. - We proactively provide directors with information to enable the effective execution of their roles and duties. The outside directors may at all times when needed or when considered appropriate require clarifications, reports or the submission of internal documents from internal directors, executive officers, corporate officers, and employees, so as to strengthen the functions of information transmission and monitoring and to create systems to ensure the soundness of management.
Considerations made	<ul style="list-style-type: none"> - Matters related to Olympus Corporation's Basic Management Policy; e.g. corporate strategies, business plans, performance forecasts and Basic Policy on the Internal Control System, etc. - Matters related to Corporate Governance (Status report for each business, status reports for initiatives in governance, risk, compliance, and quality control, status report on the execution of the ESG strategy, status report on IR activities, internal audit plans and report on the 2024 Noto Peninsula Earthquake, evaluation of the effectiveness of the Board of Directors, executive structure for the next term, etc.) - Matters related to the status of activities of each committee; e.g. audit plans of the Audit Committee and its status of activities, matters discussed at the Compensation Committee, and sharing of other committee proceedings, etc. <p>In addition to the above, the Chairperson of the Board of Directors reports on matters to be discussed at the meeting of the Group Executive Committee as necessary and the Board of Directors regularly receives status reports on the execution of duties from executive officers.</p>
Number of meetings held	14
Other activities	<ul style="list-style-type: none"> - So that our Board of Directors can contribute to enhancing Olympus's corporate value by cooperating with executive officers, its duties to be fulfilled are (i) improving recognition and insight into the management environment and management issues through constructive discussion with executive officers, (ii) effectively monitoring management decision making and execution from a strategic and broad perspective, and (iii) supporting the promotion of strategies so Olympus can develop itself as a global MedTech company, and it will exercise effective monitoring capabilities. - We hold an "Executive Session," which is held after the conclusion of every Board of Directors meeting and an "Opinion Exchange Meeting for Outside Directors," which is held once per quarter. These are meetings in which only outside directors can participate. At each meeting, the outside directors aim to share their recognition while extracting management issues and the Chairperson provides feedback on the details to the executive officers. - The Olympus Group is making efforts to improve the effectiveness of the Board of Directors including improvements based on the results of evaluations on the effectiveness of the Board of Directors regarding matters that should be

	discussed and reported at Board of Directors meetings.
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[Nominating Committee]

Purpose and Authority, etc.	<ul style="list-style-type: none"> - The Nominating Committee deliberates matters related to human resources at the director and executive officer level, and determined the content of proposals submitted to the general meeting of shareholders in relation to the appointment and dismissal of directors. - The Nomination Committee shall consist of at least three members selected from among directors by the Board of Directors, and the majority shall be independent outside directors. In addition, the chairperson shall be an independent outside director.
Considerations made	<ul style="list-style-type: none"> - In considering the plan for the composition of the Board of Directors, the Nominating Committee updated a matrix of the experience and knowledge required of our directors. - Regarding the selection of candidates for directors, outside consultants were used, and deliberations and interviews were conducted according to the selection criteria after considering the composition of Olympus Corporation's Board of Directors. - Regarding the selection plan for executive officers, the Nominating Committee discussed their suitability and made decisions after a year-long evaluation and selection process. - Regarding the succession plan for executive officers, the Nominating Committee discussed whether the candidates possessed the desired experience and knowledge in accordance with expected roles in the execution of duties at Olympus Corporation.
Number of meetings held	13

[Compensation Committee]

Purpose and Authority, etc.	<ul style="list-style-type: none"> - The Compensation Committee considers matters related to compensation for directors and executive officers, establishes the policy for the content of individual compensation, etc., and determines the details for compensation of each director and executive officer according to this policy. - The Compensation Committee shall consist of at least three members selected from among directors by the Board of Directors, and the majority shall be independent outside directors. In addition, the chairperson shall be an independent outside director.
Considerations made	<ul style="list-style-type: none"> - Details about compensation for directors and executive officers were determined. - Details have been disclosed in annual securities reports (“(4) Compensation for Officers, etc. (iii) Compensation Committee”). Annual Securities Report For the Fiscal Year Ended March 31, 2024 (from April 1, 2023 to March 31, 2024) https://www.olympus-global.com/ir/data/pdf/annual_fy2024_en.pdf
Number of meetings held	11

[Audit Committee]

Purpose and Authority, etc.	<ol style="list-style-type: none"> 1) Audits on how executive officers and directors execute their duties, and preparing audit reports 2) Determining proposal contents for appointing, dismissing, and refusing reappointment of the accounting auditor 3) Other duties stipulated in laws and regulations and the Articles of Incorporation, and other matters determined to be necessary by the Audit Committee <ul style="list-style-type: none"> - The Audit Committee shall consist of at least three members selected from among directors by the Board of Directors, and the majority shall be independent outside directors. In addition, the chairperson shall be an independent outside director. At least one member shall have an extensive understanding of finance and accounting operations.
Considerations made	<ul style="list-style-type: none"> - Details have been disclosed in annual securities reports (“(3) Audits b. Status of the Audit Committee’s activities”). Annual Securities Report For the Fiscal Year Ended March 31, 2024 (from April 1, 2023 to March 31, 2024) https://www.olympus-global.com/ir/data/pdf/annual_fy2024_en.pdf
Number of meetings held	27

Note: Attendance for individual directors and committee members at each meeting body is disclosed in annual securities reports.
Annual Securities Report For the Fiscal Year Ended March 31, 2024 (from April 1, 2023 to March 31, 2024)
https://www.olympus-global.com/ir/data/pdf/annual_fy2024_en.pdf

[Executive Officers]

Executive officers are comprised of the following persons: Executive Chairperson, President and Chief Executive Officer (CEO), Chief Medical Officer (CMO), Endoscopic Solutions Division Head, Chief Financial Officer (CFO), Chief Strategy Officer (CSO), Chief Manufacturing and Supply Officer (CMSO), Therapeutic Solutions Division Head, Chief Human Resources Officer (CHRO), Chief Technology Officer (CTO), Chief Quality Officer (CQO), and Global General Counsel, who accelerate and streamline the decision-making processes in the Olympus Group and centrally manage risk management across the Olympus Group. Currently, Executive Chairperson is carrying out the duties of CEO for the time being.

[Content of Liabilities Limitation Agreement]

In order to enable directors to fully discharge their expected functions, we have entered with directors (excluding executive directors, etc.) into agreements based on the provisions of Article 427, paragraph (1) of the Companies Act which limit the indemnification liability pursuant to Article 423, paragraph (1) of the Companies Act, such that the indemnification liability under the said agreements corresponds to the statutory minimum indemnification liability amount. This limitation of liability applies only when the liability is the result of a director performing their duties in good faith and without gross negligence.

[Content of Indemnification Agreement]

We have entered into indemnification agreements pursuant to Article 430-2, Paragraph 1 of the Companies Act with all directors and executive officers. Olympus Corporation will indemnify the directors and executive officers for the expenses mentioned in the first item of the same paragraph and for the losses mentioned in the second item of the same paragraph to the extent provided by law. To ensure that the proper execution of duties is not impaired by such an indemnification agreement, directors or executive officers will not be indemnified for cases such as malicious intent or gross negligence on the part of each director or executive officer in performing his or her duties.

[Content of Directors and Officers Liability Insurance Agreement]

We have entered into directors and officers liability insurance agreements with an insurance company pursuant to Article 430-3, Paragraph 1 of the Companies Act. Insured persons in this insurance agreements include officers and managerial employees of Olympus Corporation and its subsidiaries (in Japan), and insurance premiums are paid in full by Olympus Corporation. The insurance agreements cover damages that may arise when the insured person assumes liability for the execution of his or her duties or receives claims related to the pursuit of such liability. We will bear the full amount of the insurance premiums. However, the Olympus Group takes measures to ensure that the proper execution of duties is not compromised by excluding damage claims resulting from criminal acts or acts performed with an awareness of legal violations not covered by insurance.

3. Reasons for Adoption of Current Corporate Governance System

As described below, taking the structure of a company with Nominating Committee, etc., we strive to accelerate decision making in the execution of duties and to further increase the strength and transparency of governance.

1. Acceleration of Management Decision Making and Business Execution Functions

Functions are separated based on the basic principle of “separation of corporate monitoring and business execution” in a “a company with nominating committee, etc.” The Board of Directors focuses on deciding important matters on core managerial elements and management monitoring, and works to enhance management speed and monitoring functions. We will seek to accelerate management decision-making and execution by delegating more authority to executive officers concerning matters related to daily business execution.

2. Reinforced Monitoring Function in Management

We will establish three committees as defined by law; nominating committee, compensation committee and audit committee, which consist in the majority of independent outside directors, supervise management through the functions of each committee, and build more appropriate management monitoring system.

3. Increased Transparency in Management

The nominating committee, which consists in the majority of independent outside directors, will decide candidates for directors, while the compensation committee, which consists in the majority of independent outside directors, will decide compensation of directors and executive officers. These committees will improve the transparency of director and executive officer assignment and compensation decisions. We will seek to further increase its management transparency to domestic and foreign stakeholders.

III Implementation of Measures for Shareholders and Other Stakeholders

1. Measures to Vitalize General Shareholder Meetings and Facilitate Exercise of Voting Rights

	Supplementary explanation
Advance dispatch of convocation notices of general meetings of shareholders	In order to provide our shareholders with time to sufficiently review information on the convocation notice, we send the convocation notice three weeks before the general meeting of shareholders. Additionally, a few days before the convocation notice is sent, the convocation notice is provided electronically on our website, TDnet, website for posted informational materials for the general meeting of shareholders (https://d.sokai.jp/7733/teiji/) and the electronic voting rights exercise platform.
Off-peak scheduling of general meetings of shareholders	The policy is to appropriately set the date on which the general meeting of shareholders is to be held with the intention of shareholders attending after adequately considering proposals.
Electronic voting rights exercise	Voting rights can be exercised electronically by using our designated voting rights exercise website.
Participating in the electronic voting rights exercise platform and other initiatives to improve the voting rights exercise environment for institutional investors	We participate in the electronic voting rights exercise platform for institutional investors provided by ICJ, Inc.
Provision of English convocation (outline) notices	The text English translation of the convocation notice is available on the electronic voting rights exercise platform and our website.
Other matters	The full text of the resolution notice is published on the electronic voting rights exercise platform and our website. In order to gain the understanding of shareholders, video and other presentation materials are used to illustrate the matters reported in general meetings of shareholders. These materials are also published on our website. Furthermore, by adopting an attendance-type virtual general meeting of shareholders in which questions can be asked and voting rights can be exercised through an online attendance method, as well as by accepting questions in advance, we are working to secure the opportunity for all shareholders to exercise their voting rights. Part of the video that is livestreamed on the day of the general meeting of shareholders is posted on our website after the meeting is held, along with the above materials on items to be reported.

2. Status of IR-related Activities

	Supplementary explanations	Availability of explanations from the representative
Disclosure policy creation and publication	We published its “Disclosure Policy” on our website. In addition, in accordance with its disclosure policy, we have established information disclosure frameworks, disclosure standards, and pertinent information management regulations, as well as Rules on Information Disclosure for timely and appropriate information disclosure.	
Regular briefing sessions for individual investors	Our website provides an overview of our businesses, its strengths, and the steps that it has taken to develop cutting-edge optical equipment products. Furthermore, as opportunities for direct dialogue, we participate in individual investor briefings and online seminars held by securities companies and IR events when suitable.	No
Regular briefing sessions for analysts and institutional investors	On the day that financial results are announced each quarter, our management holds results briefings for direct dialogue with analysts and institutional investors on the business environment, financial results, financial forecasts, and progress in the corporate strategy. Furthermore, in addition to holding events such as Investor Day, corporate strategy briefings, small meetings with our management, new product presentations, and factory tours as appropriate, we participate in domestic and overseas conferences held by securities companies. Moreover, individual meetings are held by the Chief Executive Officer (CEO), Chief Financial Officer (CFO), and IR officers as needed,	Yes

	excluding the quiet period between the day quarterly results are calculated and the day financial results are announced.	
Regular briefing sessions for international investors	<p>On the day that financial results are announced each quarter, our management holds the results briefing at the same time as the briefing for domestic analysts and institutional investors. Moreover, several times a year, the CEO, CFO, or an IR officer visits overseas institutional investors and also participates in overseas conferences held by securities companies when suitable.</p> <p>In addition, we also locate IR officers in the U.S. where many of our shareholders are located (second to Japan). We convene individual meetings as needed and participate in conferences held by securities companies convened in the U.S. when appropriate, excluding in the quiet period up until the day quarterly results are released.</p> <p>The Olympus Group ceased visiting overseas institutional investors in March 2020 due to the effects of COVID-19, and resumed such visits from November 2022. The CEO or CFO holds meetings in Europe, the United States, and Asia, as appropriate.</p>	Yes
Publication of IR materials on the Company website	We publish financial results information (financial results, presentation materials, numerical reference materials) and other corporate disclosures, integrated reports, convocation notices to general meetings of shareholders, shareholder communications, securities reports and quarterly reports, medical fact books, and reports on the Olympus Group's sustainability initiatives. We also publish videos of various events including Investor Day, corporate strategy briefings, new product presentations, and general meetings of shareholders.	
IR Department (Officer)	Officer in charge: Executive Officer, Chief Financial Officer Tatsuya Izumi Department in charge: IR Department.	
Other matters	<p>[Providing IR Materials in English] Financial information (financial results, presentation materials, and numerical reference materials), relevant disclosure materials in addition to financial information, integrated reports, convocation notices for general meetings of shareholders, and medical fact books are disclosed in English. Securities reports are disclosed in English for the fiscal year ended March 2023 onward.</p> <p>[Results of Interviews for the Fiscal Year Ended March 2024] Number of interviews: 1,075 Officers (CEO, CFO, CSO, CQO, etc.): 104 IR Department: 971 (Number of interviews in the past three years for reference) Fiscal year ended March 2023: 779 Fiscal year ended March 2022: 992 Fiscal year ended March 2021: 888 *CSO: Chief Strategy Officer *CQO: Chief Quality Officer *Number is the total number of institutional investors</p> <p>[Status of Giving Feedback to Management and the Board of Directors] The IR Department makes reports to the CEO and CFO about dialogue with analysts and institutional investors as needed. Every six months, feedback is given at the Group Executive Committee and Board of Directors meeting about evaluations and concerns related to the capital market by means of an IR Activity Report. Management and the IR Department also work to improve IR activities including efforts to enhance dialogue and improve and widen disclosure materials by considering the opinions of analysts and institutional investors.</p> <p>The following shows the main concerns of analysts and institutional investors for the fiscal year ended March 2024. - Content of Warning Letter given by the U.S. Food and Drug Administration and Olympus Corporation's response</p>	

- The status of our endoscope system “EVIS X1” before and after sales launch in the U.S. and Chinese markets
- The impact of the anticorruption campaigns in the Chinese market
- The state of progress of our new corporate strategy
- Capital allocation and shareholder return policy

3. Status of Measures to Ensure Due Respect for Stakeholders Updated

Supplementary explanations	
Regulations on the integration of stakeholder viewpoints based on internal regulations, etc.	<p>The Olympus Group has established the “Olympus Global Code of Conduct,” which expressly prescribes behavior in accordance with laws and regulations and high ethical standards as well as fair and honest corporate conduct in relationships with all of our stakeholders including patients, medical professionals, business partners, shareholders, employees, local communities, and regulatory agencies.</p> <p>[ESG Strategy and Governance]</p> <p>Through our Corporate Philosophy, the Olympus Group has identified areas of ESG (Environment, Society, Governance) and materiality topics on which to focus, and are working to resolve various social issues.</p> <p>While keeping the foundation and framework of the existing ESG strategy, after hearing the opinions of stakeholders, taking into account the expectations and requirements for sustainability required of companies by society in recent years, and considering trends in the medtech industry, during the fiscal year ended March 2023, the Olympus Group has identified and established “25 Materiality Topics” under “6 Focus Areas.” These “6 Focus Areas” and “25 Materiality Topics” have been integrated into our management and business activities, and our goal is to contribute widely to the resolution of social issues through these activities. The Olympus Group considers ESG to be an important issue for becoming a competitive global MedTech company and contributing to the realization of a sustainable society.</p> <p>[6 Focus Areas]</p> <ul style="list-style-type: none"> - Healthcare Access and Outcome - Compliance, Product Quality and Safety - Responsible Supply Chain - Healthy Organization - Carbon Neutral Society and Circular Economy - Corporate Governance
Implementation of environmental protection activities, CSR activities, etc.	<p>The Olympus Group has also established a new group-wide governance system from the fiscal year ended March 2024. Under this new governance system, an “ESG Committee” has been established that consists mainly of the heads of each business and each functional department to help promote the implementation and monitoring of ESG strategies. Theme-based working groups have been set up under this according to each theme that needs to be addressed across different functions for implementing strategies. The ESG Committee makes reports on a regular basis at Group Executive Committee and Board of Directors meetings on matters such as strategy implementation status, activity results, and issues. Based on instructions and advice gained from Group Executive Committee and Board of Directors meetings, the Olympus Group properly implements ESG strategies under a proper governance system.</p> <p>Olympus Corporation uses the Dow Jones Sustainability Indices (DJSI), which is one of the world’s leading indices for evaluating corporate sustainability, as an index for our ESG activities. As a result, in December 2023, we were selected as a stock comprising “DJSI World” for the third year in a row and “DJSI Asia Pacific” for the fifth year in a row.</p> <p>[Environmental Conservation Activities]</p> <p>The Olympus Group is working to reduce the impact that the entire value chain has on the environment, including product development, procurement, manufacturing, distribution, sales, and repair. Under the Chief Executive Officer (CEO), who take the lead in regards to environmental activities such as climate change, the Chief Human Resources Officer (CHRO), who is in charge of EHS (Environment, Health, and Safety) functions, oversees the environmental activities of the entire Olympus Group. Under the direction of the CHRO, the EHS division formulates the “Environmental Health and Safety Policy” for the whole Olympus Group, as well as the Environmental</p>

Formulation of policies concerning the provision of information to stakeholders

Action Plan, which includes reduction targets for consumption of greenhouse gas, and promotes and monitors the progress of the Olympus Group's Environmental Action Plan while also promoting continuous improvement. CEO is given progress reports on environmental activities as needed and issue necessary instructions for improvements. The Board of Directors receives status reports on responses to climate change when suitable and monitors initiatives.

In order to deepen understanding of the Olympus Group, we are striving to actively disclose and disseminate information. Initiatives related to sustainability, including the above initiatives, are disclosed on our website and Sustainability Report.

Sustainability

<https://www.olympus-global.com/csr/>

Sustainability Report

https://www.olympus-global.com/csr/download/pdf/Olympus_Sustainability_Report_2024_en.pdf

The Olympus Group's Corporate Philosophy states "making people's lives healthier, safer and more fulfilling," and serves as the fundamental idea for all its corporate activities. To this end and in order to gain proper understanding and confidence of all the stakeholders, Olympus Corporation has a policy of disclosing its management policies, financial condition, business activities, and non-financial related corporate information in a fair, timely, appropriate and proactive manner. The "Disclosure Policy" is available on our website. <https://www.olympus-global.com/ir/policy/disclosure.html>

IV Matters Concerning the Internal Control System

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

Updated

All activities of Olympus Corporation are based on our Corporate Philosophy, “Making people’s lives healthier, safer and more fulfilling.”

Olympus Corporation, based on this basic concept, shall prepare and operate a framework which ensures the effectiveness and efficiency of operations and appropriateness and reliability of financial reporting of Olympus Corporation and its subsidiaries (hereinafter, “the Olympus Group”), and make continuous improvements.

I Framework to ensure the appropriateness of business operations in the Olympus Group

[Framework of Olympus Corporation]

- (1) Olympus Corporation, as a company with a nominating committee, etc., clearly separates the monitoring and execution of management in order to strengthen governance and further improve transparency, as well as enhance efficient and agile decision-making related to the execution of business.
- (2) The Board of Directors is composed of more than half Independent Outside Directors from the perspective of enhancing its monitoring function. It decides important matters related to the management of the Olympus Group and monitors the execution of duties by Executive Officers.
- (3) The CEO, as the person in charge of execution, supervises other Executive Officers and assumes full responsibility for the execution of duties.
- (4) Executive Officers make decisions on matters delegated to them by the Board of Directors and execute duties within their own areas of responsibility throughout the Olympus Group. They also regularly report on the execution of their duties to the Board of Directors.
- (5) The Group Executive Committee is composed of Executive Officers. It deliberates and monitors important matters regarding the execution of business throughout the Olympus Group.

1. Framework to ensure that the execution of duties by executives and employees of the Olympus Group complies with applicable laws and regulations and the Articles of Incorporation

- (1) The Board of Directors shall establish the “Basic Management Policy” such as the Corporate Philosophy and Olympus Global Code of Conduct, and monitor the execution of duties of Executive Officers.
- (2) Executive Officers shall establish internal corporate regulations that clearly define the policies and procedures that must be followed by Olympus Group executives and employees, and shall execute their duties within the Olympus Group. In addition, they shall instill the policies and raise awareness of compliance in the Olympus Group through implementing continuing education related to the regulations and other measures.
- (3) Olympus Corporation shall appoint an officer in charge of overseeing compliance activities throughout the Olympus Group and establish a function in charge of group-wide compliance. The function in charge of group-wide compliance shall promote compliance measures and conduct education for Olympus Group employees in accordance with the Compliance Management System Rule. In addition, the function in charge shall establish a global hotline system as well as a local hotline system in each region to receive reports of compliance violations.
- (4) Olympus Corporation shall establish an internal audit function reporting directly to the CEO. The internal audit function shall conduct various audits of the Olympus Group in accordance with the Internal Audit Charter and other related regulations, and report the results to the CEO and the Audit Committee. Olympus Corporation shall take appropriate measures based on these results.

2. Framework regarding the maintenance of records and management of information in relation to performance of duties by Executive Officers

Executive Officers shall establish internal regulations on document management in each region, maintain and manage important documents or electronic data, and maintain a system to access them as necessary.

3. Regulations and other framework relating to managing risks of loss of the Olympus Group

- (1) The Board of Directors, the Group Executive Committee, and other meeting bodies shall manage the business risks of the Olympus Group based on due deliberations and appropriate operation of the internal approval procedure.
- (2) Olympus Corporation shall establish a function in charge of risk management of the Olympus Group. The function in charge shall, based on the Internal Control Framework and other related regulations, create, operate appropriately, and manage a risk management system to prevent the emergence of serious risks resulting from the business activities of the Olympus Group and minimize damage in the event of such risks emerging. In addition, in the event of an emergency, the function in charge shall make immediate reports to the Executive Officers and relevant people and take prompt action.
- (3) Olympus Corporation shall designate functions with jurisdiction over each area of risks of loss (quality, product safety, import and export control, information security, health and safety, the environment, disasters, etc.) within the Olympus Group. Each of these functions shall establish internal corporate regulations and implement preventive risk management and education within the Olympus Group.

4. Framework to ensure the effective performance of duties of the Olympus Group

The Board of Directors shall delegate appropriate authority to Executive Officers in order to enhance efficient and agile decision-making. Executive Officers shall execute the duties within the scope of their responsibilities for the entire Olympus

Group based on the division of duties determined by the Board of Directors. In addition, Executive Officers shall define the Job Authority Rules, Organization Rules, and other related regulations to clarify the responsibilities and authorities of major job ranks within their jurisdiction.

5. Framework for reporting to Olympus Corporation on matters concerning execution of duties by the Directors and employees of the subsidiaries

Olympus Corporation shall establish regional headquarters to manage and oversee multiple affiliated companies in each region of the Olympus Group. The officers responsible for the regional headquarters shall periodically report to the CEO on the management situation of the affiliated companies and other matters, in accordance with the Affiliated Company Management Rules and other related regulations.

In addition, regarding important management matters of affiliated companies, Olympus Corporation require them to obtain our approval or report to us in accordance with the Job Authority Rules and other related regulations.

II Matters necessary for the execution of duties of the Audit Committee

1. Matters related to employees whose assignment is to assist in the duties of the Audit Committee and ensuring the independence of those employees from Executive Officers as well as the effectiveness of their work

Olympus Corporation shall allocate a dedicated employee who will assist with the Audit Committee's duties. Moreover, Olympus Corporation may have a concurrent employee as needed. In addition, we shall set forth internal corporate regulations to ensure independence from execution as stated below, and ensure effectiveness of directions from the Audit Committee to such employees.

- ① While employees who have been assigned to assist in the duties of the Audit Committee assist in those duties, Directors (excluding Audit Committee members), Executive Officers and employees, etc. shall not give them commands or instructions.
- ② The appointment, dismissal, transfer, wage or personnel evaluation of employees who are assisting the Audit Committee with their duties shall be decided only after obtaining the approval of the Audit Committee.

2. Framework regarding reports by executives and employees of the Olympus Group to the Audit Committee

- (1) When Directors (except those who are members of the Audit Committee), Executive Officers, Audit and Supervisory Board members, or employees of the Olympus Group discover any material fact in violation of laws, regulations, or the Articles of Incorporation, any fact that may cause significant damage to the Olympus Group, or any fact that is significantly inappropriate for the corporate affairs of the Olympus Group, they shall immediately report such fact to the Audit Committee, either directly or through the responsible function. In other cases where the Audit Committee requests a report from a Director, Executive Officer, or employee, etc. of the Olympus Group, in accordance with laws and regulations or Audit Committee Rules etc., the Director, Executive Officer, or employee in question shall promptly report to the Audit Committee.
- (2) The officer in charge of overseeing compliance activities throughout the Olympus Group shall regularly make reports to the Audit Committee on the status of compliance within the Olympus Group. In addition, the Chief Compliance Officer shall regularly make reports on details of issues reported and results of investigations in accordance with the Whistleblowing System.
- (3) The internal audit function shall regularly report the status of internal audit in the Olympus Group to the Audit Committee.

3. Framework to ensure that any personnel who have made a report to the Audit Committee of Olympus Corporation will not be subjected to any unfair treatment due to the report made

Olympus Corporation shall set forth internal corporate regulations and shall not impose any unfair treatment (including de-facto measures such as restricting the personnel to engage in duties, or assigning the personnel solely to work on chores, in addition to measures of personnel affairs such as dismissal, demotion, pay cut and other disciplinary actions and disadvantageous transfer) to any personnel who have made a report on the grounds of having made a report to the Audit Committee.

4. Matters regarding procedures for the treatment of expenses or liabilities incurred in connection with execution of duties by the Audit Committee members

When an advance payment or reimbursement of expenses is requested for execution of duties of Audit Committee members, Olympus Corporation shall promptly, in accordance with internal corporate regulations, process disbursement except for such case that the expense is obviously deemed unnecessary for execution of duties by Audit Committee members.

5. Other systems to ensure the effectiveness of audit by the Audit Committee

- (1) Directors, Executive Officers and employees of the Olympus Group shall ensure the effectiveness of the audit by cooperating with the Audit Committee for investigations by interviews and on-site inspections.
- (2) Olympus Corporation shall ensure that it provides the Audit Committee with opportunities to sufficiently exchange opinions with Directors, Executive Officers, Accounting Auditors and any other personnel necessary.
- (3) Olympus Corporation shall ensure that Audit Committee members have opportunities to attend important meetings.
- (4) The Audit Committee shall work closely with the internal audit function to receive reports on audit results, etc. from the internal audit function, and the Audit Committee may exercise its authority to give instructions and make commands to the internal audit function as necessary.
- (5) Olympus Corporation shall ensure that it provides the Audit Committee with, upon their request, opportunities of collaboration between the Audit Committee and Audit Committee of the subsidiaries and collecting information from employees of the subsidiaries.

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

Olympus Corporation has in the basic policies of its internal control system defined policies against anti-social forces and has established frameworks for systematic counteraction. Specifically, we have established an internal communication network, cooperates with lawyers and the police force, and takes preventive measures by joining specialized organizations, along with information gathering and training activities. Additionally, we work to constantly and completely shield itself by stipulating in agreements with business partners the exclusion of anti-social forces.

V Other

1. Adoption of a Response Policy for Takeovers (Takeover Defense Measures)

Adoption of a response policy for takeovers	None
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Supplementary explanation of relevant items

2. Other Matters Concerning the Corporate Governance System

In disclosing information, Olympus Corporation shall comply with the laws and the Financial Instruments Exchange rules and shall disclose information in compliance therewith. Olympus Corporation shall also proactively disclose the information which may have a material impact on its corporate value evaluation in accordance with the Article 27-36 of the Financial Instruments and Exchange Act (so-called “Fair Disclosure Rules”) and the Internal Information Disclosure Criteria regardless whether such disclosure is not required by the laws or the rules. To this end, we have established internal corporate regulations such as “Rules on Information Disclosure” and “Detailed Rules on Information Disclosure,” and set out specific duties and procedures for information disclosure.

Based on the “Information Disclosure Flow,” information for disclosure is aggregated from the IR liaison (a person in each function/operating division who is in charge of the information disclosure as appointed by the IR Division), and the Board of Directors, Group Executive Committee, other committees, the secretariats of such bodies, etc., and whether or not to disclose is determined by the head of Information Disclosure after deliberations with the head of the IR division and the head of the division disclosing the information.

[Basic Policy on Corporate Governance]

All our activities are based on “Making people’s lives healthier, safer and more fulfilling” as stated in our corporate philosophy. Following this philosophy, we aim to improve the Olympus group’s continuous development and mid- and long-term corporate value for all stakeholders, including shareholders.

Basic Idea Regarding Corporate Governance

Based on our fiduciary responsibility to shareholders and our responsibility to stakeholders including clients, employees and local communities, etc. as well as the above corporate philosophy, our company has implemented the principles of the Corporate Governance Code and developed this policy with the aim of realizing effective corporate governance.

1. Securing Shareholders’ Rights and Equality

(1) Securing Shareholders’ Rights

We respect shareholders’ rights and secure their substantial equality.

(2) Exercise of Rights at the General Meeting of Shareholders

We take appropriate steps to improve the environment pertaining to the exercise of rights at the general meeting of shareholders.

(3) Basic Capital Policy

In order to enhance corporate value, our basic capital policy is to provide continuous shareholder returns, with priority given to investment in growth areas, based on the premise of securing a stable financial base. In addition, we explain this policy in dialogue with shareholders/investors.

(4) Cross-Shareholdings

If it is judged that listed shares will contribute to the improvement of the Olympus group’s corporate value in the mid- to long-term, then, upon verifying the economic rationality and the future prospects for the mid- to long-term, we will hold listed shares. Every year, the Board of Directors will assess the suitability of ownership of such listed shares, considering comprehensively the purpose of and the risks and benefits associated with the holdings, and may gradually reduce such shares that we judge not to be suitable for continued ownership. In order to exercise shareholders’ rights as to these holdings, we will exercise our voting rights on all agenda items, and from the viewpoint of improving the mid- to long-term corporate value of an enterprise issuing such shares, will consider said enterprise’s financial condition and decide appropriately about whether to approve or disapprove each agenda item.

(5) Related Party Transactions

In the case of conducting related party transactions, the approval of the Board of Directors of Olympus Corporation or its applicable majority-owned subsidiary company involved in the transaction is required to be obtained, all in accordance with the “Job Authority Rules” and any other related rules. Its applicable majority-owned subsidiary company is required to report to Olympus Corporation after obtaining approval from the regional headquarters.

2. Cooperation with Stakeholders other than Shareholders

Under “Making people’s lives healthier, safer and more fulfilling.” as stated in our corporate philosophy, we endeavor to cooperate as appropriate with various stakeholders including employees, clients, business connections, creditors and local communities.

(1) Formulate and Implement the Code of Conduct

We will present our values regarding appropriate cooperation with stakeholders, respect for their interests, and ethics for sound business activities, and stipulate and implement a code of conduct to be complied with by such members. Specifically, we have formulated the “Corporate Philosophy,” “Our Behaviors” and the “Olympus Global Code of Conduct” as a code of conduct for all groups, and have widely disseminated them among all officers and employees who belong to the Olympus group.

(2) Basic Concepts on Sustainability Related Initiatives

Based on our corporate philosophy, the Olympus group identifies important ESG areas and important issues (materiality) on which we should focus and strives to resolve various social and environmental issues through its business.

(3) Ensuring Diversity within the Company

We promote diversity, equity and inclusion throughout the Olympus group and regardless of our people’s age, gender, race, sexual orientation, gender identity, socioeconomic status, ethnicity, (dis)ability, nationality and culture, language, religion, opinions, political stance, and career backgrounds, we provide diverse human resources with appropriate opportunities and opportunities to excel.

(4) Whistleblowing

We appoint a supervisor responsible for compliance-related matters. Furthermore, we have established a global contact desk which is available 24 hours a day in multiple languages for any employees and external stakeholders and which is in addition to local internal compliance-related reporting systems in each region. We report the use of the foregoing to the Audit Committee regularly and to the Board of Directors as necessary.

(5) Roles of Corporate Pension Funds as Asset Owners

We manage corporate pension funds through the Olympus Corporate Pension Fund. The Olympus Corporate Pension Fund arranges investment trusts and pension insurance policies and outsources their management to financial institutions in accordance with policies and portfolios approved by the Asset Management Committee, which consists of personnel, accounting and financial experts. The Olympus Corporate Pension Fund monitors its investment status, including stewardship activities, on a regular basis.

3. Complete Information Disclosure and Secured Transparency

(1) Complete Information Disclosure

Under the basic concept for all corporate activities, "Making people's lives healthier, safer and more fulfilling." as stated in our corporate philosophy, we will disclose corporate information, such as management policy, financial condition, status of business activities and sustainability in a fair, timely, appropriate and active manner for the purpose of obtaining all stakeholders' correct understanding and trust.

(2) External Accounting Auditor

Our Audit Committee establishes evaluation standards for accounting auditor and confirms the appropriateness of audit quality, independence, etc. in accordance with the standards above.

4. Responsibility of the Board of Directors, etc.

(1) Role of the Board of Directors

The Board of Directors determines basic management policy, matters related to the internal control system, and other important matters, and supervises directors and executive officers, in the execution of their duties.

(2) Qualification of Directors and Auditors

Having high ethical standards as well as the experience, knowledge and ability required to create mid- to long-term corporate value, our directors spend a sufficient amount of time for the Board of Directors in order to fulfill their own obligations and responsibilities.

(3) Diversity of the Board of Directors

We consider the diversity of the composition of the Board of Directors in terms of internationality, gender, career and age, as well as experience, knowledge and ability, etc.

(4) Scale of the Board of Directors

Based on the Olympus group's scale and business lines, we maintain an appropriate number of members, fifteen or fewer persons, as stipulated in the Articles of Incorporation, in order to effectively and efficiently exercise the functions of the Board of Directors.

(5) Independent Outside Director

From the viewpoint of increasing the supervisory functions of the Board of Directors, more than half of the directors are independent outside directors. The independence standards are set forth by the Nominating Committee.

(6) Chairperson of the Board of Directors

For the purpose of securing the supervisory function of the Board of Directors, an independent outside director serves as the chairperson of the Board of Directors.

(7) Committees for Nomination, Compensation and Audit

The Board of Directors shall set up a Nominating Committee, Compensation Committee and Audit Committee.

Nominating Committee

- The Nominating Committee shall deliberate matters related to human resources at the director and executive officer level, and shall determine the content of proposals submitted to the General Meeting of Shareholders in relation to the appointment and dismissal of directors.
- The nominating committee consists of three or more committee members selected from among the directors by the Board of Directors, and independent outside directors constitute the absolute majority thereof. An independent outside director serves as the chairperson.

Compensation Committee

- The Compensation Committee shall deliberate directors' and executive officers' compensation-related matters, etc., and prescribe policy in relation to determining the details of compensation, etc., and in accordance with the policy, determine the contents of compensation, etc. for individuals.
- The compensation committee consists of three or more committee members selected from among the directors by the Board of Directors, and independent outside directors constitute the absolute majority thereof. An independent outside director serves as the chairperson.

Audit Committee

•The Audit Committee shall carry out the following duties.

- 1) Auditing the execution of duties by executive officers and directors, and creating audit reports
- 2) Determining the content of proposals relating to the appointment, dismissal and non-reappointment of accounting auditor
- 3) Other duties prescribed by law or by the Articles of Incorporation, and other matters recognized as necessary by the Audit Committee

•The Audit Committee shall consist of at least three individuals selected from among the directors by the Board of Directors, of whom more than half shall be independent outside directors. The chairperson of the committee shall be an independent outside director. Moreover, at least one member shall be an individual who possesses extensive knowledge related to financial and accounting.

(8) Appointment Process of the Directors

The Nominating Committee shall deliberate director candidates while making reference to the selection criteria, hold interviews, and determine the content of proposals submitted to the General Meeting of Shareholders in relation to the appointment and dismissal of directors.

(9) Fostering and Deciding the CEO's Successor

The Nominating Committee periodically discusses a succession plan for the CEO.

As for determining the successor, the Nominating Committee discusses whether the candidates have qualifications that are suitable for the CEO, and provides opinions and advice to the Board of Directors. Thereafter, the successor is decided by the Board of Directors.

(10) Compensation System

Regarding officers' compensation (directors and executive officers), the basic policy is to provide compensation that is suited to their duties, and to increase the awareness among the officers in order to: "Meet expectations of various stakeholders by aiming to maximize corporate values." Based on said policy, the Compensation Committee focuses on appropriately setting the compensation ratio linked to short and mid- and long-term performance, and decides officers' compensation.

(11) Management of the Board of Directors Meeting

For the purpose of deciding on important matters and supervising business operations, agenda items for, time of, and the frequency of holding the Board of Directors meeting are set in order to facilitate necessary and sufficient discussion. In order to facilitate constructive discussions and the exchange of opinions at the Board of Directors meeting, materials are sent regarding matters to be discussed and matters to be reported at the Board of Directors meeting in consideration of the time required for the attendees to prepare for the Board of Directors meeting. Moreover, the Board of Directors meeting schedule and expected agenda items are prepared in advance.

(12) Assembly for Outside Directors Only

We hold an "Executive Session," which is held after the conclusion of every Board of Directors meeting and an "Opinion Exchange Meeting for Outside Directors," which is held four times a year (once per quarter). These are meetings in which only outside directors can participate. At each meeting, the outside directors aim to share their recognition while extracting management issues and providing feedback on the details to the executive officers.

(13) Evaluation of the Board of Directors Meeting

Every year, the effectiveness of the Board of Directors is analyzed and evaluated including a third party's perspectives, and we aim to improve the effectiveness of the Board of Directors by extracting the issues and aiming for improvements, as necessary. Most importantly, we aim to improve our sustainable growth and medium- to long-term corporate value. An overview of the evaluation result is released.

(14) Information Acquisition and Support System

- 1) We endeavor to actively provide the directors with information helpful for effectively fulfilling their roles and duties.
- 2) The outside directors of Olympus Corporation may, whenever deemed necessary or appropriate, request an explanation or report from internal directors, executive officers or employees, or request the submission of internal materials.
- 3) We are working to stimulate discussions at the Board of Directors, providing outside directors with explanation of agendas in advance and setting opportunities for debate about corporate strategy, as necessary.
- 4) We establish at the Board of Directors and each Committee a secretariat with appropriate personnel to enable the Board of Directors and each director, the Nominating, Compensation, and Audit Committees and their respective members to properly execute their duties.

(15) Training for Directors

The directors endeavor to improve themselves including by acquiring and updating, etc. their knowledge in order to fulfill their roles and duties. We provide newly-appointed outside directors with various programs for acquiring knowledge concerning Olympus Corporation, including tours to our business office and factory, as well as study groups on our business, etc.

5. Dialogue with Shareholders

(1) Policy for Constructive Dialogue with Shareholders

For the purpose of our continuous development and improvement of mid- to long-term corporate value, the Board of Directors has stipulated and announced the Policy for Improving the System and Initiatives for Promoting Constructive Dialogue with Shareholders/Investors.

Policy for Improving the System and Initiatives for Promoting Constructive Dialogue with Shareholders/Investors

1) Basic policy

For the purpose of our continuous development and improvement of mid- to long-term corporate value, we, centering on the CEO and the CFO, actively conduct constructive dialogue with shareholders/investors (hereinafter, “shareholders, etc.”). The IR function assists such initiatives through internal information exchange and improving the system for providing shareholders’ opinions as feedback, etc. to the upper management team.

In our dialogue with shareholders, etc., we shall comply with the laws and the Financial Instruments Exchange rules, and shall disclose information in compliance therewith. Olympus Corporation shall also proactively disclose those information which may have a material impact on its corporate value evaluation in accordance with Fair Disclosure Rules and the Internal Information Disclosure Criteria regardless whether such disclosure is not required by the laws or the rules.

2) Policy for Dialogue by the CEO and CFO

The President and the financial officer play a central role in conducting overall dialogue with shareholders, etc. toward the realization of constructive dialogue. Specifically, in addition to investor meetings such as corporate strategy presentation, Investor Day, and financial results announcement, we proactively provide opportunities for direct dialogue with shareholders, etc. through individual and group meetings, domestic and international road shows on a regular basis, and participation in conferences hosted by securities firms.

3) Policy for IR Activities by the IR Function

By putting the IR function in charge of IR activities, we actively implement IR activities toward solid dialogue with shareholders, etc. Specifically, in addition to conducting individual interviews at any time as requested by shareholders, etc. we will regularly implement IR events, such as briefing sessions for individual investors and facility tours. Moreover, we will actively provide information to shareholders, etc. through the website, integrated reports, business reports for shareholders and the Convocation of the General Meeting of Shareholders, etc.

4) Policy for internal information exchange

The IR function, as needed, exchanges information with relevant departments and business units on a daily basis, and establishes a project team if necessary, in order to build a coordinated collaboration system. Moreover, the IR function reports shareholders’ opinions and concerns obtained from dialogue with shareholders centering on institutional investors at the Group Executive Committee as well as the Board of Directors meeting, if necessary. Thereafter, the contents of such opinions and concerns will be discussed.

5) Policy for Insider Information Management in Dialogue with Shareholders, etc.

In accordance with the Internal Regulations, insider information is strictly managed. When dialogue with shareholders, etc. the IR function issues a reminder to the person in charge of the dialogue, thereby preventing the divulgence of insider information.

(2) Establishment and Disclosure of Corporate Strategy

We shall formulate, announce, and implement corporate strategy to aim for sustainable growth and medium- to long-term enhancement of corporate value, including the establishment of management indices and appropriate allocation of management resources with an awareness of cost of capital, return on capital, and stock price, and shall actively engage in constructive dialogue with shareholders/investors.

6. Revision and Abolition of this Policy

Revision and abolition of this Policy shall be subject to a resolution of the Board of Directors.

Attachment 2

Skill Matrix of Directors

Name	Present position and responsibility in Olympus Corporation		Main experience and expertise of the director*							
			Corporate Management	Overseas Business	Healthcare Industry	Quality Assurance	Legal/Risk Management	Finance/Accounting	HR Development	ESG
Sumitaka Fujita	Outside Director Chairperson of Board of Directors	Nominating Committee ★	●	●				●		●
David Robert Hale	Outside Director	Compensation Committee	●	●	●			●		
Jimmy C. Beasley	Outside Director	Compensation Committee ★	●	●	●	●				
Sachiko Ichikawa	Outside Director	Audit Committee		●			●	●		●
Kohei Kan	Outside Director	Audit Committee ★		●			●	●		●
Gary John Pruden	Outside Director	Nominating Committee	●	●	●	●				
Luann Marie Pandy	Outside Director	Compensation Committee		●	●	●				
Masato Iwasaki	Outside Director	Nominating Committee	●	●	●					●
Yasuo Takeuchi	Director, Representative Executive Officer, Executive Chairperson and ESG Officer	Compensation Committee	●	●	●			●		●
Stefan Kaufmann	Director, Representative Executive Officer, President and Chief Executive Officer (CEO)	Nominating Committee	●	●	●				●	●
Toshihiko Okubo	Director	Audit Committee		●	●					

★ : Committee Chairperson

* The above table does not indicate all the expertise/experiences the directors have.

Policy to determine individual compensation, etc., for directors and executive officers for the fiscal year ended March 2025

Matters relating to the policy to determine the amount of compensation, etc., for officers or the calculation method thereof

As a company with a Nominating Committee, etc., Olympus Corporation has established the Compensation Committee, which consists of three or more members and a majority of which is independent outside directors. The Compensation Committee is chaired by an independent outside director to ensure transparency and to determine fair and appropriate compensation.

Our basic policy regarding the officer compensation structure is to make officers have a strong sense of awareness that maximizes the corporate value and meets expectations of various stakeholders, and to reward their responsibilities with suitable and appropriate treatments. The Compensation Committee, in accordance with the purpose of the basic policy mentioned above, decides the policy on the determination of compensation for individual directors and executive officers. In accordance with this policy, the Compensation Committee determines the amount of compensation, etc., for individual directors and executive officers and reports them to the Board of Directors.

- a. Compensation structure for directors (excluding those who are also executive officers)
 - i. Compensation level for directors
 - (i) In order to set the directors' compensation at competitive level that enables securement/retention of brilliant talents and encourages positive participation in various activities as director of Olympus Corporation, and in light of roles/responsibilities, the compensation level shall be targeted at 75% level compared with the peer group in each region of residence.
 - (ii) The companies to compose a peer group are selected from those having medical equipment in the business portfolio and health care companies in respective region of residence.
 - (iii) Compensation levels for each peer group are confirmed using objective compensation survey data from external specialized organizations.
 - (iv) If a director requests to decline compensation, the Compensation Committee will confirm and decide on the response.
 - ii. Compensation composition of directors
 - (i) With importance placed on the concept that directors shall share interests between investors, in addition to base salary (BS), non-performance-based stock compensation (non-monetary compensation) is granted.
 - (ii) The stock compensation is to be subsequent grant-type restricted stock compensation (RSU: Restricted Stock Unit), and the right will be defined at retirement for those directors who are resident in Japan. The right will be defined on an individual basis in accordance with a general method of stock compensation in each region of residence for those directors who are non-resident in Japan.
 - (iii) The stock-based compensation for the fiscal year ending March 2025 will be set at 8 million yen for both residents and non-residents in Japan.
 - (iv) The number of units to be granted will be calculated based on the share price at the time of assumption of office at the General Meeting of Shareholders, and the corresponding number of shares will be provided after vesting.
 - (v) The following shareholding guidelines are established.
 1. Residents in Japan: All subsequent grant-type restricted stock compensation (RSU) is vested at the time of retirement so that shareholding guidelines are not established.
 2. Non-residents in Japan: one time or more of the base salary (BS). This level is the one to be achieved in about five years after assuming office. However, this five-year period does not take into account the impact of stock disposal by use of "sell plan before knowledge" for tax payment purposes.
 - (vi) The Chairperson of the Board of Directors receives a chairperson allowance in addition to the base salary (BS).
 - (vii) The Chairpersons of the Nominating Committee, the Compensation Committee, the Audit Committee, and the Quality Assurance and Regulatory Affairs (QA&RA) Committee receive chairperson allowance in addition to the base salary (BS).
 - (viii) With an exception of full-time members, the Audit Committee members receive an Audit Committee allowance in addition to the base salary (BS). The Audit Committee allowance is set as an equivalent amount to the difference between the Audit Committee allowance and the Nominating and Compensation Committee allowance in the peer group.
 - (ix) The QA&RA Committee members receive a QA&RA Committee allowance in addition to the base salary (BS).
 - (x) For directors who are also executive officers, monetary compensation for the monitoring functions as directors shall be paid separately from executive officer compensation as director compensation for those who are natives of Japan. For those who are not natives of Japan, monetary compensation paid for monitoring functions performed as directors is included in compensation of executive officers.
- b. Compensation structure for executive officers (including those who are also directors)
 - i. Philosophy on compensation
 - (i) In order to achieve our corporate strategy and to create corporate value, it is essential that we have a compensation structure that ensures that we retain capable management personnel and that they can fully harness their talent. To this end, we have decided on a compensation structure based on the following concepts.
 1. Establish a more powerful incentive program which can compete with global med-tech companies
 2. Establish an incentive program which is consistent with the corporate strategy
 3. Establish a program with focuses on value creation and performance evaluation utilizing long-term incentive compensation (LTI), which is non-monetary compensation.
 4. Set a compensation level considering the stage of development to become a global med-tech company (a hybrid mix of "Global labor market" and "Home").
 5. Ensure a sound management of incentives by putting clawback clauses and shareholding guidelines in place.
 6. Enhance the motivation of executive officers by setting challenging and achievable targets.

ii. Compensation level for executive officers

(i) Thoughts on compensation amount

1. We assign weights to performance-linked monetary compensation and stock compensation and looks to raise the weights based on its philosophy of compensation, which is to set a compensation level considering the stage of development to become a global med-tech company (a hybrid mix of “Global labor market” and “Home”), with consideration given to the compensation amount of officers of other global med-tech companies.
2. By considering the situation of labor market of executive officers’ home countries and competitiveness in the market, and the roles and responsibilities, we set target level in the market, and determine compensation after holistic comparisons of base salary, TCC (Total Cash Compensation) and TDC (Total Direct Compensation). The compensation level of labor market of each country is confirmed through use of objective compensation survey data from external specialized organizations.
3. The appropriateness of the compensation amount for executive officers is monitored by the pay ratio (the ratio of CEO’s compensation to the median salary of employees resident in Japan). We are also working to ensure the consistency in terms of executive officer compensation and employee compensation structures, including providing of stock compensation to some employees (including non-residents in Japan).

iii. Compensation composition of executive officers

(i) Compensation for executive officers is a combination of base salary (BS), which is a fixed compensation, short-term incentive compensation (STI), which is performance-linked monetary compensation, and long-term incentive compensation (LTI), which is non-monetary compensation.

(ii) For executive officers who are not from Japan, fringe benefits, severance payments, etc., are set individually at the general level of fringe benefits and severance payments in their place of origin.

(iii) Focusing on achieving our corporate strategy to enhance medium- to long-term corporate value and shareholder value and considering the compensation amounts of global med-tech companies, the ratio of performance-linked compensation (performance-linked monetary compensation and performance-based stock compensation (PSU: Performance Share Unit)), particularly long-term incentive compensation (LTI), was raised and we set the composition as follows:

<Representative Executive Officers>

BS:STI:LTI = 1 (19%): 1.25 (24%): 3 (57%)

<Executive Officers>

BS:STI:LTI = 1 (24%): 1.15 (28%): 2 (48%)

(iv) Long-term incentive compensation (LTI) consists of subsequent grant-type restricted stock compensation (RSU) and performance-based stock compensation (PSU).

iv. Compensation risk management

(i) Shareholding guidelines

1. Shareholding guidelines are established to share interests between shareholders and management (executive officers).
2. Shareholding guidelines shall be as follows:

- Executive officers shall hold a number of Olympus Corporation’s shares that is five times the amount of base salary or more.

3. The guidelines for shareholding are set at a level that will be achieved approximately five years after the assumption of office although the length may fluctuate subject to the status of achievement of the targets.

(ii) Clawback clause

A clawback clause has been set up to deter the management (executive officers) from reckless investments and improper accounting. The clawback is subject to short-term incentive compensation (STI) and long-term incentive compensation (LTI) for executive officer. The clawback will become effective if the following events occur.

- a. An event that requires the refund of the difference between the amount of compensation that has been paid and the amount of compensation that should have been paid caused by a revelation that the information prerequisites for compensation is incorrect or different.
- b. An event that requires the return of the amount of compensation already paid as a kind of sanction in the event of a violation of obligations, etc.

The final decision on the application of the clawback to the individual events is made by the Compensation Committee and reported to the Board of Directors

v. Short-term incentive compensation, which is performance-linked monetary compensation, etc. (FY2025-STI)

(i) Target composition

Short-term incentive compensation (FY2025-STI) for the fiscal year ending March 2025 (FY2025) consists of financial indicators, quality target for all executive officers, and executive officer individual target. Financial indicators are set to be revenue and operating profit margin aiming at assessing growth and efficiency. In addition, since it is important to steadily implement long-term and strategic efforts within each fiscal year, continuing from the previous fiscal year, quality target is set as an indicator in the current fiscal year. The executive officer individual target is also added to follow our new refreshed Core Values, especially “Impact” and facilitate the cultural change toward more impact and personal accountability of executive officers. The ratio for each indicator, as shown in the figure below, is set at 25% for revenue, 25% for operating profit margin, 30% for quality target, and 20% for executive officer individual target.

Revenue 25%	Operating profit margin 25%	Quality target 30%	EO individual target 20%
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Note: For CEO and Executive Chairperson, the executive officer individual target is not applied, and the composition of the indicators is 35% for revenue, 25% for operating profit margin, and 40% for quality target.

(ii) Upper and lower limit on the evaluation table and adjustment items

1. Upper and lower limits are set for each evaluation indicator.
2. Adjustment items
 - Revenue: The exchange rate used for FY2025 earnings forecasts is applied to make a foreign currency adjustment.
 - Operating profit: Other income/other expenses are deducted.

(iii) Evaluation table of revenue

1. Payment rate 200%: FY2025 revenue forecast + {(FY2025 revenue forecast – FY2024 actual revenue) * 70%} = 10,210 + {(10,210 – 9,705) * 70%} = 10,564 Oku-yen
2. Payment rate 100% to 200%: $100 + (X - 10,210) * 100/354$
3. Payment ratio 100%: FY2025 revenue forecast = 10,210 Oku-yen
4. Payment rate 50%: FY2024 actual revenue (after FX adjustment) = 9,705 Oku-yen
5. Payment rate 0% to 100% = $50 + (X - 9,705) * 50/505$
6. Payment rate 0%: $9,705 - (10,210 - 9,705) = 9,200$ Oku-yen

- Notes: 1. X represents FY2025 actual revenue (after FX adjustment)
2. Upper limit is set as 200% and lower limit 0%
 3. Adjustment: Exchange rate (USD = ¥151, EUR = ¥163, CNY = ¥21)

(iv) Evaluation table of operating profit margin

1. Payment rate 200%: FY2025 operating profit margin forecast +5.5% or more = 24.9% or more
 2. Payment rate 100% to 200%: FY2025 operating profit margin 19.9% or more, less than 24.9% = $100 + 20 * (Y - 19.9)$
 3. Payment rate 100%: FY2025 operating profit margin forecast +/-0.5% = 18.9% or more, less than 19.9%
 4. Payment rate 50% to 100%: FY2025 operating profit margin 16.4% or more, less than 18.9% = $100 - 20 * (18.9 - Y)$
 5. Payment rate 50%: FY2025 operating profit margin forecast -3% = 16.4%
 6. Payment rate 0%: less than 16.4%
- Notes: 1. Y represents FY2025 actual operating profit margin (after adjustment)
2. Upper limit is set as 200% and lower limit 0%.
 3. Adjustment: Other income/other expenses are deducted.

(v) Quality Target

1. The goals for the STI and PSU reward evaluation are the medium- to long-term and short-term goals of major initiatives to improve the root causes (vulnerabilities) that may exist with our QARA organizational structure, manufacturing processes, quality management systems and the quality culture of our medical business.
2. The Compensation Committee and the QA&RA Committee, which is made up of outside directors, cooperate to determine proper compensation evaluation targets and achievement rates based on completion of extensive remediation and Quality Systems improvement work streams.

(vi) Executive officer individual target

1. Individual targets of very concrete results or outcomes he/she has to deliver in FY2025 are set.
2. The target consists of four goals related to (1) Company-wide quality reform program, (2) Long-term sustainability, (3) Short-term basic improvement, and (4) Budget. Each will count for 5% of FY2025-STI.

vi. Long-term incentive compensation, which is non-monetary compensation (FY2025-LTI)

The following section describes long-term incentive compensation (FY2025-LTI) covering the three-year period from the fiscal year ending March 2025 to the fiscal year ending March 2027.

The ratio of subsequent grant-type restricted stock compensation (RSU: Restricted Stock Unit) and performance-based stock compensation (PSU: Performance Share Unit) is in accordance with the basic concept of putting emphasis on performance-linked compensation. In light of the current uncertain and drastically changing business environment, the Compensation Committee has determined 40% for RSU and 60% for PSU for FY2025-LTI in order to secure a desirable share of stock in the total compensation.

(i) Subsequent grant-type restricted stock compensation (FY2025-RSU)

1. Grant date and number of units granted
 1. The grant date shall be April 1, 2024.
 2. The stock price used in the calculation shall be the closing price of Olympus Corporation's common shares on the business day preceding the grant date.
 3. For foreign exchange, apply average TTM (Telegraphic Transfer Middle Rate) for the fiscal year before the grant date.
 4. The total base salary of executive officers, which is the basis for granting, is 692,984,048 yen, and the total number of RSU granted is 291,483 units.
2. Vesting
 1. Every one year after the grant date, one-third each of the rights will be vested upon approval by the Compensation Committee and corresponding number of shares are provided.
 2. If end of contract of an executive officer occurs during the rights calculation period, unvested units at the time of end of contract will be handled as follows.
 - (1) Except for the cases falling under below (2)(3), the company will rightfully acquire all units that an executive officer holds, without consideration.
 - (2) If end of contract of an executive officer occurs due to a legitimate cause approved by the Compensation Committee,

the number of units will be prorated by the number of months during which an executive officer held office, including the last month of office, and corresponding number of shares will be provided upon resolution of the Compensation Committee.

- (3) Notwithstanding above (2), if end of contract of an executive officer occurs as a result of “Retirement” defined under the compensation regulation, the number of shares corresponding to the number of all units held by an executive officer at the time of end of contract shall be provided upon resolution of the Compensation Committee, to the extent that any requirements otherwise determined by the Compensation Committee are satisfied.
3. If end of contract of an executive officer occurs during the rights calculation period, the unvested units at the time of end of contract shall be vested upon resolution of the Compensation Committee held after disclosure of annual financial result, in principle, after one year has passed from the end of contract.
4. If an agreement with an executive officer stipulates individual arrangement, the rights will be vested, and shares will be provided according to such individual agreement.

(ii) Performance-based stock compensation (FY2025-PSU)

1. Performance-based stock compensation (PSU) is determined based on the philosophy of compensation, which is to make the incentive program consistent with the corporate strategy, and in consideration of the business environment.
2. Grant date and number of units granted
 1. The grant date shall be April 1, 2024.
 2. The stock price used in the calculation shall be the closing price of Olympus Corporation’s common shares on the business day preceding the grant date.
 3. For foreign exchange, apply average TTM (Telegraphic Transfer Middle Rate) for the fiscal year before the grant date.
 4. The total base salary of executive officers, which is the basis for granting, is 692,984,048 yen, and the total number of PSU granted is 437,225 units.
3. Vesting
 1. After three years from the grant date, performance rate is evaluated against the pre-defined performance evaluation metrics, then for the number of units calculated according to the performance rate, the rights will be vested upon approval by the Compensation Committee, and corresponding number of shares will be provided.
 2. If end of contract of an executive officer occurs during the performance evaluation period, unvested units at the time of end of contract will be handled as follows.
 - (1) Except for the cases falling under below (2)(3), the company will rightfully acquire all units that an executive officer holds, without consideration.
 - (2) If end of contract of an executive officer occurs due to a legitimate cause approved by the Compensation Committee, the number of units calculated under performance evaluation metrics after expiration of the performance evaluation period shall be prorated by the number of months in office of said person, including the last month of office, and the corresponding number of shares shall be provided upon resolution of the Compensation Committee.
 - (3) Notwithstanding above (2), if end of contract of an executive officer occurs as a result of “Retirement” defined under the compensation regulation, based on the number of all units that an executive officer has at the time of end of contract, the number of shares calculated under performance evaluation metrics after the expiration of the performance evaluation period shall be provided upon resolution of the Compensation Committee, to the extent that any requirements otherwise determined by the Compensation Committee are satisfied.
 3. If an agreement with an executive officer stipulates individual arrangement, the rights will be vested, and shares will be provided according to such individual agreement.
4. PSU performance evaluation metrics consist of relative TSR, quality target and ESG metrics, and their ratios are as follows:

Relative TSR 60%	Quality target 20%	ESG 20%
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5. The target values and evaluation table for each metric are set as follows:

1. Relative TSR: 60%
 - (i) The Compensation Committee determined that the relative TSR is appropriate as an indicator for evaluating the corporate value and shareholder value.
 - (ii) The peer group consists of the following 20 companies in Japan, Europe, and the U.S. that are “manufacturers whose business portfolio includes medical devices” or “manufacturers classified in the health care category of the GICS code.”
Abbott Laboratories, GE Healthcare Technologies, Medtronic plc, Koninklijke Philips N.V., Danaher Corporation, Takeda Pharmaceutical, Becton, Dickinson and Company, Siemens Healthineers AG, Stryker Corporation, Baxter International Inc., Boston Scientific Corporation, Zimmer Biomet Holdings, Inc., Terumo Corporation, Agilent Technologies, Inc., HOYA Corporation, Smith & Nephew plc, Edwards Lifesciences Corporation, Intuitive Surgical, Inc., STERIS plc, Sysmex Corporation
 - (iii) If the company’s TSR rank is above the 75% level, provide a payment rate of 200%; at the 50% level, provide a payment rate of 100%, at the 25% level, provide a payment rate of 50%; and at the level below the 25% level, the payment rate is 0%. The percentage of the payment (Y), between the rank 50% and 75% level (X) is, $Y = 4*(X-50) + 100$. The percentage of the payment (Y), between the rank 25% and 50% level is, $Y = 2*(X-25) + 50$.
2. Quality target: 20%
 - (i) Since it is important to steadily implement long-term and strategic efforts for quality, quality target is set as an indicator also for FY2025-PSU.
 - (ii) The goals for the STI and PSU reward are the medium- to long-term and short-term goals of major initiatives to improve the root causes (vulnerabilities) that may exist with our QARA organizational structure, manufacturing processes, quality management systems and the quality culture of our medical business.

(iii) The Compensation Committee and the QA&RA Committee, which is made up of outside directors, cooperate to determine proper compensation evaluation targets and achievement rates based on quantitative and qualitative goals.

3. ESG: 20%

(i) Indicators for ESG, which is a basis of business management, and is announced to be reinforced in the company strategy, is used as an index.

(ii) As was in the previous fiscal year, DJSI (Dow Jones Sustainability Index) is set as an evaluation index for the following reasons.

- It provides comprehensive coverage of overall corporate activities.
- The breadth of coverage in the evaluation area contrasts with the expectations of a broad range of stakeholders.
- It is a highly reliable external evaluation organization and ensures transparency and fairness.

(iii) In addition, in light of ESG focus areas and materiality of Olympus Corporation, we set evaluation index for the following three focus areas of ESG as internal index.

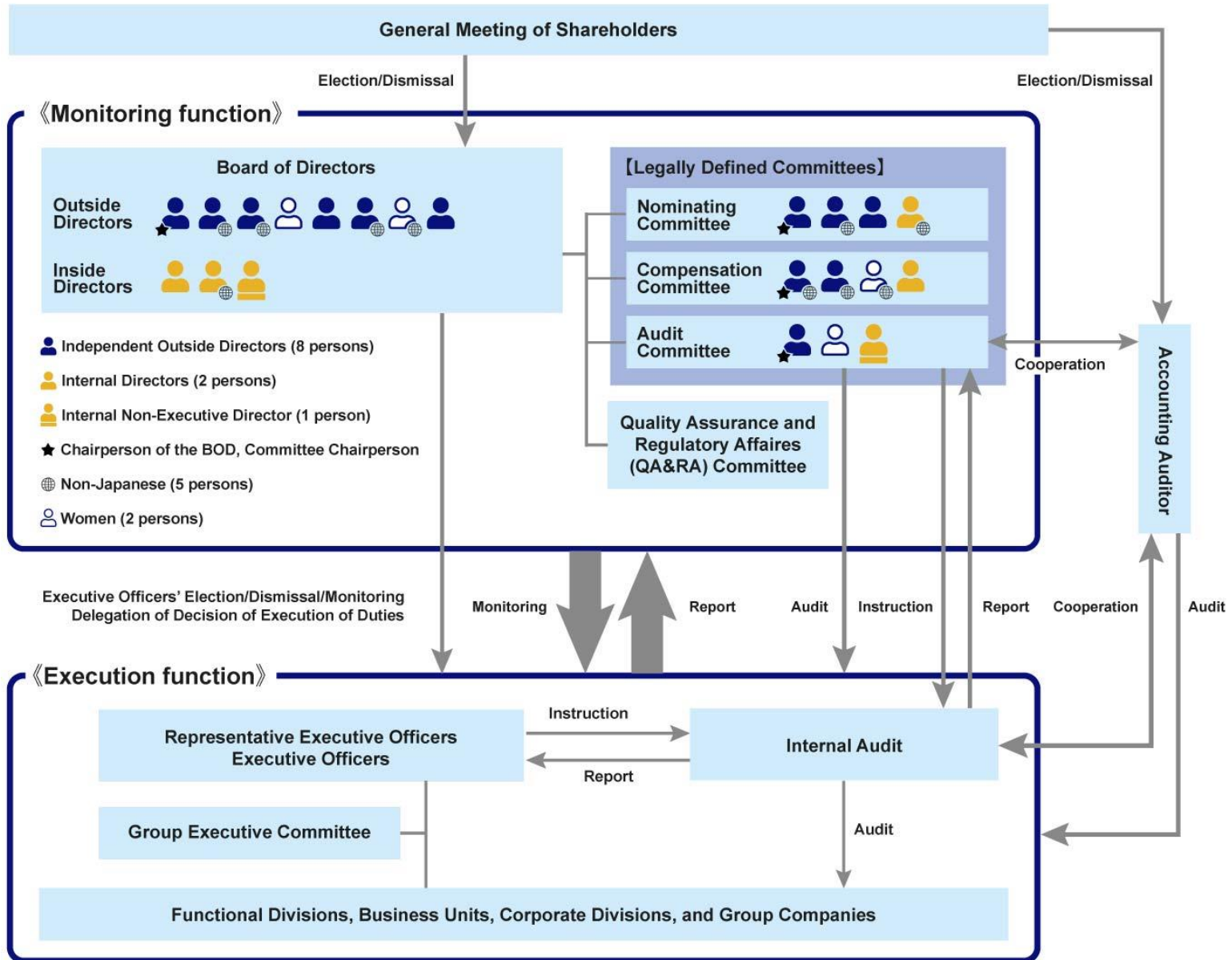
- Healthcare Access & Outcome
- Healthy Organization
- Carbon Neutral Society & Circular Economy

(iv) Target setting and evaluation

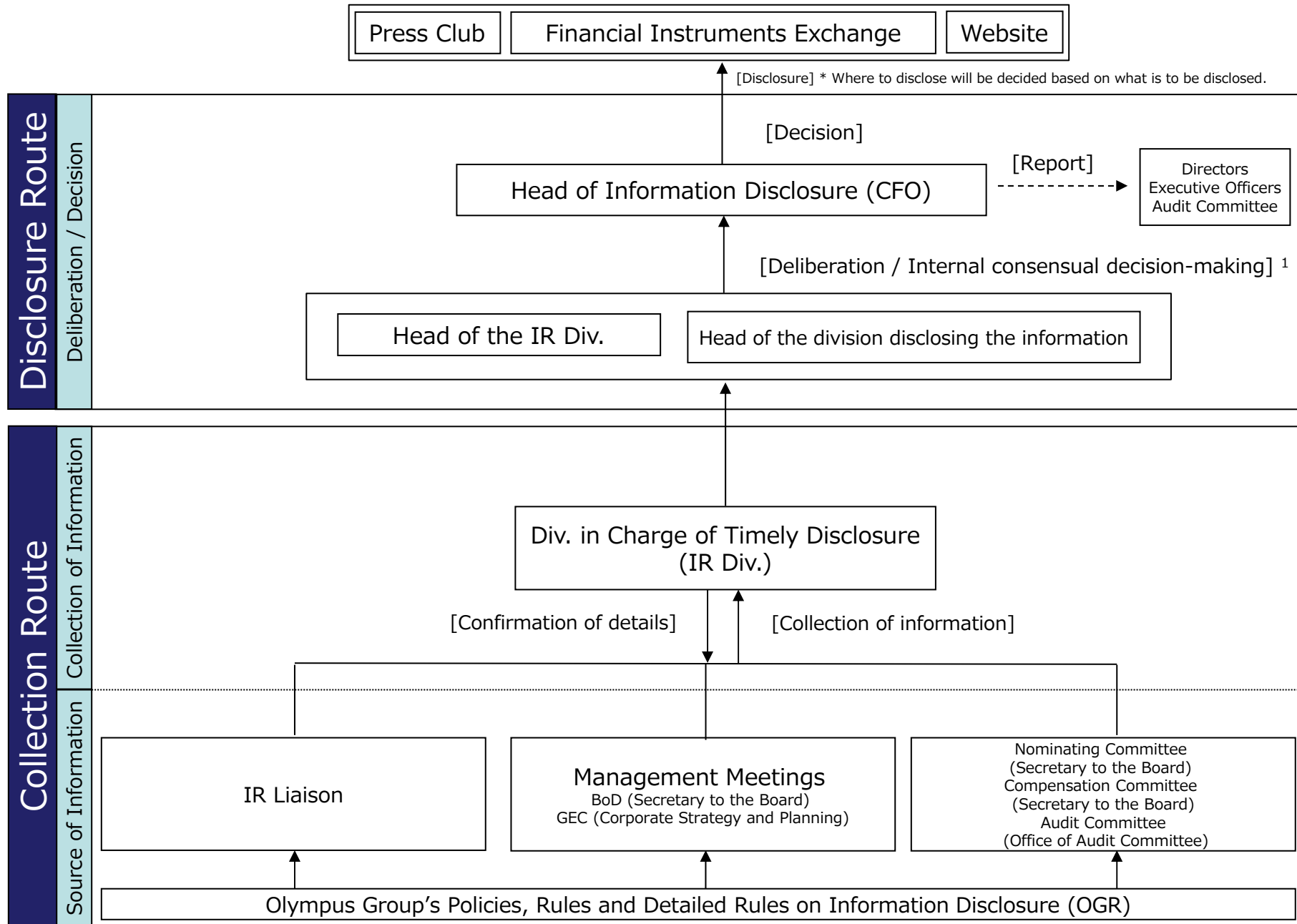
The following targets and evaluation table are set according to achievement rate.

Focus Area	Index	Target in fiscal year ending March 2027	Mid-term goals (for reference)
Healthcare Access & Outcome	CRC (Colorectal Cancer) related training in target emerging countries and regions	36 ~ 37 (Number of programs)	+20% growth rate
Healthy Organization	Management positions held by women globally	28.5% ~ 29.6%	30% in fiscal year ending March 2028
Carbon Neutral Society & Circular Economy	Reduction of CO2 emission in our site operations across Scope 1 and 2	-68% ~ -70% (Reduction compared with fiscal year ended March 2020)	Carbon neutral by 2030
DJSI	Included in DJSI Index	World	World maintained

Corporate Governance Structure



Information Disclosure Flow



1. When the case meets any of the Consensual Decision-Making Criteria in the Internal Information Disclosure Criteria, or when the case is not set forth in the Internal Information Disclosure Criteria and the head of the IR div. finds it necessary.